

State of North Dakota

Executive Budget 2015-2017 Biennium

Governor Jack Dalrymple

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Office of Management and Budget

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Fiscal Management



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ALPHABETICAL LIST OF STATE AGENCIES

<u>Agency</u>	<u>No.</u>	<u>Agency</u>	<u>No.</u>	<u>Agency</u>	<u>No.</u>
Adjutant General	540	Industrial Commission	405	Secretary of State, Office of the	108
Administrative Hearings, Office of	140	Information Technology Department	112	Securities Department, North Dakota	414
Aeronautics Commission	412	Insurance Commissioner, Office of the	401		
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Bank of North Dakota	471	Lands, Department of Trust	226	University of North Dakota	230
Bismarck State College	227	Legislative Assembly	150	University System, North Dakota	215
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Corrections and Rehabilitation, Dept of	530	Mayville State University	240	Veterans Home	313
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		NDSU Main Research Center	640	Workforce Safety and Insurance	485
Fair, North Dakota State	665	ND State College of Science	238		
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Forest Service, ND	244	Northern Crops Institute	638		
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2015–2017 Budget Address to the North Dakota Legislative Assembly

December 3, 2014

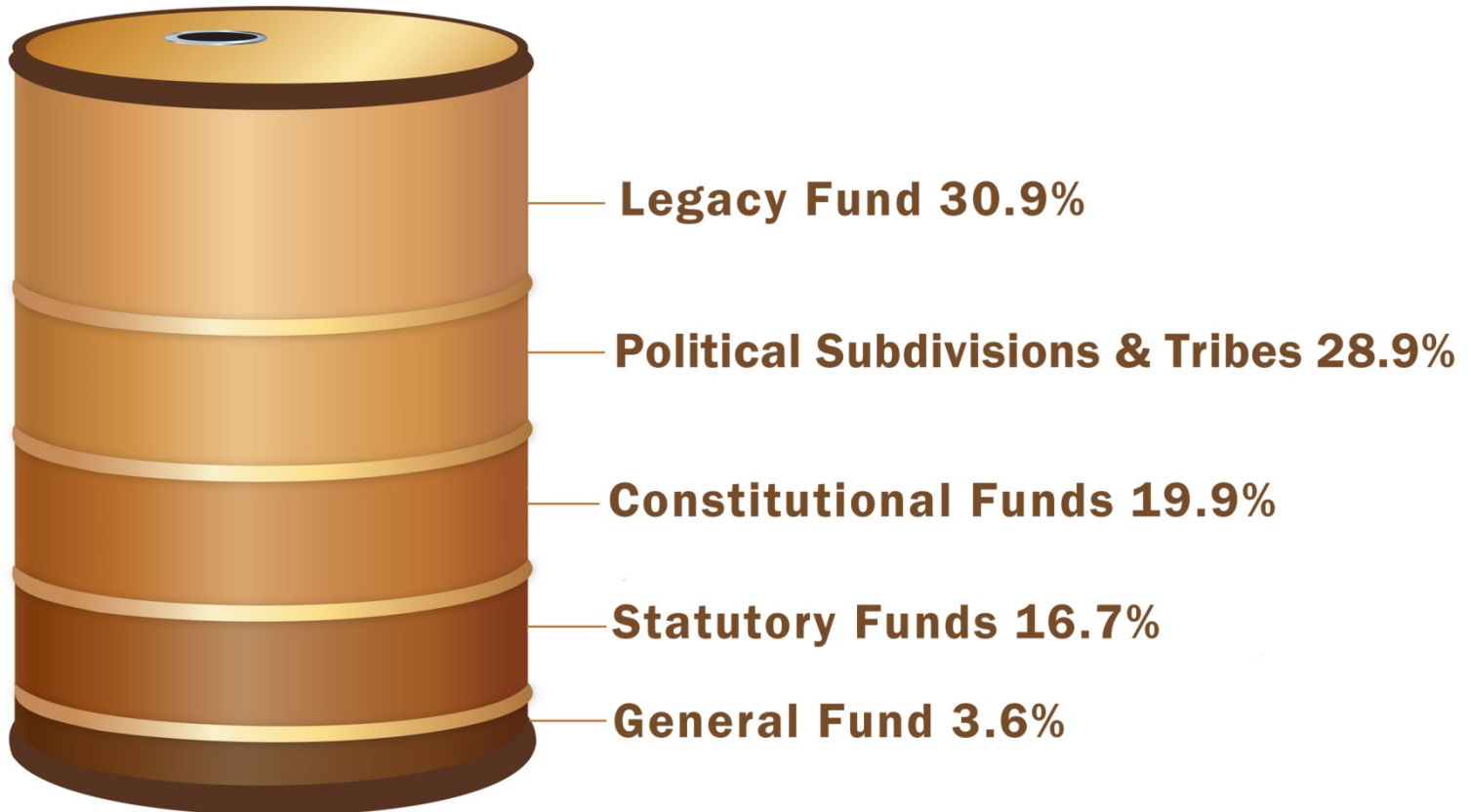
Governor Jack Dalrymple

Ongoing Revenues Exceed Ongoing Expenditures (in millions)

2015–17 General Fund Ongoing Revenues	\$5,369
2015–17 Recommended Ongoing Expenditures	<u>5,008</u>
2015–17 Ongoing Revenues Exceeding Ongoing Expenditures	\$ 361

OIL & GAS TAX ALLOCATION

2015-2017



Reserves

(in millions)

	<u>June 30, 2015</u>	<u>June 30, 2017</u>
General Fund	\$ 577	\$ 97
Strategic Investment and Improvement Fund	1,110	1,242
Property Tax Relief Fund	657	342
Budget Stabilization Fund	686	686
Foundation Aid Stabilization Fund	667	1,103
	<hr/>	<hr/>
TOTAL	\$ 3.697 B	\$ 3.470 B

New Tax Relief

(in millions)

Property Tax Buydown	\$ 250
Individual Income Tax Relief	100
Corporate Income Tax Relief	25
County Mill Levy Decreases	23
Homestead Tax Credit	<u>10</u>
Total	\$ 408

Total Tax Relief since 2009 amounts to \$4.3 billion.

Targeted Funding for Western North Dakota

(in millions)

Gross Production Tax	\$ 1,706
State Roads	1,354
Law Enforcement Grants	20
Airports	50
School Infrastructure	30
“Jump Start” Funding for Cities	300
Impact Funds for Remaining Cities	10
Housing Incentive Fund	50
Western Area Water Supply	120
Southwest Pipeline Project	100

TOTAL

\$ 3.740 B



— State of —
North Dakota
Office of the Governor
Jack Dalrymple
Governor

2015-2017 EXECUTIVE BUDGET ADDRESS

The Honorable Jack Dalrymple
Governor of North Dakota
December 3, 2014

Good morning everyone. I am pleased to be here today to present our Executive Budget for the 2015-17 biennium.

Before I begin, I would like to recognize and welcome members of the 64th North Dakota Legislative Assembly, Lt. Gov. Drew Wrigley, First Lady Betsy, Justices of the Supreme Court, elected officials, cabinet members, state employees and my fellow North Dakotans.

I also want to thank our dedicated staff in the Office of Management and Budget, our state agencies and in the Governor's Office for their hard work, and thoughtful approach in developing this budget.

Working together, we have produced a structurally balanced budget that is appropriate for this remarkable time in our state's history, a time of tremendous growth and opportunity.

North Dakota can take pride in its progress. After decades of outmigration and decline, our population is growing and our economy is the envy of the nation. Since 2000, we have created more than 116,000 new jobs; we have the nation's fastest-growing economy; the nation's strongest growth in per-capita income; and the lowest unemployment rate in the nation at just 2.1 percent.

With this budget, we are taking advantage of North Dakota's success and strong financial position to advance three important objectives that have served us well. We will continue to make sound investments in our priorities, especially infrastructure; we will provide additional tax relief

for the hardworking people of North Dakota; and we will maintain healthy reserves for future needs.

This budget plan is ambitious, but we have once again taken great care to make sure we have developed a budget that is balanced and sustainable. We must always be cautious of overexpansion, a looming threat any time revenues are strong.

THE BIG PICTURE

With those overriding objectives in mind, I'm pleased to present the 2015-2017 Executive Budget.

Due to our strong economy, both our ongoing revenues and reserves have shown considerable gains since the beginning of the current biennium, and based on the state forecast, we expect revenues to remain strong into the next two-year budget cycle.

In developing this new budget, we have been careful to ensure that our ongoing revenues continue to exceed ongoing expenditures, as shown in Chart 1. In the 2015-2017 biennium, our General Fund ongoing revenues will total \$5.37 billion, and ongoing expenditures will total \$5 billion.

Our budget recommendations represent an increase of 5.4 percent in General Fund appropriations compared to the current biennium. The vast majority of this increase in General Fund appropriations is necessary to address the growing demand for state resources and essential services. With this funding, we will increase our law enforcement presence; we will further enhance our environmental protections; and we will make other investments to meet the challenges that come with dynamic growth and progress.

It is important to remember that our ongoing General Fund spending is limited to \$300 million in oil and gas tax revenues as prescribed by state law. The remainder of oil tax revenues, as illustrated in Chart 2, is dedicated to a number of special purposes as required by the constitution and state statute. Our constitutional funds include the Legacy Fund, the Resources Trust Fund, and two school trust funds. Statutory funds include the Strategic Investments and Improvements Fund, the Property Tax Relief Fund, the Disaster Fund, the Outdoor Heritage Fund and others. Political subdivisions and tribes also receive oil revenues directly.

As you can see, the General Fund allocation, not including transfers, makes up only 3.6 percent of total oil and gas tax revenues. Because the General Fund receives such a small portion of oil revenues, it is not largely impacted by oil volatility.

ONE-TIME GENERAL FUND EXPENDITURES

Our strong revenues allow us to continue making significant, one-time investments that do not add to the state's ongoing obligations. We are proposing for the 2015-2017 biennium, \$2.2 billion in one-time General Fund expenditures.

With these one-time investments, we can do great things like making supplemental funding immediately available so that the state's oil and gas region can begin projects at the onset of the 2015 construction season. We can invest in statewide infrastructure including roads and water projects, and we can expand and improve our state park system. We can increase our support for affordable housing, and help build schools to meet the rapid growth in student enrollments. And we can help our colleges and universities catch up on deferred maintenance.

Remember that these investments do not need to be repeated in the future if our economy should take an unexpected turn. As always, we have exercised sound fiscal management. Our budget neither bonds nor borrows, and it imposes no new taxes or fees.

RESERVES

To meet our budget objectives during the 2015-2017 biennium, we will also be putting the state's available reserve funds to good use, as shown in Chart 3. Still, these reserve funds will continue to receive new revenues during the two-year budget cycle and they will maintain healthy balances in June 2017.

This chart shows that our ending General Fund balance on June 30, 2017 will be \$97 million, and the Strategic Investment and Improvement Fund or SIIF will total \$1.2 billion. During the upcoming biennium, we will utilize the SIIF fund to expand our school construction loan program and provide "jump start" funding for our oil and gas region.

We will also put the Property Tax Relief fund to work as part of a larger tax relief plan.

Other reserve funds are less accessible like the Budget Stabilization Fund which will total \$686 million in 2017, and the Foundation Aid Stabilization Fund which will reach \$1 billion. These funds can only be accessed if the state runs short of the funding it needs for essential services.

The Legacy Fund will hold \$3.5 billion on June 30, 2015 and will grow to about \$6 billion by the biennium's end. The Legacy Fund, created by the people of North Dakota through an initiated constitutional amendment, is not available until 2017.

As you can see, North Dakota is financially strong and with continued, sound fiscal management, will remain financially strong for many years to come.

ADDITIONAL TAX RELIEF

After accounting for our ongoing and one-time expenditures, and with our reserves secured, North Dakota still has the financial resources to provide additional tax relief for the citizens of North Dakota, as shown on Chart 4.

In the last biennium, we reduced property taxes by increasing the state's share of school funding, and permanently reducing the amount to be paid by the local taxpayer year after year. This is true property tax relief and not just a state payment of property taxes on behalf of the local property owners.

In this budget proposal, we are recommending that the state also assume a larger share of the cost of county social services and thereby relieve property owners of still more of their local tax burden. As a first step, we recommend the state begin covering in January 2016, what is now the counties' share of child welfare programs, the SPED program, and emergency human service costs. This will result in a mill levy reduction for local taxpayers totaling \$23 million in savings.

We are further recommending that the state assume still more of the cost of county social services in the 2017-2019 biennium, after developing a system to reimburse costs on a caseload basis. This

reimbursement system requires careful study, and it requires fully operational eligibility and Medicaid software packages. That means full implementation cannot be achieved until the 2017-2019 biennium.

The end result will be more equitable, more efficient, and more accountable funding of social services throughout the state. County employees would continue to deliver the county-based services.

In the meantime, this budget continues for one more biennium the 12-percent county tax buydown which was implemented last session, at a projected cost of \$250 million for the biennium. This form of property tax relief is appropriate for the time being, until permanent tax relief can be achieved by the state taking over most if not all of the cost of county social services. That assumption of costs would virtually eliminate the 20 mill tax levy allowed under our current law.

We also propose expanding the Homestead Tax Credit to make more people eligible by raising the maximum income threshold from \$42,000 a year to \$50,000. This will further reduce property taxes for seniors wishing to stay in their homes.

Property tax relief is a top priority, but we can and should do more. We also propose \$100 million in individual income tax relief on top of the reductions provided in the two previous legislative sessions. Altogether this will reduce income tax rates by nearly 50 percent from the rates paid before 2009. With this income tax reduction, North Dakota's top rate will be 2.9 percent, the lowest in state history and the lowest in the nation among states that have a broad-based income tax.

Finally, we are recommending that we provide an additional \$25 million in corporate income tax relief to attract and retain job creators. North Dakota is becoming known as one of the lowest tax states in the country. Our record of tax reductions in the last few years will lead to even more investment in our state in the upcoming years.

With these additional tax reductions and all other tax relief provided since 2009, we will have reduced state taxes by \$4.3 billion.

Property Tax Reform

During the interim, a task force has been working on an important final step in the process of improving our overall system of property

taxation. We call it property tax reform. The task force has included the chairmen of the house and senate tax committees, representatives of the various political subdivisions involved, as well as representatives of business and property owners in general. They have produced a piece of legislation that will come before you for consideration. It includes further efforts to reduce the burden on local property taxpayers. I believe it provides more spending discipline, greater simplicity, better opportunity for comparisons, and makes it easier for the taxpayer to understand the uses of their tax dollars.

STATEWIDE INFRASTRUCTURE IMPROVEMENTS

Tax relief is the end result of building a strong state economy, but economic growth cannot be sustained without strategic investments in infrastructure. With this budget we again address infrastructure needs in every region of the state.

During the 2015-2017 biennium, the state will invest \$3 billion statewide in infrastructure projects alone, including highways, roads, streets, affordable housing, airports, water supply systems, and critical flood control projects.

City leaders have asked for an additional tool to help finance public infrastructure projects. To that end, we are proposing a transfer of \$100 million in Bank of North Dakota profits to the Public Finance Agency to create a revolving loan fund for essential public infrastructure projects throughout the state. The loan fund will provide political subdivisions with below-market loan rates, and will be a good use of the bank's strong earnings.

EXTRAORDINARY NEEDS IN WESTERN NORTH DAKOTA

Our infrastructure investments will take place statewide, but we know there are extraordinary needs in western North Dakota. While jobs and population growth have brought great benefits to our western counties, we know that the pace of growth is not slowing down. In fact, as more people become permanent residents of western North Dakota, the demand for housing, streets, and utilities is accelerating.

This fall, representatives from my office and the Department of Commerce met with the leaders of the major oil producing counties and the mayors and city managers of our larger western cities. We asked them to identify their infrastructure needs for the coming biennium as well as their longer term needs for the two following bienniums. We then compared those needs to their potential revenues from the oil production tax under a range of possible percentages.

After a careful analysis of both county and city needs, we have concluded that after counties receive \$5 million from 100 percent of oil production tax revenues, they should receive for at least the 2015-17 biennium, 60 percent of the revenue from the oil production tax.

With the funding formula adjustment, the gross oil production tax will generate \$1.7 billion for our oil counties and their political subdivisions – \$1 billion more than what the region will receive from this funding source in the current biennium.

Our analysis also indicates that the infrastructure needs of western counties and cities will crest in the upcoming biennium, and by 2018 the demands for new infrastructure will begin to gradually level off. I will ask the legislature to discuss plans for an appropriate phase down in the revenue percentage as the region's extraordinary needs taper off.

Our support for the state's oil-production region goes even further than this major change we are proposing in the oil-production tax formula. We also recommend \$873 million in up-front, supplemental funding to "jump start" the 2015 construction season. This plan provides one-time funding to Dickinson, Williston, Watford City, and Minot, as well as funds for other cities in the 10 largest oil producing counties. It also includes special one-time road funding for the non-oil counties throughout the state.

We also recommend continuing the Energy Impact Grant program, with \$119 million in new grant funding to address the impacts of rapid growth in our oil production region. The grant program will provide \$50 million for airport expansions; \$25 million for local law enforcement; \$4 million for colleges; \$30 million for school renovations and improvements based on their own share of oil tax revenues; and \$10 million for impacts on cities in the region's seven remaining oil counties.

In addition, \$300 million will be made available from the SIIF Fund for school construction loans with favorable terms for any rapidly growing school district.

Not including these loan funds for school construction, we will invest in western North Dakota during the next biennium \$3.7 billion.

CONTINUED HOUSING DEVELOPMENT

We need to continue the great progress we have made in developing affordable housing over the last four years. The state has leveraged \$90 million in tax credits and incentive funds to support the construction of more than 2,500 affordable housing units throughout North Dakota.

This budget recommends increasing the state's support for the Housing Incentive Fund from \$35 million to a total of \$50 million, including \$30 million in state income tax credits for citizens and businesses that invest in the fund. Developers can access this source of funds in exchange for reduced rents for low-and-moderate income residents. We also propose investing \$20 million directly in the Housing Incentive Fund to accelerate the availability of funds.

We also recommend providing an additional \$12 million in Flex PACE buydown funds for the development of about \$125 million in private housing. In the current biennium, the Bank of North Dakota has approved 21 affordable housing projects through the Flex PACE loan program.

INVESTMENTS IN WATER

Advancing Permanent Flood Control Projects

Our ongoing commitment to improving the state's infrastructure includes meeting critical needs for quality water supplies and flood control projects. Working together we have made great strides to rebuild following major flood events, but we must continue working together to achieve permanent flood protection.

During the last biennium, the state provided \$61 million toward permanent flood protection in the Souris Basin, including planning, design,

engineering, and home acquisitions. We now recommend an additional \$110 million to help bring the people of Minot and surrounding areas the flood protection they need.

For flood protection in the Fargo area, current state law calls for an additional \$69 million this biennium while Fargo-area officials work toward a permanent solution to Red River flooding. The state has already provided \$175 million for Fargo-area flood protection and has committed to contributing a total of \$450 million towards a permanent flood protection project. Thus far, all funds have been spent on levee improvements around Fargo and other communities. Additional funds for the upcoming biennium may be warranted if projects move forward more quickly.

We also support funding the continuing operations of the Devils Lake water outlets and to help fund other flood control projects like those in Grafton, Williston and on the Sheyenne River.

Water Supply Projects

While we advance important flood protection projects, the state also remains committed to providing communities with quality water supplies.

Since 2011, the state has provided nearly \$230 million to the Western Area Water Supply project. Moving forward, we will support \$120 million for the system's further development to carry fresh water to more rural areas and communities in western North Dakota.

During the 2015-2017 biennium, we recommend investing nearly \$600 million solely in rural and municipal water supply projects. In addition to WAWS, our budget includes \$100 million for the Southwest Pipeline Project, and \$18 million for the Northwest Area Water Supply.

We also support the efforts of the Valley Prosperity Partnership to ensure water security for the Red River Valley. To that end, we recommend \$150 million for the Red River Water Supply Project. We would also support a state commitment of more than \$100 million in grants and loans for a Grand Forks water treatment plant that will make possible more economic growth in northeast North Dakota.

PUBLIC SAFETY & ENVIRONMENTAL PROTECTIONS

As our state grows, in both population and economic activity, we are committed to keeping North Dakota one of the safest states in America. Our budget commits \$90 million in the area of law enforcement alone.

The budget includes \$27.5 million to complete the new Law Enforcement Training Academy and four additional Highway Patrol troopers in western North Dakota. With these four positions, we will expand the Highway Patrol with 25 additional troopers in just the last three years.

For local law enforcement officers in western North Dakota, the region's rapid growth has created significant challenges. Our budget includes \$20 million in law enforcement grant funds to help equip, train and staff police departments and sheriff offices in oil country.

We also support the Attorney General's request to add 19 additional staff within the Bureau of Criminal Investigation. These additional BCI positions include nine criminal investigators, three intelligence analysts, a forensic scientist and a victim advocate. With the assistance of the FBI, we are letting drug dealers and human traffickers know that North Dakota is the wrong place to do business.

For emergency services, our budget includes \$8 million for enhanced state radio communications and emergency response equipment.

Our commitment to public safety includes funding for an additional 13 parole and probation officers, and other staff within the Department of Corrections. We also recommend \$30 million to build a new minimum security correctional center. Flood damage, mold and ongoing maintenance concerns necessitate that we replace the existing Missouri River Correctional Center with a new facility just to the northeast and on higher ground.

Our judicial system is also adjusting to the state's dynamic growth. The North Dakota Supreme Court needs more space, and we recommend its relocation to the Liberty Memorial Building, which will be remodeled

and expanded. By relocating the Supreme Court, we can utilize its existing space in the Capitol for other state agencies that also need more room.

The remarkable amount of new commerce in our state requires that we also continue to strengthen our health and environmental protections as well as our oversight of North Dakota's oil and gas drilling activities. For that purpose, we are recommending 19 new positions in our Department of Health for greater protections against environmental hazards and public health threats. We also recommend funding 22 additional positions within the Oil and Gas Division. These positions include petroleum engineers and field inspectors to further ensure that environmental regulations are followed.

This past year, we witnessed the aftermath of a train derailment that resulted in the explosion of 19 tank cars. We also saw the results of an oil pipeline spill, one of the largest spills in history. For that reason, we are recommending the request of the Public Service Commission for eight positions to monitor rail safety and pipeline integrity.

Now that we are the nation's second largest oil-producing state, we must create our own focus on rail and pipeline safety, beyond what is provided by the federal Pipeline and Hazardous Materials Safety Administration. Finally, we also support legislation that would give the Department of Health access to a state reclamation fund to remediate saltwater spills and other environmental impacts.

In all, our budget recommends funding for 247 additional employees, excluding Higher Education, to help us meet the needs of our growing state. Of these positions, 50 are for law enforcement and another 87 are dedicated to public safety, public health, the judicial system and environmental oversight.

EDUCATION

Early Childhood Education

Now I would like to review our strategies for enhancing education, beginning with early childhood education.

The value of early childhood education is becoming more appreciated every day. Four year olds are capable of a great deal of learning, and their gains have been proven to have lasting value.

I believe that the time has come to support a proposal that will be brought before the legislature to place funds behind every four-year-old child in North Dakota wishing to enter a certified Pre-K program whether it is offered in a public school, a private school, or a classroom organized by a non-profit organization. For every four-year-old child enrolled in an early childhood education program, the state would offer grant support of \$1,000 per student for a minimum number of hours per week. I have included \$6 million in my budget to support grants for community approved programs that require local coordination.

K-12 Education

Our K-12 funding proposal includes a three-percent increase in the state's per-student payment in each year of the 2015-2017 biennium. This funding enhancement, combined with the added cost of higher student enrollments, is an increased commitment of \$104 million over current biennium spending.

We also propose expanding the state's rapid enrollment grant program to make more schools eligible for this funding. Our budget includes \$14.8 million for these grants, and a two-tier system to expand eligibility.

As I mentioned earlier, our budget also includes adding \$300 million to the school construction revolving loan program.

Higher Education

Our budget recommendation for Higher Education focuses on students, with significant increases to our scholarship programs, a freeze in tuition at our two-year colleges, financial assistance for students who pursue occupations in high-demand fields and system-wide security enhancements.

In all, our budget includes \$50 million in student financial assistance programs. We recommend increasing North Dakota's merit-based scholarship program to a level of \$10,000 per student rather than today's limit of \$6,000. We also recommend a four-percent funding increase in needs-based scholarships each year of the biennium.

Our needs-based scholarships help reduce the costs of higher education for about 7,200 students each year, and we expect to award about 1,400 new merit-based scholarships each year of the biennium.

Our budget also includes \$7.6 million in tuition buydown and student loan forgiveness programs for students who pursue and obtain jobs in high-demand fields.

Looking at the big picture, we include a \$114-million increase in the main formula payments for funding our university system's 11 institutions. A 6.4 percent increase in the number of student credit hours accounts for a major portion of this funding increase. It's good to see that our colleges and universities are increasing the amount of education they deliver.

We also recommend \$145 million for capital projects, which as a group, eliminate \$42 million in deferred maintenance. We recommend \$62 million to complete the UND School of Medicine; \$26 million to demolish two unusable buildings at Valley City State and construct a new fine arts center; and \$16 million to rebuild an airport apron for the University of North Dakota School of Aviation. We also support other capital projects at Valley City State, Dakota College Bottineau, and the State College of Science.

Our proposal also includes continuing the successful matching grant program whereby the state provides \$1 for every \$2 in private donations to our colleges and universities.

CONTINUED SUPPORT FOR AGRICULTURE

Agriculture is the backbone of North Dakota, and one of the best ways we can support our farmers and ranchers is through research.

We recommend new investments totaling \$23 million to advance important plant and animal research at NDSU's research centers and to enhance agricultural extension services.

This investment includes, for example, \$800,000 and two additional positions at NDSU to support bioinformatics research at the main research center. Our researchers will utilize sophisticated computer programs and

analyze extremely large data sets to identify genetic codes responsible for desired traits in plants.

Our budget also includes \$18 million to construct a veterinary diagnostic lab on the NDSU campus, as well as capital improvements at other research centers.

Our farmers and ranchers lead the nation in the production of many crops, and their success is rooted in the important research that keeps their operations productive and competitive in the world market.

WORKFORCE DEVELOPMENT

For more than a decade, we have focused our economic development efforts on creating jobs and growing our targeted industries. Now, we must take that mission to the next level by focusing on building a workforce for the future and capitalizing on emerging industries and innovations.

To ensure that North Dakota's workforce is well trained for tomorrow's careers and that our growing businesses have a consistent, qualified pool of skilled workers, we are increasing our investment in workforce development initiatives. For the next biennium, we are recommending nearly \$26 million in workforce grants and programs across several of our state agencies.

Our recommendations include \$6 million for workforce development grants to tribal community colleges; \$5 million to the North Dakota State College of Science to expand its workforce training program in Fargo and to develop a long-range plan for career and technical education in Cass County; \$1.5 million for workforce enhancement grants to our two-year colleges; and a \$2 million, one-time grant to the North Dakota Safety Council for construction of a new training facility to enhance workplace safety.

The budget also includes \$4.2 million for operating the Unmanned Aerial System Airspace Integration Test Site. Of that amount, \$1.2 million will be used as a business incentive match to advance private sector UAS business development. In addition, we are including \$5 million to support the Grand Sky Business Park, contingent upon private sector development as part of the enhanced use lease with the Grand Forks Air Force Base. We

are also recommending \$1.5 million for matching grants to assist with base retention efforts in communities with Air Force bases or Air National Guard facilities.

To support working parents, we are recommending \$3 million in grants for new or expanded childcare facilities. We also recommend additional funding for the Train ND program and for our new workforce recruitment campaign called “Find the Good Life.”

OUTDOOR RECREATION AND CONSERVATION

Attracting and retaining a great workforce requires that we pay close attention to enhancing our quality of life. That includes the opportunity to enjoy our great outdoors.

Two years ago, we proposed the creation of a conservation grant fund designed to increase the opportunity for great outdoor experiences in our state. The legislature came through with the Outdoor Heritage Fund with a potential funding level of \$30 million.

This budget recommends that the Outdoor Heritage Fund be increased to \$50 million for the biennium, and the formula be revised to ensure that the targeted funding level is achieved. The advisory committee is doing an excellent job, and interest in the grant program is growing. We can show everyone that preserving the outdoors is a top priority in North Dakota without a constitutional mandate.

Our budget also recommends several major enhancements to our state park system. These are one-time investments that will provide more outdoor recreation for our citizens for years to come. Our budget includes \$10 million for the development of a 200-acre day park along the Missouri River in south Bismarck. This is existing state land that can provide wonderful public access to the Missouri River. Our recommendation also includes major upgrades to Lake Sakakawea State Park at Pick City and nine other state parks across the state, totaling \$30 million in new park investments.

Our quality of life should not be compromised by growth and development. These investments represent a major, new commitment of \$80 million to enhancing our outdoor recreational opportunities and to statewide conservation.

HEALTH AND HUMAN SERVICES

As we continue to make sound investments in our priorities, our most important responsibility will always be caring for our people. Our budget provides for the needs of our seniors, our veterans, and our most vulnerable citizens.

We are recommending an increase of \$6.6 million to expand behavioral health services across the state. The increase will fund a mobile, on-call crisis service to connect clients with the mental health services they need for recovery. With this funding, we will also enhance local health services for the treatment of mental illness and chemical dependency; provide employment support services for those with severe mental illness or traumatic brain injury; and we will fund an expansion to the student loan forgiveness program designed to attract and retain mental health professionals.

Home and community based services are essential for helping people remain in their homes and communities. Therefore, we are recommending an increase of \$6.2 million to expand these resources, including the enhancement of protective services for vulnerable adults. It also includes an increase of \$3 million to expand services for those with autism and to increase the eligibility age for autistic children in the Medicaid waiver.

Long-Term Care and Other Healthcare Providers

It is important that we continue to help all of our human service providers address rising costs and to maintain a high standard of care. That is why we are recommending a four-percent inflationary increase for each year of the biennium to nursing homes, senior meal providers, healthcare providers, and providers serving people with developmental disabilities and mental illness.

MILITARY AND VETERANS

For our veterans and our men and women in uniform our deepest gratitude is not enough. We must also show them our appreciation in tangible ways.

Our budget maintains full funding for the Veterans' Bonus Program, including bonus pay for overseas and domestic deployments; the tuition waiver program; counselors to assist our soldiers and their families; and outreach centers for veterans and service members.

In addition, our budget includes more than \$500,000 to establish ND Cares, a coalition of statewide service providers dedicated to providing an accessible, seamless network of support. Through this coalition, chaired by First Lady Betsy, these heroes will have easier, simplified access to the benefits and programs they have earned and deserve. They have sacrificed so much to take care of us; this initiative is another meaningful way we can take care of them.

PUBLIC EMPLOYEES

Sound fiscal management also allows us to provide our state employees the compensation they deserve.

This budget continues the legislature's directive to move state employee pay closer to market levels. Employees who meet set performance standards will be eligible for a performance increase of three percent each year and those employees exceeding performance standards are eligible for an increase of up to five percent. In addition, employees whose current compensation is below market rate are eligible to receive an additional increase between one percent and two percent, depending on their position in the salary range. The general fund cost of this salary package is \$52 million.

The compensation package continues full health insurance for state employees and their families, and recommends an increase in contributions to the retirement system of two percent the first year of the biennium, with

the cost evenly split between employees and the state. This final adjustment will put our outstanding defined benefits pension plan on a path to complete actuarial soundness.

We have also funded the same salary increase and pension contribution, with full health insurance, for employees of the university system.

The men and women who serve in our agencies and institutions of higher learning are hard-working North Dakotans, and we appreciate their dedication.

As North Dakotans, we have been richly blessed, and because of our state's success and strong financial position, we are able to continue to invest in our people and other priorities, while also providing greater tax relief.

This budget represents a vision for our state. A vision of growth, of opportunity for all of our people, and a vision of an enhanced quality of life that is second to none. It includes outstanding educational opportunities, exciting career choices, thriving communities, and legendary outdoor recreation.

I am looking forward to working with all of you, and the people of our state, to capitalize on our success and create a vibrant vision for our future together.

Thank you. May God bless you as you undertake this important work for the people of North Dakota.

**COMPARISON OF 2013-2015 LEGISLATIVE APPROPRIATION AND
2015-2017 AGENCY BUDGET REQUEST AND EXECUTIVE RECOMMENDATION**

Biennium: 2015-2017

Category/Agency	2013-2015 Legislative Appropriation		2015-2017 Agency Budget Request		2015-2017 Executive Recommendation	
	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds
Executive Branch						
101 Office of the Governor	4,033,873	4,033,873	4,145,184	4,145,184	4,433,155	4,433,155
108 Secretary of State	6,646,849	12,491,266	6,104,560	9,679,560	10,498,609	14,088,761
110 Office of Management and Budget	360,646,688	374,877,318	32,990,988	40,094,888	1,551,580,516	1,572,383,234
112 Information Technology	21,254,428	170,928,981	20,065,551	163,918,932	33,848,358	186,050,151
117 Office of the State Auditor	8,473,489	11,510,407	8,547,352	11,665,241	9,472,746	13,053,129
120 Office of the State Treasurer	311,333,469	311,333,469	1,851,134	1,851,134	252,026,945	252,026,945
125 Office of the Attorney General	38,851,628	83,834,078	37,568,626	70,557,845	43,044,137	101,726,136
127 Office of State Tax Commissioner	57,054,140	57,179,140	59,122,106	59,247,106	70,625,716	70,750,716
140 Office of Administrative Hearings	0	2,818,896	0	2,853,747	0	2,945,313
188 Commission on Legal Counsel for Indigents	11,923,410	14,421,276	12,031,302	13,931,303	18,950,750	20,866,854
190 Retirement and Investment Office	0	4,899,369	0	5,197,257	0	5,525,000
192 Public Employees Retirement System	0	7,650,450	0	8,192,535	0	9,856,218
Total	820,217,974	1,055,978,523	182,426,803	391,334,732	1,994,480,932	2,253,705,612
Legislative and Judicial Branches						
150 Legislative Assembly	13,921,971	13,921,971	16,056,565	16,056,565	16,056,565	16,056,565
160 Legislative Council	12,862,475	12,932,474	12,655,770	12,725,770	13,273,620	13,343,620
180 Judicial Branch	98,305,993	100,481,582	112,743,985	115,107,552	117,896,996	120,263,802
Total	125,090,439	127,336,027	141,456,320	143,889,887	147,227,181	149,663,987
Elementary, Secondary & Other Education						
201 Department of Public Instruction	1,723,613,325	2,160,610,084	1,704,212,836	2,132,770,775	1,806,117,367	2,314,580,673
226 Department of Trust Lands	0	247,506,969	0	8,415,917	0	103,458,424
250 State Library	5,875,988	8,270,133	5,932,841	8,350,062	7,094,707	9,546,882
252 School for Deaf/Res Ctr for Deaf and HoH	7,799,379	10,370,566	8,185,288	10,361,626	10,676,619	12,974,650
253 ND Vision Services/School for the Blind	7,694,093	8,547,849	4,748,870	5,307,550	6,408,593	7,645,416
270 Career and Technical Education	32,392,916	42,680,711	31,925,533	41,623,419	37,795,086	47,492,974
Total	1,777,375,701	2,477,986,312	1,755,005,368	2,206,829,349	1,868,092,372	2,495,699,019
Higher Education						
215 ND University System	162,045,136	164,345,048	119,566,068	121,577,284	165,213,670	167,224,886
227 Bismarck State College	45,706,327	52,371,327	38,893,419	39,493,419	41,838,192	42,438,192
228 Lake Region State College	18,234,648	18,234,648	18,351,161	18,351,161	19,402,810	19,402,810
229 Williston State College	26,321,661	28,821,661	28,076,093	28,076,093	15,679,852	15,679,852
230 University of North Dakota	230,556,333	327,043,595	279,681,229	285,681,229	270,579,565	276,579,565
232 UND Medical Center	56,505,634	56,505,634	54,885,796	54,885,796	66,577,396	66,577,396
235 North Dakota State University	171,193,784	211,013,140	275,453,590	292,381,365	173,771,314	185,371,314
238 ND State College of Science	47,279,714	48,629,714	77,067,716	78,567,716	73,530,401	73,530,401

**COMPARISON OF 2013-2015 LEGISLATIVE APPROPRIATION AND
2015-2017 AGENCY BUDGET REQUEST AND EXECUTIVE RECOMMENDATION**

Biennium: 2015-2017

Category/Agency	2013-2015 Legislative Appropriation		2015-2017 Agency Budget Request		2015-2017 Executive Recommendation	
	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds
239 Dickinson State University	33,508,305	33,508,305	27,827,509	35,327,509	28,367,027	28,367,027
240 Mayville State University	22,387,066	22,387,066	18,138,413	18,138,413	19,428,420	19,428,420
241 Minot State University	48,940,641	60,742,426	59,292,604	59,292,604	53,004,928	53,004,928
242 Valley City State University	25,284,607	30,091,444	66,267,454	82,267,454	68,527,285	84,527,285
243 Dakota College at Bottineau	9,179,870	16,780,659	10,749,214	21,397,408	11,621,122	22,269,316
244 ND Forest Service	5,486,189	7,136,189	5,013,279	6,663,279	5,362,339	7,012,339
Total	902,629,915	1,077,610,856	1,079,263,545	1,142,100,730	1,012,904,321	1,061,413,731

Health and Human Services

301 ND Department of Health	46,001,508	185,569,942	45,556,803	180,827,743	62,694,635	203,412,266
305 Tobacco Prevention and Control	0	15,815,828	0	15,971,798	0	16,109,756
313 Veterans Home	7,722,353	24,152,153	7,832,403	23,574,331	9,399,650	25,683,952
316 Indian Affairs Commission	1,027,558	1,027,558	1,140,378	1,140,378	1,245,106	1,245,106
321 Department of Veterans Affairs	1,715,703	1,715,703	1,337,881	1,337,881	1,572,448	1,865,381
325 Department of Human Services	1,171,116,129	2,949,452,594	1,246,603,396	3,426,162,767	1,385,967,182	3,646,706,208
360 Protection and Advocacy	2,531,562	5,765,174	2,621,491	5,988,219	3,848,976	7,369,010
380 Job Service North Dakota	2,030,235	79,827,763	1,916,456	70,236,595	2,121,804	73,825,150
Total	1,232,145,048	3,263,326,715	1,307,008,808	3,725,239,712	1,466,849,801	3,976,216,829

Regulatory

401 Office of the Insurance Commissioner	0	26,377,090	0	26,377,090	0	28,511,574
405 Industrial Commission	22,494,125	63,467,917	21,079,346	38,011,462	47,590,537	64,617,859
406 Department of Labor and Human Rights	1,847,425	2,285,351	1,883,499	2,321,331	3,405,047	3,842,879
408 Public Service Commission	7,091,740	20,479,209	6,681,542	19,659,441	9,932,210	24,492,648
412 Aeronautics Commission	6,550,000	19,013,427	550,000	9,529,982	1,000,000	11,339,376
413 Department of Financial Institutions	0	7,580,217	0	7,813,750	0	8,579,908
414 Securities Department	2,127,782	2,297,782	2,090,906	2,260,906	2,349,174	2,519,174
471 Bank of North Dakota	0	103,150,147	0	53,513,482	0	60,163,693
473 ND Housing Finance Agency	15,400,000	57,907,491	0	37,084,236	20,000,000	57,742,527
475 ND Mill and Elevator Association	0	52,123,557	0	62,382,704	0	64,825,750
485 Workforce Safety and Insurance	0	63,322,422	0	59,208,739	0	70,443,045
Total	55,511,072	418,004,610	32,285,293	318,163,123	84,276,968	397,078,433

Public Safety

504 Highway Patrol	47,608,042	61,000,584	43,115,708	55,476,636	71,885,849	88,633,007
530 Department of Corrections and Rehabilitation	180,915,389	217,050,311	182,364,372	219,238,355	250,606,928	288,615,960
540 Office of the Adjutant General	31,150,829	280,995,426	26,561,020	228,837,027	40,109,295	246,618,402
Total	259,674,260	559,046,321	252,041,100	503,552,018	362,602,072	623,867,369

**COMPARISON OF 2013-2015 LEGISLATIVE APPROPRIATION AND
2015-2017 AGENCY BUDGET REQUEST AND EXECUTIVE RECOMMENDATION**

Biennium: 2015-2017

Category/Agency	2013-2015 Legislative Appropriation		2015-2017 Agency Budget Request		2015-2017 Executive Recommendation	
	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds
Agriculture and Economic Development						
601 Department of Commerce	64,457,060	139,820,082	32,186,124	98,054,202	71,029,318	142,104,395
602 Department of Agriculture	9,519,217	25,273,808	9,629,145	28,913,217	11,074,075	30,850,416
627 Upper Great Plains Transportation Institute	4,076,824	26,529,787	7,655,131	25,294,700	3,363,213	21,753,047
628 Branch Research Centers	17,585,702	33,586,785	19,577,394	39,152,244	20,257,379	40,161,326
630 NDSU Extension Service	28,909,265	53,757,074	31,266,546	55,861,600	30,841,473	57,161,753
638 Northern Crops Institute	2,064,861	3,862,022	1,989,313	3,720,160	2,146,696	3,900,486
640 NDSU Main Research Center	58,606,521	111,660,237	96,070,867	151,861,318	77,521,988	134,906,053
649 Agronomy Seed Farm	0	1,471,759	0	1,489,255	0	1,533,277
665 ND State Fair	3,296,000	3,296,000	546,000	546,000	2,320,000	2,320,000
670 ND Horse Racing Commission	389,244	555,651	394,495	553,225	424,523	583,253
Total	188,904,694	399,813,205	199,315,015	405,445,921	218,978,665	435,274,006
Natural Resources						
701 Historical Society	15,481,811	18,703,775	14,767,090	18,014,921	24,989,486	28,502,397
709 Council on the Arts	1,504,102	3,249,019	1,508,102	3,253,568	1,989,221	3,734,688
720 Game and Fish Department	0	67,553,639	0	74,985,611	0	77,808,277
750 Parks and Recreation Department	20,032,338	31,808,069	14,341,593	25,005,463	49,189,311	63,955,050
770 Water Commission	0	859,045,805	0	1,423,101,998	0	1,426,823,848
Total	37,018,251	980,360,307	30,616,785	1,544,361,561	76,168,018	1,600,824,260
Transportation						
801 Department of Transportation	1,464,020,000	3,384,799,434	0	1,249,830,310	1,000,000	2,728,287,715
Total	1,464,020,000	3,384,799,434	0	1,249,830,310	1,000,000	2,728,287,715
Total All Categories	6,862,587,354	13,744,262,310	4,979,419,037	11,630,747,343	7,232,580,330	15,722,030,961

**One-Time General Fund Appropriations
2015-2017 Executive Recommendation**

Agency		Description	Recommended General Fund Appropriation	
108	Secretary of State Total Secretary of State	Technology Project	3,050,000	3,050,000
110	Office of Management and Budget	Mailroom Equipment	30,000	
		Student Internship	50,000	
		Facilities Extraordinary Repairs	2,175,000	
		Prairie Public Projects	1,500,000	
		Signage on the Capitol Grounds	1,400,000	
		West Parking Lot Repair	1,300,000	
		Supreme Court Building	40,000,000	
		ACA Health Insurance	5,000,000	
		Energy Pool	6,200,000	
		Enhanced State Highways	1,354,115,558	
		Non Oil Producing Political Subdivisions	100,000,000	
		Roads to Recreational Areas	5,000,000	
	Total Office of Management and Budget			1,516,770,558
112	Information Technology	ETC Grants	1,050,000	
		CJIS Projects	1,000,000	
		SLDS Build-out	4,500,000	
	Total Information Technology			6,550,000
120	Office of the State Treasurer Total Office of the State Treasurer	Property Tax Relief	250,000,000	250,000,000
125	Office of the Attorney General	Undercover Vehicles	220,000	
	Total Office of the Attorney General			220,000
150	Legislative Assembly	One-time Funding for Information Technology	806,810	
		One-time Funding for Committee Rooms	500,000	
	Total Legislative Assembly			1,306,810
160	Legislative Council Total Legislative Council	2015-17 One-Time Funding	215,460	215,460

**One-Time General Fund Appropriations
2015-2017 Executive Recommendation**

Agency		Description	Recommended General Fund Appropriation	
180	Judicial Branch	Equipment over \$5,000	1,384,000	
		IT-Disaster Recovery Site	2,171,672	
		Supreme Court Facility Space Expansion	1,107,227	
		Juvenile Case Management System Replacement	1,782,410	
		Criminal Case eFiling Initiation	99,000	
	Total Judicial Branch			6,544,309
201	Department of Public Instruction	ND Museum of Art Vehicle	20,000	
		Rapid Enrollment Grants	14,800,000	
	Total Department of Public Instruction			14,820,000
215	ND University System	ND Higher Education Challenge Grant	29,000,000	
		Open Education Resources Initiative	220,000	
		Systemwide Deferred Maintenance Pool	5,000,000	
		CTS Technology Projects	2,821,500	
	Total University System			37,041,500
227	Bismarck State College	Campus Infrastructure	1,575,000	
		Campus Security	525,000	
		Special Assessment Payoff	1,357,600	
	Total Bismarck State College			3,457,600
228	Lake Region State College	Electrical and Window Replacement	1,648,423	
		Campus Security	456,975	
	Total Lake Region State College			2,105,398
229	Williston State College	Campus Security	866,250	
		Special Assessment Payoff	285,000	
	Total Williston State College			1,151,250
230	University of North Dakota	School of Medicine and Health Sciences Completion	62,000,000	
		Airport Apron Repairs	16,000,000	
		Campus Security	790,500	
		Special Assessment Payoff	241,585	
	Total University of North Dakota			79,032,085

**One-Time General Fund Appropriations
2015-2017 Executive Recommendation**

Agency		Description	Recommended General Fund Appropriation	
232	UND Medical Center	Healthcare Workforce Initiative Start-Up Costs	13,814,806	
	Total UND Medical Center			13,814,806
235	North Dakota State University	Campus Security	840,000	
		Special Assessment Payoff	1,591,426	
	Total North Dakota State University			2,431,426
238	ND State College of Science	Campus Water and Sewer Infrastructure	13,298,000	
		Campus Security	294,750	
		Special Assessment Payoff	275,098	
		Fargo Campus Expansion	5,000,000	
	Total ND State College of Science			18,867,848
240	Mayville State University	Campus Security	435,000	
		Special Assessment Payoff	228,285	
	Total Mayville State University			663,285
241	Minot State University	Campus Security	814,500	
	Total Minot State University			814,500
242	Valley City State University	Heating Plant Replacement	14,289,000	
		Fine Arts Building	25,850,000	
		Campus Security	544,441	
		Special Assessment Payoff	243,238	
	Total Valley City State University			40,926,679
243	Dakota College at Bottineau	Nelson Science Center Repairs	1,098,789	
		Campus Security	448,875	
		Special Assessment Payoff	28,457	
	Total Dakota College at Bottineau			1,576,121
250	State Library	Library Repair Grants	250,000	
	Total State Library			250,000
252	ND School for the Deaf	Building Renovation	1,050,000	
	Total ND School for the Deaf			1,050,000

**One-Time General Fund Appropriations
2015-2017 Executive Recommendation**

Agency		Description	Recommended General Fund Appropriation	
253	ND Vision Services/School for the Blind	Building Improvements	1,000,000	
	Total ND Vision Services/School for the Blind			1,000,000
270	Career and Technical Education	CTE Equipment Grants	1,500,000	
	Total Career and Technical Education			1,500,000
301	ND Department of Health	Environmental One-time	303,400	
		Immunization Rates One-time	179,100	
		Forensic Examiner One-time	64,000	
		Medical Cache	989,000	
	Total ND Department of Health			1,535,500
325	Department of Human Services	Eligibility Project	14,012,167	
		Heating Plant Repairs - State Hospital	1,509,156	
		Surveillance Cameras	390,000	
		Central Air for Tompkins Building	557,606	
		Heating Plant Repairs - LSTC	230,000	
		6 Living Area Kitchens - LSTC	750,000	
	Total Department of Human Services			17,448,929
380	Job Service North Dakota	Oil and Gas Survey	80,000	
		Virtual One-Stop Application	109,500	
	Total Job Service North Dakota			189,500
405	Industrial Commission	Core Library Expansion	16,033,942	
		Aerial Photography	104,143	
		Contract Drilling Analysis	125,000	
		Possible Litigation with Federal Agencies	3,000,000	
		Digital Conversion	100,000	
		Migration to RBDMS.net	250,000	
	Total Industrial Commission			19,613,085
406	Department of Labor & Human Rights	Retirement Leave Payouts	46,000	
		Paperless System	56,135	
	Total Department of Labor & Human Rights			102,135

**One-Time General Fund Appropriations
2015-2017 Executive Recommendation**

Agency		Description	Recommended General Fund Appropriation	
408	Public Service Commission	Reclamation and Grain Litigation	414,000	
		Retirement Leave Payouts	99,507	
	Total Public Service Commission			513,507
414	Securities Department	Retirement Leave Payouts	53,252	
	Total Securities Department			53,252
473	Housing Finance Agency	Housing incentive fund	20,000,000	
	Total Housing Finance Agency			20,000,000
504	Highway Patrol	Mobile Radio Equipment	548,000	
		Outdoor Range Upgrade Project	70,000	
		LETA Phase II Project	24,090,000	
		Skid Car Training System	58,000	
	Total Highway Patrol			24,766,000
530	Department of Corrections and Rehabilitation	NDSP Security Camera Upgrade	337,000	
		Equipment - One-Time	318,039	
		Extraordinary Repairs - One-Time	2,175,847	
		IT Modules	1,716,144	
		MRCC Project	29,550,000	
	Total Dept of Corrections and Rehabilitation			34,097,030
540	Office of the Adjutant General	Purchase of Land at Veteran's Cemetery	69,500	
		Next Generation 911 Purchase	386,000	
		Microsoft SQL Enterprise for Computer Aided Dispatch (CAD)	90,000	
		Message Switch Test Server	70,000	
		Radio Tower Redundancy	80,000	
		Emergency Response Supplies	550,000	
		Grants to Fire Departments	3,000,000	
		Veteran's Bonus Program	500,000	
		Statewide Radio Communication Improvement Project	5,000,000	
	Total Office of the Adjutant General			9,745,500

**One-Time General Fund Appropriations
2015-2017 Executive Recommendation**

Agency		Description	Recommended General Fund Appropriation	
601	Department of Commerce	Base Retention Grants	1,500,000	
		Tourism Midwest Markets	1,000,000	
		Tribal College Grants	6,000,000	
		Entrepreneurial Centers and Vouchers	1,000,000	
		Homeless Shelter Grants	1,000,000	
		Pre-Kindergarten Community Grants	6,000,000	
		ND Safety Council Grant	2,000,000	
		Special Olympics Grant	2,000,000	
		Childcare Facility Grants	3,000,000	
		Find the Good Life Program	500,000	
		Research ND	8,000,000	
		Tourism Large Infrastructure Grants	750,000	
		Educators and Industry Externships	50,000	
		Unmanned Aerial System Grant	2,718,620	
		Workforce Enhancement Program	1,500,000	
	Total Department of Commerce			37,018,620
602	Department of Agriculture	IT Analysis	150,222	
		Web Redesign	150,000	
	Total Department of Agriculture			300,222
640	NDSU Main Research Center	Veterinary Diagnostic Lab	18,000,000	
		Agronomy Lab at Central Grasslands Research Center	783,796	
		Utilities at Greenhouse	400,000	
	Total NDSU Main Research Center			19,183,796
665	ND State Fair	Asphalt Overlay Project	1,750,000	
	Total ND State Fair			1,750,000
701	Historical Society	One-time Technology Costs	100,650	
		Ft. Totten and Stutsman County Repairs	1,000,000	
		Electronic Records Project	264,000	
		Double Ditch	3,500,000	
	Total Historical Society			4,864,650
709	Council on the Arts	Economic Impact Study	10,000	
		American Indian Stories Exhibit	30,000	
	Total Council on the Arts			40,000

**One-Time General Fund Appropriations
2015-2017 Executive Recommendation**

Agency		Description	Recommended General Fund Appropriation
750	Parks and Recreation Department	Trail Lease Renewals	200,000
		One-time Equipment	300,000
		Web app for Snowmobile Registration/Renewals	310,299
		Statewide Comprehensive Outdoor Recreation Plan	45,000
		Repairs at Lewis & Clark Interpretive Center	75,000
		Extraordinary Repairs at International Peace Garden	335,297
		50th Anniversary	25,000
		Retirement Leave Payouts	100,000
		Park Improvement Plan	30,400,000
	Total Parks and Recreation Department		31,790,596
801	Department of Transportation	Motor Coach Reimbursement	1,000,000
	Total Department of Transportation		1,000,000
Grand Total			\$ 2,229,171,957

Introduction

The budget for the State of North Dakota's general governmental operations is prepared on a modified accrual basis. Revenues are recorded when available and measurable, and expenditures are recorded when the services or goods are received and the related liabilities are incurred.

The Governor's message, statewide information, and budget detail have been consolidated in this single document. Additional detail for each agency request and recommendation, by reporting level and account code, is available online. Budget documents can be found on the Office of Management and Budget's Fiscal Management web site at <http://www.nd.gov/fiscal/>.

How to Use the Executive Budget Document

The information in this document begins with the Governor's message. This message includes an overview of his philosophies and policies used to prepare the executive budget recommendations. The statewide information includes the following divisions:

- State Financial Structure
- Financial Summary
- General Fund Status
- Special Funds Status
- Budget Highlights
- Authorized FTE
- Compensation Adjustment
- Leases
- Capital Assets
- Technology

The budget detail is organized numerically, with like agencies grouped together into major categories. The numbering of the budgets follows these categories:

- 100s General Government
- 200s Education
- 300s Health and Human Services
- 400s Regulatory
- 500s Public Safety
- 600s Agriculture, Economic Development, Extension and Research
- 700s Natural Resources
- 800s Transportation

Following the sections containing each agency's budget, are schedules of optional requests, requested and recommended federal and special funding sources, a glossary, and a list of analysts assigned to each agency from the Office of Management and Budget (OMB) and Legislative Council. The optional adjustment requests are requests for additional funding or positions, prepared by agencies

whose base budget request was restricted to 100 percent of the current general fund appropriation.

Budget Publications

OMB prepares additional publications to supplement the information available in the executive budget document. The following publications are available on the OMB website <http://www.nd.gov/fiscal/>:

- Budget Detail
- Continuing Appropriations
- Special Fund Statements
- Legislative Appropriations (approved state budget)

The approved state budget document is published at the conclusion of the legislative session and reflects changes made by the legislature to the Governor's proposed executive budget.

Budget Process

The budget process in North Dakota covers a two-year period.

At the beginning of each even-numbered year (2014), the Office of Management and Budget's Fiscal Management Division releases instructions and guidelines for state agencies to use in preparing budget requests for the upcoming biennium (July 1, 2015 – June 30, 2017).

After budget instructions are provided to agencies, OMB budget staff visit their assigned agencies. This provides an opportunity for the budget staff to learn about the agency's programs, functions, and budgetary needs. It is also an opportunity for agencies to ask questions or clarify how budget requests should be presented.

In April, preliminary information on buildings and infrastructure is due from agencies. This information is entered into the building and infrastructure formulas, then recalculated and returned to the agencies to use in budget preparation.

July 15 is the statutory deadline for agencies to submit the budget request. Extensions may be available upon written request to the Office of Management and Budget. In August, the preliminary revenue forecast for the upcoming biennium is completed.

From July to October, budget meetings are held on agency budget requests. After the budget meeting, the budget analyst completes the recommendation for each agency. This is done in discussion with the director of the Office of Management and Budget and the Governor and his policy advisors.

In early November, the executive revenue forecast is completed and recommendations are finalized. Documentation and publications are prepared and printed.

During the first week of December, the Governor presents the budget recommendations to the legislature. Following the Governor, Fiscal Management staff present budget details for each agency and review with legislators how to use the budget publications and budget computer system.

In January of each odd-numbered year (2015), the legislature convenes for a maximum of 80 days. During this time, hearings on all appropriation requests are held by the legislative appropriation committees. Prior to adjourning, the legislature passes, and the Governor signs, the appropriation measures for the state of North Dakota.

Following the legislative session, the Fiscal Management staff prepares and distributes a publication summarizing the state budget for the upcoming biennium.

Amending the Budget

Once passed, the budget can be amended in one of four ways:

1. The legislature can be called into special session to adopt amendments to the budget.
2. If estimated revenues in a specific fund are insufficient to meet all legislative appropriations from the fund, the Governor can cut budgets of the departments that receive monies from that fund on a uniform percentage basis.
3. The Emergency Commission is authorized by statute to allow agencies to accept additional federal and special funds not anticipated during the budget process, and transfer funds between appropriated line items.
4. The legislature can include provisions in statute to modify appropriations should certain circumstances exist.

Budget Process Timeline

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Prepare budget instructions and issue to agencies																								
Visit agencies																								
Update Bldg & Infrastructure inventories due from agencies																								
Complete initial revenue forecast																								
Extensions for budget request due from agencies																								
Budget requests due from agencies																								
Budget review meetings held with agencies																								
Analyze budgets																								
Complete final revenue forecast																								
Finalize recommendations																								
Present executive budget to legislature																								
Prepare appropriation bills																								
Legislature conducts hearings, acts on appropriation bills. Bills approved by legislature and signed by governor																								
Prepare legislative appropriation summary																								
Update budget instructions, publications and computerized budget system																								
Conduct special studies																								
Attend interim legislative committee meetings																								

Budgetary Policies

Purpose of Budgetary Policies

1. **Guidance** – Provide guidance to state agencies and institutions regarding the development and administration of biennial budgets.
2. **Government Efficiency and Effectiveness** – Improve the efficiency and effectiveness of state government through the executive budget process.
3. **Consistency in Application of Fiscal Strategies** – Provide assurance that the Office of Management and Budget (OMB) applies a uniform, consistent approach to fiscal strategies in analyzing budget requests and preparing the executive budget.
4. **Accurate and Timely Information** – Ensure accurate and timely budget information is provided to the public and state policymakers.
5. **State Credit Rating** – Maintain or improve the state's credit rating by providing assurance that the state adheres to conservative policies that lead to fiscally responsible budgetary decisions in both the short and long term.

Financial Planning Policies

1. **Balanced Ongoing Budget** – Budgeted ongoing general fund expenditures will not exceed projected ongoing general fund revenues during the biennial budget period. Ongoing expenditures are defined as recurring expenditures for salaries, operating, grants, and capital replacement. Ongoing revenues are current revenues that are expected to continue in future bienniums based on current state law.
2. **Balanced Overall Budget** – Budgeted general fund expenditures for both ongoing and one-time expenditures will not exceed the total of general fund revenues, transfers, and the estimated unobligated general fund beginning balance for the biennial budget period.
3. **Balanced One-time Budget** – One-time expenditures are those of a non-recurring or discretionary nature that are not considered part of agency base budgets, although they may be continued through multiple bienniums. One-time expenditures will be funded from either one-time or recurring revenue sources.
4. **Consideration of Long-Term Impacts** – All policy changes, programmatic changes, and tax changes will be analyzed considering both short and long-term impacts to the state budget.
5. **Reserve Balances** – Reserve balances will be maintained to ensure the state has adequate resources in the event of an economic downturn. Moneys considered as reserve funds include special funds statutorily created for that purpose as well as moneys in other funds which, subject to legislative appropriation, are available to fund general government operations. Reserve funds include:
 - **Budget stabilization fund** – Pursuant to North Dakota Century Code (NDCC) Section 54-27.2-01, the budget stabilization fund is to maintain a balance of no more than 9.5 percent of current general fund appropriations.

- **Foundation aid stabilization fund** – Pursuant to Article X, Section 24 of the Constitution of North Dakota, 10 percent of oil extraction taxes are deposited into the foundation aid stabilization fund. NDCC 54-44.1-12 provides that in the case of an allotment, funding for school aid, transportation and special education can only be allotted to the extent the allotment can be offset by transfers from the foundation aid stabilization fund.
- **Strategic investment and improvements fund** – The strategic investment and improvements fund receives a portion of oil and gas taxes as well as income from the sale, lease, and management of certain state-owned lands. Moneys in the fund are available for improving state infrastructure and for initiatives to improve the efficiency and effectiveness of state government, as determined by the legislature, in accordance with NDCC Section 15-08.1-08.
- **General fund balance** – The state budget includes an estimated end of biennium balance in the general fund to allow for variances between actual and projected revenues. This end of biennium balance, considered as a one-time revenue source, is available to fund one-time expenditures of the next budget period.

Revenue Policies

1. **Advisory Council on Revenue Forecasting** – An Advisory Council on Revenue Forecasting, comprised of representatives of business, industry, agriculture, banking, energy and the legislative and executive branches of government, will be formed each biennium to gather input on the state's economic condition. This input will be used to interpret or suggest modification to the tax base forecasts provided to the state through its contract with an economic forecasting firm. The Council will meet at least three times each biennium, as requested by the director of the Office of Management and Budget, to coincide with economic forecasts prepared in July/August and October/November of even numbered years and February/March of odd numbered years.
2. **Revenue Forecasting Process**
 - a. **Timeline** – Forecasts for the general fund and oil and gas tax revenues will be prepared as determined necessary by the Governor and the Office of Management and Budget, or as requested by the legislative branch. At a minimum, forecasts will be prepared three times per biennium, in July/August and October/November of each even numbered year and in February/March of odd numbered years.
 - b. **General Fund** – The Office of Management and Budget, in cooperation with the state Tax Department, the Advisory Council on Revenue Forecasting and a contracted economic forecasting firm, will develop a general fund revenue forecast. The forecast will provide an updated forecast for the remainder of the current biennial budget period and an estimate of general fund revenues

for the upcoming biennium. The forecast will detail general fund revenues by tax type for each period.

- c. **Oil and Gas** – The Office of Management and Budget, with input from the state Tax Department and the Advisory Council on Revenue Forecasting, will develop a forecast for the current biennial budget period and for the upcoming biennium for oil price, production, and state oil and gas tax revenue. The forecast will include the allocation of state oil and gas tax revenues to political subdivisions and the various state funds to which the taxes are allocated pursuant to law.
 - d. **Major Special Funds** – The Office of Management and Budget, with input from the state Tax Department and various state agencies will develop revenue forecasts for major special funds. Major special funds are defined as those state special funds which are included in the budget and appropriation process and from which expenditures of \$100.0 million or more are authorized per biennium. Revenue forecasts for major special funds will be updated as determined necessary by the Office of Management and Budget.
 - e. **Process Improvement** – The accuracy of forecast data will be analyzed and monitored to identify shortcomings in economic models or the forecasting process in order to continually improve the accuracy of forecast data.
3. **Undesignated Revenues** – General tax revenues will not be dedicated for specific purposes unless required by law. All non-restricted revenues will be deposited in the general fund and appropriated through the budget process.
 4. **General Fund Ongoing/One-time Revenue** – The Office of Management and Budget will strive to accurately identify general fund revenues as either ongoing or one-time. Ongoing revenues are current revenues that are expected to continue in future bienniums based on current state law. One-time revenues include transfers and balances carried over from the prior biennium. Ongoing revenues will be used to fund either ongoing or one-time expenditures. One-time revenues will be used to fund only one-time expenditures.
 5. **Current Funding Basis** – Budgetary practices that balance the current budget at the expense of future budget periods will be avoided.
 6. **Fees** – Fees will be examined on a periodic basis to determine if fees charged are adequate to cover direct costs. However, administrative and operating expenses will also be examined to increase efficiency and reduce the need to increase fees. Increases in fees and service charges will be minimized or avoided to the extent possible.
 7. **Tax Relief** – Reductions in tax rates, as well as limitations or exemptions from the base of taxation, will be considered to the extent feasible in each biennial budget.
 8. **Financial Stability** – The executive budget will strive to maintain a diversified, stable revenue system to protect the state budget from short-term fluctuations in revenue.

9. **Revenue Monitoring** – The Office of Management and Budget will prepare monthly reports on actual versus estimated general fund revenues, on both a monthly and cumulative basis, noting any variations from the forecast for each major revenue source.
10. **Communication of Key Assumptions** – Budget documents will include information on key financial, economic, and demographic assumptions used in the revenue forecasting process so that stakeholders and policymakers understand the basis used to develop the revenue forecast.
11. **Enterprise Fund Transfers** – Within the limits of statutory authority, enterprise fund revenues are available for transfer to the general fund. However, unless otherwise required by law, transfers will only be proposed to the extent they do not reduce cash levels below amounts deemed necessary to fund ongoing operations, capital replacement, infrastructure improvement projects, and to maintain adequate capital structure.

Budget Development Policies

1. **Base Budget Limitation** – For each state agency and institution, a general fund base budget amount will be calculated considering the continuation of ongoing programs, the removal of one-time appropriations, and adjustments for the continuation of legislatively authorized pay increases for existing staff. Each base budget request submitted to the Office of Management and Budget may not exceed the base budget limitation.
2. **Optional Budget Submission** – Subject to budget guidelines issued by the Office of Management and Budget each biennium, state agencies and institutions are not limited in amounts that can be included in the budget request. However, any amounts requested in excess of the base budget limit must be submitted and prioritized as part of the optional budget submission.
3. **Budget Submission** – Budget requests, both base and optional, will be submitted to the Office of Management and Budget no later than July 15 of each even numbered year, except as otherwise allowed pursuant to NDCC Section 54-44.1-04. Exceptions to the budget submission deadline will be granted on a case-by-case basis as determine necessary by the Director of Fiscal Management in order to obtain the most current and accurate data for use in the budget.
4. **Budget Development** – The executive budget will be developed using multi-biennium revenue forecasts based on conservative economic assumptions. The executive budget will lay out a fiscal plan for the state, balancing current ongoing expenditures with current ongoing revenues. The budget will provide adequate funding for the continuation of ongoing state programs and new priorities established by the Governor.
5. **Budget Analysis** – The budget analysis process will include a review of all existing programs, including program performance and effectiveness. Additional scrutiny will be placed upon all requests for increases in funding or staffing for existing programs. New programs or initiatives included in budget requests will be considered for inclusion in the executive budget

only if they will better meet a demonstrated need of the people and businesses of North Dakota, lead to long-term efficiencies or cost savings, improve service delivery, or better meet a statutory or constitutional obligation of the state.

6. **Limitation of Growth** – Requests for new ongoing programs or expansions of existing ongoing programs are discouraged. For each such request, agencies are encouraged to objectively review all existing programs that can be eliminated or reduced to offset the costs of the proposed new or expanded program. Requests for new or expanded programs must be accompanied by supporting information demonstrating the need for the program.
7. **Review of Existing Positions** – Each agency should continually review the need for existing positions and eliminate positions whenever possible. Any long-term vacant positions should be removed or repurposed for a higher priority use within the agency base budget. The budget analysis process used by OMB will also include a review of the continued need for each existing position and will seek to eliminate any long-term vacant positions.
8. **Compensation Philosophy** – The compensation program for classified state employees will be designed to recruit, retain, and motivate a quality workforce for the purpose of providing efficient and effective services to the citizens of North Dakota. "Compensation" is defined as base salary and related fringe benefits. The Office of Management and Budget will develop and consistently administer the compensation program for classified state employees and ensure that state agencies adhere to the components of the state's compensation philosophy. The Office of Management and Budget's Human Resource Management Services division will regularly conduct compensation comparisons to ensure that the state's compensation levels are competitive with relevant labor markets.
9. **Continuing Appropriations** – During development of the executive budget, consideration will be given to all funds available to an agency, including those subject to continuing appropriation and not part of the biennial legislative appropriation process.
10. **Budget Reductions** – In the event budget reductions are necessary due to a reduction in state revenues, reductions will not be proposed across-the-board, but will be recommended based upon program effectiveness and relative value for the state.

Capital Budgeting Policies

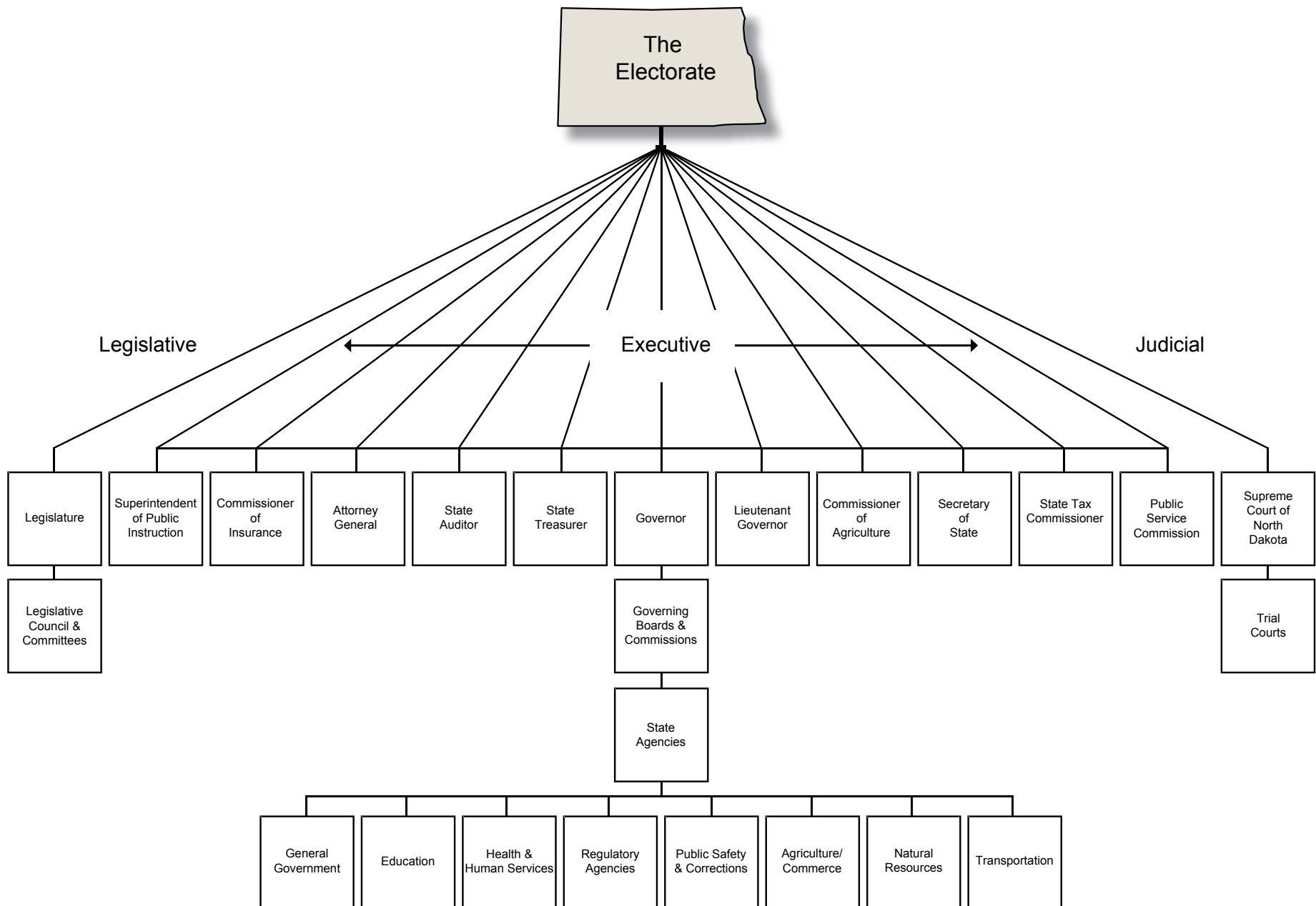
1. **Definition of Capital Assets** – Capital assets are expenditures exceeding \$5,000 for capital projects, extraordinary repairs, equipment, information technology (IT) equipment and software, and other capital payments such as bond payments or special assessments.
2. **Definition of Capital Project** – Capital projects include new construction, additions, and demolitions of buildings and infrastructure.
3. **Definition of Extraordinary Repair** – Extraordinary repairs are repair, improvement, or remodeling projects to existing buildings and

infrastructure that exceed the threshold of \$5,000. Repairs of \$5,000 or less should be budgeted in the operating line. Extraordinary repairs benefit more than one operating cycle or period and may extend the useful life of the asset.

4. **Definition of Equipment Over \$5,000** – Equipment over \$5,000 includes all non-IT equipment in excess of \$5,000. Individual items of \$5,000 or less should be budgeted for and paid out of the operating line.
5. **Definition of IT Equipment and Software Over \$5,000** – IT equipment and software includes IT equipment and software development costs in excess of \$5,000. Individual IT equipment items and software costs of \$5,000 or less should be budgeted and paid for out of the operating line.
6. **Definition of Other Capital Payments** – Other capital payments are used to enter budgeted amounts for special assessments, bond payments, and in lieu of tax payments. The Department of Transportation and State Water Commission are also allowed to use this category of capital assets to budget for road projects and water projects, respectively.
7. **Use of Debt Financing** – The use of debt financing will be considered by the Office of Management and Budget only when beneficial to the state to spread the payment for a capital project over the useful life of the facility, when the facility will generate revenues that can be dedicated to repayment of debt incurred to construct the facility, or when necessary to balance current revenues and current obligations of the state. Capital construction projects will be funded from current revenues to the extent feasible.
8. **Debt Financing Limitations** – NDCC Section 54-17.2-23 limits outstanding bond payments from the general fund to no more than 2 percent of the state's sales, use, and motor vehicle excise tax collections.
9. **Long-term Planning** – Each agency or institution with capital project needs in the upcoming budget biennium or the two subsequent bienniums will submit capital project information for each anticipated project. However, information submitted for projects planned for the two subsequent bienniums are not considered part of any budget request and are submitted for planning purposes only.
10. **Estimation of Ongoing Costs** – Each agency or institution requesting funding for a capital project will include an analysis of the project's impact on future operating costs, considering both additional costs and possible efficiencies. The analysis must include estimates for the upcoming budget biennium as well as two subsequent bienniums. The analysis must include detailed estimates by line item, funding source, and FTE.
11. **Justification for Capital Projects** – Each agency and institution requesting funding for a capital project will justify the need for each project. Justification will include evidence of the need for the project; documentation that adequate planning has been done; analysis of funding options; consideration of alternatives such as renovation, remodeling, or leasing; long-term need based on demographic changes and programmatic needs; long-term operating costs; and the cost-benefit analysis required pursuant to NDCC Section 54-44.1-16.

12. **Capital Project Evaluation** – The Office of Management and Budget will evaluate and prioritize capital project requests on the basis of external mandates, program needs, state policy direction, and available funding sources.
13. **Extraordinary Repairs Formula** – The Office of Management and Budget will use a building and infrastructure renewal formula to calculate an estimate of the amount that should be spent to adequately maintain buildings and infrastructure. The building formula, applied to only those buildings that will be five years old or older at the mid-year of the biennium, is: *building replacement value* x 2%. The infrastructure formula is: *infrastructure renewal % x replacement value*. The infrastructure renewal percentage is the straight line depreciation percentage over the item's estimated useful life.
14. **Extraordinary Repairs as Pool** – The building and infrastructure renewal formula is not meant to reflect actual repair needs, but is used to generate a pool of dollars that can be used to address planned extraordinary repairs and unplanned emergency repairs as they arise during the biennium.
15. **Facility and Infrastructure Inventory** – The Office of Management and Budget will maintain an inventory of all state facilities and infrastructure, which will be used in calculating extraordinary repairs formula amounts for use in the executive budget process.

STATE OF NORTH DAKOTA ORGANIZATIONAL CHART



Demographics

North Dakota is a state of 723,000 people. Approximately 62.0 percent of the state's population lives in urban areas.

North Dakotans enjoy a high quality of life. Infant mortality rates are low; the state's violent crime rate is the lowest in the nation, and the number of fatalities from motor vehicle accidents is one of the lowest in the nation. North Dakota ranks high in the percent of public high school students who graduate.

About 60.0 percent of North Dakota's adults are married. Families comprised of married couples with children make up a larger percentage of North Dakota's families than the national average. North Dakota's percent of births to teenage mothers and percent of births to unmarried women are less than the national average.

North Dakota's unemployment rate is low and the number of jobs continues to grow. Major employers in the state include Sanford Health Systems, Altru Health System, Noridian Mutual Insurance Company, U.S. Bank Service Center, Microsoft Business Solutions, MDU Resources Group, Inc., Target, Dakota Gasification, John Deer Electronic Solutions, Scheels All Sports and SuperValu.

In 2013, per capita personal income was \$53,182, which is higher than the national per capita income.

Overall, the quality of life in North Dakota is superb. It is a great place to live, work, and raise families.

This budget reflects the priorities of the state to invest in its children's education, tend to infrastructure needs statewide, and balance ongoing spending with ongoing revenue while maintaining adequate reserves for the future.

Economic Analysis

North Dakota's economy has showed substantial growth during the 2013-15 biennium and the state's economy continues to expand. Areas of strength include rapid growth of energy exploration, being a major producer and exporter of agricultural commodities, having a stable state fiscal situation, and being located along key trade corridors. The state is on a sustainable pace of expansion.

Oil exploration activity continues to provide substantial oil tax collections for both the state and political subdivisions. Oil activity also has a positive impact on income and sales tax collections. Oil production and drilling activity are at record levels. One hundred ninety three rigs were operating in the state in August 2014. Each oil rig represents up to 40 direct jobs and 80 indirect jobs. Oil production has steadily increased to 1.13 million barrels per day in August 2014.

The state's unemployment rate continues at an exceptionally low rate. The North Dakota non-seasonally adjusted unemployment rate in July 2014 was 2.7 percent. Nationally, the non-seasonally adjusted unemployment rate was 6.5 percent in July 2014. The number of jobs continues to increase in the state and economic forecasters predict continued growth in the job market.

Fiscal Policies

The basis for the operating policies of the State of North Dakota are the North Dakota Century Code and Constitution. The Office of Management and Budget publishes its Fiscal and Administrative Policies as a guide for state agencies and institutions in order to achieve basic uniformity in the application of appropriation expenditures and management principles.

The Fiscal and Administrative Policies manual contains detailed procedures regarding:

- Payroll and miscellaneous fiscal policies
- Expenditure and revenue policies
- Purchasing policies
- Travel policies
- Fixed assets policies

The policy manual is available at <http://www.nd.gov/fiscal/>.

Financial Organization

The budget is a financial planning document. It is organized according to the State of North Dakota's organizational, accounting and coding structures. Revenues are organized by type and source. Expenditures are organized by agency (business unit), account codes, classifications and positions.

Fund Structure

A fund is an accounting entity with assets, liabilities, equities, revenues, and expenditures, held separately in the budget for specific activities or to accomplish defined objectives. Most funds must be legislatively appropriated in order to be utilized by agencies, while certain funds are authorized on an ongoing basis.

Appropriated Funds

The State of North Dakota's appropriated funds are arranged by the fund's source of revenue and fall into three main categories: general, special, and federal.

The state's *general fund* provides for basic governmental services and receives funding from general tax dollars, such as income, sales and oil and gas production.

Special funds are dedicated funds usually earmarked for specific purposes. Certain special funds can be accessed by multiple state agencies, while others are available to only one agency. More than 200 special funds exist throughout state government.

Federal funds are used to account for the funding received from the federal government in the annual appropriation process.

The Financial Summary section contains an analysis of projections of how each fund will be impacted during the upcoming biennium. Presentation of special fund status statements is limited to the special funds with the largest statewide impact. The "Federal/Special Funds" section of this publication describes in detail all the special funds expected to be received in the 2015-17 biennium. A summary, by state agency and institution, of each fund for which the legislature has provided special fund appropriation authority is available at <http://www.nd.gov/omb/>.

Non-Appropriated Funds (Continuing Appropriations)

Continuing appropriations are legislatively-authorized funds within which revenues received can be expended for the purposes defined by statute on an ongoing basis. These funds are separate from the normal state budgeting and appropriation process and are not included within the executive budget. A summary, by state agency and institution, of each fund for which the legislature has provided continuing appropriation authority is available at <http://www.nd.gov/omb/>.

General Fund Revenues and Economic Outlook

2013-15

Original Legislative Revenue Forecast

The 2013-15 biennium began with a general fund balance of \$1.65 billion, \$178.6 million higher than the 2013 legislative projection. The legislative revenue forecast provided for general fund revenues of \$5.48 billion; the original biennial general fund appropriation was \$6.86 billion, including \$2.44 billion in one-time appropriations.

Revised Forecast

The November 2014 executive revenue forecast revises the original legislative forecast for the 2013-15 biennium based on actual collections through October 2014 and new economic assumptions for the remainder of the biennium. The 2014 executive forecast anticipates 2013-15 biennium revenues of \$5.79 billion, an increase of \$309.0 million. Based on the executive revenue forecast and authorized appropriation levels, the projected June 30, 2015 ending balance is \$577.5 million.

Estimated Oil Prices and Production

Despite recent declines in rig counts, the state has seen a continual increase in the number of producing oil wells as well as the amount of oil being produced. The number of producing wells has increased from 9,322 in July 2013 to 11,741 in September 2014, an increase of 25.9 percent. Oil production has increased from 874,460 barrels per day at the start of the biennium to 1,184,635 in September 2014. The result has been significant growth in oil and gas extraction and production tax collections.

The price of oil has decreased from \$96.76 at the start of the biennium to \$80.31 in September 2014 and is anticipated to range from \$72 to \$74 per barrel for the remainder of the biennium.

Oil extraction and gross production tax collections are projected to total \$6.76 billion during the 2013-15 biennium, allocated as reflected on the table at the end of this section.

2015-17

Executive Revenue Forecast

Comparing the 2015-17 biennium executive forecast to the 2013-15 revised forecast:

- Sales and use tax collections are expected to grow by \$493.6 million, a growth rate of 9.2 percent in FY 2016 and 9.6 percent in FY 2017, reflecting a positive outlook for personal income and consumer spending in North Dakota.
- Motor vehicle excise tax collections are expected to increase by \$40.0 million, which is a growth rate of 6.0 percent and 5.2 percent in FY2016 and FY2017, respectively.
- Individual income tax collections are expected to decrease by \$92.8 million, or 9.8 percent, as a result of the Governor's proposed income tax relief measure

which reduces taxpayers' liability by an estimated \$100.0 million during the 2015-17 biennium; and the impact of the Governor's proposed \$30.0 million increase to the housing incentive fund tax credit.

- Corporate income tax collections are anticipated to increase slightly by \$4.2 million even after the Governor's proposed corporate income tax relief measure, which reduces corporate tax liability by an estimated \$25.0 million during the 2015-17 biennium and the proposed \$30.0 million increase to the housing incentive fund tax credit.
- \$657.0 million is available in the property tax relief sustainability fund for the 2015-17 biennium, while the 2013-15 available funding was \$341.8.0 million.
- Transfers from the strategic investment and improvements fund, which were \$520.0 million during the 2013-15 biennium are budgeted at \$700.0 million for the 2015-17 biennium.

Based on the executive revenue forecast and recommended appropriation levels, the projected June 30, 2017 ending balance is \$97.4 million.

Estimated Oil Prices and Production

Oil prices are anticipated to remain low but stable, increasing slightly throughout the biennium. The forecast assumes a range of \$74 to \$78 per barrel in fiscal year 2016 and \$79 to \$82 per barrel during fiscal year 2017. Production is anticipated to continue increasing, from 1.22 million barrels per day at the start of the biennium to 1.4 million barrels per day by June 30, 2017.

Oil extraction and gross production tax collections are projected to total \$8.32 billion during the 2015-17 biennium, allocated as shown on the table at the end of this section.

Federal Funds

Federal funds represent 23.4 percent of the recommended state budget. Agencies receiving significant federal funds include the Department of Transportation, Department of Human Services, Job Service North Dakota, and the Agricultural Research Centers throughout the state.

Congress sets the amount of federal funds received by states in annual appropriation sessions. The amounts that appear in the 2015-17 budget recommendations are the agencies' best estimates of what they may receive in the future. If anticipated federal funds are not forthcoming, the agencies cannot use all of their appropriation authority. If actual federal funds received exceed budget estimates, the agency can request from the Emergency Commission authority to accept and expend additional funds.

The "Federal/Special Funds" section of this publication describes in detail the funds estimated to be received from the federal government during the 2015-17 biennium.

Special Funds

Special funds represent 30.6 percent of the recommended state budget. Special funds are best described as dedicated funds usually earmarked for specific

purposes. One example is the state gas tax, earmarked for Department of Transportation functions.

Agencies with significant amounts of dedicated funds include the Retirement and Investment Office, Public Employees Retirement System, and the Department of Trust Lands, which operate on interest from investments. The Bank of North Dakota and the North Dakota Mill and Elevator Association operate on their own profits. Agencies like the Information Technology Department and the Central Services Division of the Office of Management and Budget charge agencies for services provided. The Game and Fish Department spends funds received from hunting and fishing license sales.

These special, dedicated funds are estimated by state agencies in their individual budget requests. The “Federal/Special Funds” section of this publication describes in detail the special funds expected to be received during the 2015-17 biennium.

In North Dakota, appropriation measures passed by the legislature do not distinguish between federal and special funds. They are totaled together and designated as “other” funds or estimated income.

Tax Relief

For the 2015-17 biennium, the Governor’s budget continues income and property tax relief measures approved by the 2013 legislature.

In addition to \$250.0 million to continue the 12.0 percent property tax buydown, the Governor’s budget proposes a \$100.0 million reduction in individual income taxes. Current individual income tax rates range from 1.22 percent to 3.22 percent, depending on the level of North Dakota taxable income. The Governor’s income tax relief proposal provides for a 10.0 percent reduction in each tax bracket, lowering rates to 1.10 percent in the lowest bracket and 2.90 percent in the highest income bracket.

The Governor also proposes a \$25.0 million reduction in corporate income taxes, which equates to a 4.8 percent rate reduction from existing levels. The current corporate tax rates range from 1.48 percent to 4.53 percent. The Governor’s corporate tax relief proposal lowers rates to a range of 1.41 percent to 4.31 percent. Additionally, the Governor is proposing a \$30.0 million increase in the Housing Incentive Fund tax credit.

The Governor recommends increasing the appropriation for the homestead tax credit from \$22.0 million to \$30.0 million for the 2015-17 biennium. The additional funding will allow the maximum income threshold to increase from \$42,000 to \$50,000.

Finally, \$23.2 million in property tax relief is provided to the counties by eliminating the county share of grant expenses for Child Welfare and Service Payments to the Elderly and Disabled (SPED) and technology costs, as well as by establishing a grant program to replace use of the emergency human services levy.

Oil Tax Allocations

Oil taxes are allocated to counties, tribes, and various state funds. Estimated allocations for the 2013-15 and 2015-17 bienniums are reflected on the table below:

	2013-15 Biennium	2015-17 Biennium
Oil and gas impact grant fund	\$240,000,000	\$119,000,000
Oil and gas research fund	10,000,000	10,000,000
Counties and cities	710,893,055	1,706,551,008
Tribal allocations	513,309,913	583,200,000
ND outdoor heritage fund	21,227,657	50,000,000
Legacy fund	2,170,448,676	2,574,125,518
Foundation aid stabilization fund	334,895,338	436,224,852
Common schools trust fund	334,895,338	436,224,852
Resources trust fund	644,445,256	781,004,733
Renewable energy development fund	3,000,000	3,000,000
Energy conservation fund	1,200,000	1,200,000
Infrastructure revolving loan fund	21,145,419	87,244,969
Well plugging and site reclamation fund	10,000,000	10,000,000
General fund	300,000,000	300,000,000
Property tax relief sustainability fund	341,790,000	341,790,000
State disaster fund	22,000,000	22,000,000
Strategic investment & improvements fund	1,077,210,111	860,760,103
Total oil and gas taxes	\$6,756,460,763	\$8,322,326,035

General Fund Status Statement

	2011-13 Actual ^{\1}	2013-15		2015-17 Executive Budget
		Legislative Appropriation	Revised Estimate	
Beginning Balance	\$1,103,788,100	\$1,472,798,236	\$1,651,436,847 ^{\2}	\$577,466,597
Revenue	\$5,155,854,560	\$5,476,833,046	\$5,785,666,883 ^{\3}	\$6,752,477,071 ^{\3}
Expenditures:				
Original appropriations - One time	(\$629,895,435)	(\$2,426,328,201)	(\$2,436,378,201)	(\$2,224,191,957)
Contingent appropriations - One time	(73,000,000)		(11,000,000)	
Special session appropriations	(96,832,668)			
Original appropriations - Ongoing	(3,436,958,357)	(4,436,259,153)	(4,426,209,153)	(5,008,388,373)
Adjustments for emergency clauses	519,254		163,812,041	
Authorized carryover from previous biennium	(106,955,389)		(89,503,462)	
2015 Early appropriations bill			(3,000,000)	
2013 Emergency appropriations	(163,812,041)			
Supplemental appropriations	(60,314,701)		(8,809,026)	
Transportation funding distributions				
Obligated carryover to 2013-15 biennium	89,503,462			
Unspent authority/adjustments	50,106,455		55,000,000	
Total expenditures	(\$4,427,639,420)	(\$6,862,587,354)	(\$6,756,087,801)	(\$7,232,580,330)
Ending balance before transfers	\$1,832,003,240	\$87,043,928	\$681,015,929	\$97,363,338
Transfers and adjustments:				
Transfer from permanent oil tax fund				
Transfer to highway fund				
Transfer to housing incentive fund				
Transfer to prop tax fund for 2013-15				
Transfer to prop tax fund for 2013-15				
Transfer to prop tax fund for 2015-17				
Transfer to budget stabilization fund	(181,060,585)		(103,549,332) ^{\4}	
Adjustments and cash certifications	494,192			
Total transfers and adjustments	(\$180,566,393)	\$0	(\$103,549,332)	\$0
Ending Balance	\$1,651,436,847	\$87,043,928	\$577,466,597	\$97,363,338

^{\1} Final revenues and expenditures per state accounting system reports dated June 30, 2013.

^{\2} Actual July 1, 2013 balance, including both obligated and unobligated amounts.

^{\3} Based on actual revenues through October 31, 2014, and estimated revenues for the remainder of the biennium using the November 2014 executive revenue forecast.

^{\4} Transfer based on recommended 2015-17 biennium general fund appropriations and the statutory cap of 9.5 percent of appropriations, as defined in NDCC Section 54-27.2-01.

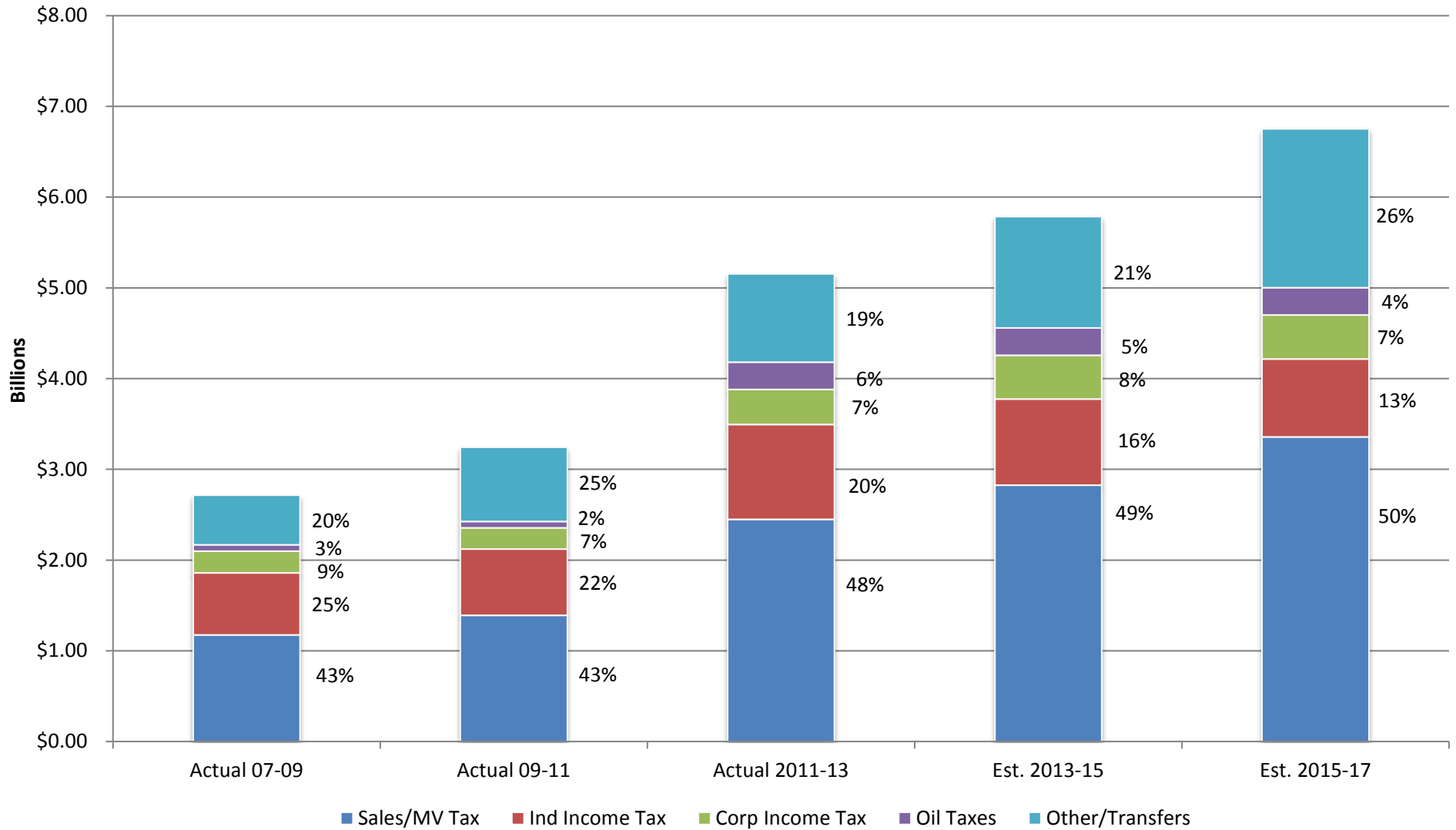
State of North Dakota
Comparison of General Fund Revenue by Major Source
For Bienniums 2005-07 through 2015-17

Revenue Source	Actual 2007-09	Actual 2009-11	Actual 2011-13	Revised Forecast 2013-15	Executive Forecast 2015-17
Tax Revenue:					
Sales and use taxes	\$1,046,485,684	\$1,267,211,331	\$2,196,977,793	\$2,535,362,100	\$3,028,960,000
Motor vehicle excise tax	130,151,534	124,425,401	252,725,403	289,315,958	329,314,000
Individual income tax	681,703,888	729,255,895	1,046,161,236	951,143,203	858,379,000
Corporate income tax	239,695,937	234,364,296	385,814,247	481,516,247	485,714,000
Financial institutions tax	10,486,495	6,748,753	11,236,510	(4,871,446)	0
Oil and gas production tax	39,309,315	32,718,333	133,834,000	146,071,108	133,834,000
Oil extraction tax	31,690,685	38,281,667	166,166,000	153,928,892	166,166,000
Cigarette and tobacco tax	45,230,771	46,253,470	53,723,649	59,567,291	61,560,000
Coal conversion tax	49,438,952	39,064,299	38,399,414	38,875,236	39,578,000
Insurance premium tax	64,388,601	63,150,948	82,857,729	84,927,055	91,897,243
Wholesale liquor tax	14,076,919	15,163,855	17,617,501	18,335,019	19,188,000
Gaming tax	20,042,392	16,189,991	11,136,421	7,097,793	7,106,250
Departmental collections	62,143,185	68,577,582	76,994,265	81,912,118	87,888,938
Interest income	49,506,190	43,684,825	13,671,280	19,930,091	21,008,000
Mineral leasing fees	25,306,589	17,521,635	43,052,074	36,792,104	38,535,944
Total tax revenue	\$2,509,657,137	\$2,742,612,281	\$4,530,367,522	\$4,899,902,769	\$5,369,129,375
Transfers:					
Bank of North Dakota profits	\$60,000,000				
Student loan trust fund interest	3,100,000				
Transfers from State Mill profits		\$13,902,268	\$9,448,922	\$6,817,200	\$6,817,200
Gas tax administration	1,274,056	1,288,000	1,485,000	1,777,360	2,030,496
Lottery	11,055,000	10,400,000	14,300,000	15,200,000	17,500,000
Strategic investment and improvements	15,000,000	35,000,000	305,000,000	520,000,000	700,000,000
Property tax relief sustainability fund			295,000,000	341,790,000	657,000,000
Permanent oil tax trust fund	115,000,000	435,000,000			
Health care trust fund					
Miscellaneous transfers	177,187	4,556,650	253,116	179,554	0
Total transfers	\$205,606,243	\$500,146,918	\$625,487,038	\$885,764,114	\$1,383,347,696
Total Revenues	\$2,715,263,380	\$3,242,759,199	\$5,155,854,560	\$5,785,666,883	\$6,752,477,071

State of North Dakota

Comparison of General Fund Revenue by Major Source

For Bienniums 2007-09 through 2015-17



Bonding Fund Status Statement

	2011-13 Actual	2013-15 Legislative Appropriation	Revised Estimate	2015-17 Executive Budget
Beginning Balance	\$2,802,006	\$4,040,206	\$3,408,932 ^{\1}	\$3,490,733
Revenue:				
Premiums ^{\2}		^{\2}	^{\2}	^{\2}
Investment revenue	\$211,038	\$300,000	\$250,000 ^{\3}	\$300,000 ^{\3}
Claims restitution	1,373,511	50,000	50,000	50,000
Other revenue	37,724	7,000	7,000	7,000
Total revenue	\$1,622,273	\$357,000	\$307,000	\$357,000
Expenditures:				
Claim liabilities/payments/write-offs	(\$970,697) ^{\4}	(\$150,000)	(\$150,000)	(\$150,000)
Claims related expenses	(5,719)	(20,000)	(20,000)	(20,000)
Investment expense	(9,062)	(10,000)	(10,000)	(10,000)
Administration	(29,869)	(45,199)	(45,199)	(43,451)
Total expenditures	(\$1,015,347)	(\$225,199)	(\$225,199)	(\$223,451)
Ending Balance	\$3,408,932 ^{\1}	\$4,172,007	\$3,490,733	\$3,624,282

^{\1} From June 30, 2013, comprehensive annual financial report (CAFR).

^{\2} There have been no premiums assessed or payments received in this fund since 1953. Pursuant to NDCC Section 26.1-21.09, premiums must be assessed if the fund balance falls below \$2.0 million.

^{\3} Investment revenue is based on Insurance Department projections.

^{\4} Claims liabilities reflect recorded liabilities for filed claims. Actual liability is determined after a review and audit of the loss. Adjustments are made to reflect claim liabilities written off and no longer carried as a potential liability.

Notes:

The bonding fund was created in 1915 and is maintained for bond coverage of public employees. The bonding fund is managed by the Insurance Commissioner. The amount of coverage provided to each state agency, department, industry, and institution is determined by the commissioner, based upon the amount of money and property handled and the opportunity for default. Section 26.1-21.09 provides that premiums for bond coverage are to be determined by the Insurance Commissioner but can be waived if the bonding fund balance is in excess of \$2.0 million.

Budget Stabilization Fund Status Statement

	2011-13 Actual ^{\1}	2013-15		2015-17 Executive Budget
		Legislative Appropriation	Revised Estimate	
Beginning Balance	\$386,351,110	\$583,545,799	\$583,545,799 ^{\2}	\$687,095,131
Revenue:				
Retention of earnings to increase balance	\$16,134,104 ^{\3}	\$0	\$0	\$0
Transfer from general fund	181,060,585 ^{\4}	0	103,549,332 ^{\5}	0
Total revenue	\$197,194,689	\$0	\$103,549,332	\$0
Transfers:				
Transfers to general fund	\$0	\$0	\$0 ^{\6}	\$0 ^{\6}
Ending Balance	\$583,545,799	\$583,545,799	\$687,095,131	\$687,095,131

^{\1} Final revenues and expenditures per state accounting system reports dated June 30, 2013.

^{\2} Actual July 1, 2013 balance.

^{\3} The 2011 legislature, during the 2011 special session, increased general fund appropriations for the 2011-13 biennium, resulting in a \$16.1 million increase in the maximum balance of the budget stabilization fund. As a result, interest and investment earnings of the fund which would otherwise be transferred to the general fund will be retained in the fund until the new cap is reached.

^{\4} Transfer from the general fund based on appropriations for the 2013-15 biennium and the provisions of NDCC Section 54-27.2-01 requiring a transfer sufficient to bring the balance of the fund to 9.5 percent of appropriations.

^{\5} Estimated transfer from the general fund based on recommended appropriations for the 2015-17 biennium and the provisions of NDCC Section 54-27.2-01 requiring a transfer sufficient to bring the balance of the fund to 9.5 percent of appropriations.

^{\6} No transfers from the budget stabilization fund to the general fund are anticipated during the 2013-15 or 2015-17 bienniums. Transfers will only take place if actual general fund collections fall short of revenue projections, as provided in Section 54-27.2-03.

Notes:

The budget stabilization fund is a statutory fund created in 1987. Section 54-27.2-02 provides that any end of biennium balance in the general fund in excess of \$65.0 million be transferred to the budget stabilization fund, subject to the provisions of Section 54-27.2-01.

Pursuant to Section 54-27.2-01, the fund is limited to no more than 9.5 percent of current biennium appropriations. Any deposits or interest that would otherwise be deposited or retained in the fund must instead be deposited in the general fund once the maximum balance is reached.

Section 54-27.2-03 provides that if general fund revenues are projected to be at least 2.5 percent less than included in the legislative revenue forecast, the Governor may order a transfer from the budget stabilization fund to the general fund.

Community Health Trust Fund Status Statement

	2011-13 Actual ^{\1}	2013-15 Legislative Appropriation	Revised Estimate	2015-17 Executive Budget
Beginning Balance	\$0	\$47,258	\$47,258 ^{\2}	\$337,042
Revenue:				
Transfers from the Tobacco Settlement Trust	\$4,024,012	\$4,000,000	\$4,275,638	\$4,000,000 ^{\5}
Total revenue	\$4,024,012	\$4,000,000	\$4,275,638	\$4,000,000
Expenditures:				
Dental loan program	(\$200,000)	(\$340,000)	(\$340,000) ^{\3}	(\$360,000)
Dental new practice grant		(25,000)	(25,000) ^{\3}	
Veterinarian loan repayment program	(255,000)		^{\3}	
Tobacco prevention and control	(3,219,210)	(3,220,354) ^{\4}	(3,220,354) ^{\3,4}	(3,440,864) ^{\4}
Women's way program	(302,544)	(400,500)	(400,500) ^{\3}	
Behavioral Risk Factor State Survey (BRFSS)				(520,500)
Total expenditures	(\$3,976,754)	(\$3,985,854)	(\$3,985,854)	(\$4,321,364)
Ending Balance	\$47,258	\$61,404	\$337,042	\$15,678

^{\1} Final revenue and expenditures per state accounting system reports dated June 30, 2013.

^{\2} Actual July 1, 2013 balance.

^{\3} Estimated expenditures for the 2013-15 biennium projected by the Health Department.

^{\4} Approved by voters in 2008, Measure #3 provides that 80.0 percent of the tobacco settlement revenue allocated to the community health trust fund must be spent on tobacco related programs.

^{\5} Estimated revenues based on average of 2009-11 and 2011-13 actual amounts.

Notes:

The community health trust fund originated in 1999. The purpose of the fund is to provide for public health programs, including those emphasizing prevention or reduction of tobacco usage in this state. The revenue source for the community health trust fund is the tobacco settlement trust fund (North Dakota Century Code Section 54-27-25). All tobacco settlement monies received by the state are to be deposited in the tobacco settlement trust fund. Monies in the fund must be transferred, within 30 days of deposit in the fund as follows:

10.0 percent to the community health trust fund

45.0 percent to the common schools trust fund

45.0 percent to the water development trust fund

In November 2008, voters approved Measure No. 3, which creates a tobacco prevention and control trust fund that will receive all tobacco settlement strategic contribution fund payments to the state. Strategic contribution fund payments are estimated by OMB at \$14.1 million per year through 2017. After 2017, no additional strategic contribution fund payments are anticipated.

The community health trust fund is administered by the Department of Health which may use monies in the fund subject to legislative appropriation.

Disaster Relief Fund Status Statement

	2011-13 Actual ¹¹	2013-15 Legislative Appropriation	Revised Estimate	2015-17 Executive Budget
Beginning Balance	\$34,675,167	\$81,604,731	\$77,651,986 ¹²	\$76,808,019
Revenue:				
Transfer from the general fund	\$48,700,000 ¹³			
Transfers from oil and gas taxes	22,000,000 ¹⁴	\$22,000,000 ¹⁴	\$22,000,000 ¹⁴	\$22,000,000 ¹⁴
Interest earnings	70,784	92,000	76,000	76,000
Miscellaneous reimbursements	2,310,051	1,060,000	1,800,000	200,000
Total Revenue	\$73,080,835	\$23,152,000	\$23,876,000	\$22,276,000
Expenditures:				
State match for disasters prior to 2009	(\$826,535)	\$0	\$0	
2009 Flood disaster	(2,656,019)	(4,465,634)	(3,075,469)	(\$669,990)
January 2010 winter storm	(69,717)	(279,535)	(310,392)	(18,044)
2010 Flood	(164,272)	(1,731,268)	(1,324,682)	(208,927)
April 2010 ice storm	(544,138)	(467,166)	(561,900)	0
2011 Flood	(12,261,836)	(20,315,794)	(8,940,334)	(13,796,037)
2011 Ice Storm (2013 HB1016)	0	0	(590,239)	(68,469)
2013 Flood	0	0	0	(914,426)
Housing Rehab and Retention (2011 SB2371)	(5,458,372)	(6,237,563)	(3,541,629)	
Transfer to NDDOT for Road Grade Raising Projects (2011 SB2371)	(6,000,000)	0	0	
Transfer to ND Housing Finance for Flood- Impact Housing Assistance (2013 HB1016)		0	(1,500,000)	
Volunteer Response Coordination	(400,000)	(485,000)	(400,000)	(400,000)
Road Grade Raising Projects	(7,240)	(4,792,760)	(1,996,744)	
Flood Mitigation in Incorporated Cities	(1,715,887)	(1,484,113)	(978,578)	
Disaster Coordination Contract		(1,500,000)	(1,500,000)	(1,000,000)
2013 Red River Valley Flood Disaster		(650,188)	0	
2013 Rain Event		(781,875)	0	
2013 Snow Storm	0	0	0	(482,702)
2014 Rain Storms	0	0	0	(225,000)
Total Expenditures	(\$30,104,016)	(\$43,190,896)	(\$24,719,967) ¹⁵	(\$17,783,595)
Ending Balance	\$77,651,986	\$61,565,835	\$76,808,019	\$81,300,424

- \1 Final revenues and expenditures per state accounting system reports.
- \2 Actual July 1, 2013 balance.
- \3 2011 Senate Bill 2371 provided that \$48.7 million be transferred from the general fund for disaster-related expenses (\$32.7 million), flood-impacted housing assistance grant programs (\$10.0 million), and road grade raising grants through the Department of Transportation (\$6.0 million).
- \4 2011 House Bill 1451 provided that \$22.0 million be transferred to the state disaster relief fund if funds become available after making the required transfers to the general fund, property tax relief sustainability fund, and strategic investment and improvements fund.
- \5 Based on actual expenditures through September 30, 2014 and agency estimated expenditures through June 30, 2015.

Notes:

North Dakota Century Code Section 37-17.1-27 establishes the state disaster relief fund. Money is available pursuant to legislative appropriation to defray expenses of state disasters, including providing funds required to match federal funds for expenses associated with presidential-declared disasters in the state. Expenditures from the fund also require approval by the Emergency Commission and Budget Section. Interest and other fund earnings must be deposited in the fund.

Fire and Tornado Fund Status Statement

	2011-13 Actual	2013-15 Legislative Appropriation	Revised Estimate	2015-17 Executive Budget
Beginning Balance	\$22,306,709	\$24,675,209	\$24,772,838 \1	\$22,716,331
Revenue:				
Premium revenue	\$8,516,350	\$8,100,000	\$5,000,000 \2	\$5,250,000 \2
Investment revenue (loss)	2,902,622	6,000,000	4,500,000	5,000,000
Claims recovery	835,449 \3	200,000 \3	300,000 \3	350,000 \3
Boiler inspection fee	728,485	625,000	600,000	700,000
Total revenues	\$12,982,906	\$14,925,000	\$10,400,000	\$11,300,000
Expenditures:				
Insurance claims	(\$3,390,083)	(\$9,000,000)	(\$5,000,000)	(\$4,500,000)
Claims related payments	(5,730,523)	(5,700,000)	(5,700,000)	(6,000,000)
Administration/investment expenses	(1,126,023)	(1,552,929)	(1,656,507)	(1,469,026)
Fire Marshal inspection fees	(100,148)	(150,000)	(100,000)	(100,000)
ND Firefighter's Association	(170,000)	0	0	0
Total expenditures	(\$10,516,777)	(\$16,402,929)	(\$12,456,507)	(\$12,069,026)
Ending Balance	\$24,772,838 \1	\$23,197,280	\$22,716,331	\$21,947,305

\1 From June 30, 2013, Comprehensive Annual Financial Report (CAFR).

\2 The department has instructed agencies to budget assuming premiums will increase by 5.0 percent annually.

\3 Claims recovery reflects amounts recovered through re-insurance purchased to cover claims that exceed a specific amount per incident.

Notes:

The state fire and tornado fund originated in 1919. The fund is maintained to insure the state and its political subdivisions against loss to public buildings and fixtures. North Dakota Century Code Section 26.1-22-14 requires that if the fire and tornado fund balance is less than \$12.0 million, the Insurance Commissioner must increase assessments.

Foundation Aid Stabilization Fund Status Statement

	2011-13 Actual ^{\1}	2013-15		2015-17 Executive Budget
		Legislative Appropriation	Revised Estimate	
Beginning Balance	\$140,193,764	\$334,082,246	\$335,364,942 ^{\2}	\$667,447,813
Revenue:				
Oil extraction tax allocations	\$195,171,178	\$282,106,675	\$332,082,871 ^{\3}	\$436,224,852 ^{\4}
Transfers:				
Transfer to state school aid program	\$0	\$0	\$0	\$0
Ending Balance	\$335,364,942	\$616,188,921	\$667,447,813	\$1,103,672,665

^{\1} Final revenues and expenditures per state accounting system reports, dated June 30, 2013.

^{\2} Actual July 1, 2013 balance.

^{\3} Based on actual revenues through October 31, 2014, and estimated revenues for the remainder of the biennium using the November 2014 executive revenue forecast.

^{\4} Revenue estimates based on the November 2014 executive revenue forecast, which assumes oil prices of \$76.25 per barrel and 1,278,333 barrels of oil per day (BOPD) for FY 2016; and average price of \$80.50 per barrel and 1,387,083 BOPD for FY 2017.

Notes:

The foundation aid stabilization fund was created in 1994 upon voter approval of Article X, Section 24 of the Constitution of North Dakota. Section 24 provides that 20% of oil extraction taxes are to be allocated as follows:

50% to the common schools trust fund

50% to the foundation aid stabilization fund

Section 24 also provides that interest from the foundation aid stabilization fund must be transferred to the general fund; the principal can only be spent upon order of the Governor to offset foundation aid reductions made by executive action due to a revenue shortfall. North Dakota Century Code Section 54-44.1-12 provides that in the case of an allotment, all agencies that receive monies from a fund must be allotted on a uniform basis. The exception is that appropriations for foundation aid, transportation aid, and special education aid may only be allotted to the extent that the allotment can be offset by transfers from the foundation aid stabilization fund.

Health Care Trust Fund Status Statement

	2011-13 Actual	2013-15		2015-17 Executive Budget
		Legislative Appropriation	Revised Estimate	
Beginning Balance	\$420,036	\$397,591	\$397,591 ^{\1}	\$285,551
Revenue:				
Investment earnings	\$6,405	\$2,334	\$1,174	\$1,035
Principal and interest repayments	1,072,846	1,026,297	1,026,297	999,499
Total revenue	\$1,079,251	\$1,028,631	\$1,027,471	\$1,000,534
Expenditures:				
Grant for Dunseith nursing facility	(200,000)			
Grant for McVillie hospital	(200,000)			
Bed layaway program - DHS	(546,786)	(546,786)	(546,786)	
Grant to an assisted living facility that accepts low-income tenants		(425,000)	(425,000)	
Nurse aid registry	(154,910)	(167,725)	(167,725)	(85,127)
Total expenditures	(\$1,101,696)	(\$1,139,511)	(\$1,139,511)	(\$85,127)
Ending Balance	\$397,591	\$286,711	\$285,551	\$1,200,958

^{\1} Actual July 1, 2013 balance.

Notes:

The health care trust fund was established by the 1999 legislative assembly to provide grants and loans to nursing facilities. Additional uses of moneys have been approved in subsequent bienniums. Revenue for the fund was originally generated through nursing facilities funding pool payments to government nursing facilities based on the difference between Medicare and Medicaid rates for nursing care. This funding stream was known as the Intergovernmental Transfer Program (IGT). The federal government passed regulations phasing out the IGT program and the final pool payment was made to the state in July 2004. Current revenues to the fund consist of loan repayments and investment earnings.

Highway Tax Distribution Fund Status Statement

	2011-13 Actual ¹	2013-15 Legislative Appropriation	Revised Estimate	2015-17 Executive Budget
Beginning Balance	\$0	\$0	\$0 ²	\$0
Revenue:				
Motor vehicle fuel tax	\$192,288,015	\$196,000,000	\$196,000,000	\$207,900,000
Special fuel taxes	213,127,868	245,400,000	245,400,000	250,400,000
Motor vehicle registration fees	184,967,772	169,000,000	169,000,000	183,200,000
Total revenue	\$590,383,655	\$610,400,000 ³	\$610,400,000 ³	\$641,500,000 ³
Transfers:				
State highway fund allocation	(\$352,407,050)	(\$363,358,934)	(\$363,358,934)	(\$380,500,000)
Counties allocation	(126,475,613)	(130,400,000)	(130,400,000)	(136,500,000)
Cities allocation	(71,861,144)	(74,100,000)	(74,100,000)	(77,600,000)
Townships allocation	(15,522,007)	(16,000,000)	(16,000,000)	(16,800,000)
Transit allocation	(8,623,337)	(8,900,000)	(8,900,000)	(9,300,000)
Highway Patrol	(5,025,762)	(6,841,066)	(6,841,066)	(10,200,000)
Motorboat safety account	(237,673)	(200,000)	(200,000)	(200,000)
State snowmobile fund	(168,933)	(200,000)	(200,000)	(200,000)
Hwy-Rail Grade Crossing Safety Projects		(500,000)	(500,000)	
Administrative assistance to transferees	(5,500,000)	(5,500,000)	(5,500,000)	(5,500,000)
Ethanol production incentive	(4,562,136)	(4,400,000)	(4,400,000)	(4,700,000)
Total transfers	(\$590,383,655)	(\$610,400,000)	(\$610,400,000)	(\$641,500,000)
Ending Balance	\$0	\$0	\$0	\$0

¹ Final revenues and expenditures per Department of Transportation.

² Actual July 1, 2013 balance.

³ Revenue notes:

- Motor fuel tax amounts are net of amounts withheld for the refund reserve and the motor fuels operating fund. Motor fuel tax amounts include amounts collected for penalties and interest, and license and permit fees (57-43.1-28).
- Special fuel taxes include amounts collected for penalties and interest, and license and permit fees (57-43.2-19).
- Motor vehicle registrations are net of amounts withheld to pay fuel tax refunds for the International Fuel Tax Agreement (IFTA) member states, and the motor vehicle operating fund. Motor vehicle registrations exclude the fees collected by the Motor Vehicle Division but paid to other funds, such as the motor vehicle excise tax and the state aid distribution, the motorcycle safety education fund (39-28-05), abandoned motor vehicle disposal fund (39-26-12), veterans' cemetery maintenance fund (39-04-10.10), all-terrain vehicle fund (39-29-01.1), the employment of people with disabilities fund (39-01-15), and the unsatisfied judgment fund (39-24-03).

- On July first of each year, the State Treasurer transfers from the highway tax distribution fund to the motorboat program and safety account an amount equal to \$2.50 multiplied by the number of motorboats licensed with the Game and Fish Department (20.1-02-16.6).
- Annually, an amount equal to the tax collected on 30 gallons of motor vehicle fuel multiplied by the number of snowmobiles registered must be transferred from the highway distribution fund to the state snowmobile fund (39-24-05).
- The State Treasurer transfers annually from the highway tax distribution fund to the ethanol incentive fund an amount equal to 40.0 percent of all sums collected for the registration of farm vehicles (39-04-39).

Notes:

The highway tax distribution fund is a statutory fund established by NDCC Section 54-27-19. The fund receives moneys from motor vehicle registrations and fees, fuels taxes, special fuels taxes, use taxes, and special fuels excise taxes. The first \$5.5 million deposited in the fund is transferred to the highway fund to provide administrative assistance to transferees. Appropriations for the Highway Patrol, ethanol production incentives, motorboat safety, and state snowmobile fund are deducted before remaining moneys are allocated pursuant to the the following formula:

- 61.3 percent to the highway fund for use by the state DOT.
- 2.7 percent to township highway fund for allocation to townships pursuant to Section 54-27-19.1.
- 1.5 percent to the public transportation fund to be allocated pursuant to Section 39-04.2-04.
- 34.5 percent to cities and counties, allocated pursuant to the distribution formula provided in Section 54-27-19.

Legacy Fund Status Statement

	2011-13 Actual	2013-15		2015-17 Executive Budget
		Legislative Appropriation	Revised Estimate	
Beginning Balance	\$0	\$1,258,456,566	\$1,280,714,486 \1	\$3,612,434,180
Revenue:				
Transfers from oil and gas taxes	\$1,271,057,344	\$1,670,747,382	\$2,191,962,941 \2	\$2,574,125,517 \2
Transfer from SII fund	\$7,356,917	16,669,800	34,756,753 \3	31,222,080 \3
Interest on investment	2,300,225	19,380,000	105,000,000 \4	134,000,000 \4
Total revenue	\$1,280,714,486	\$1,706,797,182	\$2,331,719,694	\$2,739,347,597
Expenditures:				
Legislative appropriations	\$0	\$0	\$0	\$0 \5
Ending Balance	\$1,280,714,486	\$2,965,253,748	\$3,612,434,180	\$6,351,781,777

\1 Actual July 1, 2013 balance.

\2 Revenue estimate based on actual collections through October 2014 and the November 2014 executive revenue forecast for oil price and production.

\3 Pursuant to HB1451 (2011), once the unobligated balance in the strategic investment and improvements (SII) fund reaches \$300.0 million, 25.0 percent of fund revenues must be deposited into the legacy fund. Oil and gas taxes amounts reflected on this schedule include the legacy fund's estimated 25.0 percent share starting in February 2013 and continuing through the end of the 2013-15 biennium. The amount shown as the anticipated transfer from the SII fund represents 25.0 percent of SII fund revenues other than oil and gas taxes estimated to be received after the unobligated fund balance exceeds the \$300.0 million threshold.

\4 Investment earnings estimated by Retirement and Investment Office assuming average monthly revenue deposits of \$75.0 million and average annual earnings of 1.5 percent.

\5 Based on ND Constitution Article X, Section 26, no expenditures of principal or interest may be made from the fund until after June 30, 2017.

Notes:

House Concurrent Resolution No. 3054 was adopted by the 2009 legislature and approved by the voters in November 2010. This measure establishes the North Dakota legacy fund as a constitutional trust fund. Thirty percent of all revenue collected by the state from oil and gas production and extraction taxes is transferred to the fund. Interest and investment earnings are retained in the fund until June 30, 2017, after which time they will be transferred to the general fund once each biennium. For the 2011-13 through 2015-17 bienniums, interest earnings will be added to the fund principal.

ND Outdoor Heritage Fund Status Statement

	2011-13 Actual	2013-15 Legislative Appropriation	Revised Estimate	2015-17 Executive Budget
Beginning Balance	\$0	\$0	\$0 /1	\$7,024,257
Revenue:				
Oil and gas production tax		\$17,602,000	\$21,227,657 /2	\$50,000,000 /2
Interest income			\$7,000	\$20,000
Total revenue		17,602,000	21,234,657	50,020,000
Expenditures/Commitments:				
Administrative expenses			(100,000)	(300,000)
Grant commitments		(\$17,602,000)	(\$14,110,400) /3	/3
Total expenditures and commitments		(\$17,602,000)	(\$14,210,400)	(\$300,000)
Ending Balance	\$0	\$0	\$7,024,257	\$56,744,257

- \1 The fund is created by passage of 2013 HB1278. No moneys were deposited in the fund until July 2013.
- \2 Although NDCC section 57-51-15 establishes a maximum allocation of \$15.0 million per year, the current forecast for oil and gas taxes will result in approximately \$21.2 million being allocated to the fund during the 2013-15 biennium. The executive budget proposes increasing the allocation to \$50 million per biennium.
- \3 All moneys in the fund are appropriated on a continuing basis, pursuant to NDCC Section 54-17.8-02. As of November 30, 2014 the Industrial Commission has made commitments of \$14,110,400 with two grant rounds still to be held during the 2013-15 biennium. These commitments include some projects that will draw down funds over a 10 year period. As of September 30, 2014 \$870,791 had been expended from the Outdoor Heritage Fund. It is estimated that \$6,000,000 will be expended during the 2013-15 biennium.

Notes:

The 2013 legislature, through passage of HB 1278, established the North Dakota Outdoor Heritage Fund. The bill creates chapter 54-17.8 of the NDCC, which establishes an advisory board to administer the fund, provides a continuing appropriation for the fund, and establishes allowable uses of the fund. Moneys in the fund can be used for grants to state agencies, tribal governments, political subdivisions, and nonprofit organizations to:

- Provide access to private and public lands for sportsmen;
- Improve and maintain water quality, soil conditions, and support stewardship practices to enhance farming and ranching;
- Develop wildlife and fish habitat; and
- Conserve natural areas for recreation through the establishment and development of parks and other recreation areas.

Funds may not be used for:

- Litigation;
- Lobbying; or
- Activities that would interfere with coal mining, sand and gravel extraction, oil and gas operations, or other energy facility or infrastructure development.

Four percent of oil and gas gross production tax revenue, up to \$15.0 million per year, is deposited into the fund.

Property Tax Relief Fund Status Statement

	2011-13 Actual ^{\1}	2013-15		2015-17 Executive Budget
		Legislative Appropriation	Revised Estimate	
Beginning Balance	\$295,000,000	\$341,790,000	\$341,790,000 ^{\2}	\$657,000,000
Revenue:				
Transfers from the general fund		\$315,210,000	\$315,210,000 ^{\3}	
Allocation of oil tax revenue	341,790,000	341,790,000	341,790,000	341,790,000
Total revenue	\$341,790,000	\$657,000,000	\$657,000,000	\$341,790,000
Expenditures:				
Transfer to the general fund for property tax relief	(295,000,000)	(341,790,000)	(341,790,000) ^{\4}	(657,000,000)
Total expenditures	(\$295,000,000)	(\$341,790,000)	(\$341,790,000)	(\$657,000,000)
Ending Balance	\$341,790,000	\$657,000,000	\$657,000,000	\$341,790,000

\1 Final revenues and expenditures per state accounting system reports dated June 30, 2013.

\2 Actual July 1, 2013 balance.

\3 Section 3 of 2013 HB1015 provides for a one-time transfer from the general fund to the Property Tax Relief Fund to set aside money for continuation of property tax relief programs during the 2015-17 biennium.

\4 Section 5 of 2013 HB1013 provides for a transfer from the Property Tax Relief Fund to the general fund for property tax relief programs enacted by the 2013 legislature. For the 2013-15 biennium, property tax relief is provided through the integrated school funding formula (HB1013) and through a state-paid property tax credit program (SB2036).

Notes:

The property tax relief sustainability fund was created by the 2009 Legislative Assembly to set aside funding for the continuation of the property tax relief initiative enacted during the 2009 legislative session. NDCC Section 57-51.1-07.5 provides that the first \$200.0 million of the state share of oil and gas taxes be allocated to the general fund each biennium. The next \$341.8 million is allocated to the Property Tax Relief Fund.

Resources Trust Fund Status Statement

	2011-13 Actual ^{\1}	2013-15 Legislative Appropriation	Revised Estimate	2015-17 Executive Budget
Beginning Balance	\$155,940,058	\$264,048,444	\$292,961,846 ^{\2}	\$572,270,341
Revenue:				
Repayments and reimbursements	\$6,602,070	\$8,614,000	\$9,104,000	\$12,682,000
Oil extraction tax collections	390,342,357	564,213,350	664,165,744	872,449,702 ^{\6}
Interest	1,577,361	1,359,000	2,284,170	3,445,000
Total revenue	\$398,521,788	\$574,186,350	\$675,553,914 ^{\3}	\$888,576,702
Expenditures and Transfers:				
Water Commission expenditures	(\$251,500,000)	(\$750,606,094)	(\$370,900,000) ^{\4}	(\$1,268,373,031)
Bank of North Dakota	(10,000,000) ^{\5}			
Transfer to renewable energy development fund		(\$3,000,000)	(\$3,000,000)	(3,000,000) ^{\7}
Transfer to energy conservation grant fund		(\$1,200,000)	(\$1,200,000)	(1,200,000) ^{\7}
Transfer to infrastructure loan fund		(\$16,978,011)	(\$21,145,419)	(87,244,969)
Total expenditures and transfers	(\$261,500,000)	(\$771,784,105)	(\$396,245,419)	(\$1,359,818,000)
Ending Balance	\$292,961,846	\$66,450,689	\$572,270,341	\$101,029,043

^{\1} Final revenues and expenditures per state accounting system reports.

^{\2} Actual July 1, 2013 balance.

^{\3} Actual revenues through October 31, 2014 plus estimated receipts for the remainder of the biennium, based on the November 2014 executive revenue forecast.

^{\4} Estimated agency expenditures for the 2013-15 biennium.

^{\5} House Bill No. 1206, approved by the 2011 Legislative Assembly, appropriated \$10.0 million to the Bank of North Dakota for a 5.0 percent loan to the Western Area Water Supply Authority.

^{\6} Executive forecast assumes average price of \$76.25 per barrel and 1,278,333 barrels of oil per day (BOPD) for FY 2016; and average price of \$80.50 per barrel and 1,387,083 BOPD for FY 2017.

^{\7} SB2014, passed by the 2013 legislature, provides that 5.0 percent of oil extraction taxes deposited in the resources trust fund, up to \$3.0 million per biennium, must be transferred quarterly to the Renewable Energy Development Fund. This bill also provides that 0.5 percent of the amount deposited in the Resources Trust Fund, up to \$1.2 million per biennium, must be transferred to the Renewable Energy Conservation Grant Fund.

Notes:

The resources trust fund was created pursuant to passage of Measure No. 6 in the November 1980 general election. Measure No. 6 established a 6.5 percent oil extraction tax, 10.0 percent of which was distributed to the resources trust fund. Measure No. 2, a constitutional amendment approved in the June 1990 primary election, establishes the resources trust fund as a constitutional trust fund and provides that the principal and income of the fund may be spent pursuant to legislative appropriations for constructing water related projects, including rural water systems, and funding energy conservation programs.

North Dakota Century Code Section 57-51.1-07 provides that the resources trust fund is available for legislative appropriation to the State Water Commission for planning and constructing water-related projects and to the Industrial Commission for energy conversion and waste products utilization programs and studies. The 1995 Legislative Assembly amended Section 57-51.1-07 to provide that 20.0 percent of oil extraction tax collections will be deposited in the resources trust fund.

State Aid Distribution Fund Status Statement

	2011-13 Actual ^{\1}	2013-15		2015-17 Executive Budget
		Legislative Appropriation	Revised Estimate	
Beginning Balance	\$0	\$0	\$27,330,704 ^{\2}	\$0
Revenue:				
Sales tax revenue	\$191,346,810	\$226,026,428	\$231,690,740	\$288,631,000
Motor vehicle excise tax revenue	21,978,032	29,493,262	26,311,836	31,380,000
Total revenue	\$213,324,842	\$255,519,690	\$258,002,576 ^{\3}	\$320,011,000 ^{\4}
Expenditures:				
Distributions to cities and counties	(\$185,994,138)	(\$255,519,690)	(\$285,333,280)	(\$320,011,000)
Ending Balance	\$27,330,704	\$0	\$0	\$0

\1 Final revenues and expenditures per state accounting system reports dated June 30, 2013.

\2 Actual July 1, 2013 balance.

\3 Based on actual revenues through October 31, 2014, and estimated receipts for the remainder of the biennium using the November 2014 executive revenue forecast.

\4 Estimated revenues based on the November 2014 executive revenue forecast.

Notes:

North Dakota Century Code Section 57-39.2-26.1 provides for the deposit of a portion of sales, use, and motor vehicle excise tax collections into the state aid distribution fund. The amount deposited into the state aid distribution fund is equal to 40% of an amount determined by multiplying 1%, divided by the general sales tax rate, times the net sales, use, and motor vehicle excise tax collections. The calculation results in 8% of all sales and motor vehicle excise taxes being distributed through the state aid distribution fund to cities and counties. Revenues deposited in the state aid distribution fund are allocated to political subdivisions pursuant to the formula provided in Section 57-39.2-26.1.

2013 Senate Bill No. 2325 provides that effective July 1, 2014, deposits into the state aid distribution fund be based on an amount equal to 43.5 percent of an equivalent one-cent sales tax instead of an amount equal to 40 percent of an equivalent one-cent sales tax.

Strategic Investment and Improvements Fund

Status Statement

	2011-13	2013-15		2015-17
	Actual	Legislative Appropriation	Revised Estimate	Executive Budget
Beginning Balance	\$249,074,431 ^{\1}	\$926,901,312	\$969,920,162	\$1,472,802,549
Revenue:				
Mineral royalties	138,293,182	158,160,750	225,423,159	\$281,430,780
Mineral rents	359,505	400,000	537,827	400,000
Mineral bonus	106,922,161	32,000,000	31,980,143	16,000,000
Oil and gas taxes	786,998,032	681,808,187	1,118,883,568 ^{\2}	860,760,104 ^{\2}
Loan income			2,650,966	14,590,000
Investment income	2,065,673	3,013,804	3,609,273	11,503,914
Total Revenues	\$1,034,638,553	\$875,382,741	\$1,383,084,936	\$1,184,684,798
Expenditures:				
Transfer to general fund	(305,000,000)	(\$520,000,000)	(\$520,000,000)	(700,000,000)
Transfer to legacy fund	(7,356,917)	(16,669,800)	(34,756,753) ^{\3}	(\$31,222,080) ^{\3}
Contingent funding for BRIC				(\$5,000,000) ^{\4}
Funding for cities in large oil counties			(300,000,000)	
Shortline railroad revolving loan fund				(\$10,000,000)
Current biennium appropriations		(223,750,000)	(23,750,000)	
Administrative expenses	(1,435,905)	(1,740,000)	(1,695,796)	(1,980,000)
Total expenditures and transfers	(\$313,792,822)	(\$762,159,800)	(\$880,202,549)	(\$748,202,080)
Ending Balance	\$969,920,162	\$1,040,124,253	\$1,472,802,549	\$1,909,285,267
Less Assigned Fund Balance				
Potential title disputes	(\$133,985,322)	(\$141,985,322)	(\$144,197,060)	(\$148,197,060)
School construction loan program			(\$150,000,000)	(\$450,000,000) ^{\5}
Medical facility loan program			(\$50,000,000)	(\$50,000,000)
Guarantee reserve fund balance	(25,000,000)	(25,000,000) ^{\6}	(18,000,000)	(18,000,000)
Unassigned Fund Balance	\$810,934,840	\$873,138,931	\$1,110,605,489	\$1,243,088,207

^{\1} Final revenue and expenditure information per the Department of Trust Lands.

^{\2} Pursuant to HB1451 (2011), a portion of oil and gas tax revenues is allocated to the strategic investment and improvements fund. Based on the most current forecast for oil and gas taxes and actual deposits through October 2014, \$1.10 billion is anticipated to be deposited into the strategic investment and improvements fund during the 2013-15 biennium; \$860.1 million during the 2015-17 biennium. The decrease is primarily due to an increase in the allocation of gross production taxes to political subdivisions which decreases the amount allocated to the strategic investment fund.

^{\3} Pursuant to HB1451 (2011), once the unobligated balance in this fund reaches \$300.0 million, 25.0 percent of fund revenues must be deposited into the legacy fund. Oil and gas taxes are shown net of amounts deposited into the legacy fund. The amount shown as the anticipated transfer to the legacy fund represents 25.0 percent of fund revenues other than oil and gas taxes estimated to be received after the unobligated fund balance exceeds the \$300.0 million threshold.

^{\4} Contingent appropriation to the Department of Commerce, available for the enhanced use lease grant program at the Grand Forks Air Force Base.

^{\5} The executive budget includes a recommendation to increase the amount available for the school construction loan program from \$150 million to \$450 million, providing low interest loans to school districts.

Notes:

The strategic investment and improvements fund was created by the 2011 legislature to replace the lands and minerals trust fund. In addition to income from the sale, lease, and management of certain state owned lands and mineral interests previously allocated to the lands and minerals trust fund, the strategic investment and improvements fund receives a portion of state oil and gas taxes.

Tobacco Prevention and Control Trust Fund Status Statement

	2011-13 Actual ^{\1}	2013-15		2015-17 Executive Budget
		Legislative Appropriation	Revised Estimate	
Beginning Balance	\$29,556,426	\$40,654,656	\$40,654,656 ^{\2}	\$47,405,222
Revenue:				
Fiscal year 1 payments	\$11,392,521	\$11,327,123	11,205,876 ^{\3}	11,304,243 ^{\4}
Fiscal year 2 payments	\$11,402,609	11,327,123	11,304,243 ^{\4}	11,304,243 ^{\4}
Investment income	60,000	74,000	56,275	56,521
Total revenue	\$22,855,130	\$22,728,246	\$22,566,394	\$22,665,007
Expenditures:				
Appropriated expenditures	(\$12,287,836)	(\$15,815,828)	(\$15,815,828)	(\$16,109,756)
Total expenditures	(\$12,287,836)	(\$15,815,828)	(\$15,815,828)	(\$16,109,756)
Ending Balance	\$40,654,656	\$47,567,074	\$47,405,222	\$53,960,473

^{\1} Final revenue and expenditures per state accounting system reports dated June 30, 2013.

^{\2} Actual July 1, 2013 balance.

^{\3} Actual revenue received during fiscal year 2014.

^{\4} Estimated revenues based on average of fiscal year 2013 and 2014 actual amounts.

Notes:

In November 2008, voters approved Measure No. 3, which created a tobacco prevention and control trust fund. All tobacco settlement strategic contribution fund payments received by the state will be deposited in the fund. After 2017, no additional strategic contribution fund payments are anticipated.

2009 House Bill 1015, based on the intent of Measure No. 3, creates the Tobacco Prevention and Control Committee as a state agency. Section 35, appropriates funding for the 2009-11 biennium. Section 36, provides retroactive funding for expenditures that occurred during the period of January 1, 2009, through June 30, 2009. Section 39 changes language in the measure concerning the ability to spend funding from the water development trust fund. The legislature required that water development trust fund moneys may only be spent pursuant to legislative appropriation.

Tobacco Settlement Trust Fund Status Statement

	2011-13 Actual ^{\1}	2013-15		2015-17 Executive Budget
		Legislative Appropriation	Revised Estimate	
Beginning Balance	\$0	\$0	\$0 ^{\2}	\$0
Revenue:				
Fiscal year 1 payments	\$20,127,216	\$20,000,000	\$22,756,379 ^{\3}	\$20,000,000 ^{\4}
Fiscal year 2 payments	20,112,899	20,000,000	20,000,000 ^{\4}	20,000,000 ^{\4}
Total revenue	\$40,240,115	\$40,000,000	\$42,756,379	\$40,000,000
Transfers:				
Transfer to community health trust fund	(\$4,024,011)	(\$4,000,000)	(\$4,275,638)	(\$4,000,000)
Transfer to water development trust fund	(18,108,052)	(18,000,000)	(19,240,371)	(18,000,000)
Transfer to common schools trust fund	(18,108,052)	(18,000,000)	(19,240,371)	(18,000,000)
Total expenditures and transfers	(\$40,240,115)	(\$40,000,000)	(\$42,756,379)	(\$40,000,000)
Ending Balance	\$0	\$0	\$0	\$0

\1 Final revenues and expenditures per state accounting system reports dated June 30, 2013.

\2 Actual July 1, 2013 balance.

\3 Actual revenues received during fiscal year 2014.

\4 Estimated revenues based on average actual receipts during the 2009-11 and 2011-13 biennia.

Notes:

North Dakota Century Code Section 54-27-25, enacted in 1999, establishes the tobacco settlement trust fund. The fund is to be used for the deposit of tobacco settlement dollars obtained by the state under the master settlement agreement and consent agreement adopted by the east central judicial district court. All moneys received by the state pursuant to the judgment and for enforcement of the judgment, except amounts relating to the strategic contribution fund, must be deposited in the tobacco settlement trust fund. Strategic contribution fund moneys received by the state are deposited directly into the tobacco prevention and control trust fund. The principal of the tobacco settlement trust fund must be allocated as follows:

- 10% to the community health trust fund
- 45% to the common schools trust fund
- 45% to the water development trust fund

All transfers out of the fund must be made within 30 days of receipt of the tobacco settlement moneys.

In November 2008, voters approved Measure No. 3, which created a tobacco prevention and control trust fund. All tobacco settlement strategic contribution fund payments received by the state will be deposited directly into that fund and are not reflected on this statement.

Tuition Apportionment Fund Status Statement

	2011-13 Actual ^{\1}	2013-15		2015-17 Executive Budget
		Legislative Appropriation	Revised Estimate	
Beginning Balance	\$1,262,358	\$1,262,358	\$1,262,358 ^{\2}	\$4,601,200
Revenue:				
Fines for violation of state laws	\$11,338,423	\$10,800,000	\$13,338,842 ^{\3}	\$10,800,000
Transfers from common schools	92,514,000	130,326,000	130,326,000 ^{\4}	206,134,000 ^{\4}
Total revenue	<u>\$103,852,423</u>	<u>\$141,126,000</u>	<u>\$143,664,842</u>	<u>\$216,934,000</u>
Expenditures:				
Tuition fund distributions to schools	<u>(\$103,852,423)</u>	<u>(\$140,326,000)</u>	<u>(\$140,326,000) ^{\5}</u>	<u>(\$219,134,000)</u>
Ending Balance	\$1,262,358	\$2,062,358	\$4,601,200	\$2,401,200

\1 Final revenues and expenditures per state accounting system reports, dated June 30, 2013.

\2 Actual July 1, 2013 balance.

\3 Actual revenues through October 31, 2014 and estimated revenues for the remainder of the biennium.

\4 Common schools trust fund distribution estimates provided by Department of Trust Lands.

\5 Section 4 of 2013 HB1013 appropriates additional funds, if they become available. Fiscal year 2014 fine and forfeiture revenue totaled \$6.7 million and will likely result in additional moneys available for distribution through the state tuition fund.

Notes:

The common schools trust fund is a constitutional trust fund established in 1889. Article IX, Section 2, of the Constitution of North Dakota provides that state distributions to schools shall include the interest and income of the common schools trust fund, as well as all fines for violation of state laws. These amounts are deposited in the state tuition fund, pursuant to North Dakota Century Code Section 15.1-28-01. Beginning with the 2007-09 biennium, tuition apportionment payments have been included in state school aid distributions to school districts.

Water Development Trust Fund Status Statement

	2011-13 Actual ^{\1}	2013-15		2015-17 Executive Budget
		Legislative Appropriation	Revised Estimate	
Beginning Balance	\$25,209,356	\$26,371,794	\$26,550,736 ^{\2}	\$9,501,106
Revenue:				
Transfers from the tobacco settlement trust	\$18,108,052	\$18,000,000	\$19,240,370 ^{\3}	\$18,000,000 ^{\5}
Expenditures:				
Water Commission expenditures	(\$16,766,672)	(\$44,250,000)	(\$36,290,000) ^{\4}	(\$27,500,000)
Ending Balance	\$26,550,736	\$121,794	\$9,501,106	\$1,106

\1 Final revenues and expenditures per state accounting system reports.

\2 Actual July 1, 2013 balance.

\3 Actual revenues received during fiscal year 2014 and estimated revenues for fiscal year 2015 based on average of fiscal year 2013 and 2014 actual amounts.

\4 Estimated expenditures for the 2013-15 biennium, as projected by the State Water Commission.

\5 Estimated revenues based on average of fiscal year 2013 and 2014 actual amounts.

Notes:

The water development trust fund was established by the Legislative Assembly in 1999, upon enactment of North Dakota Century Code Section 54-27-25. North Dakota Century Code Section 54-27-25 established the tobacco settlement trust fund, in which is deposited state proceeds received pursuant to the tobacco master settlement agreement. Monies in the tobacco settlement trust fund are allocated 45.0 percent to the water development trust fund, 45.0 percent to the common schools trust fund, and 10.0 percent to the community health trust fund. Monies in the water development trust fund are to be used for the long-term water development and management needs of the state.

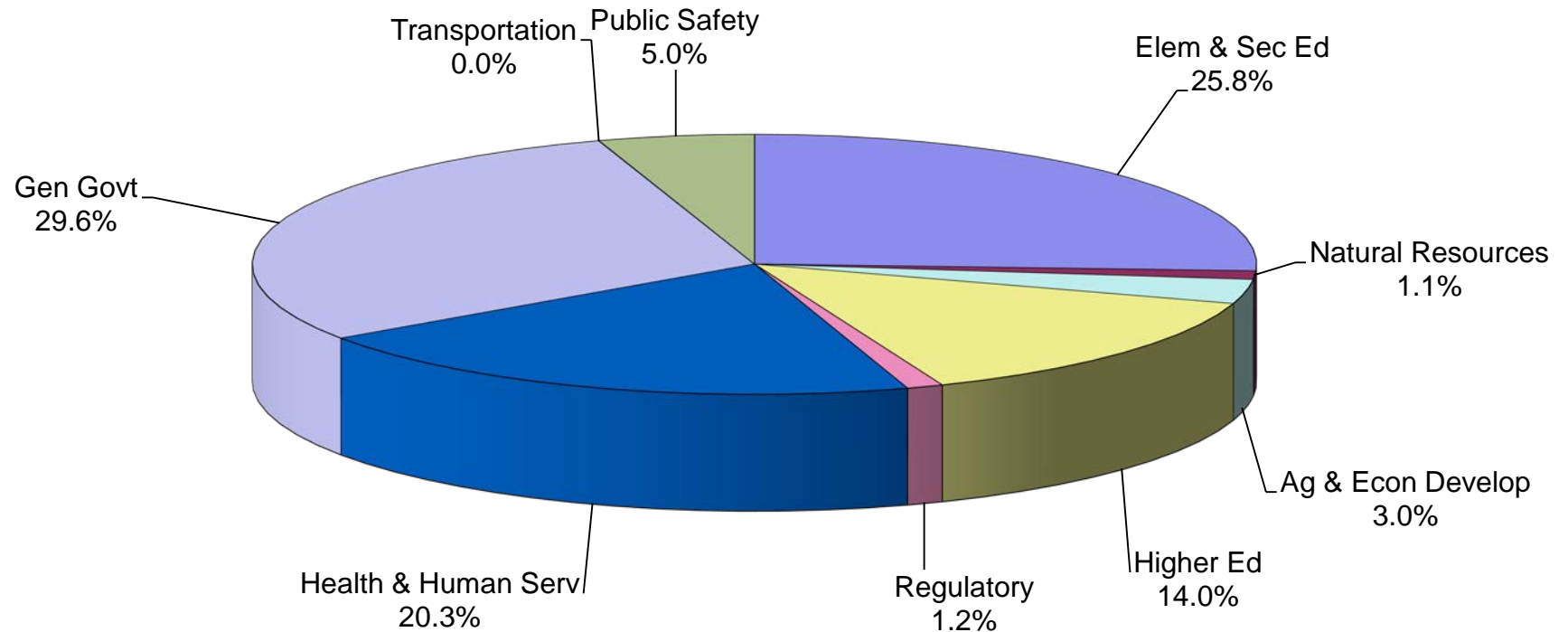
In November 2008, voters approved Measure No. 3, which created a tobacco prevention and control trust fund to receive all tobacco settlement strategic contribution fund moneys received by the state. Provisions of the measure were in effect prior to receipt of the 2009 strategic contribution fund payment in April 2009, resulting in a reduction of water development trust fund revenue for the 2007-09 and subsequent bienniums due to amounts deposited in the tobacco prevention and control trust fund that would have otherwise been deposited in the water development trust fund.

The initiated measure also established that if the tobacco prevention and control trust fund does not have adequate money to fund a comprehensive statewide tobacco prevention and control program, money will be transferred from the water development trust fund to the tobacco prevention and control trust fund in an amount determined necessary by the Tobacco Prevention and Control Executive Committee. The 2009 Legislative Assembly clarified that any money deposited in the water development trust fund may only be spent if legislatively appropriated.

State of North Dakota Recommended General Fund Appropriations by Function for the 2015-17 Biennium

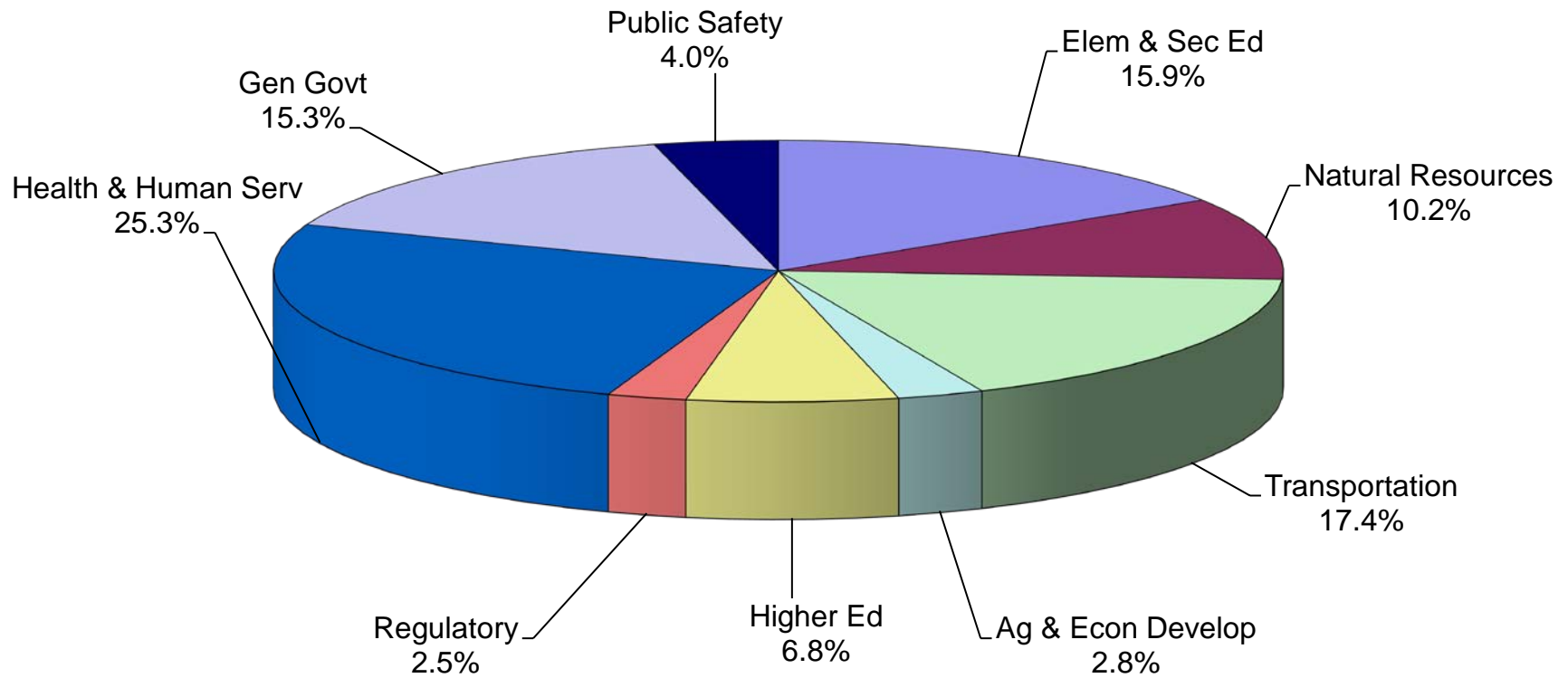
\$7.233 Billion *

*** \$5.008 Billion On-Going Expenditures
\$2.224 Billion One-Time Investments**



State of North Dakota Recommended Total Fund Appropriations by Function for the 2015-17 Biennium

\$15.722 Billion



Budget Highlights

General Government

Office of Management and Budget

The executive recommendation provides \$111.7 million to the Office of Management and Budget to provide services to agencies. Included is \$10.0 million for a health insurance pool for temporary employees and \$14.7 million for an Energy Development Impact Funding pool. In addition \$1.46 billion is recommended from the general fund for a transfer to the highway and special roads funds for the city, county and township road reconstruction program, the enhanced state highway investment program and improvements to recreational roads included in the Department of Transportation budget.

The Governor's budget includes \$7.5 million for Facility Management projects such as an upgrade to the capitol tower elevators, replacement of the west parking lot and signage throughout the capitol grounds to properly identify entrances, pathways and buildings, to assist citizens as they navigate the campus visiting the State Capitol and Heritage Center. The budget also includes \$40.0 million for renovation and an addition to the Liberty Memorial building to serve as the new location for the ND Supreme Court.

Information Technology

The Governor's recommendation for the Information Technology Department increases staffing and resources for the Center for Distance Education, to keep pace with the growth of student enrollments, with \$1.5 million from the general fund for a total additional funding of \$2.5 million including 5.00 FTE. Funding of \$250,000 is also included to better prepare students for college and career readiness. A program of remedial math and English will be available for high school seniors identified through an analysis of their grade-point averages, ACT scores and scores on the State Assessment.

In addition \$1.0 million is provided to the Educational Technology Council from the general fund for a grant program that focuses on using technology to transform education in K-12 schools. Grant recipients are required to provide a 50.0 percent local match. Funding of \$8.0 million is included from the general fund to continue building the State Longitudinal Data System; \$4.5 million is one-time funding and \$3.5 million is ongoing for operations.

Additional services to agencies are included with \$1.8 million from special funds and 2.00 FTE to provide desktop support to agencies in need of technical assistance. Improving the state's security and addressing audit recommendations is included in the Governor's budget with \$537,000 from the general fund and 4.00 FTE for a total increased funding of \$1.0 million. Coordination of interactive video services for the education community is being transferred to ITD with \$225,000 from the general fund and 1.00 FTE.

Secretary of State

The executive recommendation provides an additional 9.00 FTE and \$885,278 from

the general fund. Three of the nine positions were approved by the Emergency Commission and Budget Section in 2011-13 and were put in the 2013-15 budget as one-time funds. These positions continue to be needed. Two of the positions are for the business registration unit, and the remaining position is for the business information unit. The other six positions are currently being filled by temporary employees and work with registrations. The need for the additional staff is a result of the dramatic increase in business registrations due to the economic growth in the state.

Office of Attorney General

The executive recommendation for the Office of the Attorney General is a \$101.7 million budget, including \$43.0 million from the general fund, to continue to provide quality law enforcement, regulatory, investigatory, legal and informational services for the benefit of North Dakota's citizens. The continued increase in state-wide economic activity and population growth has taxed law enforcement agencies at all levels of government. To address these impacts, the executive budget includes \$24.5 million from the oil and gas impact grant fund, \$270,335 from the general fund and \$292,036 of federal funds to fund 19.5 new FTE positions and provide \$20 million in grants to local law enforcement agencies impacted by energy development. The positions include:

- 9.00 FTE criminal investigators.
- 3.00 FTE intelligence analysts.
- 2.50 FTE legal staff.
- 1.00 FTE forensic scientist.
- 1.00 FTE victim advocate.
- 1.00 FTE grants administrator.
- 2.00 FTE administrative assistants.

In addition the executive budget recommends 6.00 FTE positions to support the activities of the various divisions of the Attorney General's office. These positions include 1.00 FTE programmer analyst, 2.00 FTE paralegals, 2.00 FTE administrative assistants, and 1.00 FTE gaming auditor.

Office of Tax Commissioner

The executive budget recommendation for the Office of the Tax Commissioner includes \$30.0 million for the Homestead Tax Credit Program, an increase of \$10.0 million. This increase is based on Tax Department estimates to expand eligibility by increasing the maximum income threshold from \$42,000 to \$50,000.

The recommended 2015-17 budget also includes \$8.4 million for the Disabled Veterans' Credit Program, an increase of \$767,000. The executive budget also includes \$553,599 from the general fund for 4.00 FTE positions to address critical staff needs in sales tax compliance, taxpayer services, property tax and research.

Commission on Legal Counsel for Indigents

The Commission on Legal Counsel for Indigents is responsible for delivery of constitutionally-adequate services to criminal defendants and respondents in the state who financially qualify for indigent services in accordance with eligibility

requirements. The agency has experienced a dramatic increase in caseloads, particularly in western North Dakota. To address the need to meet the mandated services, the executive budget recommends an additional 9.00 FTE, which include: three temporary administrative assistants and two temporary attorneys to be converted to 5.00 FTE, 1.00 FTE attorney position and 1.00 FTE administrative assistant position to create a new public defender office in Watford City and 1.00 FTE attorney position and 1.00 FTE administrative assistant position to create an adjunct public defender office in Dickinson. In addition, the executive budget recommendation includes \$4.2 million from the general fund to replace special funds which have been depleted.

Elementary and Secondary Education

Department of Public Instruction

The Governor's recommendation for elementary and secondary education continues the adequacy-based state school aid formula approved by the 2013 Legislative Assembly. For the 2015-17 biennium, the Governor's budget includes \$1.90 billion for the integrated formula, a total increase of \$147.9 million above the 2013-15 appropriation. The integrated formula is funded with appropriations of \$1.68 billion from the general fund and \$219.1 million from the state tuition fund.

Governor Dalrymple's budget recommendation authorizes a \$300.0 million transfer from the strategic investment and improvements fund to the school construction loan fund. Additionally, the budget recommends \$30.0 million in oil impact grants for renovations or repairs to existing buildings. Grants would be administered by the Department of Trust Lands.

For the 2015-17 biennium, the Governor recommends a \$14.8 million general fund appropriation to provide grants to districts experiencing rapid enrollment. The two-tiered model would compare year-to-year fall enrollment. Districts experiencing enrollment growth of 4.0 percent or 150 students would receive a supplemental payment of \$4,000 per student. For districts experiencing growth of 2 percent or 75 students, a \$2,000 per student payment is provided.

Transportation funding is increased by \$6.5 million, to provide a total of \$60.0 million for the 2015-17 biennium. Other major general fund increases include:

- \$800,000 for special education contracts;
- \$700,000 for the teacher support program to maintain and enhance the mentoring programs provided to school principals and instructional coaches;
- \$400,000 to continue implementation of a statewide teacher and principal evaluation system;
- \$799,750 to operate the statewide accreditation system; and
- \$624,000 to expand adult education grants and increase the state's available workforce.

Finally, the budget recommends \$500,000 for a college and career readiness initiative to provide remedial instruction during the senior year of high school and expand availability of advanced placement courses. Of this amount, \$250,000 is included in the DPI budget. The remaining \$250,000 is located with the Center for Distance Education within the ITD budget.

Higher Education

The executive recommendation for the North Dakota University System includes a \$1.01 billion state-funded budget for the 2015-17 biennium. One-time investments make up \$201.9 million of the budget and include \$145.0 million in capital and extraordinary repair projects. The ongoing portion of the budget contains a \$131.7 million, or 19.4 percent, increase above the 2013-15 base budget. Additionally, the Department of Trust Lands is appropriated \$4.0 million from the strategic investment and improvements fund for energy impact grants to qualifying higher education institutions.

The executive budget continues the cost-based, fixed amount per completed student credit hour (SCH) funding model proposed by the Governor and approved by the 2013 Legislative Assembly. The 2015-17 formula payments to the eleven campuses total \$677.5 million, an increase of \$114.5 million. Of the increase, \$36.0 million adjusts the base budget to 2011-13 actual completed student credit hour levels. A \$54.1 million inflationary factor provides for the state's share of salary and benefit increases, as well as utility cost increases. The amount also includes funding to ensure 24/7 security coverage on all campuses; to increase base funding for extraordinary campus repairs; and eliminate certain assessments for System Office expenses. The Governor also includes \$2.7 million to freeze tuition rates at two-year institutions. Finally, \$13.9 million balances per SCH funding levels to the average of the top two campuses within each institutional tier for the two year colleges and regional universities. The research institutions are paid at equalized rates.

The Governor focuses on students by providing a total of \$50.0 million for student financial assistance programs. The academic and technical education scholarship is funded at \$17.1 million, which includes \$4.2 million to increase the per student lifetime cap to \$10,000. Funding for the needs-based state grant program is increased by \$1.7 million, for a total of \$23.0 million, which will increase the cap by four percent each year of the biennium.

Capital projects totaling \$83.0 million are focused on eliminating serious life, health and safety problems, as well as reducing significant deferred maintenance. Another \$62.0 million is included to complete construction of the new medical school at the UND School of Medicine and Health Sciences.

The recommendation also includes \$29.0 million to continue the North Dakota Higher Education Challenge matching grant fund, which incentivizes philanthropic gifts to the colleges and universities for academic enhancements.

Department of Trust Lands

The executive recommendation provides authorization for an additional 5.00 FTE to

address the expanding workload as the agency manages surface and mineral acres on behalf of the state. These positions include: 1.00 FTE land management specialist; 1.00 public information officer/policy director position, 1.00 FTE compliance officer, 1.00 FTE unclaimed property position, and 1.00 FTE account budget specialist position. The Governor's recommendation includes provisions for the department to provide the following grants from the oil and gas impact grant fund:

- \$50.0 million for airports.
- \$30.0 million for schools.
- \$10.0 million for cities in small oil-producing counties.
- \$4.0 million for institutions in the University System.

State Library

The executive recommendation for the State Library includes \$2.1 million for state aid to public libraries, an increase of \$366,500. State aid provides an important source of funding for the state's public libraries; funds are distributed on the basis of population and area served. In addition, \$250,000 is recommended as a one-time appropriation for a pilot program to provide matching grants for critical library repair and maintenance projects.

School for the Deaf/Resource Center for Deaf and Hard of Hearing

The executive recommendation for the School for the Deaf includes \$129,600 and 1.00 FTE to provide adult services outreach in western North Dakota. The executive budget also provides \$1.0 million to resolve critical life safety and building code issues within the Carl F. Smith building.

School for the Blind/ND Vision Services

The executive budget provides \$1.0 million to address significant extraordinary repairs identified in the 2012 master plan. The project will enhance accessibility, install needed fire protection, replace original electrical circuit break load centers and address other necessary improvements. Phase one of the project was approved by the 2013 legislature.

Career and Technical Education

The 2015-17 executive recommendation for the Department of Career and Technical Education (CTE) provides a total general fund appropriation of \$27.0 million for grants to support CTE programs. The recommended budget includes an increase of \$2.0 million to increase reimbursement rates, \$700,000 to support new and expanded program offerings across the state, and another \$1.5 million for one-time matching grants to update CTE equipment.

Workforce training grants are enhanced to \$4.0 million for the 2013-15 biennium, an increase of \$1.0 million. Of the new funds, \$500,000 will be shared equally between the four regions for new program development. Grants to support adult farm management programs are continued at \$669,802.

Health and Human Services

ND Department of Health

The executive recommendation includes \$198.5 million, with \$59.0 million from the general fund, for the Department of Health. The oil impact on health programs is being supported with an additional \$7.0 million and 14.00 FTE; \$4.0 million is from the general fund.

FTE increases are necessary in the air quality, laboratory services, municipal facilities, waste management and water quality divisions. The increased need for environmental services has resulted from the increasing oil activity. The department has been facing many challenges, from a significant increase in licensing and permitting in air, water and waste areas to inspection needs of crude oil storage tanks, gas plants, public water systems, septic tanks, gas stations, truck stops, landfills, oil spills, RV parks, campgrounds and man camps. As a result of these issues, the department is also facing challenges of retaining staff due to wages and workload.

The increased population and oil activity has resulted in a significant number of additional food and lodging establishments. Funding of \$792,016 and 5.00 FTE is provided for Food and Lodging inspectors; along with the increased number of establishments, federal regulations require more frequent inspections.

Funding is increased by nearly \$800,000 to maintain and increase childhood immunization rates. A school immunization module will interface between the state registry and the longitudinal data system to provide schools with more up-to-date information regarding the current status of students' vaccinations. Additional funding is needed due to the increased costs of vaccines and new federally recommended immunizations.

The medical loan program is increased with \$712,500 from the general fund for a program total of \$1.4 million. This funding expands the program to behavioral health professionals with 1 slot for a psychologist and 4 slots for social workers, addiction and professional counselors, psychology nurse practitioners, licensed practical nurses and registered nurses. Additional slots are also provided for 3 physicians, 2 midlevel practitioners and 1 dentist.

The Governor has included an additional \$1.6 million for grants to Rural EMS to continue the grant program and increase funding to \$8.0 million. Local Public Health state aid is increased with \$1.0 million for a total of \$5.0 million.

ND Department of Human Services

The Governor's recommendation for the Department of Human Services provides \$3.65 billion, including \$1.39 billion from the general fund. Included is \$52.9 million from the general fund to maintain programs and provider reimbursement increases authorized by the 2013 legislature and \$384.3 million, with \$8.2 million from the general fund for the Medicaid Expansion program ensuring low-income individuals continue to have access to health care.

Significant changes in the Governor's recommendation include \$6.1 million, including \$5.9 million for programs supporting behavioral health. Twenty-four additional beds for crisis residential and transitional living will help individuals in need of behavioral health services. These beds will help prevent incarceration and reduce admissions to the State Hospital, assist individuals transitioning back to their communities and provide intoxication management services. An expansion of the Tompkins Rehabilitation Center is included for treating addiction and preventing addicted individuals from re-offending and returning to the corrections system. Also included are additional slots for extended services to assist individuals with traumatic brain injury and serious mental illness to maintain employment. Due to the success of the mobile crisis on-call program in the southeast region, \$1.0 million funding is provided to expand the program statewide. The program provides a link between clients and services, preventing future crises and helping sustain their recovery so they can remain in their homes and communities and divert them from inpatient hospitalizations.

The executive recommendation provides inflationary increases to providers of 4.0 percent each year of the biennium at a cost of \$90.1 million, including \$48.1 million from the general fund.

The budget continues funding for home and community based services and adds \$5.7 million, of which \$3.7 million is from the general fund to establish 52 guardianships for vulnerable adults and for additional resources across the state for adult protective services. Adjoining medically fragile units are funded in the Grafton community for 8 individuals currently residing at the Life Skills and Transition Center. More children with autism will receive services with the expanded number of slots available on the waiver, additional voucher slots, and an increase in the age limit to maintain services for those currently enrolled on the waiver.

The Governor's tax reform plan provides \$19.3 million for property tax relief to counties by the state bearing the cost of the Child Welfare and Service Payments to the Elderly and Disabled grants, as well as the county technology costs. Additionally, \$3.9 million is included from the general fund to provide property tax relief by establishing a grant program for counties who have historically used the emergency human services levy.

Additional funding of \$500,000 from the general fund is included for Centers for Independent Living to assist individuals with disabilities to live independently. Rebasement reimbursement rates for ambulance services to 80 percent of the WSI rates will ensure ambulance services remain viable across the state at an additional cost of \$3.8 million including \$1.9 million from the general fund. \$2.0 million is included to increase child care provider rates to assist in reducing the shortage of child care providers in the state. Nearly \$300,000 is provided for quality day care by ensuring all day care workers have the required background checks. In order to continue support for veterans, \$130,000 is provided from the general fund for ND Cares for the development of data and training materials and website communications to strengthen a seamless network of support for service members, veterans and families.

Regulatory

Industrial Commission

Energy development activity in the state continues to significantly impact the operations of this agency. As a result, the executive recommendation includes \$4.5 million to fund an additional 22.00 FTE and related operating expenses to meet the demands of regulating the state's booming energy development activity. The new positions include:

- 12.00 FTE engineering technician field inspector positions to perform routine producing well, injection well and facility inspections. Three of these positions would be contingent upon the total number of wells in the state capable of production and injection exceeding 20,000.
- 3.00 FTE to be located in the Bismarck office including 1.00 FTE safety officer/facility specialist position to provide health and safety services and facility management services; 1.00 FTE human resources technician position to provide human resources support; and 1.00 FTE account/budget specialist position to meet the demands of daily accounting and payroll functions as a result of increased FTE and overall agency workload.
- 2.00 FTE surface geologist positions to assist with surface issues and manage regulatory/advisory programs.
- 5.00 new FTE including 2.00 FTE petroleum engineer field inspector positions, one for inspection of increased number of drilling rigs in Bottineau County and one to respond to environmental incidents relating to illegal dumping of oil and gas wastes and associated requirements of the abandoned oil and gas well plugging and site reclamation fund; 2.00 FTE engineering tech field inspectors in the Bismarck office to process applications for permits to drill; 1.00 FTE engineering tech position located in the Bismarck office due to increased permitting requirements resulting from the implementation of gas capture plans and potential oil conditioning requirements and additional information technology requirements of permitting within areas of interest.

Other significant items included in the Governor's recommendation are \$16.0 million in one-time general fund dollars for expansion of the Wilson M. Laird Core Library in Grand Forks, \$3.0 million in one-time general fund dollars for possible litigation and other administrative proceedings involving the federal government's efforts to regulate hydraulic fracturing, natural gas capture and flaring. Finally, the executive recommendation increases the allocation of oil production tax revenue to the North Dakota outdoor heritage fund to ensure the fund receives \$50.0 million for the biennium.

Department of Labor and Human Rights

The executive recommendation provides 5.00 FTE funded with \$941,928 from the general fund for the Department of Labor and Human Rights. Four of the positions are for compliance investigators and the other position is for a wage and hour director. The need for the additional staff is to help with the workload increase due

to the increased number of workers in the state, especially in western North Dakota.

Public Service Commission

The executive recommendation provides \$2.9 million in funding, of which \$2.1 million is from the general fund, for an additional 9.00 FTE and related operating expenses. Three of the FTE would be part of the new hazardous liquid safety program. One would be for an additional natural gas pipeline inspector and an additional FTE would act as manager over both the hazardous liquid safety program and the natural gas pipeline program. Three FTE will be used to create a railroad safety program and one FTE would be for a weights and measures inspector.

Aeronautics Commission

The executive recommendation for the Aeronautics Commission is \$11.3 million, including \$1.0 million from the general fund. The executive recommendation increases the general fund appropriation for grant funding by \$450,000.

Bank of North Dakota

The Governor's budget provides for a \$40.0 million transfer from the Bank of North Dakota's retained earnings to the Partnership in Assisting Community Expansion (PACE) and Beginning Farmer programs. Support for these programs is allocated as follows:

- \$28.0 million for PACE/Flex PACE.
- \$3.0 million directed to agriculture PACE
- \$7.0 million to enhance the beginning farmer revolving loan program.
- \$2.0 million allocated to biofuels PACE.

The executive budget recommends 2.00 new FTE, including a credit analyst position to meet the Bank's initiative to expand correspondent services through loan officers and calling officers and an information security analyst position to ensure the safety and security of the bank's assets. Finally, the Governor's budget provides \$1.0 million in federal fund authority from the college access grant to continue education and outreach services to those pursuing a higher education.

North Dakota Housing Finance Agency

The executive recommendation provides for a \$20.0 million general fund transfer to the housing incentive fund for the biennium ending June 30, 2017 to promote affordable housing projects in North Dakota. In addition, the Governor's budget includes an increase of the allowable tax credits per biennium from \$20.0 million to \$30.0 million for contributions to the housing incentive fund.

Workforce Safety and Insurance

The executive recommendation provides \$1.5 million in special fund authority for 12.00 FTE and related operating expenses to address the increased workload as a result of energy development and construction activity in the state. The new positions include: two registered nurses, two vocational rehabilitation counselors, a physical therapist, an underwriter, two claims adjusters, two documenting imaging

specialists, a collections officer and a data input operator. The last six positions listed are currently being filled by temporary employees. In addition, the budget provides \$6.0 million in special fund authority for the computer system replacement project.

Public Safety

Highway Patrol

The executive budget provides one-time funding of \$27.5 million, of which \$24.0 million is from the general fund, for the construction of a new Law Enforcement Training Academy. Also included is one-time funding of \$772,000, of which \$676,000 is from the general fund, to replace obsolete radio equipment, to upgrade the outdoor firing range, and to purchase a skid car training system.

The Governor's budget also includes 4.00 new FTE sworn officer positions to augment current staffing levels in the western area of the state.

Department of Corrections and Rehabilitation

Along with the growth and prosperity the energy development industry has brought to North Dakota, there is an increased growth in the probation, parole, and inmate population under the care of this agency. To address this growth, the budget recommendation includes \$4.1 million, of which \$3.7 is from the general fund to add 22.00 new FTE positions including 13.00 FTE parole and probation officer positions, 3.00 FTE treatment positions, 2.00 FTE central receiving positions for the JRCC, 1.00 FTE attorney position, 1.00 FTE electronic technician position, 1.00 FTE juvenile institution residential specialist position, and 1.00 FTE juvenile corrections specialist. The budget recommendation also includes \$28.9 million for contract treatment and transition programs.

Because the State Penitentiary houses only male inmates, female inmates will continue to be housed through the department's contract with the Dakota Women's Correctional Rehab Center (DWCRC). Funding for the contract with the DWCRC is increased by 25 percent, or approximately \$2.3 million, to \$11.2 million for the 2015-17 biennium. The department's contract with the DWCRC provides for the secure housing of all state female inmates.

The budget recommendation also includes \$4.0 million for extraordinary repair projects, \$1.7 million for information technology projects, \$337,000 for security camera upgrades at the State Penitentiary, and \$544,039 for equipment purchases.

Finally, the budget recommendation includes one-time funding of \$29.6 million from the general fund for construction of a new Missouri River Correctional Center facility and demolition of the old buildings.

Adjutant General

The Office of the Adjutant General consists of the North Dakota National Guard and the Department of Emergency Services, which includes both the homeland security and state radio divisions. The Governor has recommended a two year total budget

of \$208.7 million, of which \$33.8 million, or 16.2 percent, is from the general fund. The budget supports a staff of 234.00 FTE.

The executive budget invests \$3.0 million from the general fund to be granted out on a regional basis to fire departments located near railways to purchase the necessary equipment that would be needed to fight fires in the case of train derailments on a regional basis. An additional \$550,000 from the general fund was also included to purchase tiger dams for flooding and other supplies to help in the case of a hazardous materials spill.

Also included in the executive budget is \$5.0 million from the general fund to work on a statewide radio communication improvement project. This project will integrate both state and local infrastructure into one improved seamless system for all land mobile radio (LMR) communication.

Two projects that were appropriated for during the 2009-11 biennium will be completed this biennium. One is the statewide seamless base map project and the other is the records management system project. General fund dollars of \$532,000 were included in the budget to cover the biennial total of the maintenance costs for them. Also included in the executive budget are general fund dollars of \$382,000 for updating the current 911 service infrastructure. This initiative is called Next Generation 911 and the new technology will allow the public to contact 911 services via text message, and be able to send images and video data to the 911 center.

The Veteran's Bonus program provides a monetary payment to National Guard veterans for domestic and foreign active duty service. Governor Dalrymple included \$500,000 from the general fund to continue this program in the 2015-17 biennium.

In addition to payments for costs related to presidentially-declared disasters, the executive budget includes a \$1.4 million appropriation from the disaster relief fund for contracted disaster recovery planning and technical services.

Agriculture and Economic Development

Department of Commerce

The Department of Commerce budget encompasses the divisions of Community Services, Economic Development and Finance, Tourism, Workforce Development, Innovation and Entrepreneurship, as well as Administration. The divisions work together to expand the economy of North Dakota, support community development, and provide services to people with low incomes. For the 2015-17 biennium, the Governor is recommending an overall biennial budget of \$142.1 million, of which \$71.0 million is from the general fund, to support a staffing level of 69.40 FTE.

The executive budget recommendation addresses the workforce needs of employers across the state by investing \$13.0 million in the following initiatives:

- \$1.5 million to award workforce enhancement grants to two-year colleges to help create or enhance training programs;

- \$3.0 million for grants to political subdivisions for new or expanded licensed childcare facilities;
- \$6.0 million for workforce development grants to tribally-controlled community colleges;
- \$2.0 million one-time grant to the ND Safety Council for construction of a workforce training facility; and
- \$500,000 to match private contributions for the Find the Good Life workforce recruitment campaign.

In an effort to expand the availability of early childhood education, Governor Dalrymple proposes \$6.0 million for pre-kindergarten community grants for organizations operating qualified pre-school education programs. Local communities would be required to work collaboratively to develop an application for funding. Grants would be made available on a per child basis beginning in the second year of the biennium.

The Governor's budget includes \$4.2 million from the general fund for operations of the Unmanned Aerial System (UAS) Airspace Integration Test Site, \$2.7 million new funding and \$1.5 million from anticipated carryover from the 2013-15 appropriation. Of the amount, \$1.2 million will serve as a business incentive match fund to advance private sector UAS business development. Additionally, \$5.0 million from the strategic investment and improvements fund for infrastructure development, contingent upon construction of private sector facilities as part of the enhance use lease at the Grand Forks Air Force Base.

Other significant one-time general fund items within the budget include:

- \$8.0 million for Research North Dakota, which will supply one-to-one matching funds for businesses partnering with research universities for the development and commercialization of a products;
- \$1.5 million for matching grants to assist in base retention efforts in communities with air force bases or National Guard facilities;
- \$750,000 for large tourism infrastructure grants to attract and retain North Dakota citizens and visitors to the state;
- \$2.0 million for a grant to the Special Olympics, if North Dakota is selected as the site of the next national games;
- \$1.0 million to enhance tourism-related marketing in the mid-western markets;
- \$1.0 million for entrepreneurial center vouchers and grants;
- \$1.0 million for grants to homeless shelters; and
- \$50,000 for educators and industry externships.

Agriculture Department

The Department of Agriculture consists of six divisions: administrative services; plant industries; livestock development; marketing and information; pesticide and fertilizer; and state veterinarian. For the 2015-17 biennium, the Governor recommends a budget of \$29.9 million to support a staff of 77.00 full-time employees. The state general fund portion of the budget is \$10.5 million.

North Dakota Verified Livestock is a voluntary marketing program created to add value to North Dakota livestock through age and source verification, which play a vital role in accessing export opportunities for foreign markets. The executive recommendation provides \$24,574 from the general fund for the existing livestock pollution prevention coordinator's work on this critical program.

Other priorities addressed within the budget recommendation include:

- \$64,596 to fund half of an existing marketing specialist position to support the increasing needs of state-sponsored programs.
- \$80,000 for a Centennial Farm Program grant.

Agricultural Research and Extension, Upper Great Plains Transportation Institute, and Northern Crops Institute

The 2015-17 executive budget appropriates \$247.8 million for the Main and Branch Research Centers, Extension Service, Agronomy Seed Farm, Upper Great Plains Transportation Institute, and the Northern Crops Institute, of which \$127.0 million is from the general fund. Within this amount, the Governor recommends a funding increase of \$3.6 million for the following items ranked highest by the State Board for Agricultural Research and Extension:

- \$800,000 for bioinformaticists at the main station.
- \$455,000 for precision ag technology.
- \$1.1 million to enhance research infrastructure at all research extension centers (RECs) and the main station.
- \$800,000 for enhancing research capacity at all research extension centers.
- \$480,000 for agricultural programs and capacity and for community vitality.

Also in the executive budget is \$18.0 million to construct a new veterinary diagnostic lab. The new lab would be approximately 12,000 square feet larger than the existing lab and located away from the center of campus.

The budget also includes an additional \$300,000 from the general fund to match federal grants received by the Upper Great Plains Transportation Institute.

ND State Fair

The Governor's budget includes \$1.7 million in one-time general fund dollars to finish the project on the asphalt overlay on the state fairgrounds that was damaged during the 2011 Souris River flood event. Also, the amount for exhibitor premiums was increased by \$24,000.

Natural Resources and Transportation

Historical Society

The Governor's budget recommendation for the Historical Society authorizes an additional 6.00 FTE positions to provide staffing necessary for the operation of the expanded Heritage Center. New positions include a technology coordinator, visitor services security officers, historic site supervisor and electronic records archivist.

A general fund appropriation of \$450,000 is recommended to allow the agency to contract for traveling exhibits to be displayed in the new Governor's Gallery, which is designed to house temporary, traveling exhibits as well as exhibits at the historic sites. Other recommendations include \$100,000 to complete a conversion of the 4th grade history curriculum to online. The recommendation also continues \$500,000 for the cultural heritage grant program. As private sector wages increase, the agency finds it increasingly difficult to hire and retain seasonal temporary staffs, which are critical for the operation of the state's historic sites. To address this issue, \$155,226 is provided to increase temporary seasonal salaries \$1.00 per hour each year of the biennium.

Repairs and renovations of Ft. Totten and the Stutsman County Courthouse are included with \$1.0 million from the general fund along with \$175,000 dedicated by friends of the projects. Also provided is \$3.5 million to stabilize the ground at Double Ditch. The one-time funding will be used to repair the slumping and stop further erosion.

Game and Fish Department

The executive recommendation includes 4.00 FTE and \$462,090 in special fund authority. Two of the positions are located in Williston. One is for an administrative assistant and the other is a biologist. Both of these positions are currently being filled by temporary employees. The other two positions will be located in Bismarck and include a new administrative officer and an additional administrative assistant to work with the hunter safety program.

A key initiative of the department has been the expansion of public hunting access on private land. The Governor's budget continues the focus on this initiative and recommends a \$16.9 million appropriation for the department's land habitat and deer depredation line item, which includes \$7.7 million for rental and lease payments to landowners.

The Game and Fish Department provides grants to support various agencies and programs. The Governor's budget recommendation includes the following:

- Grants to support the federal Wildlife Services agency are continued at \$384,400.
- Grants to support the Garrison Dam Fish Hatchery are continued at \$560,000.
- Grants to support boat ramp operation and maintenance at state parks are continued at \$122,000.

Also received \$2.0 million from the Outdoor Heritage Fund that will be spent in the 2015-17 biennium.

Parks and Recreation Department

State parks provide valued outdoor recreational opportunities for North Dakotan's and visitors to the state. Consequently, park visitation is at record levels. To preserve and improve the state's park system, the Governor has proposed plans to make \$30.4 million in improvements at the state parks. Some highlights of this

proposal include constructing about 180 new campsites throughout the park system, constructing a family retreat lodge at Lake Sakakawea State Park and transforming about 200 acres of state-owned land along the Missouri River in Bismarck into a day park.

The executive recommendation provides an additional 10.00 FTE and \$1.1 million in general fund dollars to meet the increased demand for services throughout the park system. Seven of these FTE are for administrative positions at the various parks. They are currently being filled by temporary employees. Like other agencies that rely on temporary seasonal staff, the department finds it difficult to recruit and retain staff in the state's competitive labor market. To address this issue, the budget includes \$220,220 to increase temporary seasonal wages by an average of \$1 per hour each year of the biennium.

Also included in the budget is \$600,000 in one-time funding authority, of which \$300,000 is from the general fund to purchase necessary equipment at the parks.

State Water Commission

The executive budget includes funding from the resources trust fund of \$1.32 billion, which is comprised of \$912.0 million for new projects and \$410.0 million for uncompleted projects from the previous biennium. Resources trust fund dollars in the amount of \$87.2 million will flow into a new infrastructure revolving loan fund. In addition, the budget contains \$18.0 million from the water development trust fund for new projects and \$9.5 million for uncompleted projects.

The Governor's budget also includes authorization for an additional 10.00 FTE including 5.00 FTE positions to address the increase in water permit applications as

a result of energy development in western North Dakota; 1.00 FTE to address increases in water supply projects; 1.00 FTE to address increases in activities related to sovereign lands permits; 1.00 FTE to address Missouri River issues and assist with interstate and interagency coordination in matters involving state and federal agencies; and 1.00 FTE to address increases in the cost share program.

Department of Transportation

Increased oil and gas production has had a significant impact on the state's infrastructure. Oil and gas exploration and production rely heavily on the state's roads to move drilling rigs, supplies, and produced oil and gas, which have taken a toll on state, county, and township roads. In addition, weather-related damage has caused serious deterioration to roads across the state. To address the need to make repairs and improvements to infrastructure at the state and local level, the executive budget provides \$1.35 billion in one-time funding from a transfer from the general fund to the highway fund for enhanced state highway investments and \$100.0 million in one-time funding for a transfer from the general fund to the highway fund for transportation funding distributions to non-oil producing counties, cities and townships.

The executive budget also includes \$5.0 million for a transfer from the general fund to the special roads fund for improvements to roads leading to recreational areas. In addition, the executive budget recommends special fund authority for:

- 2.00 new FTE including one environmental scientist and one archeologist.
- \$2.5 million in other funds to continue the motor vehicle registration and titling system (VRTS) replacement project.

Compensation Package

The recommended compensation package provides funds for employee salary increases following the direction in the compensation philosophy statement from NDCC 54-44.3-01.2 enacted in 2011.

In accordance with the compensation philosophy, the appropriation recommendations are "...not provided as a statewide percentage increase..." but are rather "...based on dollar amounts determined necessary to provide competitive compensation..." The appropriation allocations are based on agency employees' relative position to the Market Policy Point of their salary range and performance. Also, in accord with the compensation philosophy, OMB gathered updated market data to ensure relevant and current market comparisons.

To address salaries of classified employees below the Market Policy Point, dollars recommended in the budget were based on a range of 1.0 to 2.0 percent increase per year for employees in the lowest quartile of the pay range and up to 1.0 percent per year for employees in the second lowest quartile of the pay range. For employees in the third and fourth quartiles, which are above the Market Policy Point, no market policy increase has been funded.

In addition to the dollars recommended in the budget to address market policy, the executive budget recommendation includes 3.0 to 5.0 percent for each year of the biennium for all employees, classified and unclassified, to be distributed based on the level of performance. Performance-based increases are recommended in a range for employees meeting to exceeding performance standards. Employees whose overall documented performance levels do not meet standards are not eligible for any salary increase.

The following chart reflects the implementation of the compensation philosophy statement in NDCC 54-44.3-01.2 as funded in the 2015-17 executive budget recommendation:

2015 & 2016	Relativity to Market Policy Position *		+ Meets Standards	+ Exceed Standards
MPP +	0%	+	3.00%	5.00%
2 nd Qtl	0-1.0%			
1 st Qtl	1-2.0%			
*All Increases Contingent upon Performance Meeting Standards				

State agencies continue to face difficulties in recruiting and retaining select occupations. A special analysis of vacancies, turnover rates, variance from market policy point, and up-to-date market information for these select occupations and small agencies was conducted. Select occupations identified in the analysis were law enforcement, education program professionals, environmental specialties,

direct care staff, medical specialties, communication specialists and correctional officers.

In order to be more competitive in these hard to fill professions, a dollar amount which would allow these agencies to pay, on average, 98 percent of market, has been added to budgets as follows:

	General	Other	Total
125 AG		\$322,814	\$322,814
201 DPI	\$332,932		332,932
250 St Lib	181,121		181,121
252 Sch Deaf	285,458		285,458
253 Vis Svcs	215,939		215,939
270 CTE	209,202		209,202
301 Health	1,559,659		1,559,659
313 Vets Home	0	429,624	429,624
321 Vets Affairs	55,100		55,100
325 DHS	5,959,527	248,314	6,207,841
360 P&A	399,404		399,404
406 Labor	139,744		139,744
540 Adj Gen (Comm)	153,528		153,528
530 DOCR	2,126,442		2,126,442
701 Hist Soc	620,486		620,486
Total	\$12,238,542	\$1,000,752	\$13,239,294

Agencies will be provided with models and tools for planning distribution of salary increases but will also have appropriate flexibility to address their specific needs within the intent of the compensation philosophy. Salary increases are not to be given across the board.

The compensation package continues full health insurance for state employees and their families. The total cost for health insurance is \$1,161.59 per month per employee. This is a \$179.91 or an 18.3 percent increase over last biennium.

The Patient Protection and Affordable Care Act (PPACA) requires employers to provide health insurance to temporary employees meeting certain criteria in the number of hours worked. A \$10,000,000 pool has been included in the budget of the Office of Management and Budget to be distributed to agencies and institutions as they provide health insurance to eligible temporary employees. Of this amount, \$5,000,000 is from the general fund and \$5,000,000 is other fund authority.

The executive budget recommends an increase in contributions to the retirement system of 2.0 percent on January 1, 2016. Employees will pay 1.0 percent of the contribution increase and the employer, the State of North Dakota, will pay 1.0 percent of the contribution increase. The budget recommendation also endorses plan design changes for new entrants to the plan, which include a rule of 90 with a

minimum retirement age of 60, an increase from 6.0 to 8.0 percent per year for early retirement reduction for employees who retire prior to the rule or age 65, and increasing from three to five year final average salary. This completes the recovery plan recommended by the ND Public Employees Retirement System Board that began in 2011.

Supplemental Appropriation

Supplemental appropriations have been recommended for agencies as follows:

- The Office of the Secretary of State to repay a \$950,000 Bank of North Dakota loan authorized for a computer project. This supplemental appropriation is funded from the general fund.
- The Office of the Attorney General to cover shortfalls of \$50,000 for prosecution witness fees. This supplemental appropriation is funded from the general fund.
- Indigent Defense Council to cover a shortfall of \$700,000 due to increased caseloads. This supplemental appropriation is funded from the general fund.
- Williston State College \$50,000 to repair the roof of the boiler building. This supplemental appropriation is funded from the general fund.
- Minot State University to cover the state share of costs and FEMA ineligible costs for the 2010 and 2011 floods totaling \$2,000,579. This supplemental appropriation is funded from the general fund.
- Valley City State University of which \$3,300,000 is for the University's share of Valley City's permanent flood protection project and \$152,000 to complete the funding needed for the demolition of the retired science building. These supplemental appropriations are funded from the general fund.
- The Department of Health to cover a shortfall of \$470,900 for the local public health vaccine purchasing program. This supplemental appropriation is funded from the general fund.
- The Department of Corrections and Rehabilitation to repay a \$1,135,547 Bank of North Dakota loan and interest authorized for the North Dakota State Penitentiary building project. This appropriation is funded from the general fund.
- The Adjutant General to repay a \$5,000,000 Bank of North Dakota loan for the state's share of disaster costs. This appropriation is funded from the Disaster Relief Fund.

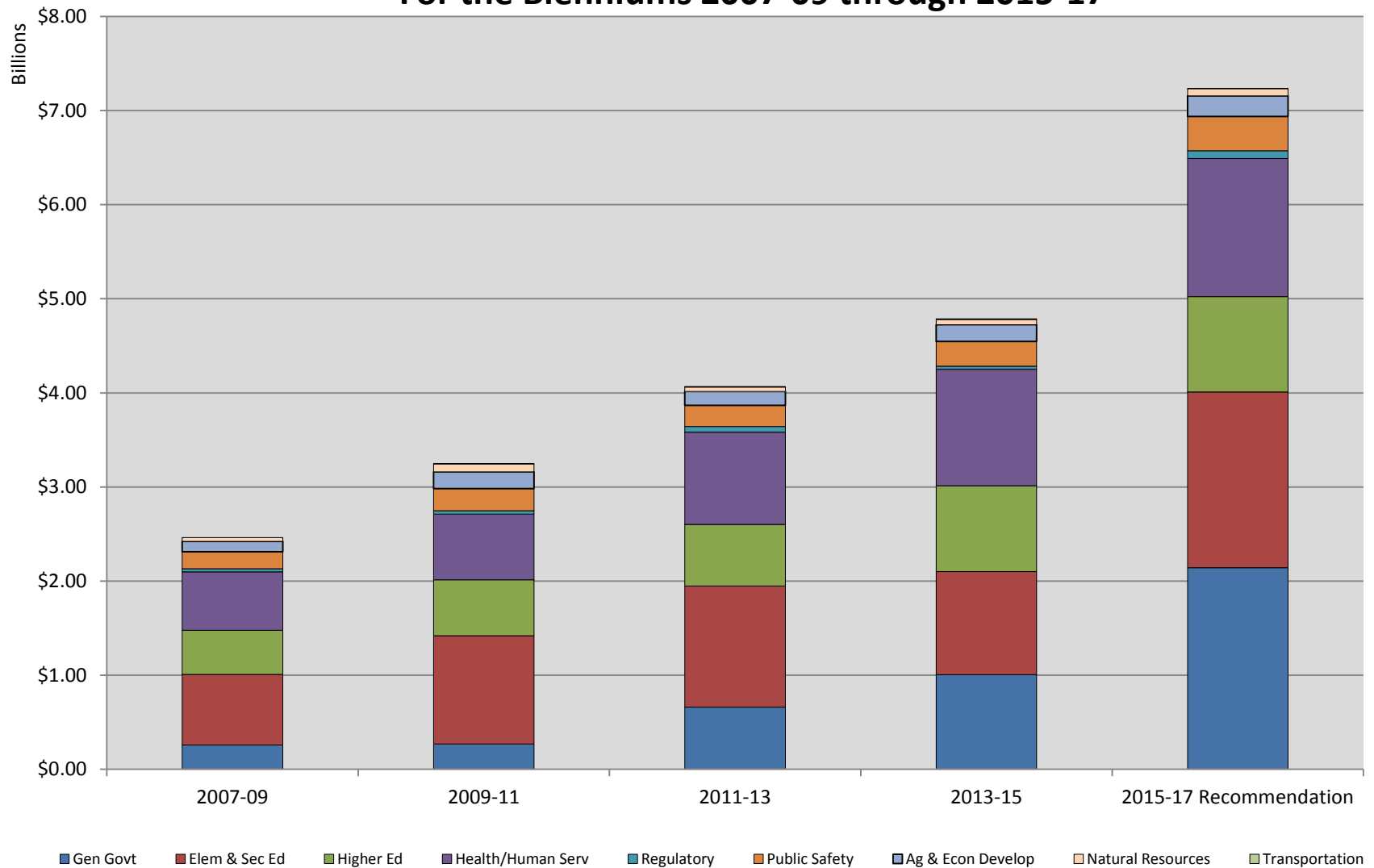
State of North Dakota
Comparison of General Fund Appropriation by Function
For the Bienniums 2007-09 through 2015-17

	2007-09		2009-11		2011-13		2013-15		Recommendation 2015-17	
General Government	\$258,567,029	10.5%	\$269,297,379	8.3%	\$659,994,764	16.2%	\$1,007,239,982	21.0%	\$2,141,708,113	29.6%
Elementary and Secondary Education	749,513,198	30.4%	1,150,539,590	35.4%	1,287,742,317	31.7%	1,093,013,275	22.8%	1,868,092,372	25.8%
Higher Education	468,649,624	19.0%	593,296,143	18.3%	655,785,794	16.1%	912,563,757	19.1%	1,012,904,321	14.0%
Health and Human Services	621,698,364	25.3%	699,314,530	21.5%	977,697,676	24.0%	1,237,888,458	25.9%	1,466,849,801	20.3%
Regulatory	33,552,068	1.4%	34,243,364	1.1%	61,499,673	1.5%	33,544,750	0.7%	84,276,968	1.2%
Public Safety	180,305,009	7.3%	235,824,028	7.3%	223,362,748	5.5%	261,584,982	5.5%	362,602,072	5.0%
Agriculture and Economic Development	109,951,724	4.5%	179,549,603	5.5%	148,903,572	3.7%	178,596,969	3.7%	218,978,665	3.0%
Natural Resources	39,736,940	1.6%	82,700,844	2.5%	46,017,248	1.1%	51,739,808	1.1%	76,168,018	1.1%
Transportation		0.0%	4,600,000	0.1%	5,850,000	0.1%	10,000,000	0.2%	1,000,000	0.0%
TOTAL	\$2,461,973,956	100.0%	\$3,249,365,481	100.0%	\$4,066,853,792	100.0%	\$4,786,171,981	100.0%	\$7,232,580,330	100.0%

State of North Dakota

Comparison of General Fund Appropriations by Function

For the Bienniums 2007-09 through 2015-17



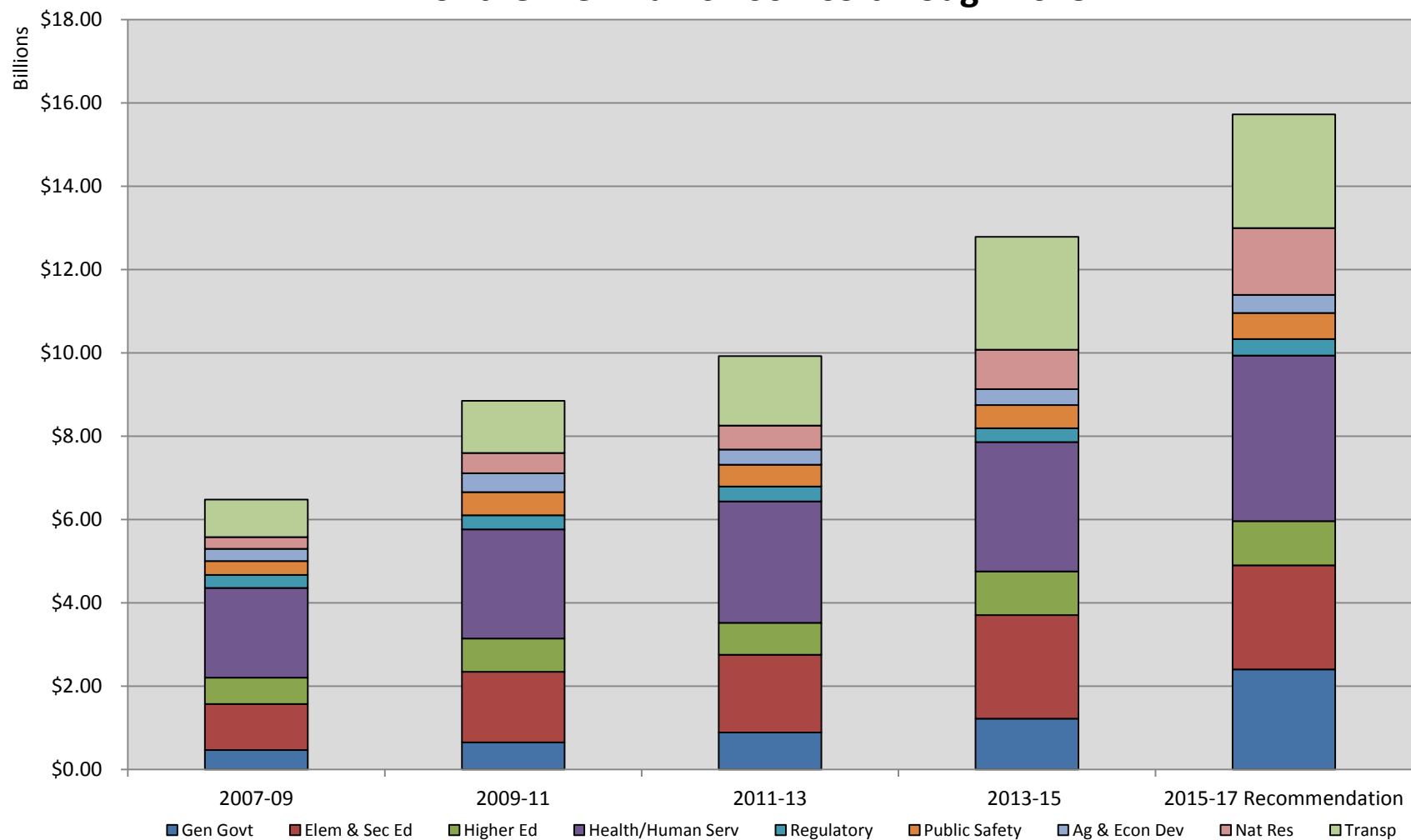
State of North Dakota
Comparison of Total Funds Appropriations by Function
For the Bienniums 2007-09 through 2015-17

	2007-09		2009-11		2011-13		2013-15		Recommendation 2015-17	
General Government	\$471,273,892	7.3%	\$654,969,287	7.4%	\$890,906,476	9.0%	\$1,225,113,043	9.6%	\$2,403,369,599	15.3%
Elementary and Secondary Education	1,099,105,320	17.0%	1,693,626,375	19.1%	1,865,235,525	18.8%	2,482,055,349	19.4%	2,495,699,019	15.9%
Higher Education	634,069,325	9.8%	796,060,507	9.0%	764,603,553	7.7%	1,048,719,698	8.2%	1,061,413,731	6.8%
Health and Human Services	2,157,102,223	33.3%	2,616,798,843	29.6%	2,913,548,892	29.4%	3,102,257,927	24.3%	3,976,216,829	25.3%
Regulatory	307,378,766	4.7%	341,869,592	3.9%	360,769,894	3.6%	335,966,131	2.6%	397,078,433	2.5%
Public Safety	337,243,839	5.2%	554,901,374	6.3%	519,098,601	5.2%	556,115,697	4.3%	623,867,369	4.0%
Agriculture and Economic Development	293,302,979	4.5%	456,185,331	5.2%	367,213,963	3.7%	382,729,143	3.0%	435,274,006	2.8%
Natural Resources	279,855,196	4.3%	485,247,968	5.5%	574,200,016	5.8%	945,974,188	7.4%	1,600,824,260	10.2%
Transportation	903,157,500	13.9%	1,248,615,588	14.1%	1,668,904,459	16.8%	2,705,703,578	21.2%	2,728,287,715	17.4%
TOTAL	\$6,482,489,040	100.0%	\$8,848,274,865	100.0%	\$9,924,481,379	100.0%	\$12,784,634,754	100.0%	\$15,722,030,961	100.0%

State of North Dakota

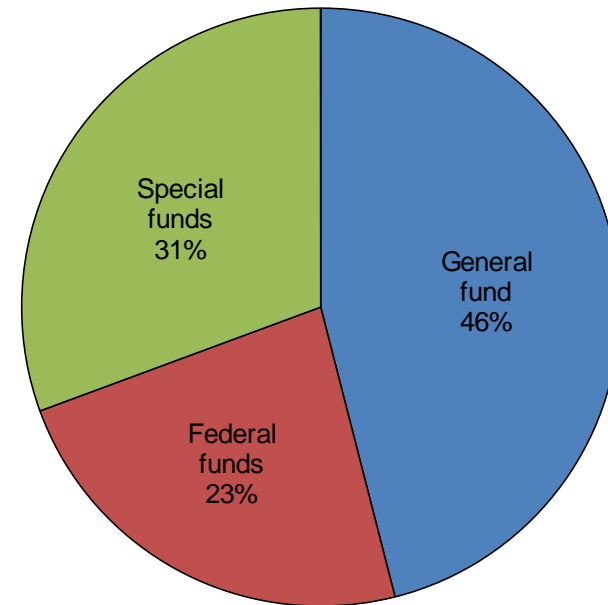
Comparison of Total Funds Appropriations by Function

For the Bienniums 2007-09 through 2015-17



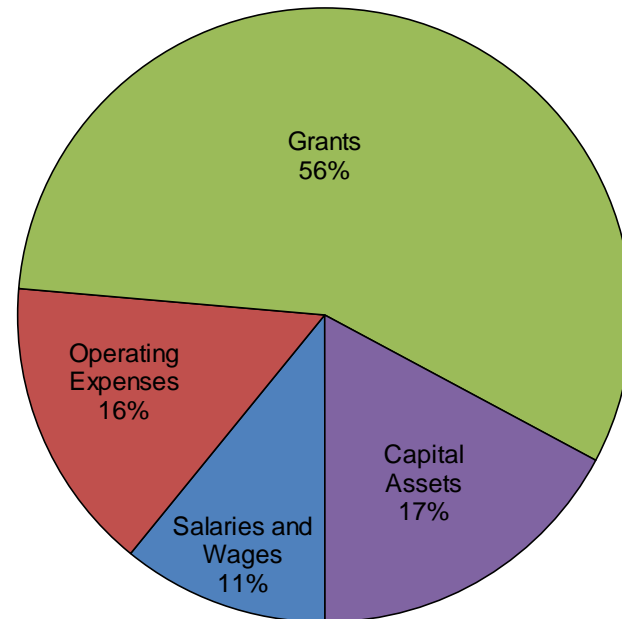
Recommended Funding Source - Total Funds

General fund	\$7,232,580,330
Federal funds	3,671,830,023
Special funds	4,817,620,608
Total	<u>\$15,722,030,961</u>



Recommended Expenditures By Type -Total Funds

Salaries and wages	\$1,709,048,492
Operating expenses	2,435,701,418
Grants	8,879,219,174
Capital assets	2,698,061,877
Total	<u>\$15,722,030,961</u>



Comparison of 2011-2013 and 2013-2015 Legislatively Authorized FTE and 2015-2017 Executive Recommendation

Biennium: 2015-2017

Department	Notes	2011-2013 Legislatively Authorized FTE	2013-2015 Legislatively Authorized FTE	Increase (Decrease)	2015-2017 Executive Recommendation
Executive Branch					
101 Office of the Governor		18.00	18.00	0.00	18.00
108 Secretary of State		28.00	31.00	6.00	37.00
110 Office of Management and Budget		131.50	130.50	(8.00)	122.50
112 Information Technology		336.30	340.30	15.00	355.30
117 Office of the State Auditor		50.80	53.80	0.00	53.80
120 Office of the State Treasurer		7.00	8.00	0.00	8.00
125 Office of the Attorney General		204.00	213.50	24.50	238.00
127 Office of State Tax Commissioner		133.00	134.00	4.00	138.00
140 Office of Administrative Hearings		5.00	5.00	0.00	5.00
188 Commission on Legal Counsel for Indigents		30.00	33.00	9.00	42.00
190 Retirement and Investment Office		18.00	19.00	0.00	19.00
192 Public Employees Retirement System		33.00	33.00	3.50	36.50
Legislative and Judicial Branches					
160 Legislative Council		34.00	37.00	0.00	37.00
180 Judicial Branch		344.00	363.00	28.00	391.00
Elementary, Secondary & Other Education					
201 Department of Public Instruction		99.75	99.75	0.00	99.75
226 Department of Trust Lands		24.75	31.00	5.00	36.00
250 State Library		29.75	29.75	0.00	29.75
252 School for Deaf/Res Ctr for Deaf and HoH		43.94	44.61	1.00	45.61
253 ND Vision Services/School for the Blind		29.50	30.00	0.00	30.00
270 Career and Technical Education		27.50	27.00	(0.50)	26.50
Higher Education					
215 ND University System		101.31	112.99	2.00	114.99
227 Bismarck State College		126.96	133.53	3.00	136.53
228 Lake Region State College		40.22	50.19	3.00	53.19
229 Williston State College		44.15	49.96	0.00	49.96
230 University of North Dakota		642.20	630.20	0.00	630.20
232 UND Medical Center		156.55	163.58	21.00	184.58
235 North Dakota State University		495.21	537.10	0.00	537.10
238 ND State College of Science		171.87	168.30	1.50	169.80
239 Dickinson State University		100.32	120.26	0.00	120.26
240 Mayville State University		62.78	66.23	3.00	69.23
241 Minot State University		201.76	204.10	0.00	204.10
242 Valley City State University		97.29	105.59	3.00	108.59
243 Dakota College at Bottineau		36.12	46.96	2.00	48.96
244 ND Forest Service		28.00	28.96	1.00	29.96

Comparison of 2011-2013 and 2013-2015 Legislatively Authorized FTE and 2015-2017 Executive Recommendation

Biennium: 2015-2017

Department	Notes	2011-2013 Legislatively Authorized FTE	2013-2015 Legislatively Authorized FTE	Increase (Decrease)	2015-2017 Executive Recommendation
Health and Human Services					
301 ND Department of Health		344.00	354.00	19.00	373.00
305 Tobacco Prevention and Control		8.00	8.00	0.00	8.00
313 Veterans Home		120.72	120.72	0.00	120.72
316 Indian Affairs Commission		4.00	5.00	0.00	5.00
321 Department of Veterans Affairs		7.00	8.00	1.00	9.00
325 Department of Human Services		2,196.35	2,200.08	24.50	2,224.58
360 Protection and Advocacy		28.50	27.50	2.00	29.50
380 Job Service North Dakota		261.76	250.76	(13.00)	237.76
Regulatory					
401 Office of the Insurance Commissioner		49.50	49.50	0.00	49.50
405 Industrial Commission		75.06	99.75	22.00	121.75
406 Department of Labor and Human Rights		12.00	13.00	5.00	18.00
408 Public Service Commission		43.00	44.00	9.00	53.00
412 Aeronautics Commission		6.00	6.00	1.00	7.00
413 Department of Financial Institutions		29.00	29.00	1.00	30.00
414 Securities Department		9.00	9.00	0.00	9.00
471 Bank of North Dakota		176.50	179.50	2.00	181.50
473 ND Housing Finance Agency		46.00	46.00	0.00	46.00
475 ND Mill and Elevator Association		131.00	135.00	12.00	147.00
485 Workforce Safety and Insurance		247.14	250.14	12.00	262.14
Public Safety					
504 Highway Patrol		198.00	213.00	4.00	217.00
530 Department of Corrections and Rehabilitation		794.29	814.29	22.00	836.29
540 Office of the Adjutant General		242.00	246.00	(12.00)	234.00
Agriculture and Economic Development					
601 Department of Commerce		68.25	69.25	0.15	69.40
602 Department of Agriculture		77.00	77.00	0.00	77.00
627 Upper Great Plains Transportation Institute		51.75	54.98	0.00	54.98
628 Branch Research Centers		103.04	110.94	4.00	114.94
630 NDSU Extension Service		256.26	262.91	3.00	265.91
638 Northern Crops Institute		12.00	12.00	0.00	12.00
640 NDSU Main Research Center		349.01	351.85	4.00	355.85
649 Agronomy Seed Farm		3.00	3.00	0.00	3.00
670 ND Horse Racing Commission		2.00	2.00	0.00	2.00

Comparison of 2011-2013 and 2013-2015 Legislatively Authorized FTE and 2015-2017 Executive Recommendation

Biennium: 2015-2017

Department	Notes	2011-2013 Legislatively Authorized FTE	2013-2015 Legislatively Authorized FTE	Increase (Decrease)	2015-2017 Executive Recommendation
Natural Resources					
701 Historical Society		63.00	69.00	12.00	81.00
709 Council on the Arts		5.00	5.00	0.00	5.00
720 Game and Fish Department		158.00	158.00	4.00	162.00
750 Parks and Recreation Department		54.00	55.00	10.00	65.00
770 Water Commission		87.00	90.00	10.00	100.00
Transportation					
801 Department of Transportation		1,063.50	1,079.50	2.00	1,081.50
Total FTE		11,314.16	11,607.83	287.65	11,895.48

Notes:

**Permanent Full-Time Employee Positions and Permanent Part-Time Employee Positions
Excluding Entities Under the Control of the Board of Higher Education**

Agency	Legislatively Authorized FTE 2011-13	Legislatively Authorized FTE 2013-15	Recommended FTE 2015-17
101 Office of the Governor			
Total Authorized FTE	18.00	18.00	18.00
Total Full-Time (1.00) Authorized FTE	18.00	18.00	18.00
Total Part-Time (less than 1.00) Authorized FTE	0.00	0.00	0.00
108 Secretary of State			
Total Authorized FTE	28.00	31.00	37.00
Total Full-Time (1.00) Authorized FTE	28.00	31.00	37.00
Total Part-Time (less than 1.00) Authorized FTE	0.00	0.00	0.00
110 Office of Management and Budget			
Total Authorized FTE	131.50	130.50	122.50
Total Full-Time (1.00) Authorized FTE	128.00	127.00	121.00
Total Part-Time (less than 1.00) Authorized FTE	3.50	3.50	1.50
112 Information Technology			
Total Authorized FTE	336.30	340.30	355.30
Total Full-Time (1.00) Authorized FTE	331.00	337.00	352.00
Total Part-Time (less than 1.00) Authorized FTE	5.30	3.30	3.30
117 Office of the State Auditor			
Total Authorized FTE	50.80	53.80	53.80
Total Full-Time (1.00) Authorized FTE	50.00	53.00	53.00
Total Part-Time (less than 1.00) Authorized FTE	0.80	0.80	0.80
120 Office of State Treasurer			
Total Authorized FTE	7.00	8.00	8.00
Total Full-Time (1.00) Authorized FTE	7.00	8.00	8.00
Total Part-Time (less than 1.00) Authorized FTE	0.00	0.00	0.00
125 Office of the Attorney General			
Total Authorized FTE	204.00	213.50	238.00
Total Full-Time (1.00) Authorized FTE	203.00	212.00	236.00
Total Part-Time (less than 1.00) Authorized FTE	1.00	1.50	2.00
127 Office of State Tax Commissioner			
Total Authorized FTE	133.00	134.00	138.00
Total Full-Time (1.00) Authorized FTE	133.00	134.00	138.00
Total Part-Time (less than 1.00) Authorized FTE	0.00	0.00	0.00

**Permanent Full-Time Employee Positions and Permanent Part-Time Employee Positions
Excluding Entities Under the Control of the Board of Higher Education**

Agency	Legislatively Authorized FTE 2011-13	Legislatively Authorized FTE 2013-15	Recommended FTE 2015-17
140 Office of Administrative Hearings			
Total Authorized FTE	5.00	5.00	5.00
Total Full-Time (1.00) Authorized FTE	5.00	5.00	5.00
Total Part-Time (less than 1.00) Authorized FTE	0.00	0.00	0.00
160 Legislative Council			
Total Authorized FTE	34.00	37.00	37.00
Total Full-Time (1.00) Authorized FTE	34.00	37.00	37.00
Total Part-Time (less than 1.00) Authorized FTE	0.00	0.00	0.00
180 Judicial Branch			
Total Authorized FTE	344.00	363.00	391.00
Total Full-Time (1.00) Authorized FTE	341.00	360.00	388.00
Total Part-Time (less than 1.00) Authorized FTE	3.00	3.00	3.00
188 Commission on Legal Counsel for Indigents			
Total Authorized FTE	30.00	33.00	42.00
Total Full-Time (1.00) Authorized FTE	30.00	33.00	42.00
Total Part-Time (less than 1.00) Authorized FTE	0.00	0.00	0.00
190 Retirement and Investment Office			
Total Authorized FTE	18.00	19.00	19.00
Total Full-Time (1.00) Authorized FTE	18.00	19.00	19.00
Total Part-Time (less than 1.00) Authorized FTE	0.00	0.00	0.00
192 Public Employees Retirement System			
Total Authorized FTE	33.00	33.00	36.50
Total Full-Time (1.00) Authorized FTE	31.00	31.00	35.00
Total Part-Time (less than 1.00) Authorized FTE	2.00	2.00	1.50
201 Department of Public Instruction			
Total Authorized FTE	99.75	99.75	99.75
Total Full-Time (1.00) Authorized FTE	97.00	97.00	97.00
Total Part-Time (less than 1.00) Authorized FTE	2.75	2.75	2.75
226 Department of Trust Lands			
Total Authorized FTE	24.75	31.00	36.00
Total Full-Time (1.00) Authorized FTE	24.00	31.00	36.00
Total Part-Time (less than 1.00) Authorized FTE	0.75	0.00	0.00

**Permanent Full-Time Employee Positions and Permanent Part-Time Employee Positions
Excluding Entities Under the Control of the Board of Higher Education**

Agency	Legislatively Authorized FTE 2011-13	Legislatively Authorized FTE 2013-15	Recommended FTE 2015-17
250 State Library			
Total Authorized FTE	29.75	29.75	29.75
Total Full-Time (1.00) Authorized FTE	29.00	29.00	29.00
Total Part-Time (less than 1.00) Authorized FTE	0.75	0.75	0.75
252 School for the Deaf			
Total Authorized FTE	43.94	44.61	45.61
Total Full-Time (1.00) Authorized FTE	23.00	19.00	20.00
Total Part-Time (less than 1.00) Authorized FTE	2.85	25.61	25.61
253 ND Vision Services/School for the Blind			
Total Authorized FTE	29.50	30.00	30.00
Total Full-Time (1.00) Authorized FTE	25.00	25.00	25.00
Total Part-Time (less than 1.00) Authorized FTE	4.50	5.00	5.00
270 Career and Technical Education			
Total Authorized FTE	27.50	27.00	26.50
Total Full-Time (1.00) Authorized FTE	27.00	26.00	26.00
Total Part-Time (less than 1.00) Authorized FTE	0.50	1.00	0.50
301 ND Department of Health			
Total Authorized FTE	344.00	354.00	373.00
Total Full-Time (1.00) Authorized FTE	341.00	351.00	369.00
Total Part-Time (less than 1.00) Authorized FTE	3.00	3.00	4.00
305 Tobacco Prevention and Control			
Total Authorized FTE	5.00	8.00	8.00
Total Full-Time (1.00) Authorized FTE	5.00	8.00	8.00
Total Part-Time (less than 1.00) Authorized FTE	0.00	0.00	0.00
313 Veterans Home			
Total Authorized FTE	120.72	120.72	120.72
Total Full-Time (1.00) Authorized FTE	52.00	52.00	48.00
Total Part-Time (less than 1.00) Authorized FTE	68.72	68.72	72.72
316 Indian Affairs Commission			
Total Authorized FTE	4.00	5.00	5.00
Total Full-Time (1.00) Authorized FTE	4.00	5.00	5.00
Total Part-Time (less than 1.00) Authorized FTE	0.00	0.00	0.00

**Permanent Full-Time Employee Positions and Permanent Part-Time Employee Positions
Excluding Entities Under the Control of the Board of Higher Education**

Agency	Legislatively Authorized FTE 2011-13	Legislatively Authorized FTE 2013-15	Recommended FTE 2015-17
321 Department of Veterans Affairs			
Total Authorized FTE	7.00	8.00	9.00
Total Full-Time (1.00) Authorized FTE	7.00	8.00	9.00
Total Part-Time (less than 1.00) Authorized FTE	0.00	0.00	0.00
325 Department of Human Services			
Total Authorized FTE	2,196.35	2,200.08	2,224.58
Total Full-Time (1.00) Authorized FTE	2,088.00	2,109.00	2,133.00
Total Part-Time (less than 1.00) Authorized FTE	108.35	91.09	91.58
360 Protection and Advocacy			
Total Authorized FTE	28.50	27.50	29.50
Total Full-Time (1.00) Authorized FTE	25.65	27.00	29.00
Total Part-Time (less than 1.00) Authorized FTE	2.85	0.50	0.50
380 Job Service North Dakota			
Total Authorized FTE	261.76	250.76	237.76
Total Full-Time (1.00) Authorized FTE	256.00	245.00	232.00
Total Part-Time (less than 1.00) Authorized FTE	5.76	5.76	5.76
401 Office of Insurance Commissioner			
Total Authorized FTE	49.50	49.50	49.50
Total Full-Time (1.00) Authorized FTE	49.00	49.00	49.00
Total Part-Time (less than 1.00) Authorized FTE	0.50	0.50	0.50
405 Industrial Commission			
Total Authorized FTE	76.06	99.75	121.75
Total Full-Time (1.00) Authorized FTE	74.00	98.00	120.00
Total Part-Time (less than 1.00) Authorized FTE	2.06	1.75	1.75
406 Department of Labor and Human Rights			
Total Authorized FTE	12.00	13.00	18.00
Total Full-Time (1.00) Authorized FTE	12.00	13.00	18.00
Total Part-Time (less than 1.00) Authorized FTE	0.00	0.00	0.00
408 Public Service Commission			
Total Authorized FTE	43.00	44.00	53.00
Total Full-Time (1.00) Authorized FTE	43.00	44.00	53.00
Total Part-Time (less than 1.00) Authorized FTE	0.00	0.00	0.00

**Permanent Full-Time Employee Positions and Permanent Part-Time Employee Positions
Excluding Entities Under the Control of the Board of Higher Education**

Agency	Legislatively Authorized FTE 2011-13	Legislatively Authorized FTE 2013-15	Recommended FTE 2015-17
412 Aeronautics Commission			
Total Authorized FTE	6.00	6.00	7.00
Total Full-Time (1.00) Authorized FTE	6.00	6.00	7.00
Total Part-Time (less than 1.00) Authorized FTE	0.00	0.00	0.00
413 Department of Financial Institutions			
Total Authorized FTE	29.00	29.00	30.00
Total Full-Time (1.00) Authorized FTE	29.00	29.00	30.00
Total Part-Time (less than 1.00) Authorized FTE	0.00	0.00	0.00
414 ND Securities Department			
Total Authorized FTE	9.00	9.00	9.00
Total Full-Time (1.00) Authorized FTE	9.00	9.00	9.00
Total Part-Time (less than 1.00) Authorized FTE	0.00	0.00	0.00
471 Bank of North Dakota			
Total Authorized FTE	176.50	179.50	181.50
Total Full-Time (1.00) Authorized FTE	172.00	176.00	179.00
Total Part-Time (less than 1.00) Authorized FTE	4.50	3.50	2.50
473 North Dakota Housing Finance			
Total Authorized FTE	46.00	46.00	46.00
Total Full-Time (1.00) Authorized FTE	46.00	46.00	46.00
Total Part-Time (less than 1.00) Authorized FTE	0.00	0.00	0.00
475 ND Mill and Elevator Association			
Total Authorized FTE	131.00	135.00	147.00
Total Full-Time (1.00) Authorized FTE	131.00	135.00	147.00
Total Part-Time (less than 1.00) Authorized FTE	0.00	0.00	0.00
485 Workforce Safety and Insurance			
Total Authorized FTE	247.14	250.14	262.14
Total Full-Time (1.00) Authorized FTE	237.00	240.00	252.00
Total Part-Time (less than 1.00) Authorized FTE	10.14	10.14	10.14
504 Highway Patrol			
Total Authorized FTE	198.00	213.00	217.00
Total Full-Time (1.00) Authorized FTE	198.00	213.00	216.00
Total Part-Time (less than 1.00) Authorized FTE	0.00	0.00	1.00

**Permanent Full-Time Employee Positions and Permanent Part-Time Employee Positions
Excluding Entities Under the Control of the Board of Higher Education**

Agency	Legislatively Authorized FTE 2011-13	Legislatively Authorized FTE 2013-15	Recommended FTE 2015-17
530 Dept of Corrections and Rehabilitation			
Total Authorized FTE	794.29	814.29	836.29
Total Full-Time (1.00) Authorized FTE	771.00	791.00	813.00
Total Part-Time (less than 1.00) Authorized FTE	23.29	23.29	23.29
540 Office of the Adjutant General			
Total Authorized FTE	242.00	246.00	234.00
Total Full-Time (1.00) Authorized FTE	242.00	246.00	234.00
Total Part-Time (less than 1.00) Authorized FTE	0.00	0.00	0.00
601 Department of Commerce			
Total Authorized FTE	68.25	69.25	69.40
Total Full-Time (1.00) Authorized FTE	64.00	66.00	67.00
Total Part-Time (less than 1.00) Authorized FTE	4.25	3.25	2.40
602 Department of Agriculture			
Total Authorized FTE	77.00	77.00	77.00
Total Full-Time (1.00) Authorized FTE	77.00	77.00	77.00
Total Part-Time (less than 1.00) Authorized FTE	0.00	0.00	0.00
670 ND Racing Commission			
Total Authorized FTE	2.00	2.00	2.00
Total Full-Time (1.00) Authorized FTE	2.00	2.00	2.00
Total Part-Time (less than 1.00) Authorized FTE	0.00	0.00	0.00
701 Historical Society			
Total Authorized FTE	63.00	69.00	81.00
Total Full-Time (1.00) Authorized FTE	62.00	68.00	80.00
Total Part-Time (less than 1.00) Authorized FTE	1.00	1.00	1.00
709 Council on the Arts			
Total Authorized FTE	5.00	5.00	5.00
Total Full-Time (1.00) Authorized FTE	5.00	5.00	5.00
Total Part-Time (less than 1.00) Authorized FTE	0.00	0.00	0.00
720 Game and Fish Department			
Total Authorized FTE	157.00	158.00	162.00
Total Full-Time (1.00) Authorized FTE	157.00	158.00	162.00
Total Part-Time (less than 1.00) Authorized FTE	0.00	0.00	0.00

**Permanent Full-Time Employee Positions and Permanent Part-Time Employee Positions
Excluding Entities Under the Control of the Board of Higher Education**

Agency	Legislatively Authorized FTE 2011-13	Legislatively Authorized FTE 2013-15	Recommended FTE 2015-17
750 Parks and Recreation Department			
Total Authorized FTE	54.00	55.00	65.00
Total Full-Time (1.00) Authorized FTE	51.00	52.00	65.00
Total Part-Time (less than 1.00) Authorized FTE	3.00	3.00	0.00
770 Water Commission			
Total Authorized FTE	87.00	90.00	100.00
Total Full-Time (1.00) Authorized FTE	87.00	90.00	100.00
Total Part-Time (less than 1.00) Authorized FTE	0.00	0.00	0.00
801 Dept of Transportation			
Total Authorized FTE	1063.50	1079.50	1081.50
Total Full-Time (1.00) Authorized FTE	1060.00	1076.00	1078.00
Total Part-Time (less than 1.00) Authorized FTE	3.50	3.50	3.50

COMPENSATION PACKAGE ADJUSTMENTS

Biennium: 2015-2017

	Department	Salary Package	Health Incr	Ret Incr	Total	Funding Sources		
						General	Federal	Special
101	Office of the Governor	190,443	77,721	19,807	287,971	287,971	0	0
108	Secretary of State	289,815	159,757	24,402	473,974	458,821	15,151	2
110	Office of Management and Budget	1,096,161	509,504	98,111	1,703,776	1,423,499	0	280,277
112	Information Technology	3,871,308	1,498,285	389,196	5,758,789	1,136,657	13,121	4,609,012
117	Office of the State Auditor	620,617	233,161	56,481	910,259	682,483	102,111	125,665
120	Office of the State Treasurer	83,077	34,542	7,312	124,931	124,931	0	0
125	Office of the Attorney General	2,565,011	1,036,277	215,228	3,816,516	3,606,609	9,938	199,969
127	Office of State Tax Commissioner	1,329,527	595,860	114,940	2,040,327	2,040,327	0	0
140	Office of Administrative Hearings	63,851	21,589	6,126	91,566	0	0	91,566
160	Legislative Council	417,774	155,442	44,634	617,850	617,850	0	0
180	Judicial Branch	3,003,523	1,718,500	434,227	5,156,250	5,153,011	3,239	0
188	Commission on Legal Counsel for	521,060	181,347	38,578	740,985	724,880	0	16,105
190	Retirement and Investment Office	223,304	82,038	22,401	327,743	0	0	327,743
192	Public Employees Retirement System	379,121	164,075	32,995	576,191	0	0	576,191
201	Dept of Public Instruction	1,103,942	436,121	86,628	1,626,691	529,289	1,095,027	2,375
226	Department of Trust Lands	360,390	155,436	34,741	550,567	0	0	550,567
250	State Library	250,577	129,536	19,086	399,199	364,224	34,975	0
252	School for the Deaf	284,314	228,845	34,807	547,966	526,247	21,719	0
253	ND Vision Services/School for the Blind	169,282	138,170	22,315	329,767	281,636	0	48,131
270	Career and Technical Education	318,194	116,580	25,681	460,455	460,455	1	0
301	ND Department of Health	3,967,300	1,632,154	304,811	5,904,265	3,499,196	1,800,122	604,947
305	Tobacco Prevention and Control	90,583	38,861	8,514	137,958	0	0	137,958
313	Veterans Home	925,995	634,722	69,055	1,629,772	1,567,248	0	62,524
316	Indian Affairs Commission	51,649	21,588	4,716	77,953	77,953	0	0
321	Department of Veterans Affairs	78,481	38,858	6,519	123,858	106,621	17,237	0
325	Department of Human Services	21,456,731	9,588,829	1,679,822	32,725,382	27,912,351	4,596,534	216,497
360	Protection and Advocacy	368,729	129,534	26,772	525,035	519,543	1	5,492
380	Job Service North Dakota	2,240,205	971,524	187,325	3,399,054	15,848	3,378,425	4,782
401	Office of the Insurance Commissioner	508,892	215,889	44,882	769,663	0	39,222	730,442
405	Industrial Commission	1,159,376	513,818	117,592	1,790,786	1,686,615	0	104,171
406	Department of Labor and Human Rights	199,110	77,719	14,794	291,623	291,623	0	0
408	Public Service Commission	611,190	233,153	59,891	904,234	573,309	330,924	0
412	Aeronautics Commission	72,173	30,224	7,064	109,461	0	0	109,461
413	Department of Financial Institutions	383,837	129,535	34,697	548,069	0	0	548,069
414	Securities Department	110,059	38,860	9,292	158,211	158,211	0	0
471	Bank of North Dakota	1,727,609	794,479	158,886	2,680,974	0	11,958	2,669,016
473	ND Housing Finance Agency	427,368	192,144	38,779	658,291	0	0	658,291

COMPENSATION PACKAGE ADJUSTMENTS

Biennium: 2015-2017

	Department	Salary Package	Health Incr	Ret Incr	Total	Funding Sources		
						General	Federal	Special
475	ND Mill and Elevator Association	0	634,719	164,421	799,140	0	0	799,140
485	Workforce Safety and Insurance	2,665,226	1,105,363	233,299	4,003,888	0	0	4,003,888
504	Highway Patrol	2,214,003	902,430	199,089	3,315,522	2,660,152	275,567	379,803
530	Department of Corrections and	7,770,291	3,436,996	622,492	11,829,779	11,165,975	69,069	594,735
540	Office of the Adjutant General	2,130,596	980,160	180,536	3,291,292	1,418,614	1,699,475	173,203
601	Department of Commerce	652,352	293,623	67,505	1,013,480	806,481	139,069	67,930
602	Department of Agriculture	767,234	323,833	60,702	1,151,769	659,498	204,854	287,416
627	Upper Great Plains Transportation Institute	643,671	246,116	68,013	957,800	207,535	462,750	287,515
628	Branch Research Centers	893,822	492,012	93,248	1,479,082	1,149,983	0	329,099
630	NDSU Extension Service	2,235,138	1,180,421	234,594	3,650,153	1,924,927	555,320	1,169,906
638	Northern Crops Institute	116,321	51,814	12,191	180,326	157,383	0	22,943
640	NDSU Main Research Center	3,285,519	1,646,552	343,129	5,275,200	3,681,586	553,607	1,040,007
649	Agronomy Seed Farm	28,168	12,952	2,902	44,022	0	0	44,022
670	ND Horse Racing Commission	19,552	8,634	1,842	30,028	30,028	0	0
701	Historical Society	789,636	341,110	61,141	1,191,887	1,101,807	90,080	0
709	Council on the Arts	53,301	17,271	4,405	74,977	74,976	1	0
720	Game and Fish Department	1,652,401	686,537	149,695	2,488,633	0	843,427	1,645,206
750	Parks and Recreation Department	687,019	280,660	55,396	1,023,075	1,000,281	13,050	9,745
770	Water Commission	1,138,799	431,779	100,565	1,671,143	0	56,722	1,614,421
801	Department of Transportation	9,805,698	4,684,832	973,898	15,464,428	0	1,801,246	13,663,182
		89,069,325	40,712,491	8,130,170	137,911,986	80,866,631	18,233,942	38,811,412

Lease Purchase Agreements

Biennium: 2015-2017

	Agency	Lease Description	Original Value	Monthly Payment Amount	Months Remaining
110	Office of Management and Budget	Color Copier For Central Duplicating	60,000	1,282	1
117	Office of the State Auditor	Savin MP C4503	12,297	262	24
127	Office of State Tax Commissioner	High-volume network printer	90,000	2,237	12
		High-volume network printer	78,140	1,946	12
201	Department of Public Instruction	Kyocera KM 6030 Copier	11,207	332	
		Canon Image Runner 2020 Copier - Lease Renewa	1,984	95	
		Canon Image Runner 2022 Copier	1,984	62	
		Copier - (to be determined)	17,000	450	1
		Kyocera KM 5050 Copier	6,412	248	
215	ND University System	Replacement Servers	1,500,000	45,083	24
		CTS Electrical and Mechanical Equipment	2,078,182	27,865	24
227	Bismarck State College	Motor Coach Lease	250,515	4,553	24
230	University of North Dakota	West Campus Steamline	3,795,250	84,730	24
		Video Bridge and Software West Fargo Lease #4	76,645	1,711	24
		Energy Improvement Projects	2,591,330	20,460	24
235	North Dakota State University	NDSU Development Foundation-Renaissance Hall	5,600,000	134,000	1
		NDSU Development Foundation-Barry and Klai Ha	11,910,000	778,850	24
		Master Lease Agreement	0	0	24
		Energy Savings Performance Contract	7,266,959	663,210	1
		NDSU Development Foundation-Fargodome	3,500,000	331,995	24
241	Minot State University	Digital Color Press	123,332	2,299	24
242	Valley City State University	Dell Financial - Lenovo Twist 36 Month Lease	442,800	14,790	13
		Dell Financial - Apple Laptop 24 Month Lease	442,800	15,090	1
380	Job Service North Dakota	Unisys Mainframe computer	2,032,449	26,560	18
628	Branch Research Centers	Payloader	175,000	2,500	1
		Plot Combine	235,000	2,500	24
		Combine	300,000	5,000	1
		Loader Tractor	154,000	2,500	1
		Tractor (low HP)	0	0	24
		Tractor (medium HP)	0	0	1
		Case IH 2240 Sprayer-Self Propelled	190,000	3,000	24

Lease Purchase Agreements

Biennium: 2015-2017

Agency			Original Value	Monthly Payment Amount	Months Remaining
		Zurn Plot Combine with Yield and TW	315,000	5,500	24
		Field Tractor	300,000	0	1
		Tractor (High HP) Loader	0	0	24
		Master Lease Agreement with Wells Fargo	0	0	24
630	NDSU Extension Service	Master Lease Agreement with Wells Fargo	0	0	24
640	NDSU Main Research Center	Master Lease Agreement with Wells Fargo	0	0	1
		Tractor Case IH	125,000	895	2
		Zurn Combine	231,382	1,483	14
		Skid Steer	70,000	1,139	24
		New Holland Loader	114,000	2,509	1
720	Game and Fish Department	Xerox Printer/Copier-Licensing	76,010	1,866	24

Capital Assets

The capital budget summarizes the 2015-17 biennium executive recommendation for state investments in capital assets. The term "capital assets" refers to: capital projects, extraordinary repairs, other capital payments, equipment over \$5,000 and information technology (IT) equipment and software over \$5,000. The executive recommendations for capital assets are summarized on the following pages.

The capital budget is a long-range planning document for the state's capital needs. It assists the executive and legislative branches of government by formalizing capital funding objectives, setting spending priorities, and efficiently allocating financial resources.

The capital budget is a financial management tool used to:

- Assist in determining infrastructure and repair needs.
- Provide for orderly replacement of facilities.
- Enhance the ability of decision makers to match resources with needs.
- Permit the organized development of capital infrastructure over an extended period of time.

The capital budget contributes to long-range policy development by:

- Formalizing capital funding objectives and debt policy.
- Providing for efficient allocation of financial resources.
- Setting spending priorities for capital assets.

The capital budget positively influences the state's credit rating by:

- Demonstrating that government has identified and prioritized needs and arranged for funding.
- Providing evidence of the development and maintenance of sound infrastructure, which is required for expansion of the state's economic base.
- Demonstrating government's ability to provide for the essential capital needs of its citizens.

The capital budget is a reporting document and communication tool used to:

- Communicate the significance of capital expenditures in the delivery of public services.
- Provide for intergovernmental coordination in timing and location of related projects.

Capital Assets Appropriations by Category- 2015-2017

Biennium: 2015-2017

Agency	Capital Projects	Extraordinary Repairs	Other Capital Payments	Equipment Over \$5000	IT Equipment Over \$5000	Total
110 Office of Management and Budget	40,000,000	6,597,928	665,081	267,000	0	47,530,009
General Fund	40,000,000	6,597,928	665,081	67,000	0	47,330,009
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	200,000	0	200,000
112 Information Technology	0	0	0	250,000	9,500,000	9,750,000
General Fund	0	0	0	0	600,000	600,000
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	250,000	8,900,000	9,150,000
125 Office of the Attorney General	0	0	765,483	1,810,447	278,832	2,854,762
General Fund	0	0	765,483	289,677	0	1,055,160
Federal Funds	0	0	0	1,127,745	237,632	1,365,377
Special Funds	0	0	0	393,025	41,200	434,225
127 Office of State Tax Commissioner	0	0	0	0	16,000	16,000
General Fund	0	0	0	0	16,000	16,000
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
150 Legislative Assembly	0	0	0	500,000	16,800	516,800
General Fund	0	0	0	500,000	16,800	516,800
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
160 Legislative Council	0	0	0	30,000	0	30,000
General Fund	0	0	0	30,000	0	30,000
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
180 Judicial Branch	0	786,577	0	411,000	3,271,650	4,469,227
General Fund	0	786,577	0	411,000	3,271,650	4,469,227
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
215 ND University System	0	5,000,000	8,368,836	0	0	13,368,836
General Fund	0	5,000,000	8,368,836	0	0	13,368,836
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0

Capital Assets Appropriations by Category- 2015-2017

Biennium: 2015-2017

Agency	Capital Projects	Extraordinary Repairs	Other Capital Payments	Equipment Over \$5000	IT Equipment Over \$5000	Total
227 Bismarck State College	2,175,000	974,175	1,357,600	0	0	4,506,775
General Fund	1,575,000	974,175	1,357,600	0	0	3,906,775
Federal Funds	0	0	0	0	0	0
Special Funds	600,000	0	0	0	0	600,000
228 Lake Region State College	1,648,423	296,983	0	0	0	1,945,406
General Fund	1,648,423	296,983	0	0	0	1,945,406
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
229 Williston State College	0	1,259,008	285,000	0	0	1,544,008
General Fund	0	1,259,008	285,000	0	0	1,544,008
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
230 University of North Dakota	84,000,000	6,683,338	241,585	0	0	90,924,923
General Fund	78,000,000	6,683,338	241,585	0	0	84,924,923
Federal Funds	0	0	0	0	0	0
Special Funds	6,000,000	0	0	0	0	6,000,000
235 North Dakota State University	11,600,000	4,461,355	1,591,426	0	0	17,652,781
General Fund	0	4,461,355	1,591,426	0	0	6,052,781
Federal Funds	0	0	0	0	0	0
Special Funds	11,600,000	0	0	0	0	11,600,000
238 ND State College of Science	13,298,000	1,597,488	275,098	0	0	15,170,586
General Fund	13,298,000	1,597,488	275,098	0	0	15,170,586
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
239 Dickinson State University	0	809,741	0	0	0	809,741
General Fund	0	809,741	0	0	0	809,741
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
240 Mayville State University	0	948,486	228,285	0	0	1,176,771
General Fund	0	948,486	228,285	0	0	1,176,771
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0

Capital Assets Appropriations by Category- 2015-2017

Biennium: 2015-2017

Agency	Capital Projects	Extraordinary Repairs	Other Capital Payments	Equipment Over \$5000	IT Equipment Over \$5000	Total
241 Minot State University	0	2,217,367	0	0	0	2,217,367
General Fund	0	2,217,367	0	0	0	2,217,367
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
242 Valley City State University	56,139,000	1,098,445	243,238	0	0	57,480,683
General Fund	40,139,000	1,098,445	243,238	0	0	41,480,683
Federal Funds	0	0	0	0	0	0
Special Funds	16,000,000	0	0	0	0	16,000,000
243 Dakota College at Bottineau	11,746,983	358,562	28,457	0	0	12,134,002
General Fund	1,098,789	358,562	28,457	0	0	1,485,808
Federal Funds	0	0	0	0	0	0
Special Funds	10,648,194	0	0	0	0	10,648,194
244 ND Forest Service	0	89,222	0	56,248	0	145,470
General Fund	0	89,222	0	56,248	0	145,470
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
252 School for Deaf/Res Ctr for Deaf and HoH	0	2,442,174	0	75,000	0	2,517,174
General Fund	0	1,242,174	0	0	0	1,242,174
Federal Funds	0	0	0	0	0	0
Special Funds	0	1,200,000	0	75,000	0	1,275,000
253 ND Vision Services/School for the Blind	0	1,639,454	19,000	0	13,500	1,671,954
General Fund	0	1,049,454	0	0	0	1,049,454
Federal Funds	0	0	0	0	0	0
Special Funds	0	590,000	19,000	0	13,500	622,500
301 ND Department of Health	0	336,170	637,940	2,621,200	27,500	3,622,810
General Fund	0	80,243	456,335	295,400	0	831,978
Federal Funds	0	32,380	181,605	1,865,800	17,500	2,109,285
Special Funds	0	223,547	0	460,000	10,000	693,547
313 Veterans Home	126,800	1,013,225	606,543	96,700	0	1,843,268
General Fund	0	0	261,660	0	0	261,660
Federal Funds	0	450,000	0	0	0	450,000
Special Funds	126,800	563,225	344,883	96,700	0	1,131,608

Capital Assets Appropriations by Category- 2015-2017

Biennium: 2015-2017

Agency	Capital Projects	Extraordinary Repairs	Other Capital Payments	Equipment Over \$5000	IT Equipment Over \$5000	Total
321 Department of Veterans Affairs	0	0	0	15,000	0	15,000
General Fund	0	0	0	15,000	0	15,000
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
325 Department of Human Services	0	6,417,583	0	818,238	26,000	7,261,821
General Fund	0	6,417,583	0	808,238	13,000	7,238,821
Federal Funds	0	0	0	10,000	13,000	23,000
Special Funds	0	0	0	0	0	0
360 Protection and Advocacy	0	0	0	0	10,500	10,500
General Fund	0	0	0	0	10,500	10,500
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
380 Job Service North Dakota	0	0	20,000	0	0	20,000
General Fund	0	0	0	0	0	0
Federal Funds	0	0	20,000	0	0	20,000
Special Funds	0	0	0	0	0	0
401 Office of the Insurance Commissioner	0	0	0	0	90,000	90,000
General Fund	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	90,000	90,000
405 Industrial Commission	16,013,442	0	0	0	0	16,013,442
General Fund	16,013,442	0	0	0	0	16,013,442
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
406 Department of Labor and Human Rights	0	25,000	0	0	0	25,000
General Fund	0	25,000	0	0	0	25,000
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
408 Public Service Commission	0	0	0	0	26,400	26,400
General Fund	0	0	0	0	26,400	26,400
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0

Capital Assets Appropriations by Category- 2015-2017

Biennium: 2015-2017

Agency	Capital Projects	Extraordinary Repairs	Other Capital Payments	Equipment Over \$5000	IT Equipment Over \$5000	Total
412 Aeronautics Commission	0	300,000	0	0	0	300,000
General Fund	0	0	0	0	0	0
Federal Funds	0	270,000	0	0	0	270,000
Special Funds	0	30,000	0	0	0	30,000
471 Bank of North Dakota	0	0	0	250,000	495,000	745,000
General Fund	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	250,000	495,000	745,000
504 Highway Patrol	27,612,000	0	0	66,000	0	27,678,000
General Fund	24,160,000	0	0	58,000	0	24,218,000
Federal Funds	0	0	0	0	0	0
Special Funds	3,452,000	0	0	8,000	0	3,460,000
530 Department of Corrections and Rehabilitation	29,887,000	3,962,580	1,279,524	544,039	1,100,713	36,773,856
General Fund	29,887,000	3,712,580	1,279,524	318,039	1,100,713	36,297,856
Federal Funds	0	0	0	0	0	0
Special Funds	0	250,000	0	226,000	0	476,000
540 Office of the Adjutant General	30,139,000	0	224,046	845,000	546,000	31,754,046
General Fund	69,500	0	224,046	203,277	546,000	1,042,823
Federal Funds	30,000,000	0	0	641,723	0	30,641,723
Special Funds	69,500	0	0	0	0	69,500
602 Department of Agriculture	0	0	0	0	8,000	8,000
General Fund	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	8,000	8,000
627 Upper Great Plains Transportation Institute	0	0	0	58,000	0	58,000
General Fund	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	58,000	0	58,000
628 Branch Research Centers	0	0	149,556	5,654,950	0	5,804,506
General Fund	0	0	149,556	1,050,000	0	1,199,556
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	4,604,950	0	4,604,950

Capital Assets Appropriations by Category- 2015-2017

Biennium: 2015-2017

Agency	Capital Projects	Extraordinary Repairs	Other Capital Payments	Equipment Over \$5000	IT Equipment Over \$5000	Total
630 NDSU Extension Service	0	0	0	660,000	0	660,000
General Fund	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	660,000	0	660,000
638 Northern Crops Institute	0	0	0	350,000	0	350,000
General Fund	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	350,000	0	350,000
640 NDSU Main Research Center	18,783,796	1,340,465	421,569	7,241,516	0	27,787,346
General Fund	18,783,796	1,340,465	421,569	550,000	0	21,095,830
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	6,691,516	0	6,691,516
649 Agronomy Seed Farm	0	0	0	295,000	0	295,000
General Fund	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	295,000	0	295,000
665 ND State Fair	0	1,750,000	0	0	0	1,750,000
General Fund	0	1,750,000	0	0	0	1,750,000
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
701 Historical Society	0	5,085,959	1,358,335	81,000	0	6,525,294
General Fund	0	4,910,959	1,358,335	81,000	0	6,350,294
Federal Funds	0	0	0	0	0	0
Special Funds	0	175,000	0	0	0	175,000
720 Game and Fish Department	400,000	2,660,000	1,800,000	852,996	0	5,712,996
General Fund	0	0	0	0	0	0
Federal Funds	0	653,900	0	628,500	0	1,282,400
Special Funds	400,000	2,006,100	1,800,000	224,496	0	4,430,596
750 Parks and Recreation Department	31,013,297	1,470,620	73,591	1,050,000	310,299	33,917,807
General Fund	30,735,297	1,220,615	73,591	750,000	310,299	33,089,802
Federal Funds	278,000	0	0	300,000	0	578,000
Special Funds	0	250,005	0	0	0	250,005

Capital Assets Appropriations by Category- 2015-2017

Biennium: 2015-2017

Agency	Capital Projects	Extraordinary Repairs	Other Capital Payments	Equipment Over \$5000	IT Equipment Over \$5000	Total
770 Water Commission	0	0	195,281,634	602,500	40,000	195,924,134
General Fund	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	195,281,634	602,500	40,000	195,924,134
801 Department of Transportation	10,897,400	0	1,924,796,416	42,644,817	258,327	1,978,596,960
General Fund	0	0	0	0	0	0
Federal Funds	0	0	481,578,110	250,280	0	481,828,390
Special Funds	10,897,400	0	1,443,218,306	42,394,537	258,327	1,496,768,570
Total All Agencies	385,480,141	61,621,905	2,140,718,243	68,146,651	16,035,521	2,672,002,461
General Fund	295,408,247	54,927,748	18,274,705	5,482,879	5,911,362	380,004,941
Federal Funds	30,278,000	1,406,280	481,779,715	4,824,048	268,132	518,556,175
Special Funds	59,793,894	5,287,877	1,640,663,823	57,839,724	9,856,027	1,773,441,345

Capital Projects

Capital projects are expenditures for land, new construction, additions, renovations, restorations and demolitions of buildings and infrastructure. Capital projects recommendations are based on a review and analysis of each requested capital project. Agency budget requests include, for each capital project requested, a justification of the project, project description and specifications, requested funding sources, and anticipated operating and staffing costs for the upcoming and two subsequent biennia.

Justification

During preparation of the capital project requests, agencies were asked to justify the need for each project by considering the following questions:

- Is there evidence of the need for this project?
- Has there been adequate planning? If not, should a planning appropriation be considered?
- Can a third party finance or share the cost of this project?
- Is renovating or remodeling more cost effective?
- Has leasing of capital assets been considered?
- Can this project be postponed until the following biennium?
- Would this project be necessary if the size of government was reduced? If population declined? If a technological breakthrough occurred? If demand for services declined? If not, what is the likelihood any of these will happen in the next ten years?
- What are the operating costs over the life of this project and are they reasonable? Will the state have to pay these costs? Can the state afford to do so? Is it cost effective to spend more at the outset of the project to reduce future operating costs (e.g., through redesign of a facility)?
- Have all the costs relating to this project been considered? Does the total cost include construction costs, architects' fees, contingency fees, construction supervision fees, equipment, insurance and bid costs, and site acquisition?
- What are the economies of scale? Would a bigger facility be cheaper per client served or personnel housed? If a bigger facility is built, can part of the space be rented?

NOTE: Adapted from "Capital Budgeting and Finance: The Legislative Role," published by the National Conference of State Legislatures.

Evaluation

The Office of the Governor and the Office of Management and Budget considered external mandates, program needs, state policy direction, and available funding sources in evaluating and prioritizing capital project requests.

External mandates include:

- Court orders.
- Health and life safety codes.
- Handicap accessibility regulations.
- Regulations regarding the historical significance of existing facilities.

Program needs include or are influenced by:

- Demographic shifts.
- Department goals.
- Public convenience.
- Program requirements.
- Obsolescence of existing facilities.

State policy direction is influenced by:

- Gubernatorial priorities.
- Economic development needs and initiatives.
- Consolidation of state services.

Funding considerations include:

- Non-general fund dollars available for construction and operation.
- Existing state debt obligations.
- Operating efficiency of the proposed facility.

Capital Projects Recommendations - 2015-2017

Biennium: 2015-2017

Agency	Capital Project	Total	General Fund	Federal Funds	Special Funds	Bonding
110 Office of Management and Budget	Renovation/Addition to Liberty Memorial Bld	40,000,000	40,000,000	0	0	0
	Total	40,000,000	40,000,000	0	0	0
227 Bismarck State College	Major Campus Infrastructure	1,575,000	1,575,000	0	0	0
	Student Union LL Renovation	600,000	0	0	600,000	0
	Total	2,175,000	1,575,000	0	600,000	0
228 Lake Region State College	Switchgear, Electrical Service, Window Replacements	1,648,423	1,648,423	0	0	0
	Total	1,648,423	1,648,423	0	0	0
230 University of North Dakota	SMHS Completion	62,000,000	62,000,000	0	0	0
	Student Engagement	6,000,000	0	0	6,000,000	0
	UND Airport Project	16,000,000	16,000,000	0	0	0
	Total	84,000,000	78,000,000	0	6,000,000	0
235 North Dakota State University	Aquatic Center	11,000,000	0	0	11,000,000	0
	Minard Hall	600,000	0	0	600,000	0
	Total	11,600,000	0	0	11,600,000	0
238 ND State College of Science	Water Sewer	13,298,000	13,298,000	0	0	0
	Total	13,298,000	13,298,000	0	0	0
242 Valley City State University	Communication and Fine Arts Building	25,850,000	25,850,000	0	0	0
	Health, Wellness, and Physical Education Facility	16,000,000	0	0	16,000,000	0
	Heating Plant Replacement	14,289,000	14,289,000	0	0	0
	Total	56,139,000	40,139,000	0	16,000,000	0
243 Dakota College at Bottineau	Allied Health and Wellness Center	6,864,118	0	0	6,864,118	0
	Dormitory Updates and Remodeling	3,784,076	0	0	3,784,076	0
	Nelson Science Center Renovation	1,098,789	1,098,789	0	0	0
	Total	11,746,983	1,098,789	0	10,648,194	0
313 Veterans Home	Resident Workshop	126,800	0	0	126,800	0
	Total	126,800	0	0	126,800	0
405 Industrial Commission	Wilson Laird Core and Sample Library Expansion	16,013,442	16,013,442	0	0	0
	Total	16,013,442	16,013,442	0	0	0

Capital Projects Recommendations - 2015-2017

Biennium: 2015-2017

Agency	Capital Project	Total	General Fund	Federal Funds	Special Funds	Bonding
504 Highway Patrol	Phase II Construction - LETA	27,532,000	24,090,000	0	3,442,000	0
	Upgrade Outdoor Gun Range	80,000	70,000	0	10,000	0
	Total	27,612,000	24,160,000	0	3,452,000	0
530 Department of Corrections and Rehabilitation	MRCC Building Project	29,550,000	29,550,000	0	0	0
	NDSP Security Camera Upgrade	337,000	337,000	0	0	0
	Total	29,887,000	29,887,000	0	0	0
540 Office of the Adjutant General	Federal Construction Estimate	30,000,000	0	30,000,000	0	0
	ND Veterans Cemetery Land Purchase	139,000	69,500	0	69,500	0
	Total	30,139,000	69,500	30,000,000	69,500	0
640 NDSU Main Research Center	Agronomy lab CGREC	783,796	783,796	0	0	0
	Veterinary Diagnostic Lab Replacement	18,000,000	18,000,000	0	0	0
	Total	18,783,796	18,783,796	0	0	0
720 Game and Fish Department	Devils Lake Storage Building	200,000	0	0	200,000	0
	State Fair Shooting Skills Building	200,000	0	0	200,000	0
	Total	400,000	0	0	400,000	0
750 Parks and Recreation Department	Adj. Gen acquisition of a portion of park land	278,000	0	278,000	0	0
	Governor's park improvements plan	30,400,000	30,400,000	0	0	0
	Peace Garden request for capital projects	335,297	335,297	0	0	0
	Total	31,013,297	30,735,297	278,000	0	0
801 Department of Transportation	Land and Buildings	9,697,400	0	0	9,697,400	0
	Radio Sites, PreFab Buildings	1,200,000	0	0	1,200,000	0
	Total	10,897,400	0	0	10,897,400	0
Total All Agencies		385,480,141	295,408,247	30,278,000	59,793,894	0

110 – Office of Management and Budget

Renovation and Addition to the Liberty Memorial Building

This project would relocate the Judicial Branch to the Liberty Memorial Building including employees and services located off of the Capitol grounds. The project includes a 34,000 square foot remodel of the existing building and a 39,250 square foot addition. The project includes a new supreme courtroom, a visitor center, training and conference space, and secure parking. The project includes \$40,000,000 from the general fund. The project will result in additional general fund operating and maintenance costs of \$414,000 per biennium.

227– Bismarck State College

Major Campus Infrastructure

This project contains four components. The first part will replace 40-year old, 60% efficient boilers with new 95% efficient hot water boilers. The second part will replace the primary electrical distribution system. The third part replaces the existing telephone system with a voice over internet protocol (VoIP) system. The final part will provide an inline filter system for the irrigation system.

The project includes \$1,575,000 from the general fund. Decreased general fund operating and maintenance costs are estimated at \$40,000 per biennium. The project provides a reduction in deferred maintenance of \$1,200,000.

Student Union Lower Level Renovation

This project will remodel 8,500 square foot in the lower level of the existing student union including the addition of two meeting rooms in vacated space resulting from the main level renovation and provides an entrance upgrade on the east. The project includes \$600,000 in special funds. Equipment and furnishings are included in the cost. The project will result in minimal additional special fund operating and maintenance costs. The project provides a reduction in deferred maintenance of \$30,000.

228 – Lake Region State College

Switchgear, Electrical Service, Window Replacement

This project contains two components. The first part will replace the electrical distribution switchgear including the primary building disconnect and electrical service panels. The second part will replace failed windows including adjacent masonry repair. The project includes \$1,648,423 from the general fund. The addition will result in minimal additional general fund operating and maintenance costs. The project provides a reduction in deferred maintenance of \$1,648,423.

229 – University of North Dakota

School of Medicine and Health Science Completion

The 63rd Legislative Assembly authorized \$122,450,000 for the construction of the new Medical School. Included in the authorization was \$60,450,000 from the general fund. The remaining \$62,000,000 consisted of loan authorization from the Bank of North Dakota. This project provides \$62.0 million from the general fund to complete construction without borrowing from the Bank of North Dakota.

UND Airport Project

This project will repair and reconstruct the apron and aircraft parking area for the University's Aerospace program. The project is not eligible for FAA or North Dakota Aeronautics Commission grant funding. The project includes \$16,000,000 from the general fund. The project will not result in additional operating and maintenance costs.

Student Engagement

This \$6.0 million special fund project will be used to expand and tailor space to enhance student engagement in the academic learning process. Funds raised will be used for renovation and/or new construction for a variety of facility needs. The change in special fund operating and maintenance costs is unknown at this time.

235 – North Dakota State University

Aquatic Center

This project will provide a 29,000 square foot addition to the existing Wellness Center, including indoor leisure and competition swimming pools, locker facilities and related support areas. The \$11,000,000 project will be funded entirely through revenue bonds and local funding. Increased annual operating and maintenance costs of \$700,000 will be paid with special funds.

Minard Hall

This authorization will provide an additional \$600,000 special fund authority for costs related to the lawsuit from the wall collapse at Minard Hall.

238 – North Dakota State College of Science

Water Sewer

This project will replace the sewer and water mains serving the campus. This project also includes restoration of roadways and parking lots. The project includes \$13,298,000 from the general fund. No net additional operating or maintenance costs are anticipated. The project provides a reduction in deferred maintenance of \$13,298,000.

240 – Valley City State University

Heating Plant Replacement

This project will replace three inefficient boilers with two high efficiency boilers. The project also includes a new physical plant building. The existing building has significant deferred maintenance, ventilation, and egress issues. The project includes \$14,289,000 from the general fund. Operating and maintenance expenses are expected to decrease, but the amount is unknown at this time. The project provides a reduction in deferred maintenance of \$12,426,504.

Communication and Fine Arts Building

This project will provide a 66,300 square foot facility to house the various music, art, and communication programs under one roof. The project originated from the need to vacate the existing music building located in the permanent flood protection plan. The project also allows the university to vacate McCarthy Hall and demolish the building which has deferred maintenance totaling 70% of its replacement cost. The project includes \$25,850,000 from the general fund. The project will result in additional general fund operating and maintenance expenses of approximately \$182,000 per biennium. The project provides a reduction in deferred maintenance of approximately \$7,763,600.

Health, Wellness, and Physical Education Facility

This project will provide a 61,735 square foot facility primarily for Valley City State University and Valley City Parks and Recreation. The project includes 6,957 square foot of space for Valley City State University and 24,570 square foot of shredding space. The project includes \$16,000,000 of special funds. The increase in operating and maintenance expenses is included in the lease.

241 – Dakota College at Bottineau

Nelson Science Center Renovation

This project will replace mechanical and ventilation systems for the existing 16,000 square foot science center. The project also includes replacing laboratory work stations and fume hoods. The project includes \$1,098,789 from the general fund. No net increase in operating and maintenance funds is anticipated. The project provides a reduction in deferred maintenance of \$525,000.

Dormitory Updates and Remodeling

This project has three components. The first project is at Gross Hall. This project will renovate 39 dorm rooms and 2 central restrooms. Renovations include new furniture, fixtures, ceiling tiles, carpeting, lighting, windows and doors. The second part is at Mead Hall. This project will provide an elevator for the building and renovate the central restrooms for more student privacy. The last part is at Milligan Hall. This project will renovate the existing 600 square foot single rooms into double

suite units. Renovations include new furniture, fixtures, ceiling tiles, carpeting, lighting, windows and doors. This project also includes an overhaul of the mechanical and electrical systems. The project includes \$3,784,076 of special funds. No net increase in operating or maintenance is expected.

Allied Health and Wellness Center

This 17,000 square foot new construction facility is a joint venture (50/50 split) with the City of Bottineau. The facility would include both recreational use and space for the college's 23 allied health courses. The project includes \$6,864,118 of special funds. Any increase in operating and maintenance will be paid with special funds.

242 – Veterans Home

Resident Workshop

This project authorization will be combined with the 2013-15 appropriation of \$788,200. This project will provide an addition to the Veterans Home for a resident workshop. The workshop will be 4,504 square foot with space for wood working, arts and crafts, ceramics and various pieces of equipment. The project includes \$126,800 of special funds for a total project cost of \$915,000. Any increase in operating and maintenance will be paid with special funds.

243 – Industrial Commission

Laird Core and Sample Library Expansion

This project will provide 13,500 square foot of office space and 32,400 square foot of core storage area. Due to increased oil and gas drilling, the existing facility is estimated to completely full in 2017. The project includes \$16,013,442 from the general fund. The project will result in additional general fund operating and maintenance costs of \$42,000 per biennium.

504 – Highway Patrol

Phase II Construction – Law Enforcement Training Academy (LETA)

This project will provide a 12 lane firing range, five classrooms and 90 dorm rooms to replace the existing LETA on the campus of Bismarck State College. The 69,360 square foot project also includes a multi-purpose room and a cafeteria. The project includes \$24,090,000 from the general fund and \$3,442,000 of special funds for a total project cost of \$27,532,000. The increase in operating and maintenance expenses is estimated at \$41,760 from the general fund and \$6,240 of special funds for a total increase of \$48,000.

Upgrade Outdoor Gun Range

This project will provide an upgraded backstop at the existing range to allow the use of patrol rifles with higher power rounds. The project includes \$70,000 from the

general fund and \$10,000 of special funds for a total project cost of \$80,000. No increase in operating or maintenance is anticipated.

530 – Department of Corrections and Rehabilitation

Missouri River Correctional Center Building Project

This project will replace the existing housing building and support buildings. The 77,125 square foot facility will increase bed capacity by 50 to a total of 200 beds. The project includes demolition and site grading of the existing MRCC. The project includes \$29,550,000 from the general fund. No net increase in operating and maintenance funds is anticipated.

North Dakota State Penitentiary Camera Upgrade

This project will expand camera coverage for areas not part of the recent expansion and/or replace the existing cameras that were not part of the recent expansion. The project includes \$337,000 from the general fund. A minimal increase in operating and maintenance funds is anticipated.

540 – Adjutant General

Total 100% Federal Construction

This authority request represents the historical expenditures for the Army Guard Contracts line. The spending authority includes \$30,000,000 of federal funding. The National Guard Bureau has not yet approved funding or specific projects for the 2015-17 biennium. Any increase in operating and maintenance costs will be paid within the agency's budget.

North Dakota Veterans Cemetery Land Purchase

This project will allow the purchase of 36 acres from the North Dakota Parks and Recreation that are adjacent to the Veterans Cemetery. The project includes \$69,500 from the general fund and \$69,500 of special funds for a total project cost of \$139,000. The project will result in minimal additional operating and maintenance expenses.

640 – NDSU Main Research Center

Agronomy Laboratory – Central Grasslands Research Extension Center

This project authorization will be combined with the 2013-15 appropriation of \$400,000. This project will provide 2,800 square foot for the forage agronomist and the scientist's equipment. The project includes \$783,796 from the general fund for a project total \$1,183,796. The project will result in additional general fund operating and maintenance costs of \$22,400 per biennium.

Veterinary Diagnostic Laboratory Replacement

This project will provide 20,000 square foot of laboratory, and support space including a Biosafety Level 3 space, to replace the existing 8,000 square foot facility. The project includes \$18,000,000 from the general fund. The project will result in additional general fund operating and maintenance of approximately \$175,000 per biennium.

720 – Game and Fish Department

Devils Lake Storage Building

This project provides for the construction of a 6,000 square foot cold storage building. The project includes a 120 square foot climate controlled evidence storage room. The project includes \$200,000 in special funds. The project will result in minimal additional operating and maintenance expenses.

State Fair Shooting Skills Building

This project will replace the existing shooting range and includes a 2,340 square foot classroom/meeting room. The project also includes 780 square foot of storage space. The project includes \$200,000 in special funds. The project will result in additional special fund operating and maintenance expenses of \$8,000 per biennium.

750 – Department of Parks and Recreation

Peace Garden Request for Capital Projects

This project includes three components. The first part includes replacing roofing and flooring at 12 locations. The second part is the acquisition of several mowers. The final part is to replace the dishwasher and water heater. The project includes \$335,297 from the general fund. No net additional operating or maintenance costs are anticipated.

Adjutant General Acquisition of a Portion of Park Land

This authorization will allow the agency to purchase land to replace the land being sold to the Adjutant General for expansion of the Veterans Cemetery. The exact location is unknown at this time. The project includes \$278,000 from the general fund. No net additional operating or maintenance costs are anticipated.

State Parks Initiative

The initiative includes multiple projects at multiple parks. Highlights include a family retreat lodge and additional campsites at Lake Sakakawea State Park, a Visitor Center and additional campsites at Fort Ransom State Park, an activity center and renovation at On-A-Slant Village, a comfort station and additional campsites at Cross Ranch State Park, a new campground and comfort station at Pembina Gorge

State Recreation Center, and multiple enhancements at Lewis and Clark, Grahams Island, Fort Stevenson, Icelandic, Lake Metigoshe, Turtle River Little Missouri, Sully Creek, and Beaver Lake State Parks. The project includes \$30.4 million from the general fund. An increase in operating and maintenance is unknown at this time.

801 – Department of Transportation

Land and Buildings

This project includes three section/equipment buildings, a district Truck Storage facility, a district office, fifteen salt storage buildings, and four tractor sheds. The

locations are based on highest needs and priorities. The project includes \$9,967,400 of special funds. Any increase in operating and maintenance will be paid within the agency's budget.

Radio Sites, Prefabricated Buildings

This project will provide eight prefabricated buildings including a generator, concrete pad, propane tank, and fencing. The project includes \$1,200,000 of special funds. Any increase in operating and maintenance will be paid within the agency's budget.

Extraordinary Repairs

Extraordinary repairs include expenditures for substantial repairs and improvements to buildings and infrastructure. The Fiscal Management Division of OMB uses a building and infrastructure renewal formula, based on industry standards, to generate an estimate of total dollars that should be spent to adequately maintain buildings and infrastructure.

For large agencies with numerous facilities the formula generates a pool to be used to address extraordinary repair needs. Some buildings will not have extraordinary repair needs during the biennium; other buildings may have extraordinary repair needs that differ from the formula amount. Newer buildings will normally require fewer repairs than older buildings. The pooled resources from all buildings and infrastructure in the formula will be applied by the agency to the areas of greatest need. However, many agencies have few buildings and minimal infrastructure, limiting the flexibility provided by pooling resources.

The formula driven calculations may not always reflect actual repair needs. Therefore, although the formula was used to guide agencies in requesting repair dollars, actual requests may be higher or lower than formula amounts.

The executive budget recommends a minimum of 20.0 percent of the repair formula for all agencies with buildings and infrastructure.

Extraordinary Repairs - Buildings

Formulas are generally used to calculate the cost to adequately maintain buildings.

The formula used by the Fiscal Management Division is based on the following premises:

- The formula reflects current building valuation.
- The formula recognizes that as a general policy, fewer resources should be directed to building renewal than the cost of building replacement.
- The formula recognizes that older buildings require proportionally more repair funds than do newer buildings.
- The formula reflects the effects of building repair projects already accomplished.
- The formula is applied to an entire facility system in an actuarial manner, generating a pool of funds to be used on extraordinary repairs.

Building Formula

The annual extraordinary repairs formula for buildings is as follows:

Buildings 5 years old or older at mid-year of biennium

Building Replacement Value x 2.0% = Formula Amount

Buildings less than 5 years old

\$0

Building Value Factor

The North Dakota Century Code requires that all state buildings built after 1939 be insured at replacement value. The building's insured value is used as the building replacement value for the formula calculation. All state owned buildings are insured through the fire and tornado fund.

Building Age

The building age is determined by subtracting the year a building was built or extensively renovated from 2016, the mid-year in the 2053-17 biennium. For example, if a building was built or renovated in 1973, the building age is 43 (2016-1973).

Extraordinary Repairs - Infrastructure

Infrastructure is defined as a structure outside of and apart from a building, but necessary to the function of the building. Examples of infrastructure include water and sewer lines, electrical lines, parking lots, sidewalks and roads.

Recognizing that formulas based on building value would not provide adequate funding for infrastructure needs, the Fiscal Management Division of OMB has adopted a formula for calculating costs of extraordinary repairs to infrastructure.

In some cases the value and age of infrastructure are difficult to determine; therefore, the infrastructure formula is based on the replacement value of various infrastructure components.

Infrastructure Formula

The annual extraordinary repairs formula for infrastructure is as follows:

P X R = Formula Amount

P = Infrastructure renewal percentage

R = Infrastructure replacement value (per unit value X number of units)

Infrastructure Renewal Percentage

The infrastructure renewal percentage is the straight line depreciation over the normal life of the item. For example, the infrastructure renewal percentage for an item with a 20-year normal life is 5.0 percent.

Infrastructure Replacement Value

Infrastructure is valued at replacement cost. Expertise from the Facility Management Division of OMB was used to determine replacement costs and parameters applicable to the valuation of the numerous types of infrastructure.

The schedule on the following pages show amounts included in the executive recommendation for each state agency with extraordinary repairs for the 2015-17 biennium.

Extraordinary Repairs Recommendations 2015-17

No.	Agency Name	Building Formula	Infrastructure Formula	Total Formula	Extraordinary Repairs Requested	% of Formula Requested	Extraordinary Repairs Recommended	% of Formula Recommended
110	Office of Management and Budget	\$ 7,603,281	\$ 861,361	\$ 8,464,642	\$ 21,397,928	253%	\$ 6,597,928	78%
112	Information Technology Department	63,961	-	63,961	-	0%	-	0%
180	Judicial Branch	-	-	-	-	0%	786,577	0%
215	ND University System	-	-	-	20,000,000	0%	5,000,000	0%
227	Bismarck State College	2,228,516	954,862	3,183,378	1,591,689	50%	974,175	31%
228	Lake Region State College	876,586	608,330	1,484,916	742,458	50%	296,983	20%
229	Williston State College	1,457,603	506,187	1,963,790	981,895	50%	1,259,008	64%
230	University of North Dakota	23,566,737	9,849,955	33,416,692	16,708,346	50%	6,683,338	20%
235	North Dakota State University	16,687,633	5,619,143	22,306,776	11,153,388	50%	4,461,355	20%
238	ND State College of Science	5,857,661	2,129,781	7,987,442	3,993,721	50%	1,597,488	20%
239	Dickinson State University	3,625,622	423,084	4,048,706	2,024,353	50%	809,741	20%
240	Mayville State University	1,953,540	613,890	2,567,430	1,283,715	50%	948,486	37%
241	Minot State University	5,836,314	1,178,021	7,014,335	3,507,168	50%	2,217,367	32%
242	Valley City State University	1,966,031	803,988	2,770,019	1,385,010	50%	1,098,445	40%
243	Dakota College - Bottineau	636,736	218,575	855,311	427,656	50%	358,562	42%
244	North Dakota Forest Service	125,737	320,374	446,111	223,055	50%	89,222	20%
252	School for the Deaf	756,770	204,102	960,872	2,542,174	265%	2,442,174	254%
253	ND Vision Services/School for Blind	247,269	-	247,269	1,639,454	663%	1,639,454	663%
301	ND Department of Health	401,215	-	401,215	336,710	84%	336,170	84%
313	Veterans Home	1,448,811	556,052	2,004,863	1,013,225	51%	1,013,225	51%
325	Department of Human Services	6,931,797	4,494,460	11,426,257	6,417,583	56%	6,417,583	56%
380	Job Service North Dakota	805,755	-	805,755	-	0%	-	0%
406	Department of Labor & Human Rights	-	-	-	25,000	0%	25,000	0%
408	Public Service Commission	-	-	-	82,442	0%	-	0%
412	Aeronautics Commission	-	100,506	100,506	300,000	298%	300,000	298%
471	Bank of North Dakota	442,341	47,133	489,474	-	0%	-	0%
485	Workforce Safety and Insurance	921,750	89,948	1,011,698	-	0%	-	0%
504	Highway Patrol	98,275	-	98,275	-	0%	-	0%
530	Dept of Corrections and Rehabilitation	5,890,941	1,792,726	7,683,667	6,251,551	81%	3,962,580	52%
540	Office of the Adjutant General	10,177,915	6,318,748	16,496,663	-	0%	-	0%
640	NDSU Main Research Center	2,892,467	1,308,339	4,200,806	2,780,930	66%	1,340,465	32%
649	Agronomy Seed Farm	87,525	61,067	148,592	-	0%	-	0%
665	ND State Fair	-	-	-	2,350,000	0%	1,750,000	0%
701	Historical Society	774,374	1,280,422	2,054,796	5,085,959	248%	5,085,959	248%
720	Game and Fish Department	834,105	-	834,105	2,660,000	319%	2,660,000	319%
750	Parks and Recreation Department	958,286	6,394,815	7,353,101	5,193,220	71%	1,470,620	20%
770	State Water Commission	48,773	14,629	63,402	-	0%	-	0%
801	Department of Transportation	4,015,186	1,051,226	5,066,412	-	0%	-	0%
TOTALS		\$ 110,219,513	\$ 47,801,724	\$ 158,021,237	\$ 122,098,630	77%	\$ 61,621,905	39%

Other Capital Payments
Biennium: 2015-2017

Agency	Project Description	Recommendation	General Fund	Federal Funds	Special Funds	Bond Proceeds
110 Office of Management and Budget	Restore Bond Payments for 2015-17	665,081	665,081	0	0	0
125 Office of the Attorney General	Crime Lab building bond payment restoration	765,483	765,483	0	0	0
215 ND University System	Capital Bond Payments	8,368,836	8,368,836	0	0	0
227 Bismarck State College	15-17 Special Assessment Principal and Interest	1,357,600	1,357,600	0	0	0
229 Williston State College	15-17 Estimated Special Assessments	285,000	285,000	0	0	0
230 University of North Dakota	Special Assessment Payment	241,585	241,585	0	0	0
235 North Dakota State University	One-time Funding for 2015-17 Special Assessments	1,591,426	1,591,426	0	0	0
238 ND State College of Science	Special Assessments	275,098	275,098	0	0	0
240 Mayville State University	Special Assessments	228,285	228,285	0	0	0
242 Valley City State University	2015 thru 17 Special Assessments	243,238	243,238	0	0	0
243 Dakota College at Bottineau	2015-17 Special Assessments	28,457	28,457	0	0	0
253 ND Vision Services/School for the Blind	Special Assessment payoff Stanford Rd Improvement	19,000	0	0	19,000	0
301 ND Department of Health	Add 2015-17 Bond Payments	407,066	246,991	160,075	0	0
	Remove Prior Biennium Bond Payments	230,874	209,344	21,530	0	0
	Total	637,940	456,335	181,605	0	0
313 Veterans Home	Bond & Interest Payments	344,883	0	0	344,883	0
	Patient Lifts	261,660	261,660	0	0	0
	Total	606,543	261,660	0	344,883	0
380 Job Service North Dakota	Special Assessments	20,000	0	20,000	0	0
530 Department of Corrections and Rehabilitation	2015 - 2017 Bond Payments	1,279,524	1,279,524	0	0	0

Other Capital Payments

Biennium: 2015-2017

Agency	Project Description	Recommendation	General Fund	Federal Funds	Special Funds	Bond Proceeds
540 Office of the Adjutant General	Payment in Lieu of Tax	50,000	50,000	0	0	0
	Special Assessments	174,046	174,046	0	0	0
	Total	224,046	224,046	0	0	0
628 Branch Research Centers	Add 2015-17 CGREC Capital Bond Payment	56,878	56,878	0	0	0
	Add 2015-17 NCREC Capital Bond Payment	92,678	92,678	0	0	0
	Total	149,556	149,556	0	0	0
640 NDSU Main Research Center	Capital Bond Payments 15-17	421,569	421,569	0	0	0
701 Historical Society	Base adjustment	1,358,335	1,358,335	0	0	0
720 Game and Fish Department	In Lieu of Taxes	1,000,000	0	0	1,000,000	0
	Land Aquisitions	800,000	0	0	800,000	0
	Total	1,800,000	0	0	1,800,000	0
750 Parks and Recreation Department	Add 2015-17 Bond Payments	73,591	73,591	0	0	0
770 Water Commission	NAWS & SWPP	195,281,634	0	0	195,281,634	0
801 Department of Transportation	Additional Infrastructure Investments	1,284,115,558	0	0	1,284,115,558	0
	Other Capital Payments	640,680,858	0	481,578,110	159,102,748	0
	Total	1,924,796,416	0	481,578,110	1,443,218,306	0
Total All Agencies		2,140,718,243	18,274,705	481,779,715	1,640,663,823	0

Financing

The executive recommendation for capital assets expenditures during the 2015-17 biennium is \$2.672 billion. The majority of expenditures relate to highway projects (\$1.979 billion) and water projects (\$195.9 million), funded mainly from federal and special funds.

The executive recommendation for capital projects is \$385.5 million. Capital projects are funded with \$295.4 million from the general fund, \$30.3 million from federal funds, and \$59.8 million from special funds.

Debt Affordability

North Dakota remains a low-debt state. The following chart compares North Dakota debt to the United States mean debt:

<u>Criteria</u>	<u>Debt Affordability</u>	
	<u>United States Mean</u>	<u>North Dakota</u>
2012 per capita debt	\$1,416	\$292
2012 debt to personal income	2.8%	0.7%

Debt Obligations and Limits

NDCC 54-17.2-23 limits the amount of bond payments to be paid from the state's general fund. The amount "may not exceed the amount equal to a portion of the sales, use, and motor vehicle excise tax collections equal to 10.0 percent of an amount, determined by multiplying the quotient of 1.0 percent divided by the general sales tax rate that was in effect when the taxes were collected, times the net sales, use, and motor vehicle excise tax collections." The general sales tax rate is currently 5.0 percent. Consequently, the state building authority lease payment limitation can be calculated as follows:

$$10.0\% \times 1.0\% / 5.0\% \times \text{Net Sales Tax Collections} = \text{General Fund Payment Limitation}$$

Current debt obligations of the general fund and maximum legal debt limits are reflected below. Current debt obligations are within the legal limit.

<u>Biennium</u>	<u>Current General Fund Debt Obligation</u>	<u>Statutory Debt Limit*</u>	<u>Balance Avail for Additional Debt Service</u>
2015-17	13,538,181	66,218,440	52,680,259
2017-19	11,655,811	68,867,178	57,211,367
2019-21	10,008,449	71,621,865	61,613,416
2021-23	7,929,009	74,486,739	66,557,730
2023-25	3,006,710	77,466,209	74,459,499
2025-27	0	80,564,857	80,564,857

* Based on the August 2014 forecast with 4.0 percent growth each biennium.

All state funded capital projects recommended in the 2015-17 executive budget are funded with cash. There are no projects funded through bonded indebtedness. Approximately \$57.2 million will be available for additional bond payments in 2017-19 without exceeding the statutory debt limit. The \$57.2 million is the difference between the 2017-19 biennium statutory debt limit of \$68.9 million and the estimated general fund debt obligation of \$11.7 million.

Bonds issued for construction projects are repaid over a 20-year period. Based on estimated funds available in future bienniums for additional bond payments, bonds in the amount of \$368.8 million could have been issued during the 2015-17 biennium (based on estimates prepared by financial advisors to the State of North Dakota).

Outstanding Bonds

On the following pages is a summary of outstanding bonded indebtedness issued by the North Dakota Building Authority.

Summary of Outstanding Bond Indebtedness Issued by ND Bonding Authority

Projects Funded	Bond Issue	Bond Maturity Date	Outstanding Principal June 30, 2015	Debt Service General Fund Payment 2015-17	Debt Service Special Fund Payment 2015-17	Deb Service Energy Savings Payment 2015-17
Authorized in 1995	2012 Series A	12/1/2015	\$1,265,000	\$1,283,975	\$0	\$0
Bismarck State College Science and Math Center (\$8,060,000)						
University of North Dakota Abbott Hall renovations (\$2,371,769)						
North Dakota State University emission control renovations on power plant (\$2,145,000)						
Dickinson State University Klinefelter Hall renovations (\$2,750,000)						
Authorized in 1997	2006 Series A	12/1/2019	\$4,140,000	\$2,004,003	\$0	\$0
State College of Science - Bute Gym remodeling (\$1,700,000)						
Minot State University Moore Hall renovation (\$4,000,000)						
Youth Correctional Center gymnasium renovation (\$1,400,000)						
Authorized in 1999						
North Dakota State University - Animal facility (\$2,207,500)						
Youth Correctional Center - Pine Cottage (\$1,475,000)						
Authorized in 1999	2006 Series B	12/1/2022	\$6,870,000	\$2,110,340	\$0	\$0
Williston State College - Health and Wellness Center (\$3,000,000)						
Authorized in 2001						
Minot State University - Old Main restoration (\$7,850,000)						
Authorized in 2001	2010 Series AB	12/1/2020	\$3,190,000	\$309,220	\$608,736	\$0
University of North Dakota Energy Conservation Projects (\$3,990,785)						
North Dakota State University Energy Conservation Projects (\$296,348)						
State Department of Health - Laboratory Addition (\$2,700,000)						
Job Service ND - Bismarck service delivery office (\$2,302,000)						
Authorized in 2003	2012 Series A	12/1/2021	\$5,825,000	\$1,784,469	\$0	\$16,206
State Department of Health - Morgue and storage annex (\$960,000)						
James River Correctional Center - Food Service/laundry renovations - Phase II (\$2,662,890)						
Missouri River Correctional Center Energy Conservation Project (\$105,326)						
Dickinson State University - Murphy Hall Phase I (\$5,882,047)						
Mayville State University - Steamline replacement - Phase II (\$1,355,000)						
Valley City State University - Graichen Gymnasium elevator and emergency exits (\$785,300)						

Summary of Outstanding Bond Indebtedness Issued by ND Bonding Authority

Projects Funded	Bond Issue	Bond Maturity Date	Outstanding Principal June 30, 2015	Debt Service General Fund Payment 2015-17	Debt Service Special Fund Payment 2015-17	Deb Service Energy Savings Payment 2015-17
Authorized in 2005	2005 Series A	12/1/2024	\$26,645,000	\$6,046,175	\$33,333	\$491,161
University of North Dakota Energy Conservation Projects (\$2,331,554)						
Office of Management and Budget - Fire suppression system (\$3,155,000)						
Attorney General's Office - Crime Laboratory addition and renovation (\$3,632,691)						
North Dakota State University - Hazardous material handling and storage facility (\$3,500,000)						
North Dakota State College of Science - Electrical Distribution (\$736,000)						
Dickinson State University - Murphy Hall (\$4,100,557)						
Minot State University - Bottineau - Thatcher Hall addition (\$2,500,000)						
James River Correctional Center ET building Improvements (\$980,000)						
James River Correctional Center - Programs building code improvements (\$584,000)						
North Central Research Center - Agronomy laboratory and greenhouse (\$440,000)						
Central Grasslands Research Extension Center - Office addition (\$270,000)						
Main Research Center - Greenhouse Complex (\$2,000,000)						
State Historical Society - Chateau de Mores Interpretive Center (\$1,100,000)						
State Historical Society and Heritage Center - Research collections expansion (\$5,500,000)						
Parks and Recreation Department - Turtle River State Park administrative office (\$350,000)						
Authorized in 2007 and Reauthorized in 2009	2010 Series AB	12/1/2030	\$2,490,000	\$0	\$353,210	\$0
Veterans Home (\$2,575,152)						
Total			\$50,425,000	\$13,538,182	\$995,279	\$507,367

Equipment and IT Equipment and Software over \$5,000

State agencies invest significant resources in purchases of equipment in excess of \$5,000. Governmental Accounting Standards Board (GASB) Statement No. 34, and fixed asset accounting policies established for the State of North Dakota by the Office of Management and Budget, provides that equipment purchases should be capitalized if the cost is \$5,000 or more. "Equipment" includes the costs of office equipment, machinery, furniture and fixtures, furnishings and similar items.

Budget instructions issued by the Office of Management and Budget direct agencies to include in the capital assets request all equipment and IT equipment and software purchases in excess of \$5,000. All equipment requests for items of \$5,000 or less are included in the operating line item.

The 2015-17 biennium executive recommendation includes \$68.1 million for the purchase of equipment items costing \$5,000 or more. Recommended funding sources are \$5.5 million from the general fund, \$4.8 million from federal funds, and \$57.8 million from special funds. The executive recommendation includes \$16.0 million for the purchase of IT equipment and software items costing \$5,000 or more. Recommended funding sources for IT equipment purchases are \$5.9 million from the general fund, \$268,132 from federal funds, and \$9.9 million from special funds.

The schedule on the following pages show amounts included in the executive recommendation for each state agency with equipment and IT equipment and software purchases in excess of \$5,000 for the 2015-17 biennium.

Equipment Over \$5,000

Biennium: 2015-2017

Agency	Equipment	Request	Recommendation	Recommendation Funding Source		
				General	Federal	Special
110 Office of Management and Budget	Replace Duplicating Equipment	125,000	125,000	0	0	125,000
	Replace Material Handling Equip	75,000	75,000	0	0	75,000
	Restore Equipment-FM	67,000	67,000	67,000	0	0
	Total	267,000	267,000	67,000	0	200,000
112 Information Technology	Copier Replacements	20,000	20,000	0	0	20,000
	General Office Equipment	230,000	230,000	0	0	230,000
	Total	250,000	250,000	0	0	250,000
125 Office of the Attorney General	Biometric equipment	92,000	92,000	0	92,000	0
	Copier and IVN systems	0	37,677	37,677	0	0
	Evidence drying equipment	16,000	16,000	0	16,000	0
	Extraction Robot	150,000	150,000	0	150,000	0
	GC/ Mass Spectrometer	102,164	102,164	0	102,164	0
	GC/Mass Spectrophotometer	118,272	118,272	0	118,272	0
	GPS equipped trailer	15,000	15,000	0	15,000	0
	Intoxilyzers	305,085	305,085	0	305,085	0
	Maxell Extraction Unit	25,000	25,000	0	25,000	0
	Oil Patch vehicles	0	295,675	32,000	0	263,675
	Panoscan camera	75,000	75,000	0	75,000	0
	QIAcube	25,000	25,000	0	25,000	0
	Radio replacements	55,000	55,000	0	55,000	0
	Thermocycler	19,874	19,874	0	19,874	0
	Tru Narc testing kits	0	258,700	0	129,350	129,350
	Undercover replacement vehicles	0	220,000	220,000	0	0
	Total	998,395	1,810,447	289,677	1,127,745	393,025
150 Legislative Assembly	2015-17 Committee Room	500,000	500,000	500,000	0	0
	Renovation					
160 Legislative Council	Add One-Time Fnd for Replace Copier	30,000	30,000	30,000	0	0
180 Judicial Branch	Composite wall for conference room	12,000	12,000	12,000	0	0
	Folding machine	7,000	7,000	7,000	0	0
	Furnishings	50,000	50,000	50,000	0	0
	Large copy/scan/fax machines	75,000	75,000	75,000	0	0
	Medium size copy machines	97,500	97,500	97,500	0	0
	Steno machines	49,500	49,500	49,500	0	0
	Workstation system	120,000	120,000	120,000	0	0
	Total	411,000	411,000	411,000	0	0

Equipment Over \$5,000

Biennium: 2015-2017

Agency	Equipment	Request	Recommendation	Recommendation Funding Source		
				General	Federal	Special
244 ND Forest Service	4x4 Utility Vehicle Towner	14,000	14,000	14,000	0	0
	Fertilzer Spreader Towner	20,000	20,000	20,000	0	0
	Skid-Steer Loader Bottineau	22,248	22,248	22,248	0	0
	Total	56,248	56,248	56,248	0	0
252 School for Deaf/Res Ctr for Deaf and HoH	Replace Lawn Tractor	15,000	15,000	0	0	15,000
	Replacement of Skid Steer Tractor	60,000	60,000	0	0	60,000
	Total	75,000	75,000	0	0	75,000
301 ND Department of Health	143 kW Mobile Generator	85,000	85,000	0	85,000	0
	AV Upgrade ETC Meeting Rms	16,000	16,000	0	16,000	0
	Air Quality Monitoring Station	0	180,000	0	0	180,000
	Commercial Dishwasher	9,000	9,000	0	0	9,000
	Convert File Area to SRF Off Sp	7,200	7,200	0	7,200	0
	Crestron for Dept Op Ctr	12,000	12,000	0	12,000	0
	DNA Analyzer	85,000	85,000	0	50,000	35,000
	Digital X-ray machine	0	44,000	44,000	0	0
	Emerg Prep Resp Whlchair/Bus	0	30,000	30,000	0	0
	Emerg Response Health/Med Tents	315,000	315,000	0	315,000	0
	Emergency Response Trailers (53')	76,000	76,000	0	76,000	0
	Equip Upgrade Oil Impact IT Proj	0	60,000	11,400	33,600	15,000
	FLIR Camera	85,000	85,000	0	0	85,000
	Gasoline Analyzer	25,000	25,000	0	25,000	0
	HPLC System	84,000	84,000	0	84,000	0
	Health Resources Copier	10,000	10,000	0	10,000	0
	Human Remains Sealing Station	40,000	40,000	0	40,000	0
	ICP	110,000	110,000	0	110,000	0
	ICP/MS	150,000	150,000	0	150,000	0
	Ion Chromatogram Autosampler	21,000	21,000	0	21,000	0
	LC/MS/MS	0	600,000	200,000	400,000	0
	Liftgates for Emergency Trailers	75,000	75,000	0	75,000	0
	Medical Services Copier	10,000	10,000	10,000	0	0
	Mobile Morgue Trailer	180,000	180,000	0	180,000	0
	Monitors/Projectors for DOC	10,000	10,000	0	10,000	0
	NOx Analyzer	30,000	30,000	0	0	30,000
	Nitorgen Sulfur Analyzer	40,000	40,000	0	40,000	0
	Organic Evaporators	20,000	20,000	0	20,000	0
	Organic Muffle Oven	8,000	8,000	0	8,000	0
	Ozone Analyzer	24,000	24,000	0	0	24,000
	Refrig/Heat Emergency Trailer (53')	90,000	90,000	0	90,000	0
	SO2 Analyzer	26,000	26,000	0	0	26,000
	State Medical Cache Flatbed Trailer	8,000	8,000	0	8,000	0

Equipment Over \$5,000

Biennuim: 2015-2017

Agency	Equipment	Request	Recommendation	Recommendation Funding Source		
				General	Federal	Special
	Trace Level SO2 Analyzer	18,000	18,000	0	0	18,000
	Ultra Low Freezer	23,000	23,000	0	0	23,000
	Video Surveill Part Convert to Digit	15,000	15,000	0	0	15,000
	Total	1,707,200	2,621,200	295,400	1,865,800	460,000
313 Veterans Home	Bobcat Broom	6,500	6,500	0	0	6,500
	Dishwashers	24,000	24,000	0	0	24,000
	NuStep	6,200	6,200	0	0	6,200
	Toolcat	28,000	28,000	0	0	28,000
	Toro Lawn Mowers	10,000	10,000	0	0	10,000
	Utility Vehicle	22,000	22,000	0	0	22,000
	Total	96,700	96,700	0	0	96,700
321 Department of Veterans Affairs	Transportation Vans	0	15,000	15,000	0	0
325 Department of Human Services	4WD Loader	140,000	140,000	140,000	0	0
	Bariatric Exam Table	8,000	8,000	8,000	0	0
	Blanket Warmer	5,000	5,000	5,000	0	0
	Cafeteria Frost Top on Hot Wells	50,000	50,000	50,000	0	0
	Combination Oven	71,000	71,000	71,000	0	0
	Computerized Radiogr X-Ray Sys	40,000	40,000	40,000	0	0
	Copier - LR	15,000	15,000	15,000	0	0
	Diesel Mower	17,900	17,900	17,900	0	0
	Documed	50,000	50,000	50,000	0	0
	Dryers	17,900	17,900	17,900	0	0
	Hematolgy Analyzer	40,000	40,000	40,000	0	0
	High Low Exam Tables	12,000	12,000	12,000	0	0
	High/Low Stretcher	5,000	5,000	5,000	0	0
	Mower	39,000	39,000	39,000	0	0
	Nustep Exercise Equipment	6,000	6,000	6,000	0	0
	Plate heater for Aladdin Dishes	5,000	5,000	5,000	0	0
	Rake Attachment for Skidsteer	8,000	8,000	8,000	0	0
	Scissor lift	25,000	25,000	25,000	0	0
	Table Saw	5,100	5,100	5,100	0	0
	Tugs	17,966	17,966	17,966	0	0
	Tymp machines	10,000	10,000	0	10,000	0
	Unit Dose Packaging System	21,372	21,372	21,372	0	0
	Utility Tractor - SE	19,000	19,000	19,000	0	0
	VFD on Central Vac	82,000	82,000	82,000	0	0
	Whirlpool	28,000	28,000	28,000	0	0
	X Ray Machine	80,000	80,000	80,000	0	0
	Total	818,238	818,238	808,238	10,000	0

Equipment Over \$5,000

Biennium: 2015-2017

Agency	Equipment	Request	Recommendation	Recommendation Funding Source		
				General	Federal	Special
471 Bank of North Dakota	Conf Rm Projectors/Equipment	36,000	36,000	0	0	36,000
	Replace 2 currency counters	30,000	30,000	0	0	30,000
	Replace coin wrapping machine	70,000	70,000	0	0	70,000
	Replace of 3 copiers/fax/scanners	51,000	51,000	0	0	51,000
	Replace of coin sorter machine	20,000	20,000	0	0	20,000
	Replace of folder/insertor	37,000	37,000	0	0	37,000
	Unanticipated Equip Capital Expend	6,000	6,000	0	0	6,000
	Total	250,000	250,000	0	0	250,000
504 Highway Patrol	Skid car training system	0	66,000	58,000	0	8,000
530 Department of Corrections and Rehabilitation	JRCC Backscatter X-Ray Machine	0	48,000	48,000	0	0
	JRCC Metal Detectors	0	16,500	16,500	0	0
	JRCC Security Booth	0	8,000	8,000	0	0
	MRCC Convection Oven	0	13,000	13,000	0	0
	NDSP Articulating Boom Lift - 45ft	0	74,444	74,444	0	0
	NDSP Metal Detector	0	8,000	8,000	0	0
	RRI - Brake Press Dies	10,000	10,000	0	0	10,000
	RRI - Cabinet Case Clamp	90,000	90,000	0	0	90,000
	RRI - Corner Machine	12,000	12,000	0	0	12,000
	RRI - Cutoff Saw	20,000	20,000	0	0	20,000
	RRI - Forklift	28,000	28,000	0	0	28,000
	RRI - Jib Hoist	10,000	10,000	0	0	10,000
	RRI - Sewing Pattern Machine	12,000	12,000	0	0	12,000
	RRI - Tiger Stop Saw	9,000	9,000	0	0	9,000
	RRI - Welder Units	35,000	35,000	0	0	35,000
	Warehouse Pallet Racking	0	13,000	13,000	0	0
	Warehouse Standup Forklift	0	35,195	35,195	0	0
	Warehouse Table Lift	0	6,500	6,500	0	0
	YCC - Conduit Pipe Bender	0	6,600	6,600	0	0
	YCC Lawn Mower	0	24,000	24,000	0	0
	YCC Library Shelving	0	19,800	19,800	0	0
	YCC Manlift	0	45,000	45,000	0	0
	Total	226,000	544,039	318,039	0	226,000
540 Office of the Adjutant General	Backup EOC/Dispatch Ctr Equip	165,000	165,000	0	165,000	0
	Base Budget Equipment	25,000	25,000	25,000	0	0
	Emergency Response Equipment	575,000	575,000	98,277	476,723	0
	Radio Tower Infra Redund	0	80,000	80,000	0	0
	Total	765,000	845,000	203,277	641,723	0

Equipment Over \$5,000

Biennuim: 2015-2017

Agency	Equipment	Request	Recommendation	Recommendation Funding Source		
				General	Federal	Special
627 Upper Great Plains Transportation Institute	Video Conference Content Server	58,000	58,000	0	0	58,000
628 Branch Research Centers	1256 (95 - 100 horse tractor)	50,000	50,000	50,000	0	0
	35 HP Fr Wh Assist Tractor/Load	150,000	150,000	0	0	150,000
	35ft Belt Auger	10,000	10,000	0	0	10,000
	75/85ft Swing Belt Auger	25,000	25,000	0	0	25,000
	8560 Ford tractor w/ loader (100HP)	75,000	75,000	0	0	75,000
	ATV (4-wheeler)	5,400	5,400	0	0	5,400
	Air Seeder	75,000	75,000	0	0	75,000
	Air screen seed conditioning mill	20,000	20,000	0	0	20,000
	Autoclave (Steam Sterilizer)	110,000	110,000	0	0	110,000
	Bobcat (1 per year)	6,000	6,000	0	0	6,000
	Bobcat type Loader	35,000	35,000	0	0	35,000
	Case IH 40ft SDX Air Seeder	70,000	70,000	0	0	70,000
	Centrifuge	15,150	15,150	0	0	15,150
	Cone-type research drill/planter	60,000	60,000	0	0	60,000
	Corn Header -6 row	20,000	20,000	0	0	20,000
	Corn Planter w/ Liquid fertilizer	50,000	50,000	0	0	50,000
	Corn/hay chopper	34,000	34,000	0	0	34,000
	Custom plot sample dryer (8)	64,000	64,000	0	0	64,000
	Davis Stationary Mixer	22,000	22,000	0	0	22,000
	Digital Root Scanning System	20,000	20,000	0	0	20,000
	Feed mixer box	24,000	24,000	0	0	24,000
	Field Combine	65,000	65,000	0	0	65,000
	Field tractor (250-275 HP)	225,000	225,000	0	0	225,000
	Field tractor (95-100 HP)	80,000	80,000	0	0	80,000
	Flatbed Trailer 32ft	9,600	9,600	0	0	9,600
	Forage Drying Oven	25,000	25,000	25,000	0	0
	Forklift	35,000	35,000	0	0	35,000
	Generator	7,500	7,500	0	0	7,500
	Grain Auger	20,000	20,000	0	0	20,000
	Grain conveyor	15,000	15,000	0	0	15,000
	Grounds tractor 30HP	50,000	50,000	0	0	50,000
	Hopper Bins (4)	36,000	36,000	0	0	36,000
	Horse and Tack Trailer	45,000	45,000	0	0	45,000
	Horticulture Equip-Misc	37,000	37,000	0	0	37,000
	Lab Equip-NMR	60,000	60,000	0	0	60,000
	Lab walk-in cooler	60,000	60,000	0	0	60,000
	Lab walk-in freezer	58,000	58,000	0	0	58,000
	Lachat Analytical Instrument	60,000	60,000	0	0	60,000
	Landscape tractor mower	35,000	35,000	0	0	35,000

Equipment Over \$5,000

Biennium: 2015-2017

Agency	Equipment	Request	Recommendation	Recommendation Funding Source		
				General	Federal	Special
	Large seed mixing blender	20,000	20,000	0	0	20,000
	Linear irrigation system	140,000	140,000	0	0	140,000
	Livestock Trailer- triple-axle 32ft	45,000	45,000	0	0	45,000
	Livestock trailer, 32ft, triple axle	35,000	35,000	0	0	35,000
	Loader tractor (130-150 HP)	150,000	150,000	150,000	0	0
	Manure composting machine	30,000	30,000	0	0	30,000
	Manure spreader	21,000	21,000	0	0	21,000
	Micrometerological Equipment	10,000	10,000	0	0	10,000
	Misting Chamber	25,000	25,000	0	0	25,000
	Mobile cattle work sys/chute/scale	60,000	60,000	0	0	60,000
	Mower 6ft three point	10,000	10,000	0	0	10,000
	Mulcher-Finisher	28,000	28,000	0	0	28,000
	No till 10 ft crop planter	40,000	40,000	0	0	40,000
	No-Till Box Drill with Grass Seeder	80,000	80,000	0	0	80,000
	Overhead bins-2/bottom bins-6	160,000	160,000	0	0	160,000
	Payloader/Wheel-loader	125,000	125,000	0	0	125,000
	Plot Seeder	150,000	150,000	150,000	0	0
	Plot Seeder (no-till)	80,000	80,000	80,000	0	0
	Plot Tractor	25,000	25,000	0	0	25,000
	Plot Tractor (70hp)	45,000	45,000	45,000	0	0
	Plots drill	30,000	30,000	0	0	30,000
	Plots tractor (70 horse)	50,000	50,000	0	0	50,000
	Portable Livestock Stanstions	10,000	10,000	0	0	10,000
	Portable Photosyn/Fluoresce Sys	60,000	60,000	0	0	60,000
	Potato Harvester- One row	150,000	150,000	0	0	150,000
	Potato Planter	20,000	20,000	0	0	20,000
	Precision row crop planter	90,000	90,000	0	0	90,000
	Ranch Field Combine	150,000	150,000	150,000	0	0
	Range Feed Wagon	70,000	70,000	0	0	70,000
	Renn Roller Mill	18,000	18,000	0	0	18,000
	Research sprayer, mounted	18,000	18,000	0	0	18,000
	Riding mower 6ft zero turn	15,000	15,000	0	0	15,000
	Roller packer	18,000	18,000	0	0	18,000
	Seeder, no till small plot, 3pt hitch	45,000	45,000	0	0	45,000
	Self-propelled sprayer, high wheel	225,000	225,000	0	0	225,000
	Small plot combine	275,000	275,000	0	0	275,000
	Small plot row crop planter	150,000	150,000	150,000	0	0
	Spectrophotometer	11,000	11,000	0	0	11,000
	Spray Chamber	45,000	45,000	0	0	45,000
	Standup Lift Truck	28,000	28,000	0	0	28,000
	Station cattle wk sys/chute/scale	90,000	90,000	0	0	90,000
	Stripper header for combine	30,000	30,000	0	0	30,000
	Swather	100,000	100,000	100,000	0	0

Equipment Over \$5,000

Biennuim: 2015-2017

Agency	Equipment	Request	Recommendation	Recommendation Funding Source		
				General	Federal	Special
	Tandem Disk	35,000	35,000	0	0	35,000
	Tractor (140 hp) Loader	130,000	130,000	0	0	130,000
	Tractor 30 to 40 hp	15,000	15,000	0	0	15,000
	Tractor 35 hp w tiller/mower attach	15,000	15,000	0	0	15,000
	Tractor With Loader	150,000	150,000	150,000	0	0
	Tractor100hp	80,000	80,000	0	0	80,000
	Trailer Low Profile triple-axle 30ft	35,000	35,000	0	0	35,000
	Ultrasnd mach, probes, software	50,000	50,000	0	0	50,000
	Unman Aerial Sys w/remote sense	20,000	20,000	0	0	20,000
	Utility tractor (45-50 HP)	40,000	40,000	0	0	40,000
	Utility tractor (65-70 HP)	50,000	50,000	0	0	50,000
	Utility vehicle (plot maint/grounds)	45,000	45,000	0	0	45,000
	Variable Frequency Drive System	30,000	30,000	0	0	30,000
	Wagon-Field demonstration	25,000	25,000	0	0	25,000
	Whiley Mill	23,500	23,500	0	0	23,500
	Wiley Lab Mill	20,800	20,800	0	0	20,800
	small square baler	50,000	50,000	0	0	50,000
	Total	5,654,950	5,654,950	1,050,000	0	4,604,950
630 NDSU Extension Service	Misc Equipment	660,000	660,000	0	0	660,000
638 Northern Crops Institute	Misc Equipment	350,000	350,000	0	0	350,000
640 NDSU Main Research Center	-80 Ultracold Freezer	14,000	14,000	0	0	14,000
	Additional Equipment	3,500,000	3,500,000	0	0	3,500,000
	Atomic Absorb spectrophotometer	60,000	60,000	0	0	60,000
	Bio-plex multiplex system	10,000	10,000	0	0	10,000
	Biological Safety Cabinet	17,000	17,000	0	0	17,000
	Biomek NX Spn rbt updt/repair	7,835	7,835	0	0	7,835
	Branson 2000 bench-scale Ultra	15,000	15,000	0	0	15,000
	CO2 Incubator	10,000	10,000	0	0	10,000
	CO2 scrub/enrich equip	25,000	25,000	0	0	25,000
	CSAT3 3-D Sonic Anemometer	8,000	8,000	0	0	8,000
	Centrifuge for Glutamate Sys	6,250	6,250	0	0	6,250
	Combine	450,000	450,000	0	0	450,000
	Cytospin	15,000	15,000	0	0	15,000
	Denovix Spectrophotometer	7,000	7,000	0	0	7,000
	Digital Compound Microscope	30,395	30,395	0	0	30,395
	Dynamic Sorption Analyzer	125,000	125,000	0	0	125,000
	Energy Bal Bowen Ratio syst	30,000	30,000	0	0	30,000
	Environmental Chamber	20,000	20,000	0	0	20,000
	FastPrep®-24 Instrument	9,990	9,990	0	0	9,990
	Flow injection analyzer	40,000	40,000	0	0	40,000

Equipment Over \$5,000

Biennium: 2015-2017

Agency	Equipment	Request	Recommendation	Recommendation Funding Source		
				General	Federal	Special
	GC/MS/MS	265,000	265,000	0	0	265,000
	HPLC unit	40,000	40,000	0	0	40,000
	High Accuracy RTK GPS System	7,740	7,740	0	0	7,740
	LC Carousel Centrifuge 2.0	5,150	5,150	0	0	5,150
	Lab Percival incubator	12,000	12,000	0	0	12,000
	Laminar Flow Hood	5,200	5,200	0	0	5,200
	Low Temp Centrifuge (-9 to 40 oC)	17,060	17,060	0	0	17,060
	MALDI-TOF Biotyper Mass Spec	205,000	205,000	0	0	205,000
	MIKE SHE/FEFLOW Software	18,635	18,635	0	0	18,635
	MaxQ 8000 Incubated Shakers	15,000	15,000	0	0	15,000
	Microplate spectrometer	15,000	15,000	0	0	15,000
	Moxi Flow	10,000	10,000	0	0	10,000
	PCR engine 3X 384 well blocks	8,000	8,000	0	0	8,000
	PCR/Chip loading System	45,000	45,000	0	0	45,000
	Plot combine w/comput weigh sys	275,000	275,000	0	0	275,000
	Plot combine w/corn header	250,000	250,000	0	0	250,000
	Plot forage harvester	180,000	180,000	0	0	180,000
	Poly Planter	10,000	10,000	0	0	10,000
	Potato Harvester	95,000	95,000	0	0	95,000
	Potato cultivator/hiller	5,500	5,500	0	0	5,500
	Powder flow analyzer	20,000	20,000	0	0	20,000
	Ration Kornsvc Smpl Clean	11,000	11,000	0	0	11,000
	Real-time Machine I	28,500	28,500	0	0	28,500
	Real-time PCR Machine II	50,000	50,000	0	0	50,000
	Refrigerator	8,999	8,999	0	0	8,999
	Regular PCR Machine	7,495	7,495	0	0	7,495
	Revolving Equip Allocation	550,000	550,000	550,000	0	0
	SD matic	25,000	25,000	0	0	25,000
	Spectrophotometer	12,670	12,670	0	0	12,670
	Stereomicroscope	9,210	9,210	0	0	9,210
	Tot Org Carbon/Tot Nitro Anlz	37,287	37,287	0	0	37,287
	Tractor	40,000	40,000	0	0	40,000
	Tractor 50-60HP	40,000	40,000	0	0	40,000
	Tractor, Trailer, and Cultivator	50,000	50,000	0	0	50,000
	Two-row plot binder	15,000	15,000	0	0	15,000
	Ultra-Microbial/Cmpct Glove Bx	45,000	45,000	0	0	45,000
	Ultra-low (-80°C) Temp Freezer	12,600	12,600	0	0	12,600
	Ultra-low temp freezer	15,000	15,000	0	0	15,000
	Ultracentrifuge rotor	19,000	19,000	0	0	19,000
	Wintersteiger Plot Combine	250,000	250,000	0	0	250,000
	Zeiss Fluoresc Microscopy Sys	110,000	110,000	0	0	110,000
	Total	7,241,516	7,241,516	550,000	0	6,691,516

Equipment Over \$5,000

Biennuim: 2015-2017

Agency	Equipment	Request	Recommendation	Recommendation Funding Source		
				General	Federal	Special
649 Agronomy Seed Farm	16' cultivator	10,000	10,000	0	0	10,000
	200 HP Tractor	80,000	80,000	0	0	80,000
	24 row planter	100,000	100,000	0	0	100,000
	40-50 HP tractor	30,000	30,000	0	0	30,000
	Chisel Plow 40'	75,000	75,000	0	0	75,000
	Total	295,000	295,000	0	0	295,000
701 Historical Society	Base Budget Change	81,000	81,000	81,000	0	0
720 Game and Fish Department	Enforcement Equip	209,997	209,997	0	105,000	104,997
	Fisheries Equip	277,002	277,002	0	207,750	69,252
	Land Habitat Dep Replace Equip	100,000	100,000	0	100,000	0
	Lonetree Replace Equip-ATV/UTVs	25,000	25,000	0	25,000	0
	Lonetree Replace Equip-Tractor	40,000	40,000	0	40,000	0
	Wildlife Division Replace Equip	200,997	200,997	0	150,750	50,247
	Total	852,996	852,996	0	628,500	224,496
750 Parks and Recreation Department	All Terrain Vehicles (ATV)	30,000	30,000	30,000	0	0
	Boat Boston Whaler	60,000	60,000	60,000	0	0
	Bobcat Attachments	180,000	180,000	180,000	0	0
	Electric Cars	40,000	40,000	40,000	0	0
	Fire Fighting Units	0	60,000	60,000	0	0
	Fire Rings	0	25,000	25,000	0	0
	Picnic Tables	0	25,000	25,000	0	0
	Riding Mowers	0	100,000	100,000	0	0
	Riding Mowers 72"	140,000	140,000	140,000	0	0
	Sewage Pump Station	0	10,000	10,000	0	0
	Snowmobile Equipment/Groomers	0	300,000	0	300,000	0
	Wood Chipper	0	40,000	40,000	0	0
	Works Boats, Small	0	40,000	40,000	0	0
	Total	450,000	1,050,000	750,000	300,000	0
770 Water Commission	Dozer	300,000	300,000	0	0	300,000
	Drill Stem for Drill Rig	20,000	20,000	0	0	20,000
	Lowboy Trailer	150,000	150,000	0	0	150,000
	Radar Tower Magnetron & Radome	45,000	45,000	0	0	45,000
	Remote Control Survey Boat	8,500	8,500	0	0	8,500
	Small Tractor	10,000	10,000	0	0	10,000
	Survey Boat	28,000	28,000	0	0	28,000
	Survey Total Station	41,000	41,000	0	0	41,000
	Total	602,500	602,500	0	0	602,500

Equipment Over \$5,000

Biennium: 2015-2017

Agency	Equipment	Request	Recommendation	Recommendation Funding Source		
				General	Federal	Special
801 Department of Transportation	Copier/Scanner/Printer	6,000	6,000	0	0	6,000
	Copiers for the central office	27,800	27,800	0	0	27,800
	GPS for Design Div	35,100	35,100	0	35,100	0
	GPS survey	192,080	192,080	0	167,080	25,000
	HD Video Equipment	8,500	8,500	0	0	8,500
	Hobart Mixer	7,000	7,000	0	0	7,000
	Kyocera Copier	17,000	17,000	0	0	17,000
	Maint/Hiway Shop Equip	6,731,400	6,731,400	0	0	6,731,400
	Mechanical Soil Compactor	7,000	7,000	0	0	7,000
	Motor Vehicles	35,378,637	35,378,637	0	0	35,378,637
	Retro-reflectometer	20,700	20,700	0	0	20,700
	Scanner replacement	15,000	15,000	0	0	15,000
	Still HD Photography Equip	8,500	8,500	0	0	8,500
	Testing Equip, Radio parts	100,000	100,000	0	0	100,000
	Trailers for skid steers	12,000	12,000	0	0	12,000
	Utility Terrain Vehicle - Design Div	13,100	13,100	0	13,100	0
	Utility Terrain Vehicles - Construct	35,000	35,000	0	35,000	0
	Xerox Printer	30,000	30,000	0	0	30,000
	Total	42,644,817	42,644,817	0	250,280	42,394,537
	Total All Agencies	65,300,560	68,146,651	5,482,879	4,824,048	57,839,724

IT Equipment Over \$5,000

Biennium: 2015-2017

Agency	Equipment	Request	Recommendation	Recommendation Funding Source		
				General	Federal	Special
112 Information Technology	AS400 Server Refresh	250,000	250,000	0	0	250,000
	CND Equipment Refresh	200,000	200,000	0	0	200,000
	DHS Projects Equipment	2,400,000	2,400,000	0	0	2,400,000
	Data Center Security Upgrades	500,000	500,000	0	0	500,000
	Disk Purchases for ITD Operations	2,000,000	2,000,000	0	0	2,000,000
	EduTech & PowerSchool Equip	300,000	300,000	0	0	300,000
	K-12 Network Equipment	600,000	600,000	600,000	0	0
	Mainframe Refresh	500,000	500,000	0	0	500,000
	Network Equip Replace	1,500,000	1,500,000	0	0	1,500,000
	New Intel Servers - Agency Apps	150,000	150,000	0	0	150,000
	Refresh Intel Server Cluster	600,000	600,000	0	0	600,000
	VOIP Switch Refresh	500,000	500,000	0	0	500,000
	Total	9,500,000	9,500,000	600,000	0	8,900,000
125 Office of the Attorney General	Atlas upgrade	27,932	27,932	0	27,932	0
	Forensic equipment and software	209,700	209,700	0	209,700	0
	Law Enforce grant IT equip	0	41,200	0	0	41,200
	Total	237,632	278,832	0	237,632	41,200
127 Office of State Tax Commissioner	High volume scanner	16,000	16,000	16,000	0	0
150 Legislative Assembly	Add Equipment	16,800	16,800	16,800	0	0
180 Judicial Branch	Assisted listening equipment	28,900	28,900	28,900	0	0
	Blade server system upgrade	72,000	72,000	72,000	0	0
	Cybernetics LTO5 tape unit	50,000	50,000	50,000	0	0
	Disaster recovery project	824,000	824,000	824,000	0	0
	Disk and server expansion	620,000	620,000	620,000	0	0
	Evidence presentation equipment	44,000	44,000	44,000	0	0
	ITV system upgrades	39,000	39,000	39,000	0	0
	ITV systems	75,100	75,100	75,100	0	0
	Juvenile Case Management System	1,291,000	1,291,000	1,291,000	0	0
	Portable ITV systems	54,000	54,000	54,000	0	0
	Sound systems	40,000	40,000	40,000	0	0
	Supreme Court facility expansion	133,650	133,650	133,650	0	0
	Total	3,271,650	3,271,650	3,271,650	0	0
253 ND Vision Services/School for the Blind	Replace Server	13,500	13,500	0	0	13,500
301 ND Department of Health	Copier	7,500	7,500	0	7,500	0
	Server	20,000	20,000	0	10,000	10,000

IT Equipment Over \$5,000

Biennium: 2015-2017

Agency	Equipment	Request	Recommendation	Recommendation Funding Source		
				General	Federal	Special
	Total	27,500	27,500	0	17,500	10,000
325 Department of Human Services	Capitalized Software	26,000	26,000	13,000	13,000	0
360 Protection and Advocacy	Multi-function copier	10,500	10,500	10,500	0	0
401 Office of the Insurance Commissioner	Boiler Inspection Software	90,000	90,000	0	0	90,000
408 Public Service Commission	High Speed Scanner	8,400	8,400	8,400	0	0
	Multi-Function Off Mach Replace	18,000	18,000	18,000	0	0
	Total	26,400	26,400	26,400	0	0
471 Bank of North Dakota	CoNetrix IT and Security Software	24,000	24,000	0	0	24,000
	Config Mgmt Software	75,000	75,000	0	0	75,000
	Data Loss Prevent Software	48,000	48,000	0	0	48,000
	One Point Sftwre Replace Exp	250,000	250,000	0	0	250,000
	Replace Laserjet printers	24,000	24,000	0	0	24,000
	Replace desktop/dept printers	48,000	48,000	0	0	48,000
	Unanticipate Hardware Expend	13,000	13,000	0	0	13,000
	Unanticipate Software Expend	13,000	13,000	0	0	13,000
	Total	495,000	495,000	0	0	495,000
530 Department of Corrections and Rehabilitation	IT - Elite Community Module	0	942,935	942,935	0	0
	IT - Workforce Scheduler	0	157,778	157,778	0	0
	Total	0	1,100,713	1,100,713	0	0
540 Office of the Adjutant General	Message Switch Test Server	0	70,000	70,000	0	0
	MicroSoft SQL Enterprise for CAD	0	90,000	90,000	0	0
	Next Generation 911	0	386,000	386,000	0	0
	Total	0	546,000	546,000	0	0
602 Department of Agriculture	Computer Scanner	8,000	8,000	0	0	8,000
750 Parks and Recreation Department	Snowmobile Registration Program	0	310,299	310,299	0	0
770 Water Commission	Computers for new employees	15,000	15,000	0	0	15,000
	IT Scanner	9,100	9,100	0	0	9,100
	IT Servers	15,900	15,900	0	0	15,900
	Total	40,000	40,000	0	0	40,000

IT Equipment Over \$5,000

Biennium: 2015-2017

Agency	Equipment	Request	Recommendation	Recommendation Funding Source		
				General	Federal	Special
801 Department of Transportation	AssetWks Key Valet Auto Mot Pool	79,827	79,827	0	0	79,827
	Communications Taskalfa 300i	5,800	5,800	0	0	5,800
	Construction Kyocera	5,800	5,800	0	0	5,800
	Copier 4 Flr Rm407S	7,000	7,000	0	0	7,000
	Copiers 2 Flr Rm252/M&R	10,000	10,000	0	0	10,000
	Copiers 4 Flr Rm407N/2 Flr Rm233	10,100	10,100	0	0	10,100
	Design Model Rendering/Visual	60,000	60,000	0	0	60,000
	HP Color Laserjet 750DTN	40,400	40,400	0	0	40,400
	HP Plotter	22,000	22,000	0	0	22,000
	MotorVeh Canon3235DFW02015	17,400	17,400	0	0	17,400
	Total	258,327	258,327	0	0	258,327
Total All Agencies		14,037,309	16,035,521	5,911,362	268,132	9,856,027

Large IT Project Recommendations - 2015-2017

Biennium: 2015-2017

Agency/Project	Total Request	Recommendation				
		Project Cost	General Fund	Federal Funds	Special Funds	Related FTE
180 Judicial Branch						
Disaster recovery remote location	2,171,672	2,171,672	2,171,672	0	0	0.00
Juvenile Case Management System	1,782,410	1,782,410	1,782,410	0	0	0.00
Total Judicial Branch	3,954,082	3,954,082	3,954,082	0	0	0.00
301 ND Department of Health						
Replace WICNET System	1,712,110	1,712,110	0	1,712,110	0	0.00
Total ND Department of Health	1,712,110	1,712,110	0	1,712,110	0	0.00
380 Job Service North Dakota						
Unemployment Insurance(UI) Modernization Project	13,907,000	13,907,000	0	13,907,000	0	0.00
Total Job Service North Dakota	13,907,000	13,907,000	0	13,907,000	0	0.00
406 Department of Labor and Human Rights						
Paperless System	56,135	56,135	56,135	0	0	0.00
Total Department of Labor and Human Rights	56,135	56,135	56,135	0	0	0.00
485 Workforce Safety and Insurance						
Computer Software Replacement Project	0	6,000,000	0	0	6,000,000	0.00
Total Workforce Safety and Insurance	0	6,000,000	0	0	6,000,000	0.00
530 Department of Corrections and Rehabilitation						
IT - Elite Community Module	1,100,000	1,100,000	1,100,000	0	0	0.00
Workforce Scheduler	616,144	616,144	616,144	0	0	0.00
Total Department of Corrections and Rehabilitation	1,716,144	1,716,144	1,716,144	0	0	0.00
750 Parks and Recreation Department						
New Web App - Registration/Renewal of Snowmobiles	372,588	372,588	310,299	0	62,289	0.00
Total Parks and Recreation Department	372,588	372,588	310,299	0	62,289	0.00
801 Department of Transportation						
Maintenance Management System (MMS)	589,000	589,000	0	0	589,000	0.00
Total Department of Transportation	589,000	589,000	0	0	589,000	0.00
Total - All Agencies	22,307,059	28,307,059	6,036,660	15,619,110	6,651,289	0.00

Statutory Authority

ND Constitution Article V; North Dakota Century Code Titles 20.1, 37, 44, 50, 54, 55, 56 and 61.

Agency Description

The Governor is the chief executive officer of the state of North Dakota and serves as the spokesperson for North Dakota state government. The Governor coordinates the policies of executive branch agencies, submits the executive budget, gives the State of the State report, makes recommendations on programs requiring legislative approval and is mandated by law to serve on and make appointments to boards, commissions and committees. The Lt. Governor assumes the duties of the Governor when the Governor is out of the state or unable to serve. The Lt. Governor also serves as President of the North Dakota State Senate.

Major Accomplishments

1. Led state support for statewide public safety enhancements, including additional Highway Patrol troopers, additional support for the state's judiciary, additional support within the Attorney General's office, and additional parole and probation officers.
2. Led the state's funding reform for K-12 education and the state's Higher Education system.

3. Led the state's passage of historic tax relief, signing into law about \$1.10 billion in property tax and income tax reductions.
4. Supported passage of about \$2.70 billion in funding to address the many needs of rapid growth in western North Dakota, including \$240 million in Energy Impact grants.
5. Increased funding for statewide water supply projects and flood control projects.
6. Enhanced funding for statewide transportation infrastructure improvement projects.
7. Increased funding for K-12 schools and reduced the local cost for school funding.
8. Established the state's property tax task force to simplify and reform the state's property tax system.
9. Established the Outdoor Heritage Fund to enhance conservation and increase outdoor recreation opportunities.
10. Expanded the state's Housing Incentive Fund to expand the development of affordable housing.
11. Increased reimbursement rates to essential healthcare providers.

Executive Budget Recommendation

- Provides \$65,000 for Governor's transition in and transition out expenses.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

101 Office of the Governor

Bill#: SB2001

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Governor's Programs and Admin	15,701,549	4,033,873	111,311	2.8%	4,145,184	399,282	9.9%	4,433,155
Total Major Programs	15,701,549	4,033,873	111,311	2.8%	4,145,184	399,282	9.9%	4,433,155
Salaries and Wages	3,074,526	3,540,985	114,033	3.2%	3,655,018	402,004	11.4%	3,942,989
Accrued Leave Payments	0	67,722	(67,722)	(100.0%)	0	0	0.0%	0
Operating Expenses	378,398	404,366	0	0.0%	404,366	0	0.0%	404,366
Contingency	0	10,000	0	0.0%	10,000	0	0.0%	10,000
Governor's Transition In	0	0	15,000	100.0%	15,000	15,000	100.0%	15,000
Governor's Transition Out	0	0	50,000	100.0%	50,000	50,000	100.0%	50,000
Roughrider Awards	7,901	10,800	0	0.0%	10,800	0	0.0%	10,800
Federal Stimulus Funds - 2009	3,017,478	0	0	0.0%	0	0	0.0%	0
Education Jobs Fund Program	9,223,246	0	0	0.0%	0	0	0.0%	0
Total Line Items	15,701,549	4,033,873	111,311	2.8%	4,145,184	399,282	9.9%	4,433,155
By Funding Source								
General Fund	3,460,825	4,033,873	111,311	2.8%	4,145,184	399,282	9.9%	4,433,155
Federal Funds	12,240,724	0	0	0.0%	0	0	0.0%	0
Special Funds	0	0	0	0.0%	0	0	0.0%	0
Total Funding Source	15,701,549	4,033,873	111,311	2.8%	4,145,184	399,282	9.9%	4,433,155
Total FTE	18.00	18.00	0.00	0.0%	18.00	0.00	0.0%	18.00

Statutory Authority

ND Constitution Article V, Section 12; North Dakota Century Code Title 10 and Title 16.1; North Dakota Century Code Chapters 15.02, 35-01, 35-05, 35-17, 35-21, 35-29, 35-30, 35-31, 41-09, 43-07, 44-06, 45-10, 45-10.1, 45-11, 45-22, 45-23, 47-22, 47-25, 50-22, 53-01, 54-05.1, 54-09, 54-16, and 55-01.

Agency Description

The agency is the office of record for certain legal documents generated by the executive and legislative branches of state government; the office of record for public records and notices including various business entities; and it performs a wide range of licensing, regulatory, registration, and administrative functions within five operating units. The agency performs these functions in accordance with the requirements of the state's constitution and laws.

Major Accomplishments

1. Enhanced agency website, which received approximately 524,000 hits over a 12 month period ending June 30, 2014 on its various pages and sections.
2. Enhanced 24/7 live business records search on agency website which displays data about business entities filed with the agency.
3. Enhanced website for access to annual reports filed by businesses allowing them to complete reports on-line and then print, sign, and mail the reports to the agency.
4. Continued the software development to enable migration of the agency's database from AS/400 platform created in 1988-92 to a new operating platform. This will allow for on-line filing of many documents and reports which will be very beneficial in the future.

5. Continued the mandated migration of the Central Indexing System (CIS) from the state's mainframe. This will greatly enhance the agency's CIS, which is connected to the state's 53 counties and provides a centralized depository for various lien documents.
6. Continued to enhance the agency's Election Management System (EMS) and Election Administration System (EAS), which provide new and expanded election information on the agency's website about elections, candidates, campaign contributions, voter precinct finder, polling location details and the reporting of election night returns. In addition, it assists in the administration of petition review, poll worker tracking, voting statistics reporting, and early and absentee voting. A specific feature already mentioned was launched in October 2008 that allows the voter to find his or her voting precinct through the use of a house number and zip code.
7. Launched the Central Voter File for use by the counties to track absentee ballots, allow for the efficient management of early voting precincts, and to expedite the voting process on election day.

Executive Budget Recommendation

- Provides funding to maintain 3.00 FTE that were approved as one-time during the 2013-15 biennium. The positions have been evaluated and it has been determined that they are needed and will continue to be needed so this would make them permanent FTE.
- Approves \$574,777 from the general fund for 6.00 additional FTE. These FTE would work on registrations and provide administrative support. These duties are currently being done by temporary staff.
- Provides \$3.0 million from the general fund to complete the technology project.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

108 Secretary of State

Bill#: SB2002

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Secretary of State Operations	8,382,785	8,458,025	(1,793,965)	(21.2%)	6,664,060	2,603,585	30.8%	11,061,610
Public Printing Leg Law Books	261,500	320,500	0	0.0%	320,500	0	0.0%	320,500
Federal Election Reform	2,263,735	5,143,115	(2,448,115)	(47.6%)	2,695,000	(2,436,464)	(47.4%)	2,706,651
Total Major Programs	10,908,020	13,921,640	(4,242,080)	(30.5%)	9,679,560	167,121	1.2%	14,088,761
Salaries and Wages	3,939,755	4,263,223	(290,458)	(6.8%)	3,972,765	1,057,092	24.8%	5,320,315
Accrued Leave Line	0	82,831	(82,831)	(100.0%)	0	0	0.0%	0
Operating Expenses	4,342,661	4,093,971	(1,410,676)	(34.5%)	2,683,295	1,639,324	40.0%	5,733,295
Capital Assets	0	10,000	(10,000)	(100.0%)	0	0	0.0%	0
Petition Review	22,369	8,000	0	0.0%	8,000	0	0.0%	8,000
Election Reform	2,263,735	5,143,115	(2,448,115)	(47.6%)	2,695,000	(2,436,464)	(47.4%)	2,706,651
Public Printing	261,500	320,500	0	0.0%	320,500	0	0.0%	320,500
Technology Carryover	78,000	0	0	0.0%	0	0	0.0%	0
Total Line Items	10,908,020	13,921,640	(4,242,080)	(30.5%)	9,679,560	167,121	1.2%	14,088,761
By Funding Source								
General Fund	8,019,624	7,997,884	(1,893,324)	(23.7%)	6,104,560	2,500,725	31.3%	10,498,609
Federal Funds	1,904,917	4,619,508	(3,119,508)	(67.5%)	1,500,000	(3,104,357)	(67.2%)	1,515,151
Special Funds	983,479	1,304,248	770,752	59.1%	2,075,000	770,753	59.1%	2,075,001
Total Funding Source	10,908,020	13,921,640	(4,242,080)	(30.5%)	9,679,560	167,121	1.2%	14,088,761
Total FTE	28.00	31.00	(3.00)	(9.7%)	28.00	6.00	19.4%	37.00

Statutory Authority

North Dakota Century Code Chapter 54-44.

Agency Description

- Fiscal Management oversees budgeting, accounting, payroll, and financial reporting functions for ND state government entities.
- Human Resource Management Services provides human resource guidance and assistance; promotes consistent HR practices; maintains the state classification and compensation plan; and provides training and mediation services.
- Central Services provides procurement and printing services commonly-used office supplies to state agencies, and disposes of state-owned fixed assets and distributes Federal surplus property to eligible entities.
- Facility Management maintains the state capitol complex, plans for future growth needs and provides tour and central mailroom services.
- Risk Management promotes safety and reduces loss resulting from claims by identifying and measuring risks of loss to the State and implementing appropriate measures to address those risks.

Major Accomplishments

1. Facility Management: Completed improvement projects including renovation of cafeteria and north parking lot. The cafeteria and corridor reopened in October 2014. The north parking lot and expanded loading dock reopened for use in November. Completed \$51.7 million Heritage Center expansion project. The official Grand Opening was November 2, 2014, in commemoration of the state's 125th birthday. Central mailroom processed approximately 862,000 pieces of mail and tour guides provided tours to 9,814 visitors.
2. Fiscal Management: Developed on-line electronic closing packages for CAFR reporting. Developed new public reporting website. Prepared agencies statewide for implementation of the Affordable Care Act for temporary employees. Developed guidelines for and made distributions for the state agency Energy Development Impact funding pool. Developed paycheck modeling. Completed upgrade of PeopleSoft payroll and financial modules.
3. Human Resource Management Services: Continued providing guidance to agencies in distribution of salary increases based on market and performance components. Updated compensation study with 2014 salary survey. Implemented PeopleSoft Recruiting Solutions.
4. Risk Management (RM): Maintained State's actuarially projected funding needs for the 2015-17 biennium at \$1.9 million. Third party claims remained consistent with an average of 153 claims the past three years, down from a high of 351 claims in FY2001. State entities reduced required contributions to the fund by \$1.5 million by participating in fund discount program. The RM Workers Compensation Program experience rate for the single state account continues

to result in lower than expected premiums. Provided resources and training to state entities in developing Continuity of Operations Plans.

5. Central Services: Implemented inventory and point of sale software at surplus property and interfaced to PeopleSoft. Implemented FileNet at state surplus. Implemented print shop management. Implemented state procurement work request system. Simplified bidders registration process and updated vendor information. State procurement worked with ITD, and AG's office to implement laws related to major IT procurements. Reorganized vendor registry resulting in improved efficiency.

Executive Budget Recommendation

- Provides \$40.0 million for renovation and an addition to the Liberty Memorial building to serve as the new location of the ND Supreme Court.
- Provides a \$14.7 million energy pool for agencies to deal with the oil impact challenges occurring in western ND.
- Funds a health insurance pool for employees eligible under the Affordable Care Act, with \$5.0 million from the general fund and \$5.0 million other fund authority.
- Repairs the west parking lot at a cost of \$1.3 million from the general fund.
- Provides \$1.4 million to upgrade the 4 elevators in capitol tower.
- Provides \$1.4 million for signs on capitol grounds to identify entrances, pathways and buildings.
- Provides \$1.5 million one time funding for projects at Prairie Public. Funding includes equipment for studio lighting, television studio conversion to digital, and transmitter/network upgrades.
- Provides \$362,862 general fund increase for Prairie Public operating.
- Provides \$175,000 one time funding for security enhancements at the Governor's residence and capitol complex.
- Increases student internship funding from \$200,000 to \$250,000. The program is used to fill difficult to recruit positions. Agencies have been able to convert one third of interns to regular employees.
- Transfers 7.00 existing FTE custodians from the Facilities Management staff to the Heritage Center staff.
- Transfers 1.00 FTE to ITD to provide ongoing development services for ConnectND.
- Provides \$1.459 billion from the general fund for a transfer to the highway and special roads funds, including \$1.35 billion for enhanced state infrastructure; \$100.0 million for transportation distributions; and \$5.0 million for improvements to roads that lead to recreational areas.
- An Early Access bill will include \$450.0 million of the \$1.35 billion, noted above, for enhanced state infrastructure as well as the \$100.0 million for transportation distributions.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

110 Office of Management and Budget

Bill#: SB2015

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Administration	473,697,227	327,129,772	(321,430,535)	(98.3%)	5,699,237	1,139,779,467	348.4%	1,466,909,239
Facility Management	17,075,134	25,025,780	(11,237,504)	(44.9%)	13,788,276	34,213,711	136.7%	59,239,491
Fiscal Management	8,514,912	12,497,306	(3,611,882)	(28.9%)	8,885,424	21,487,357	171.9%	33,984,663
Human Resource Mgmt Service	2,061,551	2,625,113	45,587	1.7%	2,670,700	244,891	9.3%	2,870,004
Risk Management	1,203,045	1,569,897	4,579	0.3%	1,574,476	80,649	5.1%	1,650,546
Central Services	6,128,300	7,517,768	(40,993)	(0.5%)	7,476,775	211,523	2.8%	7,729,291
Total Major Programs	508,680,169	376,365,636	(336,270,748)	(89.3%)	40,094,888	1,196,017,598	317.8%	1,572,383,234
Salaries and Wages	17,445,762	19,953,315	(364,559)	(1.8%)	19,588,756	640,367	3.2%	20,593,682
Accrued Leave Payments	0	570,411	(570,411)	(100.0%)	0	0	0.0%	0
Operating Expenses	11,455,383	14,396,789	(840,004)	(5.8%)	13,556,785	(190,004)	(1.3%)	14,206,785
Fiscal Management Carryover	1,431,360	3,119,077	(3,119,077)	(100.0%)	0	0	0.0%	0
Emergency Commission Contingency Fd	0	534,718	165,282	30.9%	700,000	165,282	30.9%	700,000
Capital Assets	4,889,588	9,951,065	(7,326,056)	(73.6%)	2,625,009	37,578,944	377.6%	47,530,009
Capital Construction Carryover	2,324,576	4,300,051	(4,300,051)	(100.0%)	0	0	0.0%	0
Grants	433,500	430,000	0	0.0%	430,000	0	0.0%	430,000
Grants - Guardianships	0	828,600	828,600	100.0%	1,657,200	828,600	100.0%	1,657,200
Prairie Public Broadcasting	1,000,000	1,937,138	(600,000)	(31.0%)	1,337,138	1,262,862	65.2%	3,200,000
Energy Develop Impact Funding	0	2,806,022	(2,806,022)	(100.0%)	0	11,893,978	423.9%	14,700,000
Info Technology Relocation	0	200,000	(200,000)	(100.0%)	0	0	0.0%	0
Student Internship Program	0	128,450	71,550	55.7%	200,000	121,550	94.6%	250,000
Health Insurance Pool	0	2,000,000	(2,000,000)	(100.0%)	0	0	0.0%	0
State Transfers	469,700,000	315,210,000	(315,210,000)	(100.0%)	0	1,143,905,558	362.9%	1,459,115,558
Health Insurance Pool - Temp Employees	0	0	0	0.0%	0	10,000,000	100.0%	10,000,000
Total Line Items	508,680,169	376,365,636	(336,270,748)	(89.3%)	40,094,888	1,196,017,598	317.8%	1,572,383,234
By Funding Source								
General Fund	500,559,740	363,737,630	(330,746,642)	(90.9%)	32,990,988	1,187,842,886	326.6%	1,551,580,516
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	8,120,429	12,628,006	(5,524,106)	(43.7%)	7,103,900	8,174,712	64.7%	20,802,718
Total Funding Source	508,680,169	376,365,636	(336,270,748)	(89.3%)	40,094,888	1,196,017,598	317.8%	1,572,383,234
Total FTE	131.50	130.50	0.00	0.0%	130.50	(8.00)	(6.1%)	122.50

Statutory Authority

North Dakota Century Code Chapters 54-44.6, 54-46 and 54-46.1, 54-59.

Agency Description

The Information Technology Department (ITD) is managed by the Chief Information Officer who reports directly to the Governor. ITD is responsible for all wide area network services for all state agencies, including institutions under the control of the State Board of Higher Education, as well as counties, cities, and school districts. ITD is also responsible for providing computer hosting and support services, software development services and state wide communications services. ITD coordinates the deployment of information technology in state government by developing information technology standards, setting guidelines for technology planning and providing oversight on large information technology projects.

In addition, the appropriations for the following entities and programs are within ITD's budget: the Center for Distance Education, the Education Technology Council, EduTech, the Longitudinal Data System initiative, K-12 Network Connectivity, the Geographic Information System program, the Health Information Exchange and the Criminal Justice Information Sharing (CJIS) initiative.

Major Accomplishments

1. Finalized a new contract for STAGEnet services that includes immediate enhancements to the reliability and resiliency of the network, and provides customers with options that can improve the reliability of individual endpoints. The most significant outcome is the ability to meet the bandwidth growth demands of the user community in a cost-effective manner.
2. Raised the security posture of the state network and state computing resources. Implemented multi-factor authentication for systems that require advanced authentication. Made investments in next generation firewalls deployed throughout the network. This past year's security effort was focused on augmenting strategic core locations within the network. All of these investments provide improved visibility of network traffic, which enhances the ability to prevent externally originating malware from traversing the network and the ability to identify and prevent other malicious activity that may originate somewhere within the borders of the network.
3. Transitioned to fully encrypted tape media for backup purposes. Also migrated most of the disk-based systems in the data center to utilize encrypted disks. This allows for secured data to meet regulations and standards.
4. Implemented the North Dakota Health Information Network. Connections to providers and the Department of Health were established. Connections have

been made with the large healthcare providers in the state and continue connection to over 30 other providers.

5. Launched the SLDS program e-Transcripts, which allows high school counselors, students and parents to easily submit student transcripts to North Dakota institutions of higher learning as part of the college application process.
6. Started Recruiting Solutions, a new initiative consisting of Candidate Gateway, Talent Acquisition Manager and Resume Parsing modules. Since going live in February 2014, 1,352 job openings have been listed and the state has received 10,497 unique applicants.
7. Established implementing mobile-friendly websites as one of the top priorities. Incorporated responsive web design best practices into all new web-based development. Responsive design means that webpages automatically resize and rearrange themselves for a fluid and intuitive user experience across a broad range of devices, including smartphones, tablets and traditional computers. For mobile application development, used a hybrid approach that combines both web and native mobile technologies.

Executive Budget Recommendation

- Provides \$1.0 million and 4.00 FTE including \$537,000 from the general fund to improve the state's security and address audit recommendations.
- Transfers the responsibility to coordinate interactive video services for the education community from higher education to ITD with \$225,000 special fund authority and 1.00 FTE.
- Transfers 1.00 FTE from OMB to ITD to increase the resources available for ConnectND development, maintenance and enhancements.
- Increases staffing and resources for Center for Distance Education to keep pace with the growth of student enrollments with \$2.5 million including \$1.5 million from the general fund and 5.00 additional FTE.
- Includes \$250,000 for Center for Distance Education to better prepare students for college and career readiness
- Provides 2.00 FTE and \$1.8 million special funds for agency desktop support services.
- Provides over \$1.0 million to the Education Technology Council from the general fund for a grant program that focuses on using technology to transform education in K-12 schools.
- Provides \$1.0 million one-time funding from the general fund for CJIS projects.
- Provides \$8.0 million from the general fund including \$4.5 million one-time funding for the State Longitudinal Data System.
- Includes \$210,000 and 1.00 FTE, Electronic Records Manager, to pursue planning and implementation of digital archives.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

112 Information Technology

Bill#: HB1021

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
ITD General Fund Expenditures	5,451,693	10,905,269	(4,790,198)	(43.9%)	6,115,071	5,181,359	47.5%	16,086,628
ITD Federal Fund Expenditures	4,486,897	10,025,000	(6,300,000)	(62.8%)	3,725,000	(6,286,879)	(62.7%)	3,738,121
ITD K-12 Support	13,478,983	14,647,491	1,560	0.0%	14,649,051	1,813,962	12.4%	16,461,453
Center for Distance Education	4,972,547	6,290,709	46,126	0.7%	6,336,835	3,242,957	51.6%	9,533,666
Health Information Exchange	782,714	4,823,521	5,826	0.1%	4,829,347	77,302	1.6%	4,900,823
ITD Special Fund Expenditures	108,083,274	127,941,748	321,880	0.3%	128,263,628	7,387,712	5.8%	135,329,460
Total Major Programs	137,256,108	174,633,738	(10,714,806)	(6.1%)	163,918,932	11,416,413	6.5%	186,050,151
Salaries and Wages	44,042,080	50,898,087	2,730,029	5.4%	53,628,116	8,817,816	17.3%	59,715,903
Accrued Leave Payment	0	2,626,084	(2,626,084)	(100.0%)	0	0	0.0%	0
Operating Expenses	55,106,655	64,834,643	3,264,225	5.0%	68,098,868	4,957,333	7.6%	69,791,976
Capital Assets	10,690,274	12,500,600	(3,650,600)	(29.2%)	8,850,000	(3,650,600)	(29.2%)	8,850,000
Technology Project Carryover	1,720,814	3,704,757	(3,704,757)	(100.0%)	0	0	0.0%	0
Center for Distance Education	4,972,547	6,086,913	249,922	4.1%	6,336,835	3,446,753	56.6%	9,533,666
Statewide Data System	0	1,903,976	12,321	0.6%	1,916,297	8,129,425	427.0%	10,033,401
Educational Technology Council	1,043,450	1,828,322	(194,997)	(10.7%)	1,633,325	886,376	48.5%	2,714,698
Edutech	7,689,531	8,327,517	415,664	5.0%	8,743,181	1,102,970	13.2%	9,430,487
Wide Area Network	4,792,147	4,964,216	8,329	0.2%	4,972,545	52,052	1.0%	5,016,268
Geographic Information System	1,030,092	1,469,997	(212,176)	(14.4%)	1,257,821	(193,287)	(13.1%)	1,276,710
Health Info Technology Office	782,714	4,788,253	541,094	11.3%	5,329,347	612,570	12.8%	5,400,823
Criminal Justice Information Sharing	2,409,557	3,900,373	(747,776)	(19.2%)	3,152,597	385,846	9.9%	4,286,219
Federal Stimulus Funds	2,976,247	6,800,000	(6,800,000)	(100.0%)	0	0	0.0%	0
Total Line Items	137,256,108	174,633,738	(10,714,806)	(6.1%)	163,918,932	11,416,413	6.5%	186,050,151
By Funding Source								
General Fund	17,242,047	24,959,185	(4,893,634)	(19.6%)	20,065,551	8,889,173	35.6%	33,848,358
Federal Funds	4,486,897	10,025,000	(6,300,000)	(62.8%)	3,725,000	(6,286,879)	(62.7%)	3,738,121
Special Funds	115,527,164	139,649,553	478,828	0.3%	140,128,381	8,814,119	6.3%	148,463,672
Total Funding Source	137,256,108	174,633,738	(10,714,806)	(6.1%)	163,918,932	11,416,413	6.5%	186,050,151
Total FTE	336.30	340.30	0.00	0.0%	340.30	15.00	4.4%	355.30

Statutory Authority

North Dakota Century Code Chapter 54-10.

Agency Description

The State Auditor is a constitutionally elected state official. The Office of the State Auditor is divided into four operational divisions. The Division of State Audits, the largest division, is responsible for auditing state government and conducting financial, compliance, performance, and information system audits. The Division of Local Government Audits performs audits of counties, cities, school districts, and other political subdivisions. The Division of Royalty Audits conducts audits of federal royalty payments from oil, gas, and coal leases located within the State of North Dakota. Administration, the fourth division, accounts for activities of the State Auditor and the Office Manager.

Major Accomplishments

1. Obtained a favorable Quality Control Review from peer states.

Executive Budget Recommendation

- Provides \$200,000 from other funds from the North Dakota University System office to conduct information technology security audits at the institutions.
- Provides \$99,600, of which \$69,200 is from the general fund for ITD desktop support.
- Changes the funding source for 1.00 FTE auditor position from other funds to federal funds to allow the State Auditor's office to use one vacant local government FTE position for a minerals royalty auditor.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

117 Office of the State Auditor

Bill#: SB2004

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Administrative Services	385,443	417,955	23,274	5.6%	441,229	131,366	31.4%	549,321
Division of Local Government Audits	1,295,861	1,833,268	34,514	1.9%	1,867,782	14,117	0.8%	1,847,385
Division of State Audits	6,730,870	8,055,534	50,589	0.6%	8,106,123	1,082,735	13.4%	9,138,269
Mineral Royalty Auditing	924,991	1,306,400	(56,293)	(4.3%)	1,250,107	211,754	16.2%	1,518,154
Total Major Programs	9,337,165	11,613,157	52,084	0.4%	11,665,241	1,439,972	12.4%	13,053,129
Salaries and Wages	8,549,312	10,199,637	223,694	2.2%	10,423,331	1,311,982	12.9%	11,511,619
Accrued Leave Line	0	201,157	(201,157)	(100.0%)	0	0	0.0%	0
Operating Expenses	698,179	922,363	69,547	7.5%	991,910	169,147	18.3%	1,091,510
Capital Assets	0	40,000	(40,000)	(100.0%)	0	0	0.0%	0
Information Tech Consultants	89,674	250,000	0	0.0%	250,000	200,000	80.0%	450,000
Total Line Items	9,337,165	11,613,157	52,084	0.4%	11,665,241	1,439,972	12.4%	13,053,129
By Funding Source								
General Fund	7,116,313	8,473,489	73,863	0.9%	8,547,352	999,257	11.8%	9,472,746
Federal Funds	924,991	1,306,400	(56,293)	(4.3%)	1,250,107	213,819	16.4%	1,520,219
Special Funds	1,295,861	1,833,268	34,514	1.9%	1,867,782	226,896	12.4%	2,060,164
Total Funding Source	9,337,165	11,613,157	52,084	0.4%	11,665,241	1,439,972	12.4%	13,053,129
Total FTE	50.80	53.80	0.00	0.0%	53.80	0.00	0.0%	53.80

Statutory Authority

ND Constitution Article V, Section 02; Article X, Sections 12 and 25; North Dakota Century Code Sections 4-24-09, 4-28-08, 5-01, 5-03, 5-04, 15-03-01, 15-10-12, 15-13-07, 16.1-15-33, 21-01, 21-04, 21-10-01, 25-01-11, 32-15-31, 37-14-14, 37-15, 50-27-01, 54-06, 54-11, 54-16-08, 54-27, 54-30, 55-01, 57-13-01, 57-32-05, 57-51-14, and 65-04-30.

Agency Description

The Office of State Treasurer serves as the custodian of all state funds. The agency is responsible for the cash management of the general fund as well as the investment services of special funds and numerous trust funds. The agency is also responsible for distributing accurate and timely tax distributions to over 500 political subdivisions across the state.

Major Accomplishments

1. Updated Tax Distribution Outstanding Check (TDOC) system to accommodate the major changes made to the Oil and Gas Gross Production Tax distributions as spelled out in House Bill 1358.
2. Finalized the addition of Coal Conversion and Coal Severance Tax distributions to TDOC.
3. Enhanced our agency website to include a government funds section which helps to identify and define various funds held by the State. This tool has helped auditors, state agencies, legislators and the general public, by giving them a single resource to see where funds are being held and for what

purpose. It has brought added transparency to the state's finances. Our agency will continue to expand our website content with a full rewrite scheduled to be released by the end of the biennium.

4. Provided education, outreach and enhanced cooperation with political subdivisions. The Office of the State Treasurer directed more attention to its relationship with political subdivisions throughout the 2011-13 biennium. Our office works closely with political subdivisions through tax distributions. It is crucial to have a good working relationship with each subdivision served. Further, as distributions become more complex and as the new tax distribution software changes the process and reports available to political subdivisions, outreach and communication is crucial to ensure quality customer service.
5. Maintained and strengthened the line of communication with financial officers throughout state government to address the daily cash needs and expenditures of their agency.
6. Developed new database and report systems.
7. Continued policy and procedure development.
8. Continued cross training of staff.
9. Completed a long-range strategic plan.

Executive Budget Recommendation

- Provides \$50,000 for increased operating costs and monthly desktop services.
- Continues property tax relief with \$250.0 million from the general fund.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

120 Office of the State Treasurer

Bill#: SB2005

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Administration	150,508,523	210,951,589	(209,100,455)	(99.1%)	1,851,134	41,075,356	19.5%	252,026,945
Total Major Programs	150,508,523	210,951,589	(209,100,455)	(99.1%)	1,851,134	41,075,356	19.5%	252,026,945
Salaries and Wages	1,049,177	1,399,557	20,443	1.5%	1,420,000	145,374	10.4%	1,544,931
Accrued Leave Payment	0	13,038	(13,038)	(100.0%)	0	0	0.0%	0
Operating Expenses	229,335	526,194	(340,060)	(64.6%)	186,134	(289,180)	(55.0%)	237,014
Transportation Funding	149,105,000	0	0	0.0%	0	0	0.0%	0
Coal Severance Payments	125,011	252,800	(7,800)	(3.1%)	245,000	(7,800)	(3.1%)	245,000
Township Allocation	0	8,760,000	(8,760,000)	(100.0%)	0	0	0.0%	0
Property Tax Relief Credits	0	200,000,000	(200,000,000)	(100.0%)	0	50,000,000	25.0%	250,000,000
Total Line Items	150,508,523	210,951,589	(209,100,455)	(99.1%)	1,851,134	41,075,356	19.5%	252,026,945
By Funding Source								
General Fund	150,508,523	210,951,589	(209,100,455)	(99.1%)	1,851,134	41,075,356	19.5%	252,026,945
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	0	0	0	0.0%	0	0	0.0%	0
Total Funding Source	150,508,523	210,951,589	(209,100,455)	(99.1%)	1,851,134	41,075,356	19.5%	252,026,945
Total FTE	7.00	8.00	0.00	0.0%	8.00	0.00	0.0%	8.00

Statutory Authority

ND Constitution Article V, Section 12. North Dakota Century Code Chapters 5-02, 12-60, 12-62, 12.1-34, 18-01, 18-13, 23-15-04, 32-12.2-03, 32-12.2-04, 43-31-14, 51-04-03, 51-15, 51-28, 53-04.1-03, 53-06.1, 53-12.1, 54-6, 54-12, 57-36-02.

Agency Description

The Office of the Attorney General represents and defends the interest of the citizens of North Dakota by executing the responsibilities charged to the North Dakota Attorney General by the North Dakota Constitution, state statutes and administrative rules, North Dakota and federal case law, and common law. The Attorney General is the chief legal counsel and advisor to state government providing legal representation to all facets of state government, including the Governor, all departments of state government, and all state agencies, boards, and commissions. The office consists of 13 divisions: Administration, Bureau of Criminal Investigation, Civil Litigation, Consumer Protection and Antitrust, Crime Laboratory, Criminal and Regulatory, Finance and Administration, Fire Marshal, Gaming, Information Technology, Lottery, Natural Resources and Indian Affairs, and State and Local Government.

Major Accomplishments

1. Awarded and managed \$9.6 million aimed at improving criminal justice programs in oil impacted communities and \$7.0 million for sheriffs' departments in oil impacted areas.
2. Increased the number of participants in the 24/7 Sobriety program as a result of new requirements set forth in 2013 legislative session. Participants increased from 3,143 in March 2012 to 6,509 total participants in March 2014.
3. Implemented multiple program changes to the system including a change in the criminal history look back period (record check reviews looking at possible criminal acts that have occurred since the initial criminal history check), longer license length, extending the processing period, and eliminating local law enforcement approval requirements.
4. Teamed with local law enforcement partners in establishing task forces which are having a significant impact on major drug trafficking organizations.
5. Processed 39,086 requests for criminal history record information in 2013. Of those, 24,162 were requests for data from the state database and 14,924 were requests for fingerprint based searches of the FBI database.

6. Reduced drug chemistry turn-around time to less than 30 days by the addition of a forensic scientist to the staff.
7. Represented and continues to represent the state in proceedings dealing with the Master Settlement Agreement and the state's compliance with the Tobacco Sales Act, which resulted in \$51.6 million collected during the biennium.
8. Represented the Department of Human Services in 276 cases and assisted in the recovery of \$2.6 million in Medicaid fraud funds.
9. Defended the constitutionality of the 2011 Legislative Session's House Bill No. 1297, the Abortion Control Act, and appealed a district court's finding of unconstitutionality to the North Dakota Supreme Court.
10. Sued the United States Forest Service over public access in North Dakota's 1.2 million acres of national grasslands. The Forest Service has taken unprecedented steps to close unimproved roads and trails and restrict access in the grasslands.
11. Assisted state officials to develop and implement strategies to significantly reduce pollutants from power plants, while at the same time responded to initiatives by the US. Environmental Protection Agency (EPA) that are too restrictive, too costly, of uncertain effectiveness, and that usurp state sovereignty and expertise.

Executive Budget Recommendation

- Authorizes 19.50 FTE and related operating and equipment costs with funding of \$270,335 from the general fund and special funds of \$4.8 million to address law enforcement concerns in western North Dakota. These positions include 9.00 FTE BCI agents, 3.00 FTE intelligence analysts, 2.00 FTE administrative assistants, 2.50 FTE attorneys, 1.00 FTE grants administrator, 1.00 FTE victim advocate, and 1.00 FTE forensic scientist.
- Provides \$20.0 million from the oil and gas impact grant fund for grants to local law enforcement agencies in oil-impacted areas.
- Authorizes 6.00 FTE positions to support the activities of the various divisions of the Attorney General's office. These positions include 1.00 FTE programmer analyst, 2.00 FTE paralegals, 2.00 FTE administrative assistants, and 1.00 FTE gaming auditor.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

125 Office of the Attorney General

Bill#: SB2003

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Finance and Administration	1,886,774	2,281,831	19,333	0.8%	2,301,164	658,961	28.9%	2,940,792
Information Technology	5,507,529	11,475,866	(3,326,122)	(29.0%)	8,149,744	(2,430,204)	(21.2%)	9,045,662
Attorney General Administration	1,096,888	1,327,445	6,182	0.5%	1,333,627	95,272	7.2%	1,422,717
Legal Services	6,852,553	8,904,618	(118,093)	(1.3%)	8,786,525	1,471,315	16.5%	10,375,933
Bureau of Criminal Investigation	17,279,919	39,331,610	(11,694,662)	(29.7%)	27,636,948	14,974,255	38.1%	54,305,865
Crime Lab	6,821,772	9,836,487	191,542	1.9%	10,028,029	749,296	7.6%	10,585,783
Consumer Protection	1,597,101	1,997,540	(23,224)	(1.2%)	1,974,316	102,901	5.2%	2,100,441
Gaming	2,681,608	3,103,487	36,249	1.2%	3,139,736	388,799	12.5%	3,492,286
Fire Marshal	1,352,122	2,114,873	(127,440)	(6.0%)	1,987,433	(11,701)	(0.6%)	2,103,172
Lottery	2,705,489	4,133,821	1,086,502	26.3%	5,220,323	1,219,664	29.5%	5,353,485
Total Major Programs	47,781,755	84,507,578	(13,949,733)	(16.5%)	70,557,845	17,218,558	20.4%	101,726,136
Salaries and Wages	28,160,094	35,250,562	1,024,968	2.9%	36,275,530	5,326,885	15.1%	40,577,447
Accrued Leave Payments	0	1,057,247	(1,057,247)	(100.0%)	0	0	0.0%	0
Operating Expenses	10,370,351	26,828,056	(2,657,723)	(9.9%)	24,170,333	(1,360,463)	(5.1%)	25,467,593
Capital Assets	1,910,728	2,363,077	(361,567)	(15.3%)	2,001,510	(103,890)	(4.4%)	2,259,187
Technology Project Carryover	393,512	505,000	(505,000)	(100.0%)	0	0	0.0%	0
Grants	1,655,471	2,373,947	(611,288)	(25.7%)	1,762,659	(611,288)	(25.7%)	1,762,659
Law Enforcement Grants	0	9,600,000	(9,600,000)	(100.0%)	0	15,578,275	162.3%	25,178,275
Litigation Fees	211,715	118,500	(68,500)	(57.8%)	50,000	(68,500)	(57.8%)	50,000
NICS	101,184	0	0	0.0%	0	0	0.0%	0
Abortion Litigation Fees	0	400,000	0	0.0%	400,000	0	0.0%	400,000
Medical Examinations	395,600	660,000	0	0.0%	660,000	0	0.0%	660,000
North Dakota Lottery	2,705,489	4,133,821	1,086,502	26.3%	5,220,323	1,219,664	29.5%	5,353,485
Arrest and Return of Fugitives	17,595	10,000	0	0.0%	10,000	0	0.0%	10,000
Gaming Commission	6,822	7,368	122	1.7%	7,490	122	1.7%	7,490
Remote Alcohol Monitors	0	1,200,000	(1,200,000)	(100.0%)	0	0	0.0%	0
Federal Stimulus Funds - 2009	1,853,194	0	0	0.0%	0	0	0.0%	0
Total Line Items	47,781,755	84,507,578	(13,949,733)	(16.5%)	70,557,845	17,218,558	20.4%	101,726,136
By Funding Source								
General Fund	31,890,279	38,920,128	(1,351,502)	(3.5%)	37,568,626	4,124,009	10.6%	43,044,137
Federal Funds	7,726,977	9,270,995	(790,879)	(8.5%)	8,480,116	(663,865)	(7.2%)	8,607,130
Special Funds	8,164,499	36,316,455	(11,807,352)	(32.5%)	24,509,103	13,758,414	37.9%	50,074,869
Total Funding Source	47,781,755	84,507,578	(13,949,733)	(16.5%)	70,557,845	17,218,558	20.4%	101,726,136
Total FTE	204.00	213.50	(1.00)	(0.5%)	212.50	24.50	11.5%	238.00

Statutory Authority

North Dakota Century Code Chapters 57-01 through 57-02.

Agency Description

The Office of State Tax Commissioner is charged with the responsibility to fairly and effectively administer the tax laws of North Dakota. The Office of State Tax Commissioner consists of six separate divisions including:

- The Commissioner's Division: the administrative center of the department.
- The Legal Division: provides legal advice and counsel to the department and to the State Board of Equalization.
- The Fiscal Management Division: the financial center covering revenue accounting, accounts payable, payroll, asset management, purchasing, and budgeting.
- The Tax Administration Division: includes tax administration for individual income, corporation income, sales and use, motor fuels, financial institution, oil and gas gross production, oil extraction, alcoholic beverages, tobacco products, estate, special taxes, telecommunications gross receipts tax, applicable local option taxes, and the collection of delinquent taxes.
- The Property Tax Division: includes property and utility taxes, coal taxes, Homestead Tax Credit and Renter Refund Program, and the Disabled Veterans Property Tax Credit Program.
- The Information Management and Technology Division: responsible for leading the department's technology efforts, managing the processing of tax returns, and safeguarding taxpayer data.

Major Accomplishments

1. Received an appropriation of \$1.0 million during the 2013-15 biennium to implement Taxpayer Access Point (TAP) which went live in September 2014. TAP is a taxpayer-facing module with GenTax that provides secure, web-based self-service functions. This will serve as a single-point login for filing tax returns, paying tax due, registering a business, reviewing account information, viewing notices on-line, and sending many other types of requests to the department electronically. The project was completed on time and under budget.
2. Partnered with the IRS to offer the Modernized e-File (MeF) option. MeF is a web-based electronic filing system developed for use by the IRS and states. The MeF platform is faster, more convenient than paper, reduces error rates, and simplifies the tax return filing process for taxpayers.

3. Worked with software developers to provide electronic filing services to fiduciary income tax filers. As of June 2014, over 52 percent of the 40,000 business income tax returns (corporation, S corporation, partnership, and fiduciary) have been filed electronically.
4. Continued its discovery work in individual income tax, corporate income tax, and sales tax. This work resulted in an additional \$8.8 million in collections for fiscal year 2013 and \$8.0 million in fiscal year 2014.
5. Administered 2013 sales tax refund program for flood victims with no additional staff. A total of 985 refunds were processed for just over \$1.6 million.
6. Implemented and integrated two new tax types instituted by the 2013 Legislative Assembly into the GenTax system - prepaid wireless 911 fee and withholding on royalty income.
7. Worked cooperatively with counties and cities in the state to provide education, outreach, and administration of the expanded income and asset limitations for determining eligibility for the Homestead Tax Credit program.
8. Organized a working group consisting of members from counties and various software vendors to create a standardized format for property tax statements which was created and approved by the Interim Taxation Committee to be implemented with the 2014 property tax statements.
9. Provided significant assistance to the legislature and its committees in all areas of tax law and policy development.
10. Continued to expand educational efforts by conducting seminars and workshops to interested groups around the state on various tax related issues.

Executive Budget Recommendation

- Adds 4.00 FTE and \$553,599 from the general fund to address increased workloads.
- Provides \$413,369 from the general fund to continue fees for the Multistate Tax Commission Audit and Nexus programs.
- Provides \$200,000 from the general fund for increased costs to maintain the integrated tax system (GenTax) and the newly implemented Taxpayer Access Point (TAP) module.
- Provides \$296,315 from the general fund to address increases in temporary salaries and other operating costs.
- Proposes \$8.0 million to increase the Homestead Tax Credit by raising the maximum income threshold from \$42,000 to \$50,000.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

127 Office of State Tax Commissioner

Bill#: SB2006

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Tax Department	24,818,186	29,562,749	(760,643)	(2.6%)	28,802,106	2,742,967	9.3%	32,305,716
Homestead Tax Credit	7,846,945	20,000,000	2,000,000	10.0%	22,000,000	10,000,000	50.0%	30,000,000
Disabled Veteran Credit	4,903,732	7,678,000	767,000	10.0%	8,445,000	767,000	10.0%	8,445,000
Total Major Programs	37,568,863	57,240,749	2,006,357	3.5%	59,247,106	13,509,967	23.6%	70,750,716
Salaries and Wages	17,610,689	20,177,488	1,235,713	6.1%	21,413,201	3,863,871	19.1%	24,041,359
Accrued Leave Payments	0	624,818	(624,818)	(100.0%)	0	0	0.0%	0
Operating Expenses	7,200,333	8,744,443	(1,371,538)	(15.7%)	7,372,905	(496,086)	(5.7%)	8,248,357
Capital Assets	7,164	16,000	0	0.0%	16,000	0	0.0%	16,000
Homestead Tax Credit	7,846,945	20,000,000	2,000,000	10.0%	22,000,000	10,000,000	50.0%	30,000,000
Disabled Veteran Credit	4,903,732	7,678,000	767,000	10.0%	8,445,000	767,000	10.0%	8,445,000
Total Line Items	37,568,863	57,240,749	2,006,357	3.5%	59,247,106	13,509,967	23.6%	70,750,716
By Funding Source								
General Fund	37,552,023	57,115,749	2,006,357	3.5%	59,122,106	13,509,967	23.7%	70,625,716
Federal Funds	16,840	125,000	0	0.0%	125,000	0	0.0%	125,000
Special Funds	0	0	0	0.0%	0	0	0.0%	0
Total Funding Source	37,568,863	57,240,749	2,006,357	3.5%	59,247,106	13,509,967	23.6%	70,750,716
Total FTE	133.00	134.00	0.00	0.0%	134.00	4.00	3.0%	138.00

Statutory Authority

North Dakota Century Code Sections 12-59, 37-19.1, 28-32-31, 40-51.2, 40-47-01.1, 54-57-03 and 61-03-22.

Agency Description

The Office of Administrative Hearings is an executive branch agency that provides independent administrative law judges to preside over state and local administrative hearings and related proceedings. Hearings are conducted under authority from the Administrative Agencies Practices Act (North Dakota Century Code Chapter 28-32), specific agency statutes, agency procedural rules, and the Uniform Rules of Administrative Procedure for Adjudicative Proceedings (North Dakota Administrative Code Article 98-02).

Major Accomplishments

1. Established performance measures for conducting hearings for all user agencies.
2. Continued active participation in national administrative law judge and hearing officer organizations, including the National Association of Hearing Officials, the National Association of Administrative Law Judiciary, and the Central Panel Directors Conference. OAH will host the 2014 Central Panel Directors Conference September 2014.
3. Completed the installation of new case management and billing system during July 2013.

Executive Budget Recommendation

- Provides special fund authority to support the current FTE level and operations of the agency.
- Approves the base budget as requested.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

140 Office of Administrative Hearings

Bill#: HB1017

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Office of Administrative Hearings Services	2,071,720	2,831,896	21,851	0.8%	2,853,747	117,044	4.1%	2,945,313
Total Major Programs	2,071,720	2,831,896	21,851	0.8%	2,853,747	117,044	4.1%	2,945,313
Salaries and Wages	913,809	1,058,258	46,466	4.4%	1,104,724	141,661	13.4%	1,196,290
Accrued Leave Payments	0	24,615	(24,615)	(100.0%)	0	0	0.0%	0
Operating Expenses	1,157,911	1,749,023	0	0.0%	1,749,023	0	0.0%	1,749,023
Total Line Items	2,071,720	2,831,896	21,851	0.8%	2,853,747	117,044	4.1%	2,945,313
By Funding Source								
General Fund	0	0	0	0.0%	0	0	0.0%	0
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	2,071,720	2,831,896	21,851	0.8%	2,853,747	117,044	4.1%	2,945,313
Total Funding Source	2,071,720	2,831,896	21,851	0.8%	2,853,747	117,044	4.1%	2,945,313
Total FTE	5.00	5.00	0.00	0.0%	5.00	0.00	0.0%	5.00

Statutory Authority

ND Constitution, Article IV and North Dakota Century Code Chapters 54-03, 54-03.1, 54-03.2, and 54-05.1.

Agency Description

The Legislative Assembly is the policymaking branch of state government. The Legislative Assembly meets for organization and orientation purposes during the month of December in the even-numbered years and convenes each odd-numbered year for the regular session which may not exceed 80 days during the biennium.

Major Accomplishments

- 1. Performed its constitutional responsibilities within its limited amount of time in an effective manner to meet the needs and expectations of the people of North Dakota.

Executive Budget Recommendation

- Includes budget as submitted.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

150 Legislative Assembly

Bill#: HB1001

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
ND Legislative Assembly	14,461,363	15,933,556	123,009	0.8%	16,056,565	123,009	0.8%	16,056,565
Total Major Programs	14,461,363	15,933,556	123,009	0.8%	16,056,565	123,009	0.8%	16,056,565
Salaries and Wages	8,837,624	9,299,801	948,770	10.2%	10,248,571	948,770	10.2%	10,248,571
Operating Expenses	3,574,491	4,972,550	77,381	1.6%	5,049,931	77,381	1.6%	5,049,931
Capital Assets	959,338	1,427,919	(911,119)	(63.8%)	516,800	(911,119)	(63.8%)	516,800
Ntl Conference of State Legislature	232,110	233,286	7,977	3.4%	241,263	7,977	3.4%	241,263
Leg Application Replacements	857,800	0	0	0.0%	0	0	0.0%	0
Total Line Items	14,461,363	15,933,556	123,009	0.8%	16,056,565	123,009	0.8%	16,056,565
By Funding Source								
General Fund	14,461,363	15,933,556	123,009	0.8%	16,056,565	123,009	0.8%	16,056,565
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	0	0	0	0.0%	0	0	0.0%	0
Total Funding Source	14,461,363	15,933,556	123,009	0.8%	16,056,565	123,009	0.8%	16,056,565
Total FTE	0.00	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00

Statutory Authority

The principal statutory language authorizing the responsibilities and functions of the Legislative Council is contained in North Dakota Century Code Chapter 54-35. Statutory authority relating to the organizational session of the Legislative Assembly is located in Chapter 54-03.1. Additional statutory references to the Legislative Council are located in numerous places in the North Dakota Century Code.

Agency Description

The Legislative Management consists of 17 legislators. The committee oversees the interim activities of the legislative branch, conducts studies, monitors activities of the other branches of government, provides oversight of matters of interest to the legislative branch, makes arrangements for legislative sessions, and recommends legislation to the Legislative Assembly. The Legislative Council, consisting of a group of professional and clerical people, provides administrative, research, analysis, drafting, and technical support services for the legislative branch.

Major Accomplishments

The Legislative Management and its interim committees:

1. Conduct studies in accordance with the directives of the Legislative Assembly.
2. Perform other duties and responsibilities in accordance with the directives of the Legislative Assembly.

The Legislative Council staff performs its research, analysis, and drafting tasks in a satisfactory manner to meet the expectations of the Legislative Assembly and its members and the Legislative Management within appropriate time frames.

Executive Budget Recommendation

- Includes budget as submitted.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

160 Legislative Council

Bill#: HB1001

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Fiscal Services	1,681,263	3,013,803	(116,753)	(3.9%)	2,897,050	46,260	1.5%	3,060,063
Legal Services	2,589,723	3,275,323	(326,516)	(10.0%)	2,948,807	(167,995)	(5.1%)	3,107,328
General and Administrative Services	5,096,661	10,981,994	(4,102,081)	(37.4%)	6,879,913	(3,805,765)	(34.7%)	7,176,229
Total Major Programs	9,367,647	17,271,120	(4,545,350)	(26.3%)	12,725,770	(3,927,500)	(22.7%)	13,343,620
Salaries and Wages	6,710,342	10,258,934	(1,193,443)	(11.6%)	9,065,491	(575,593)	(5.6%)	9,683,341
Accrued Leave Payments	0	143,087	4,756	3.3%	147,843	4,756	3.3%	147,843
Operating Expenses	2,342,652	6,149,168	(2,666,732)	(43.4%)	3,482,436	(2,666,732)	(43.4%)	3,482,436
Capital Assets	314,653	469,931	(439,931)	(93.6%)	30,000	(439,931)	(93.6%)	30,000
Higher Education Study	0	150,000	(150,000)	(100.0%)	0	0	0.0%	0
Education Funding Study	0	100,000	(100,000)	(100.0%)	0	0	0.0%	0
Total Line Items	9,367,647	17,271,120	(4,545,350)	(26.3%)	12,725,770	(3,927,500)	(22.7%)	13,343,620
By Funding Source								
General Fund	9,321,899	17,201,121	(4,545,351)	(26.4%)	12,655,770	(3,927,501)	(22.8%)	13,273,620
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	45,748	69,999	1	0.0%	70,000	1	0.0%	70,000
Total Funding Source	9,367,647	17,271,120	(4,545,350)	(26.3%)	12,725,770	(3,927,500)	(22.7%)	13,343,620
Total FTE	34.00	37.00	0.00	0.0%	37.00	0.00	0.0%	37.00

Statutory Authority

ND Constitution, Article 6, Judicial Branch, Sections 1-13, Chapters 27-02, 27-03, 27-04, 27-05, 27-05.2, 27-06, 27-17, 27-20, 27-23, North Dakota Century Code; North Dakota Rules of Disciplinary Procedure.

Agency Description

The North Dakota judicial system is comprised of the Supreme Court, district courts, municipal courts and the intermediate court of appeals, when convened. The juvenile court is a division of the district court. These courts provide the forum for the resolution of litigation in an orderly, timely manner.

The North Dakota Supreme Court is the highest court for the State of North Dakota. It has two major types of responsibilities--adjudicative and administrative. It is primarily an appellate court with jurisdiction to hear appeals from decisions of the district courts. The Court also has original jurisdiction authority and can issue such original and remedial writs as are necessary. In its administrative capacity, the Court is responsible for ensuring the efficient and effective operation of all courts in the state, maintaining high standards of judicial conduct, supervising the legal profession and promulgating procedural rules.

District Courts are the state trials courts of general jurisdiction. Among the types of cases they hear are civil, criminal, domestic relations, small claims, and probate. District Courts also serve as the Juvenile Courts in the state with original jurisdiction over any minor who is alleged to be unruly, delinquent, or deprived. In some districts, judicial referees have been appointed to preside over juvenile judgment

enforcement and domestic relations proceedings, other than contested divorces. District Courts are also the appellate courts of first instance for appeals from the decisions of many administrative agencies for criminal convictions in Municipal Courts. There are 47 District Court Judges in North Dakota.

Major Accomplishments

1. Mandated use of electronic filing.
2. Provided web-based access to court records.
3. Implemented rules to expedite appeals of termination of parental rights cases.
4. Revised the rules of criminal procedure.
5. Mandated greater use of alternative dispute resolution processes in district court.
6. Implemented mediation process in Supreme Court.
7. Collected fines/fees through state tax intercept.
8. Implemented self-help center for litigants.
9. Implemented ethics training for interpreters.
10. Expanded interactive television.
11. Expanded digital audio recording.
12. Implemented interactive phone payment system.
13. Implemented paper on demand filing system.
14. Implemented web payment system.

Executive Budget Recommendation

- Includes the budget as submitted.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

180 Judicial Branch

Bill#: HB1002

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Supreme Court	11,244,695	13,297,519	2,190,689	16.5%	15,488,208	2,929,298	22.0%	16,226,817
District Court	70,732,194	86,163,189	12,373,359	14.4%	98,536,548	16,728,831	19.4%	102,892,020
Judicial Cond Comm and Disc. Board	852,348	1,020,874	61,922	6.1%	1,082,796	124,091	12.2%	1,144,965
Total Major Programs	82,829,237	100,481,582	14,625,970	14.6%	115,107,552	19,782,220	19.7%	120,263,802
Salaries and Wages	61,924,187	71,029,173	9,799,010	13.8%	80,828,183	14,877,550	20.9%	85,906,723
Accrued Leave	0	2,930,973	(2,930,973)	(100.0%)	0	0	0.0%	0
Operating Expenses	17,369,197	23,926,583	3,871,445	16.2%	27,798,028	3,871,445	16.2%	27,798,028
Capital Assets	967,966	848,026	3,621,201	427.0%	4,469,227	3,621,201	427.0%	4,469,227
Supreme Court- Judges Retirement	85,768	75,017	6,916	9.2%	81,933	6,916	9.2%	81,933
District Court- Judges Retirement	470,516	500,936	(26,169)	(5.2%)	474,767	(26,169)	(5.2%)	474,767
Judicial Conduct Comm & Disciplinary Brd	852,348	1,020,874	61,922	6.1%	1,082,796	124,091	12.2%	1,144,965
Mediation	1,079,255	0	0	0.0%	0	0	0.0%	0
Und-Grant	80,000	80,000	0	0.0%	80,000	0	0.0%	80,000
Guardianship Monitoring Program	0	70,000	222,618	318.0%	292,618	238,159	340.2%	308,159
Total Line Items	82,829,237	100,481,582	14,625,970	14.6%	115,107,552	19,782,220	19.7%	120,263,802
By Funding Source								
General Fund	81,011,928	98,305,992	14,437,993	14.7%	112,743,985	19,591,004	19.9%	117,896,996
Federal Funds	1,505,739	1,808,091	110,820	6.1%	1,918,911	114,059	6.3%	1,922,150
Special Funds	311,570	367,499	77,157	21.0%	444,656	77,157	21.0%	444,656
Total Funding Source	82,829,237	100,481,582	14,625,970	14.6%	115,107,552	19,782,220	19.7%	120,263,802
Total FTE	344.00	363.00	28.00	7.7%	391.00	28.00	7.7%	391.00

Statutory Authority

North Dakota Century Code 54-61-01 to 54-61-04.

Agency Description

The North Dakota Commission on Legal Counsel for Indigents is an executive branch agency that consists of a statutorily-created board of seven persons appointed from various entities, to serve staggered terms. The agency is responsible for delivery of constitutionally-adequate services to criminal defendants and respondents in the state who financially qualify for indigent services in accordance with eligibility requirements. The Commission utilizes the eight judicial districts to regulate its program.

Major Accomplishments

1. Opened the administrative office in November 2005, and since then opened seven public defender offices in Grand Forks, Fargo, Bismarck, Minot (2), Williston and Dickinson. Hired full time employees, 17 of which are full time public defenders. Those 17 attorneys, plus approximately 60 private attorneys who contract with the agency, provide legal services to indigent clients in criminal and juvenile court in about 12,000 cases annually.
2. Established and adopted minimum performance standards for the attorneys that must be adhered to along with rules of professional responsibility. Provided free

training to the attorneys and staff, and encouraged other avenues of training throughout the year paid for by the Commission.

3. Kept abreast of technology needs, and utilized a web-based case reporting system that attorneys can access without charge.
4. Addressed the needs in oil rich counties where the case loads are rapidly rising by adding several monthly contracts using private attorneys in Williston, Minot, Watford City, Dickinson and Bismarck, as well as sending attorneys from eastern North Dakota.
5. Responded to the changing environment in oil rich counties by providing employees salary incentives and housing allowances.

Executive Budget Recommendation

- Adds 5.00 FTE and \$720,794 from the general fund to convert temporary employees to full-time equivalent positions.
- Adds 2.00 FTE and \$539,555 from the general fund to create a conflict office in Dickinson.
- Adds 2.00 FTE and \$539,555 from the general fund to create an office in Watford City.
- Provides \$4.2 million from the general fund to replace special funds that have been depleted.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

188 Commission on Legal Counsel for Indigents

Bill#: HB1022

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Counsel for Indigents Operations	11,648,843	14,421,276	(489,973)	(3.4%)	13,931,303	6,445,578	44.7%	20,866,854
Total Major Programs	11,648,843	14,421,276	(489,973)	(3.4%)	13,931,303	6,445,578	44.7%	20,866,854
Accrued Leave Payments	0	116,872	(116,872)	(100.0%)	0	0	0.0%	0
Legal Counsel for Indigents	11,648,843	14,304,404	(373,101)	(2.6%)	13,931,303	6,562,450	45.9%	20,866,854
Total Line Items	11,648,843	14,421,276	(489,973)	(3.4%)	13,931,303	6,445,578	44.7%	20,866,854
By Funding Source								
General Fund	9,804,240	11,923,410	107,892	0.9%	12,031,302	7,027,340	58.9%	18,950,750
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	1,844,603	2,497,866	(597,865)	(23.9%)	1,900,001	(581,762)	(23.3%)	1,916,104
Total Funding Source	11,648,843	14,421,276	(489,973)	(3.4%)	13,931,303	6,445,578	44.7%	20,866,854
Total FTE	30.00	33.00	0.00	0.0%	33.00	9.00	27.3%	42.00

Statutory Authority

ND Constitution Article IV, Section 13; North Dakota Century Code Chapters, 15-39.1, 21-10 and 54-52.

Agency Description

The Retirement and Investment Office (RIO) is an agency of the State of North Dakota. The agency was created by the 1989 Legislative Assembly to capture administrative and investment cost savings in the management of two important long-standing state programs - the retirement program of the Teachers' Fund for Retirement (TFFR) and the investment program of the State Investment Board (SIB). TFFR is a qualified defined benefit public pension plan for North Dakota public school teachers and administrators. Benefit funding comes from member and employer contributions and investment earnings. High quality member services and outreach programs are offered to members and employers as part of the continuing effort to keep them informed about the retirement program. The SIB is responsible for setting policies and procedures guiding the investment of over \$9.20 billion in assets for seven pension funds and 16 other insurance-type funds.

Major Accomplishments

1. Received the GFOA Certificate of Achievement for Financial Reporting for its annual financial report for the fiscal year ended June 30, 2013. This was the sixteenth time RIO received this award.
2. Received the 2013 Public Pension Standards Award for Funding and Administration from the Public Pension Coordinating Council. TFFR has received a PPCC Award since 1992.
3. Received a favorable plan determination letter from the IRS in 2012 confirming plan documents comply with IRS requirements.

Executive Budget Recommendation

- Recommends budget as requested.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

190 Retirement and Investment Office

Bill#: SB2022

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Teachers Fund for Retirement	2,466,186	2,761,336	171,620	6.2%	2,932,956	342,809	12.4%	3,104,145
Investment Program	1,268,544	2,138,033	126,268	5.9%	2,264,301	282,822	13.2%	2,420,855
Total Major Programs	3,734,730	4,899,369	297,888	6.1%	5,197,257	625,631	12.8%	5,525,000
Salaries and Wages	2,804,244	3,772,504	351,879	9.3%	4,124,383	679,622	18.0%	4,452,126
Accrued Leave Payments	0	71,541	(71,541)	(100.0%)	0	0	0.0%	0
Operating Expenses	882,398	973,324	17,550	1.8%	990,874	17,550	1.8%	990,874
Contingency	48,088	82,000	0	0.0%	82,000	0	0.0%	82,000
Total Line Items	3,734,730	4,899,369	297,888	6.1%	5,197,257	625,631	12.8%	5,525,000
By Funding Source								
General Fund	0	0	0	0.0%	0	0	0.0%	0
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	3,734,730	4,899,369	297,888	6.1%	5,197,257	625,631	12.8%	5,525,000
Total Funding Source	3,734,730	4,899,369	297,888	6.1%	5,197,257	625,631	12.8%	5,525,000
Total FTE	18.00	19.00	0.00	0.0%	19.00	0.00	0.0%	19.00

Statutory Authority

North Dakota Century Code Chapters 39-03.1, 52-11-01, 54-52, 54-52.1, 54-52.2, 54-52.3 and 54-52.6.

Agency Description

The Public Employees Retirement System is the administrator of several employee benefit plans for state employees and employees of participating political subdivisions. The plans include the following:

- Six Defined Benefit Retirement Plans
- Defined Contribution Retirement Plan
- Deferred Compensation Plan
- Retiree Health Insurance Credit Plan
- Group Health Insurance Plan
- Group Life Insurance Plan
- Voluntary Insurance Products (dental, vision, long-term care plans)
- Employee Assistance Program
- Pretax Benefits Program (FlexComp)

Major Accomplishments

1. Implemented the second year of retirement contribution increases for employers and employees effective January 1, 2013.
2. Submitted legislation to implement the last two years of the contribution increases for 2014 and 2015 to complete the four year Recovery Plan to return all plans to 100 percent funding status.
3. Implemented legislation to offer all state employees hired on or after October 1, 2013 the opportunity to elect to join the Defined Contribution Plan.
4. Started an asset allocation review for the Job Service Retirement Plan.
5. Reviewed and adopted updated investment policies for the Defined Contribution Retirement Plan and Deferred Compensation Companion Plan.
6. Started working with State Auditor's office, plan actuary and plan auditor to develop an implementation plan for accounting and financial reporting for pension plans. Provided initial training in June 2014 for a pilot group of participating employers and their auditors.
7. Reviewed bids for the dental plan and selected a new vendor. Transitioned to the new vendor was effective January 1, 2013.
8. Prepared and distributed an RFP for the health plan in 2012, reviewed bids and selected existing vendor.
9. Submitted legislation, considered and passed to comply with the Patient Protection and Affordable Care Act..
10. Conducted annual Wellness Forums for Employer Based Wellness Program and a retiree wellness fair.
11. Completed annual renewals of the Employer Based Wellness Program.
12. Prepared and distributed an RFP for the OPEB valuation; reviewed bids and selected a new vendor.

13. Prepared and distributed RFPs for the health plan in 2014.
14. Worked with the Department of Health, Department of Human Services and Indian Affairs Department to prepare a report for the North Dakota Legislature on the status of diabetes efforts in North Dakota.
15. Prepared an RFP and issued for processing spending account claims. Transition to the new vendor was effective January 1, 2013.
16. Transitioned to the new claims processing vendor and expanded claim payment options to include ability to file claims on-line, use mobile applications, auto adjudication and debit cards.
17. Rolled out Member Self Service (MSS) to all employees during 2013. MSS was available for the 2013 annual enrollment period for employees to make their annual enrollment benefit elections. Over 80 percent of all benefit elections made during annual enrollment were entered through MSS.
18. Started exploring external communication channels that include updating NDPERS website and social media.
19. Implemented legislation passed by the 2013 legislative session and updated our administrative rules.
20. Established a secondary datacenter for disaster recovery of the PERSLink system.
21. Established a Service Level Agreement with ITD for disaster recovery services.
22. Continued work on updating the NDPERS business continuity plan.

Executive Budget Recommendation

- Provides \$216,609 and 1.00 FTE for a Chief Financial Officer position. Additional duties and the need for a central compliance specialist due to new federal and state statutes have increased the workload beyond what can be handled by a combined Chief Operating Officer/Chief Financial Officer position.
- Provides \$51,346 and a 0.50 FTE for more support in the benefits area. Retirements continue to increase and more are anticipated.
- Provides \$122,352 temporary funding to assist with the transition to having a portable retiree health credit for pre-Medicare retirees, assist with the number of calls received due to proposed and actual legislative changes and provide support during the website upgrade.
- Provides \$43,052 for workload increases. PERSLink system caused efficiencies that will enable current staff to assume the additional duties that will occur due to changing the retiree health credit to portable, beginning July 2015.
- Provides \$147,000 to implement several PERSLink system refinements.
- Provides \$73,880 for website redesign to accommodate mobile access.
- Provides \$406,294 and 2.00 FTE in the event PERS Health Insurance becomes self-funded.
- Provides \$27,500 to redesign the reception area.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

192 Public Employees Retirement System

Bill#: SB2022

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
PERS	6,609,239	7,650,450	542,085	7.1%	8,192,535	2,205,768	28.8%	9,856,218
Total Major Programs	6,609,239	7,650,450	542,085	7.1%	8,192,535	2,205,768	28.8%	9,856,218
Salaries and Wages	4,440,411	5,016,339	532,832	10.6%	5,549,171	1,887,778	37.6%	6,904,117
Accrued Leave Payments	0	103,217	(103,217)	(100.0%)	0	0	0.0%	0
Operating Expenses	1,981,042	2,280,894	112,470	4.9%	2,393,364	421,207	18.5%	2,702,101
Technology Project Carryover	187,786	0	0	0.0%	0	0	0.0%	0
Contingency	0	250,000	0	0.0%	250,000	0	0.0%	250,000
Total Line Items	6,609,239	7,650,450	542,085	7.1%	8,192,535	2,205,768	28.8%	9,856,218
By Funding Source								
General Fund	0	0	0	0.0%	0	0	0.0%	0
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	6,609,239	7,650,450	542,085	7.1%	8,192,535	2,205,768	28.8%	9,856,218
Total Funding Source	6,609,239	7,650,450	542,085	7.1%	8,192,535	2,205,768	28.8%	9,856,218
Total FTE	33.00	33.00	0.00	0.0%	33.00	3.50	10.6%	36.50

Statutory Authority

North Dakota Century Code Title 15.1, Sections 25-06-02.1, 25-07-01.1, 54-24-01, 23-09-4-01 through 08, 57-64, 12-60-24 and 54-59-17.

Agency Description

Responsibilities charged to the Superintendent of Public Instruction by the Constitution of North Dakota and the North Dakota Legislative Assembly require the enforcement of all state statutes and federal regulations pertaining to the establishment and maintenance of public schools and related programs. Specifically, the duties include:

- Supervise the provision of elementary and secondary education; approve schools; manage a system of background checks for private and parochial schools; approve school construction; approve the school calendar; implement a uniform system of school district accounting, budgeting, and reporting; and administer school district aid and transportation.
- Administer statewide accreditation through AdvancEd, provide guidance relating to home education, and implement Principal and Teacher Evaluation support.
- Develop course content standards and assessments.
- Direct school district annexation, reorganization, and dissolution efforts.
- Promulgate administrative rules.
- Collaborate with ITD and other governmental agencies to assist in the development of a Longitudinal Data System.
- Administer state and federal programs identified in state law.
- Chair, Board of Higher Education Nominating Committee.
- Supervise the ND School for the Deaf/Resource Center for Deaf and Hard of Hearing, ND Vision Services/School for the Blind, and the ND State Library.
- Develop teacher contracts and personnel policies needed for administration of state-supported schools (NDSD/RCDHH and NDVS/SB).
- Implement and administer the ND Academic and ND Career and Technical Education Scholarship Programs.
- Establish common goals to align and coordinate educational efforts that support the work of the Joint Board, Professional Development, Early Childhood Education initiatives, and implementation of minimal graduation requirements.
- Promote and support student health and wellness initiatives.

Major Accomplishments

1. Implemented the ND Scholarship Program and awarded scholarships to over 4,100 ND graduating seniors.
2. Provided four scholarships for graduate level speech-language pathologists through the State Personnel Development Grant to help combat the shortage of Speech-Language Pathologists.
3. Administered statewide ACT and WorkKeys testing to each high school junior in the state.
4. Secured AdvancEd to accredit all schools.

5. Began requiring all schools to adopt a Principal and Teacher Evaluation Model approved by the DPI.
6. Cooperated in expanding the ND STEM Network.
7. Developed, published and disseminated two key documents, in collaboration with the ND Department of Health; the *School Health Guidelines* and the *School Emergency Guidelines* to all ND schools.
8. Collaborated with distinguished educators, to create a tool box of exemplary school improvement practices and strategies.
9. Met federal performance indicators in fifteen adult education content/instructional areas and was one of only four states to do so.
10. Completed the Direct Certification System in STARS, which notifies districts of students' eligibility for free school meals as a result of receiving Supplemental Nutrition Assistance Program (SNAP) or Temporary Assistance for Needy Families (TANF) benefits.
11. Designed and implemented a new web-based program for the management of Child Nutrition and Food Distribution program sponsors, USDA Food orders and inventory, child nutrition reimbursement payments and program applications.
12. Developed and conducted a statewide survey of effective teacher and principal evaluation practices in anticipation of establishing uniform statewide teacher and principal evaluation guidelines for voluntary adoption by local school districts.
13. Generated annual adequate yearly progress reports and detailed school and district profile reports at various levels of specificity.
14. Participated in several multi-state consortia to develop voluntary, national, high-quality formative and summative assessments based on the Common Core Standards.
15. Began roll-out of the state longitudinal data system (SLDS) to select districts.
16. Adopted the Smarter Balanced Assessment Consortium model to administer the state's general assessment and the Dynamic Learning Maps model to administer the state's alternate assessment. Educators participated in development activities for both models.
17. Began revising the state's academic content standards in science and foreign language.

Executive Budget Recommendation

- Provides \$1.90 billion, of which \$1.68 billion is from the general fund, for integrated formula payments to school districts.
- Authorizes a \$300.0 million transfer from the strategic investment and improvements fund to the school construction loan fund.
- Appropriates \$60.0 million for transportation grants, an increase of \$6.5 million.
- Recommends \$30.0 million in impact grants to be administered by the Department of Trust Lands for qualifying school districts.
- Increases special education grants by \$800,000, for a total of \$17.3 million.
- Recommends \$6.0 million in a special line item for PowerSchool.

- Provides \$14.8 million one-time from the general fund for rapid enrollment grants to be distributed through a two-tiered model comparing school district year-to-year fall enrollment.
- Adds \$700,000 for the teacher support program to maintain and enhance the mentoring programs provided to school principals and instructional coaches.
- Initiates a college and career readiness initiative to provide remedial instruction during the senior year of high school and expand availability of advanced placement courses.
- Approves \$597,674 to fund the statutory compliance functions of the safe and healthy schools unit.
- Recommends \$624,000 to expand adult education grants and increase the state's available workforce.
- Includes \$799,750 for required operating costs of the statewide accreditation system.
- Approves \$332,932 for salary increases for targeted occupations.
- Provides \$300,000 for the principal and teacher evaluation system.
- Authorizes \$277,351 to support two content specialist positions using existing FTE.
- Recommends base funding of \$160,000 for regular maintenance and updates of the IT systems used to collect school district data, distribute state aid payments and administer federal grants.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

201 Department of Public Instruction

Biennium: 2015-2017

Bill#: SB2013

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
General Management	1,321,346,317	1,834,475,145	(23,676,053)	(1.3%)	1,810,799,092	153,199,766	8.4%	1,987,674,911
Educational Success and Community Support	215,686,864	231,330,432	(14,314,888)	(6.2%)	217,015,544	(10,546,660)	(4.6%)	220,783,772
Information and Administrative Support	100,454,123	100,217,695	4,738,444	4.7%	104,956,139	5,904,295	5.9%	106,121,990
Total Major Programs	1,637,487,304	2,166,023,272	(33,252,497)	(1.5%)	2,132,770,775	148,557,401	6.9%	2,314,580,673
Salaries and Wages	13,229,452	16,091,143	321,608	2.0%	16,412,751	3,058,616	19.0%	19,149,759
Accrued Leave Payments	0	322,068	(322,068)	(100.0%)	0	0	0.0%	0
Operating Expenses	25,652,855	30,699,102	(1,268,300)	(4.1%)	29,430,802	99,090	0.3%	30,798,192
Integrated Formula Payments	929,265,751	1,752,508,150	(408,150)	-0.0%	1,752,100,000	147,491,850	8.4%	1,900,000,000
Grants-Special Education	16,000,000	16,500,000	0	0.0%	16,500,000	800,000	4.8%	17,300,000
School District Safety Grants	0	3,000,000	(3,000,000)	(100.0%)	0	0	0.0%	0
Grants-Transportation	48,500,000	53,500,000	0	0.0%	53,500,000	6,500,000	12.1%	60,000,000
Powerschool	0	0	0	0.0%	0	6,000,000	100.0%	6,000,000
Grants-Other Grants	263,995,516	291,866,261	(27,189,039)	(9.3%)	264,677,222	(10,683,539)	(3.7%)	281,182,722
Grants-Mill Levy Reductions	331,585,019	0	0	0.0%	0	0	0.0%	0
Initiative Funding Pool	0	1,386,548	(1,386,548)	(100.0%)	0	0	0.0%	0
Education Jobs Fund	9,217,832	0	0	0.0%	0	0	0.0%	0
Transportation Efficiency	5,829	30,000	0	0.0%	30,000	0	0.0%	30,000
National Board Certification	35,050	120,000	0	0.0%	120,000	0	0.0%	120,000
Total Line Items	1,637,487,304	2,166,023,272	(33,252,497)	(1.5%)	2,132,770,775	148,557,401	6.9%	2,314,580,673
By Funding Source								
General Fund	1,241,231,312	1,729,026,513	(24,813,677)	(1.4%)	1,704,212,836	77,090,854	4.5%	1,806,117,367
Federal Funds	285,676,598	295,297,569	(8,457,303)	(2.9%)	286,840,266	(7,362,359)	(2.5%)	287,935,210
Special Funds	110,579,394	141,699,190	18,483	0.0%	141,717,673	78,828,906	55.6%	220,528,096
Total Funding Source	1,637,487,304	2,166,023,272	(33,252,497)	(1.5%)	2,132,770,775	148,557,401	6.9%	2,314,580,673
Total FTE	99.75	99.75	0.00	0.0%	99.75	0.00	0.0%	99.75

Statutory Authority

ND Constitution Article VIII, Section 6; North Dakota Century Code Chapter 15-10.

Agency Description

The North Dakota State Board of Higher Education (SBHE), established in 1939 by the voters of North Dakota, is the governing body for the state's 11 publicly funded institutions which comprise the North Dakota University System (NDUS). The SBHE carries out its constitutional responsibilities through a comprehensive set of policies. The Chancellor serves as the system's chief executive officer. The Chancellor and the system office staff support the SBHE in developing public policy for the NDUS, in advocating on its behalf, and fostering shared leadership throughout the system.

Major Accomplishments

1. Ranked #3 in the nation in higher education degree attainment. Out of 25-34 year olds in North Dakota, 50.0 percent have an associate degree or higher compared to the national average of 40.0 percent. This is an increase of 5.0 percent for ND since 2011. Out of all the students who start at a ND community college and wish to continue their education, 74.0 percent successfully transfer and complete their four year degree.
2. Developed a 2015-2020 strategic plan through a comprehensive process. The new plan includes innovative ideas about providing programs in new ways, student success, affordability, and collaboration across the system and with business.
3. Adopted new and enhanced programs to meet state workforce needs, such as the petroleum engineering program at UND, the partnership between NDSCS and RDO and Komatsu on diesel tech programs, and the collaboration between UND, NDSU, LRSC, State of North Dakota, Grand Forks Air Force Base, and city of Grand Forks as a test site for unmanned aerial systems, as well as the innovative diesel refinery operation training program developed at BSC.
4. Maintained affordability of public higher education in ND with 2013-14 tuition and required fees at four-year campuses that are 8-12.0 percent below those of regional counterparts. A four-year freeze in the tuition rates at ND's community colleges has significantly narrowed the gap between their rates and those of two-year regional peers, from 21.0 percent in 2008-09 to nearly 9.0 percent in 2013-14.
5. Completed a facility master plan that allows the Board to prioritize capital improvements and deferred maintenance investments; space utilization and facility inventory will be ongoing.
6. Worked closely with the DPI on core curriculum that aligns with what is necessary for high school students in grades 9-12 to be better prepared for college coursework.
7. Collaborated with colleges and universities to analyze best practices in student success, completion and affordability, including evaluating admissions standards, reviewing early intervention methods and developing consistent tuition models.
8. Launched first phase of NDUS intranet and document management system using SharePoint technology.
9. Revamped Project Vital Link, a major recruitment tool for high school students and an information center for counselors and parents, by changing it from a static online pdf to a mobile-friendly, interactive website enhanced with supplemental direct mail pieces.
10. Completed construction of the new Information Technologies office building in October 2013. NDUS Core Technology Service staff along with many of the UND ITSS staff moved into the new building, bringing together over 100 staff members who had previously been located in seven different buildings across or adjacent to the UND campus. Also completed renovation of previously used space at UND for new data center.
11. Worked with ITD to implement threat prevention and detection services on the Internet links serving the NDUS.
12. Developed web-based budget module for the preparation of the annual budgets of all NDUS institutions.

Executive Budget Recommendation

- Provides \$29.0 million for the North Dakota Higher Education Challenge Fund to provide matching grants for academic enhancements to NDUS colleges and universities.
- Appropriates \$17.1 million for the academic and technical education merit scholarship program, an increase of \$7.1 million, and changes the per student lifetime cap to \$10,000.
- Enhances funding for the needs-based state grant program by \$1.7 million and increases the cap to \$1,784 per student in fiscal year 2017.
- Increases funding for tribal community college grants to \$1.5 million.
- Approves \$5.8 million to enhance IT security and streamline technology services.
- Provides \$5.0 million to be distributed to campuses for extraordinary repair projects.
- Recommends \$4.0 million in energy impact grants to be administered by the Department of Trust Lands for qualifying colleges and universities.
- Provides \$1.8 million and 3.00 FTE to strengthen the NDUS internal audit department.
- Appropriates \$8.0 million for EPSCoR matching funds, an increase of \$950,000.
- Recommends \$220,000 for the open education resources initiative to reduce textbook costs for students.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

215 ND University System
Biennium: 2015-2017

Bill#: HB1003

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
System Office and Board Operations	7,225,515	12,878,853	(350,750)	(2.7%)	12,528,103	2,058,042	16.0%	14,936,895
Student Grant Programs	38,040,292	48,713,940	3,137,605	6.4%	51,851,545	3,637,605	7.5%	52,351,545
System Grant Programs	8,810,254	44,684,074	(36,345,082)	(81.3%)	8,338,992	(1,141,602)	(2.6%)	43,542,472
System Projects	30,747,604	51,091,426	(2,232,782)	(4.4%)	48,858,644	5,302,548	10.4%	56,393,974
Total Major Programs	84,823,665	157,368,293	(35,791,009)	(22.7%)	121,577,284	9,856,593	6.3%	167,224,886
Capital Assets	11,737,172	10,436,045	(2,067,209)	(19.8%)	8,368,836	(2,067,209)	(19.8%)	8,368,836
Deferred Maintenance Pool	0	0	0	0.0%	0	5,000,000	100.0%	5,000,000
Master Plan & Space Utilization Study	0	1,000,000	(1,000,000)	(100.0%)	0	(250,000)	(25.0%)	750,000
Student Financial Assistance Grants	20,097,526	22,394,300	574,379	2.6%	22,968,679	574,379	2.6%	22,968,679
Veterans Assistance Programs	0	325,000	0	0.0%	325,000	0	0.0%	325,000
ND Scholars Program	2,282,580	2,340,424	(226,840)	(9.7%)	2,113,584	(226,840)	(9.7%)	2,113,584
Title II Grants	960,254	1,006,472	0	0.0%	1,006,472	0	0.0%	1,006,472
Native American Scholarship	556,400	667,351	(18,084)	(2.7%)	649,267	(18,084)	(2.7%)	649,267
Core Technology Services	18,243,703	38,822,110	867,698	2.2%	39,689,808	7,653,028	19.7%	46,475,138
Education Challenge Fund	0	29,000,000	(29,000,000)	(100.0%)	0	0	0.0%	29,000,000
Education Incentive Programs	3,555,285	3,367,055	(18,055)	(0.5%)	3,349,000	(18,055)	(0.5%)	3,349,000
Tribal Community College Grants	1,000,000	1,000,000	0	0.0%	1,000,000	500,000	50.0%	1,500,000
Academic and Tech Ed. Scholarship	6,970,842	14,158,262	3,012,738	21.3%	17,171,000	3,012,738	21.3%	17,171,000
Student Exchange Program	3,577,659	4,461,548	(186,533)	(4.2%)	4,275,015	(186,533)	(4.2%)	4,275,015
Professional Liability Insurance	800,000			0.0%	0	0	0.0%	0
Two Year Campus Marketing	766,729	833,271	(33,271)	(4.0%)	800,000	(33,271)	(4.0%)	800,000
Performance Funding	0	5,000,000	(5,000,000)	(100.0%)	0	0	0.0%	0
Student Mental Health	0	282,520	0	0.0%	282,520	33,480	11.9%	316,000
Competitive Research Program	7,050,000	7,050,000	0	0.0%	7,050,000	950,000	13.5%	8,000,000
Biennium Carryover	297,848	212,351	(212,351)	(100.0%)	0	0	0.0%	0
System Governance	6,927,667	12,666,502	(138,399)	(1.1%)	12,528,103	2,270,393	17.9%	14,936,895
Capital Projects Contingency	0	2,345,082	(2,345,082)	(100.0%)	0	0	0.0%	0
Open Educational Resources Initiative	0	0	0	0.0%	0	220,000	100.0%	220,000
Total Line Items	84,823,665	157,368,293	(35,791,009)	(22.7%)	121,577,284	9,856,593	6.3%	167,224,886
By Funding Source								
General Fund	82,307,226	155,068,381	(35,502,313)	(22.9%)	119,566,068	10,145,289	6.5%	165,213,670
Federal Funds	1,511,695	1,295,168	(288,696)	(22.3%)	1,006,472	(288,696)	(22.3%)	1,006,472
Special Funds	1,004,744	1,004,744	0	0.0%	1,004,744	0	0.0%	1,004,744
Total Funding Source	84,823,665	157,368,293	(35,791,009)	(22.7%)	121,577,284	9,856,593	6.3%	167,224,886
Total FTE	101.31	112.99	(1.00)	(0.9%)	111.99	2.00	1.8%	114.99

Statutory Authority

ND Constitution Article IX, North Dakota Century Code Chapters 15-01 through 15-09, 15-68, 38-09, 38-11, 47.30.1, 61-33 and Sections 57-02.3-05, 57-62-02 through 57-62-06. ND Constitution Article X Section 21, North Dakota Century Code Sections 15.1-36-02 and 15.1-36-03.

Agency Description

The primary role of the Board of University and School Lands and the Department of Trust Lands is to manage the 13 permanent trust funds under its control, to preserve the purchasing power of the trusts and to maintain stable distributions to trust beneficiaries. Those beneficiaries include local school districts, various colleges and universities, and other institutions in North Dakota. Revenues are generated for the trusts through the prudent management of trust assets, consisting of 706,000 surface acres, over 2.6 million mineral acres, and \$3.24 billion of assets (loans, marketable securities, and cash equivalents). The surface acres are leased to ranchers and farmers across the state. The mineral acres are offered for oil, gas, coal, potash, gravel, scoria, and more recently, clay leasing.

The Department also manages five additional funds: the strategic investment and improvements fund, the coal development trust fund, the capitol building trust fund, and the Indian cultural education trust fund. These non-permanent funds had total financial assets of \$1.32 billion at the end of fiscal year 2014. The \$240 million oil and gas impact grant fund is also administered by the Department.

The Department also administers the Unclaimed Property Act. In this capacity the Department collects “unclaimed property” (uncashed checks, unused bank accounts, etc.), and processes owners’ claims. This property is held in trust for the owner to claim, but the revenue from the investment of the property benefits the common schools trust fund.

The Department also operates the Energy Infrastructure and Impact Office, which provides financial support to political subdivisions that are affected by energy development in the state. Assistance is provided through both the oil and gas impact grant program and the coal impact loan program.

Major Accomplishments

1. Managed permanent trust fund financial assets, which have grown from \$900.0 million on June 30, 2009 to \$3.28 billion on June 30, 2014.
2. Combined “other fund” financial assets managed by the Department have increased from \$95.5 million on June 30, 2009 to \$1.47 billion on June 30, 2014.
3. Undertook a comprehensive review of all investment strategies and adopted and implemented a new asset allocation to include tactical, emerging markets, international and real estate strategies for the permanent funds.

4. Issued a total of 801 oil and gas leases on 68,525 mineral acres during fiscal year 2013. During fiscal year 2014, a total of 1,024 leases involving 82,463 mineral acres were issued.
5. Received total mineral lease bonuses of \$69.1 million in fiscal year 2013 and \$35.6 million in fiscal year 2014.
6. Received oil and gas royalties of \$275.8 million during FY 2013 and \$302.7 million during FY 2014. Royalties increased 34.9 percent during FY 2013 and approximately 35.5 percent during FY 2014.
7. Managed 9,752 active oil and gas leases of which 6,671 were “held by production” status, as of June 30, 2014. At the end of FY 2013, the total number of active leases was 9,602 including 5,621 in “held by production” status.
8. Monitored production from 3,572 producing wells as of June 30, 2014, up from approximately 1,483 two years earlier. The Department collected more than \$8.5 million of additional royalties, penalties, and taxes during FY 2014 as a result of revenue compliance efforts.
9. Received 425 applications for easements, permits and surface damage agreements with a total income of \$5.5 million in FY 2014.
10. Continued with more than a 99.0 percent leasing rate for agricultural tracts.
11. Processed 5,891 property claims, through the Unclaimed Property Division, totaling \$4.0 million during fiscal years 2013 and 2014.
12. Administered a significantly expanded energy impact grant program increase, through the Energy Infrastructure and Impact Office. Program award commitments increased from \$3.9 million in 2011; \$124.3 million in the 2011-13 biennium; and \$239.3 million in the 2013-15 biennium.
13. Increased average EIO reimbursement payments from \$9,032 in fiscal year 2011 to \$121,745 in fiscal year 2014.
14. Administered continued disbursements of the 2011 \$30.0 million Flood Impacted Political Subdivision Infrastructure Development Grant program to assist communities and other political subdivisions in responding to flood repairs and relocation needs.
15. Completed a legislatively directed study of land use and management options for land associated with Lakes Sakakawea and Oahe.

Executive Budget Recommendation

- Adds 5.00 new FTE and related operating expenses to support the land and minerals management functions of the Department of Trust Lands.
- Provides funding for additional lease space for the Department of Trust Lands and the Energy Infrastructure and Impact Office.
- Provides \$94 million from the oil and gas impact grant fund for grants to airports (\$50 million), Higher Education (\$4 million), Schools (\$30 million) and Cities in small oil producing counties (\$10 million).

REQUEST/RECOMMENDATION COMPARISON SUMMARY

226 Department of Trust Lands

Bill#: HB1013

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Trust Lands	75,042,433	273,661,732	(265,245,815)	(96.9%)	8,415,917	(170,203,308)	(62.2%)	103,458,424
Total Major Programs	75,042,433	273,661,732	(265,245,815)	(96.9%)	8,415,917	(170,203,308)	(62.2%)	103,458,424
Salaries and Wages	3,873,417	5,157,015	184,910	3.6%	5,341,925	1,652,074	32.0%	6,809,089
Accrued Leave Payments	0	108,541	(108,541)	(100.0%)	0	0	0.0%	0
Operating Expenses	782,999	1,975,863	279,090	14.1%	2,254,953	194,469	9.8%	2,170,332
Capital Assets	39,095	65,550	(65,550)	(100.0%)	0	0	0.0%	0
Other Grants	66,501,684	239,299,174	(239,299,174)	(100.0%)	0	0	0.0%	0
Flood Infrastructure Develop. Grants	3,845,238	26,154,763	(26,154,763)	(100.0%)	0	0	0.0%	0
Contingencies	0	200,000	(100,000)	(50.0%)	100,000	(100,000)	(50.0%)	100,000
Energy Infrastructure & Impact	0	700,826	18,213	2.6%	719,039	93,678,177	13,366.8%	94,379,003
Total Line Items	75,042,433	273,661,732	(265,245,815)	(96.9%)	8,415,917	(170,203,308)	(62.2%)	103,458,424
By Funding Source								
General Fund	3,845,238	26,154,763	(26,154,763)	(100.0%)	0	(26,154,763)	(100.0%)	0
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	71,197,195	247,506,969	(239,091,052)	(96.6%)	8,415,917	(144,048,545)	(58.2%)	103,458,424
Total Funding Source	75,042,433	273,661,732	(265,245,815)	(96.9%)	8,415,917	(170,203,308)	(62.2%)	103,458,424
Total FTE	24.75	31.00	0.00	0.0%	31.00	5.00	16.1%	36.00

Statutory Authority

North Dakota Century Code Chapter 15-10-01.

Agency Description

As a community college, the purpose of Bismarck State College is to provide an educational environment of the highest caliber at a reasonable cost; to maintain a warm and wholesome social atmosphere; to provide opportunities for advanced knowledge, improved skills, high ideals and ethical standards; and to make learning an enjoyable, rewarding experience. Students may 1) earn college credits for transfer to a four-year institution; 2) complete training in a career-technical program; 3) keep job skills current through workforce training or take non-credit courses in subjects of personal interest. The college also recognizes the importance of promoting research, public service, economic development, and cultural awareness. The service areas include the immediate, contiguous geographical region for most programs, and statewide, regional or nationwide areas for select, unique programs.

Major Accomplishments

1. Launched a new online program in Water and Waste Water treatment, designed for entry-level employment in water treatment plants, city and rural utilities, power plants, process and other industrial facilities.
2. Precision Agriculture was expanded in the ag curriculum with the help of a \$150,000 grant from Cenex Harvest States.
3. Partnered with Communications Workers of American (CWA) to provide continuing online education and training to its members across the US, Canada and Puerto Rico.
4. Developed a student success class (First Year Experience) to help students make a smooth transition to college and enable them to reach their goals.
5. Nursing degree program graduates achieved 100 percent pass rate on their entry into practice licensure exams (NCLEX).
6. Recognized numerous students for receiving awards from regional and national organizations and competitions.

7. Recognized student athletes and coaches for various regional and national championships and honors.
8. Awarded a US Department of Labor job training grant (TREND) totaling \$14.6 million in consortium with WSC and three ND tribal colleges (Fort Berthold, Turtle Mountain and Sitting Bull).
9. Recipient of the 2013 Bismarck Mandan Chamber of Commerce Golden Eagle Award in recognition of BSC's support of the military.
10. BSC students and employees launched The Myx, an online radio station found at bscmyx.com.
11. Implemented a one card system (Mystic Card) for dining and other campus activities.
12. Recognized several employees for being named to "40 under 40" by the Bismarck Tribune's Business Watch magazine.
13. Completed major addition to the Student Union to enhance the dining experience and offer more choices to students, employees and visitors.
14. Continuing Education Training and Innovation division was honored for excellence in management practices by the Learning Resources Network (LERN).
15. Hosted the Kennedy Symposium - headlined by Clint Hill, former secret service agent assigned to Mrs. Kennedy.

Executive Budget Recommendation

- Adds \$1.6 million from the general fund to repair campus infrastructure.
- Provides \$38.4 million from the general fund for the state share of campus operations at \$132.58 per adjusted student credit hour, including \$975,753 for a two-year tuition freeze.
- Adds 3.00 FTE for campus security personnel.
- Approves \$1.4 million to pay campus special assessment balances.
- Recommends \$525,000 for one-time campus security needs.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

227 Bismarck State College
Biennium: 2015-2017

Bill#: HB1003

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Bismarck State College	34,914,555	62,464,286	(22,970,867)	(36.8%)	39,493,419	(20,026,094)	(32.1%)	42,438,192
Total Major Programs	34,914,555	62,464,286	(22,970,867)	(36.8%)	39,493,419	(20,026,094)	(32.1%)	42,438,192
Operating Expenses	27,628,314	32,953,654	2,773,076	8.4%	35,726,730	4,977,763	15.1%	37,931,417
Capital Assets	5,310,270	14,072,879	(10,906,190)	(77.5%)	3,166,689	(10,166,104)	(72.2%)	3,906,775
Capital Assets-Carryover	498,054	165,336	(165,336)	(100.0%)	0	0	0.0%	0
Capital Projects Non-State Funded	1,427,583	6,665,000	(6,065,000)	(91.0%)	600,000	(6,065,000)	(91.0%)	600,000
Capital Projects - Non-State Carryover	50,334	8,607,417	(8,607,417)	(100.0%)	0	0	0.0%	0
Total Line Items	34,914,555	62,464,286	(22,970,867)	(36.8%)	39,493,419	(20,026,094)	(32.1%)	42,438,192
By Funding Source								
General Fund	33,436,638	47,191,869	(8,298,450)	(17.6%)	38,893,419	(5,353,677)	(11.3%)	41,838,192
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	1,477,917	15,272,417	(14,672,417)	(96.1%)	600,000	(14,672,417)	(96.1%)	600,000
Total Funding Source	34,914,555	62,464,286	(22,970,867)	(36.8%)	39,493,419	(20,026,094)	(32.1%)	42,438,192
Total FTE	126.96	133.53	0.00	0.0%	133.53	3.00	2.2%	136.53

Statutory Authority

North Dakota Century Code Chapter 15-10-01.1.

Agency Description

Lake Region State College (LRSC) is a student-centered, open access, comprehensive community college within the North Dakota University System. The college provides quality academic education, vocational/technical training, workforce training, educational outreach opportunities, and life-long learning.

LRSC serves approximately 3,000 students each year though on-campus and distance delivery. LRSC is proud to collaborate with other NDUS campuses to offer an Associate of Arts Degree online, a Baccalaureate Degree in Business in cooperation with Mayville State University in Devils Lake, Associate Degree Nursing through a consortium with Dakota College - Bottineau, Bismarck State College, Williston State College, and Fort Berthold Community College, a Baccalaureate Degree in Criminal Justice in cooperation with Minot State University, and an Associate of Applied Science in Law Enforcement through innovative computer-based training and e-learning technology. LRSC, in cooperation with local law enforcement agencies, offers its Peace Office Training program in Bismarck, Minot, Devils Lake, Grand Forks and Fargo.

Major Accomplishments

1. Offered a nursing program in Grand Forks beginning fall 2014 to address the nurse shortage.
2. Opened the Dakota Precision Ag Center and began to train students in 2013.

3. Offered music courses in the fall 2012 for the first time in many years.
4. Increased number of extracurricular sports offerings beginning in fall 2012.
5. Continued to expand course offerings in the Grand Forks Public School System.
6. Established the Certified Nurse Assistant training program on the Grand Forks Air Force Base.
7. Completed construction of a wind tower and began to provide power to the campus in February 2013 and to be used as a key training tool in the Wind Energy Technician degree program.
8. Continued expansion of training operations for the Peace Officer Training program. Locations now include Devils Lake, Fargo, Grand Forks, Minot, and Bismarck.
9. Held the ribbon-cutting ceremony for the opening of the beautiful new Tech Center addition in September 2014.

Executive Budget Recommendation

- Adds \$1.6 million from the general fund to repair electrical service, switchgear and for window replacement.
- Provides \$17.3 million from the general fund for the state share of campus operations at \$132.58 per adjusted student credit hour, including \$336,184 for a two-year tuition freeze.
- Adds 3.00 FTE for campus security personnel.
- Recommends \$456,975 for one-time campus security needs.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

228 Lake Region State College

Bill#: HB1003

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Lake Region State College	12,626,221	18,742,340	(391,179)	(2.1%)	18,351,161	660,470	3.5%	19,402,810
Total Major Programs	12,626,221	18,742,340	(391,179)	(2.1%)	18,351,161	660,470	3.5%	19,402,810
Operating Expenses	9,003,614	12,429,097	3,531,183	28.4%	15,960,280	5,028,307	40.5%	17,457,404
Capital Assets	1,012,687	6,313,243	(3,922,362)	(62.1%)	2,390,881	(4,367,837)	(69.2%)	1,945,406
Capital Assets-Carryover	2,609,920	0	0	0.0%	0	0	0.0%	0
Total Line Items	12,626,221	18,742,340	(391,179)	(2.1%)	18,351,161	660,470	3.5%	19,402,810
By Funding Source								
General Fund	12,626,221	18,742,340	(391,179)	(2.1%)	18,351,161	660,470	3.5%	19,402,810
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	0	0	0	0.0%	0	0	0.0%	0
Total Funding Source	12,626,221	18,742,340	(391,179)	(2.1%)	18,351,161	660,470	3.5%	19,402,810
Total FTE	40.22	50.19	0.00	0.0%	50.19	3.00	6.0%	53.19

Statutory Authority

North Dakota Century Code 15-10-01.1.

Agency Description

Williston State College (WSC) is a comprehensive community college serving northwest North Dakota and beyond with Associate of Arts, Associate of Science, Associate of Applied Science, certificate education in academic transfer, and vocational education, as well as Workforce Training as a service to regional employers.

Major Accomplishments

1. Began construction of a second apartment building on campus which is a mirror image of the first apartment building completed in August 2013. The second apartment is expected to be completed in December 2014. These apartments provide more affordable housing options for faculty, staff and students.
2. Explored a partnership with UND for shared services in several areas including finance, operations, marketing, financial aid and curriculum. A WSC Finance office is being set up on the campus of UND with a WSC employee.

3. Proposed a new 30,000 square foot Allied Health programs building. The facility would be used collaboratively within the University System to address critical training needs in our region. The Healthcare Workforce Initiative specifies that training health care professionals within the State of North Dakota is the most practical (and most likely successful) way to create and maintain an adequate health care work force in our state.

Executive Budget Recommendation

- Provides \$12.0 million from the general fund for the state share of campus operations at \$138.69 per adjusted student credit hour, including \$323,934 for a two-year tuition freeze.
- Continues \$2.5 million in energy impact funding.
- Approves \$285,000 to pay campus special assessment balances.
- Recommends \$866,250 for one-time campus security needs.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

229 Williston State College

Bill#: HB1003

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Williston State College	16,178,426	34,640,589	(6,564,496)	(19.0%)	28,076,093	(18,960,737)	(54.7%)	15,679,852
Total Major Programs	16,178,426	34,640,589	(6,564,496)	(19.0%)	28,076,093	(18,960,737)	(54.7%)	15,679,852
Operating Expenses	10,249,685	12,783,506	310,692	2.4%	13,094,198	1,352,338	10.6%	14,135,844
Capital Assets	3,587,605	16,916,887	(1,934,992)	(11.4%)	14,981,895	(15,372,879)	(90.9%)	1,544,008
Capital Assets-Carryover	2,341,136	30,196	(30,196)	(100.0%)	0	0	0.0%	0
Capital Projects-Non-State Carryover	0	4,910,000	(4,910,000)	(100.0%)	0	0	0.0%	0
Total Line Items	16,178,426	34,640,589	(6,564,496)	(19.0%)	28,076,093	(18,960,737)	(54.7%)	15,679,852
By Funding Source								
General Fund	15,540,590	27,230,589	845,504	3.1%	28,076,093	(11,550,737)	(42.4%)	15,679,852
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	637,836	7,410,000	(7,410,000)	(100.0%)	0	(7,410,000)	(100.0%)	0
Total Funding Source	16,178,426	34,640,589	(6,564,496)	(19.0%)	28,076,093	(18,960,737)	(54.7%)	15,679,852
Total FTE	44.15	49.96	0.00	0.0%	49.96	0.00	0.0%	49.96

Statutory Authority

ND Constitution Articles VIII and IX; North Dakota Century Code Sections 15-11 and 15-22.

Agency Description

The University of North Dakota, classified as a "Doctoral/Research University Intensive" institution by the Carnegie Foundation for the Advancement of Teaching, is characterized by a solid foundation of the liberal arts, a manageable size, high-quality students and faculty, a diverse curriculum, a widely recognized program of graduate education and research, law and medical schools praised for quality and innovation, rich cultural resources, and an outstanding record of alumni support. Its major academic divisions include Arts and Sciences, Aerospace Sciences, Business and Public Administration, Education and Human Development, Engineering and Mines, Nursing and Professional Disciplines, Medicine and Health Sciences, Law, Extended Learning and the School of Graduate Studies.

Major Accomplishments

1. Named one of the best of 200 national universities by U.S. News & World Report and one of the 337 best colleges by the Princeton Review. Also received recognition as one of the Best National Universities by the Washington Monthly and one of America's Best Colleges by Forbes.
2. Based on student rankings, was one of the top 25 Universities by RateMyProfessors.com.
3. Named one of the 322 Greenest Schools in the nation by the Princeton Review.
4. Named the nation's 3rd Healthiest College by Greatist.com (2012) and ranked #1 in the top 20 Fittest Colleges per MSN's fitbie.com.
5. Continued to be a Military Friendly School according to GI Jobs and Military Advanced Education magazines.
6. Ranked 4th in the nation for rural medicine by U.S. News & World Report.

7. Ranked in the top 100 Programs for nursing anesthesia, occupational therapy, physical therapy, primary care medicine and social work according to U.S. News & World Report.
8. Named among the top 30 Best Online Colleges by TheBestSchools.org.
9. Received two patents from the United States Patent and Trademark Office that increase the commercial viability of thermal cracking as a pathway to renewable fuels and chemicals. These technologies provide the capability to generate additional renewable products in bio refineries that are based on UND's non catalytic cracking technology
10. Received \$34.5 million in federal grants for the School of Medicine & Health Sciences including:
 - \$16.8 million to study the effects of environmental factors on human health in ND
 - \$1.6 million to study HIV/AIDS
 - \$5.6 million to study infectious disease
 - \$10.5 million to study epigenetics. This five-year grant from the National Institutes of Health will support an Institutional Development Award (IDeA) Center of Biomedical Research Excellence.

Executive Budget Recommendation

- Recommends \$62.0 million from the general fund to complete construction of a new School of Medicine and Health Sciences (SoMHS).
- Provides \$16.0 million for critical repairs to the airport apron used by the aerospace program.
- Appropriates \$244.3 million from the general fund for campus operations (including the SoMHS) at \$79.05 per adjusted student credit hour.
- Approves \$241,585 to pay campus special assessment balances.
- Recommends \$790,500 for one-time campus security needs.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

230 University of North Dakota

Bill#: HB1003

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
University of North Dakota	172,943,965	336,191,488	(50,510,259)	(15.0%)	285,681,229	(59,611,923)	(17.7%)	276,579,565
Total Major Programs	172,943,965	336,191,488	(50,510,259)	(15.0%)	285,681,229	(59,611,923)	(17.7%)	276,579,565
Operating Expenses	142,642,234	149,683,005	25,289,878	16.9%	174,972,883	35,971,637	24.0%	185,654,642
Capital Assets	14,347,712	79,869,165	24,839,181	31.1%	104,708,346	5,055,758	6.3%	84,924,923
Capital Assets-Carryover	4,075,278	2,661,000	(2,661,000)	(100.0%)	0	0	0.0%	0
Capital Projects - Non-State	1,227,005	85,642,939	(79,642,939)	(93.0%)	6,000,000	(79,642,939)	(93.0%)	6,000,000
Capital Projects Carryover - Non-State	10,651,736	18,335,379	(18,335,379)	(100.0%)	0	0	0.0%	0
Total Line Items	172,943,965	336,191,488	(50,510,259)	(15.0%)	285,681,229	(59,611,923)	(17.7%)	276,579,565
By Funding Source								
General Fund	161,065,224	232,213,170	47,468,059	20.4%	279,681,229	38,366,395	16.5%	270,579,565
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	11,878,741	103,978,318	(97,978,318)	(94.2%)	6,000,000	(97,978,318)	(94.2%)	6,000,000
Total Funding Source	172,943,965	336,191,488	(50,510,259)	(15.0%)	285,681,229	(59,611,923)	(17.7%)	276,579,565
Total FTE	642.20	630.20	0.00	0.0%	630.20	0.00	0.0%	630.20

Statutory Authority

ND Constitution Articles VIII and IX; North Dakota Century Code Chapter 15-52.

Agency Description

The University of North Dakota School of Medicine and Health Sciences (SMHS) is recognized nationally as one of the outstanding community-based medical schools in the nation and is a model for high-quality educational programs, efficiently delivered, with an emphasis on primary care. In addition to medical student and resident education, the SMHS provides educational opportunities for a wide variety of allied health service professionals including medical lab science, athletic training, physical therapy, occupational therapy, physician assistant program and public health. Further, the SMHS is acknowledged for its leadership in providing education in health professions through its commitment to American Indians.

Major Accomplishments

1. Implemented the Healthcare Workforce Initiative and new SMHS building on-time and on-budget. The new SMHS building will be open on July 15, 2016.
2. Recognized by the American Academy of Family Physicians (AAFP) as having the nation's highest percentage of graduating seniors select family medicine as their specialty choice.
3. Ranked by U.S. News & World Report as one of the best in the nation, ranking 3rd for its commitment to rural medicine.
4. Implemented the RuralMed program to mitigate medical student debt and encourage the choice of a rural family medicine practice location for graduating medical students. The program has become very popular to the medical students.

5. Increased grant proposals from \$72.9 million in 2011 to \$80.2 million in 2014 (a 10 percent increase).
6. Continued a strong program in eating disorders in the department of Clinical Neurosciences.
7. Progressed in building research infrastructure with INBRE and COBRE grants.
8. Supervised the Tobacco Quitline, which is a successful behavior modification tool to reduce health risks.
9. Provided services, on a variety of rural health issues, to all 53 counties and all 33 rural hospitals by the Center for Rural Health and Rural Assistance Center.
10. Improved school governance by emphasizing participatory and engaged faculty involvement, with open discussion and opportunity for input.
11. Enhanced bidirectional school communication through multiple approaches, including weekly column by dean in electronic newsletter from the school, ENews.

Executive Budget Recommendation

- Recommends \$13.8 million from the general fund on a one-time basis for the Healthcare Workforce Initiative.
- Appropriates funding for operating costs at \$79.05 per adjusted student credit hour within the UND budget.
- Approves \$62.0 million within the UND budget to complete construction of the new School of Medicine and Health Sciences.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

232 UND Medical Center

Bill#: HB1003

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
UND-Medical Center	47,847,971	60,177,396	(5,291,600)	(8.8%)	54,885,796	6,400,000	10.6%	66,577,396
Total Major Programs	47,847,971	60,177,396	(5,291,600)	(8.8%)	54,885,796	6,400,000	10.6%	66,577,396
Operating Expenses	47,847,971	60,177,396	(5,291,600)	(8.8%)	54,885,796	6,400,000	10.6%	66,577,396
Total Line Items	47,847,971	60,177,396	(5,291,600)	(8.8%)	54,885,796	6,400,000	10.6%	66,577,396
By Funding Source								
General Fund	47,847,971	60,177,396	(5,291,600)	(8.8%)	54,885,796	6,400,000	10.6%	66,577,396
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	0	0	0	0.0%	0	0	0.0%	0
Total Funding Source	47,847,971	60,177,396	(5,291,600)	(8.8%)	54,885,796	6,400,000	10.6%	66,577,396
Total FTE	156.55	163.58	0.00	0.0%	163.58	21.00	12.8%	184.58

Statutory Authority

ND Constitution Section 215, North Dakota Century Code Chapter 15-12.

Agency Description

North Dakota State University (NDSU) has become the first and remains the only North Dakota university ranked in the top tier of the Carnegie Commission on Higher Education and the ranks of the National Science Foundation's top 100 research universities (39th of those without a medical school), with over \$150.0 million in annual scholarly research activity reported for the most recent national survey. Those rankings have opened up a steady progression of new partnerships and funding opportunities with other leading universities, private entities and federal agencies, never before possible for a North Dakota university.

NDSU is proud of its tradition as the state's student focused, land-grant, research institution. It embraces that responsibility as a cornerstone of its future productivity, and the contributions it can increasingly provide to North Dakota and the state's residents, as well as the nation's current and future interests.

The University hosts a large and diverse student profile and is home for the largest full-time, on campus enrollment in the states's university system. Located in a vibrant and growing area of the state, and with a growing number of major corporate partners, NDSU has shared a responsibility for creation of an environment that compliments and blends the experiences of its students, faculty and staff with the community in which they live while attending the university.

Major Accomplishments

1. Ranked as the top and only ND research university in the nation based on both the Carnegie Commission on Higher Education and the National Science Foundation. Classified by the Carnegie Commission on Higher Education as "Research University/Very High Research Activity".
2. Received \$6.4 million in equalization funding from the new higher education funding formula which 100 percent was used to support Academic Affairs.
3. Initiated construction for a new state funded STEM Classroom building to meet student demand in the science, technology, engineering and math disciplines.

4. Continued demand by prospective undergraduate and graduate students, has been reflected in new full time student enrollment records every year for the past decade, with the fall of 2013 enrollment over 14,600 students.
5. Continued diversity of the NDSU student body, including in the fall of 2013, 1,101 international students representing 87 countries, and an increasing number of U.S. born students reflecting ethnic, cultural and geographical diversity.
6. Achieved a record 89 percent success for student job placement in their major field of study.
7. Initiated and continued efforts for student success through improved sense of welcome and support; retention and graduation rates; focus on students from historically under-represented populations, veterans, and others; and addressed high risk behaviors and other student issues.
8. Completed construction of a major indoor track facility, initiated a renovation of the Sanford Health Athletic Complex.
9. Expanded academic collaborations include development of undergraduate and graduate programs with Minot State and NDSCS.
10. Provided system wide support of academic support functions in IT-based data storage, academic computing (NDSU is the SBHE recognized supercomputing facility for the state), communication, emergency response and support technologies that provide the backbone of many NDUS institutions and the support of their collective academic communities.
11. Continued involvement with the Research and Technology Park and emerging technology firms that have created several thousand new jobs, including employment of over 100 NDSU undergraduate and graduate students.
12. Solidified NDSU as one of the most successful overall NCAA Division-I athletic programs in the nation. NDSU recorded league championships in nine sports, the most recorded in a single year in the storied history of NDSU athletics.

Executive Budget Recommendation

- Provides \$171.3 million from the general fund for the state share of campus operations at \$79.05 per adjusted student credit hour.
- Approves \$1.6 million to pay campus special assessment balances.
- Recommends \$840,000 for one-time campus security needs.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

235 North Dakota State University

Bill#: HB1003

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
North Dakota State University	168,056,552	247,096,407	45,284,958	18.3%	292,381,365	(61,725,093)	(25.0%)	185,371,314
Total Major Programs	168,056,552	247,096,407	45,284,958	18.3%	292,381,365	(61,725,093)	(25.0%)	185,371,314
Operating Expenses	140,145,495	139,591,540	18,908,662	13.5%	158,500,202	28,126,993	20.1%	167,718,533
Capital Assets	2,613,583	35,330,656	81,622,732	231.0%	116,953,388	(29,277,875)	(82.9%)	6,052,781
Capital Assets Carryover	6,419,048	1,918,518	(1,918,518)	(100.0%)	0	0	0.0%	0
Capital Projects - Non-State	9,875,842	14,413,460	2,514,315	17.4%	16,927,775	(2,813,460)	(19.5%)	11,600,000
Capital Projects Carryover - Non-State	9,002,584	55,842,233	(55,842,233)	(100.0%)	0	0	0.0%	0
Total Line Items	168,056,552	247,096,407	45,284,958	18.3%	292,381,365	(61,725,093)	(25.0%)	185,371,314
By Funding Source								
General Fund	149,178,126	176,840,714	98,612,876	55.8%	275,453,590	(3,069,400)	(1.7%)	173,771,314
Federal Funds	0	4,270,000	(4,270,000)	(100.0%)	0	(4,270,000)	(100.0%)	0
Special Funds	18,878,426	65,985,693	(49,057,918)	(74.3%)	16,927,775	(54,385,693)	(82.4%)	11,600,000
Total Funding Source	168,056,552	247,096,407	45,284,958	18.3%	292,381,365	(61,725,093)	(25.0%)	185,371,314
Total FTE	495.21	537.10	0.00	0.0%	537.10	0.00	0.0%	537.10

Statutory Authority

North Dakota Century Code 15-15.02.

Agency Description

NDSCS provides educational programs and services which serve the needs of individuals preparing for careers in the applied sciences/technologies. It serves the businesses and industries of North Dakota by working with employers on the design and delivery of customized training programs. It is the vision of the college to provide quality education/services "second to none" through our commitment to customer focus, employee development and continuous improvement.

NDSCS is committed to a philosophy that provides for the varied educational needs of each person through competent faculty, curriculum programs and educational experiences. Students have the opportunity to develop their full potential, obtain gainful employment and make satisfactory career progress. It provides students with practical hands-on and general-education knowledge and skills.

Major Accomplishments

1. Established Diesel Technology – Komatsu Partnership Program; the Diesel Technology – Case IH Partnership Program; and John Deere Construction and Forestry Partnership.
2. Developed and assessed improvement plans.
3. Expanded programs and flexible scheduling.
4. Researched needs and developed a NDSCS-Fargo Business Plan to better meet the needs of North Dakota and the greater Fargo area.
5. Selected second class of the NDSCS Leadership Academy.
6. Awarded a \$2.7 million TAACCCT Grant in 2014 by the Department of Labor to enhance educational and training capabilities in the area of manufacturing.
7. Received \$200,000 grant from ND CTE to implement the STEMii (STEM Infusion Initiative) for the enhancement of STEM related outreach initiatives. Also secured three \$9,000 mini- grants yearly to support these efforts.
8. Developed initiatives and secured matching funding for the following Workforce Enhancement Grants: 1) Advanced Manufacturing Training Initiative -- \$488,918 plus \$488,927 of industry match; and 2) Transportation and Manufacturing Torque Certification Initiative -- \$50,000 plus \$96,278 of industry match.
9. Developed projects and secured matching funding for the following Workforce Training grants: 1) FARGO Training Initiative -- \$160,108 plus \$278,190 of industry match; and 2) Professional Truck Driving Training Initiative -- \$45,500 plus \$46,500 of industry match.
10. Received a \$90,000 Nursing Education Consortium Grant for simulation education/training. In 2013 enrollment hit a record 30-year high.

11. Increased graduation rate to 63 percent in 2013; adult aged (25-49) enrollments increased by 8.4 percent to 572 enrollments; placement rate was at 99 percent.
12. Ranked third among the nations' two-year colleges by Washington Monthly magazine in 2013 and the sixth best college among large two-year public institutions for college graduation rates in 2014 Chronicle of Higher Education.
13. Had a 100 percent passing rate on the NCLEX exam in both the Practical Nursing and the Registered Nursing students in spring 2014.
14. Completed Bisek Hall \$10.3 million addition and the Forkner/Riley Residential Halls \$9.0 million renovation. Continued Stadium and Old Main renovations and completed demolition of Hektner and Burch Halls.
15. Doubled NDSCS Foundation financial portfolio in last five years.
16. Added: Information Technology Support Certificate, Information Systems Administrator AAS Degree; Web Design Certificate/Web Development AAS Degree; and Welding Technology AAS Degree.
17. Developed class options for students starting at 7:30 a.m. until 10:00 p.m. Monday through Thursday. A master general education schedule was created to allow for maximum flexibility as well as efficiencies in course delivery.
18. Added three new locally-funded positions at NDSCS-Fargo in January 2014.
19. Developed a marketing campaign targeted at the Fargo area adult working population.
20. Developed strategies to maximize contacts with North Dakota State Challenge Grant Match prospects.
21. Received a College and Career Readiness Award from ACT, Inc. in the career preparedness category in 2014.
22. Completed a \$600,000 network data infrastructure upgrade.
23. Remodeled Student Center space to create a new ITS Department work area.
24. Solicited campus wide feedback and identified focus areas related to pedagogical and professional development objectives.
25. Developed Allied Health Testing Lab in collaboration with ITS.

Executive Budget Recommendation

- Adds \$13.3 million from the general fund to repair campus water and sewer infrastructure.
- Recommends \$5.0 million from the general fund to expand the Fargo campus to address immediate workforce needs.
- Provides \$54.7 million from the general fund for the state share of campus operations at \$132.58 per adjusted student credit hour, including \$933,718 for a two-year tuition freeze.
- Adds 1.50 FTE for campus security personnel.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

238 ND State College of Science

Bill#: HB1003

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
ND State College of Science	44,395,171	53,223,381	25,344,335	47.6%	78,567,716	20,307,020	38.2%	73,530,401
Total Major Programs	44,395,171	53,223,381	25,344,335	47.6%	78,567,716	20,307,020	38.2%	73,530,401
Operating Expenses	34,320,009	38,181,456	11,594,539	30.4%	49,775,995	20,178,359	52.8%	58,359,815
Capital Assets	9,625,000	10,096,364	17,195,357	170.3%	27,291,721	5,074,222	50.3%	15,170,586
Capital Assets-Carryover	450,162	1,746,045	(1,746,045)	(100.0%)	0	0	0.0%	0
Capital Projects Non-State Funded	0	1,500,000	0	0.0%	1,500,000	0	0.0%	0
Capital Assets Carryover - Non-State	0	1,699,516	(1,699,516)	(100.0%)	0	0	0.0%	0
Total Line Items	44,395,171	53,223,381	25,344,335	47.6%	78,567,716	20,307,020	38.2%	73,530,401
By Funding Source								
General Fund	44,395,171	50,023,865	27,043,851	54.1%	77,067,716	23,506,536	47.0%	73,530,401
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	0	3,199,516	(1,699,516)	(53.1%)	1,500,000	(3,199,516)	(100.0%)	0
Total Funding Source	44,395,171	53,223,381	25,344,335	47.6%	78,567,716	20,307,020	38.2%	73,530,401
Total FTE	171.87	168.30	0.00	0.0%	168.30	1.50	0.9%	169.80

Statutory Authority

North Dakota Century Code 15-13-01.

Agency Description

Dickinson State University is a comprehensive state institution, one of 11 colleges and universities that make up the North Dakota University System. The university employs approximately 250 faculty and staff with an enrollment of approximately 1,500 students. More than 50 programs are offered at the undergraduate level. The institution is comprised of two colleges, the College of Arts and Sciences, and the College of Education, Business, and Applied Sciences. The majority of students come from North Dakota, Montana, and other Midwestern states. A strong contingent of international students are also an important component of the student body.

Major Accomplishments

1. Proposed Theodore Roosevelt Presidential Library, a project facilitated by Dickinson State University (DSU) continues to advance with a total of up to \$8.0 million in new funding committed by the city of Dickinson. The Dickinson City Commission voted unanimously in June to match a \$3.0 million challenge from the North Dakota State Legislature, which laid the groundwork for the presidential library and museum. In addition, the city resolution provides for another \$5.0 million if the state increases its support beyond the current appropriation of \$12.0 million. DSU's Theodore Roosevelt Center is coordinating the project.
2. Commended for transparency and engagement by the High Learning Commission (HLC). The team recommended the HLC Board remove the "on notice" status, noting the institution had effectively handled each of the issues raised. The HLC Board of Trustees removed DSU from "on notice" on October 31, 2013.
3. Employed 74 percent of graduates in oil-related industries in North Dakota. Of those, 94 percent are employed in oil-impacted areas, according to a DSU graduate exit survey from consecutive academic years from 2011 through the fall of 2013.
4. Ranked high by 2013 NSSE. The NSSE survey asks first-year and senior students about a wide range of educationally purposeful experiences and

activities. Among the responses, 92 percent of first-year students and 90 percent of seniors rated their DSU experience as "excellent" or "good." Additionally, 90 percent of first-year students and 84 percent of seniors indicated they would "definitely" or "probably" attend DSU again.

5. Received maximum accreditation for BSN program. The Accreditation Commission for Education in Nursing (ACEN) granted DSU's Department of Nursing's baccalaureate program with a maximum eight-year continuing accreditation.
6. Surpassed 21,00 digitized items by Theodore Roosevelt Center in only six years.
7. Offered enhanced website resources for North Dakota childcare providers. Aspiring childcare providers can jumpstart their businesses through a new website scheduled for roll-out the end of August. The www.childcarend.com will link licensed and unlicensed daycare centers with easy step-by-step access to start-up resources.
8. Launched the "CPA Experience," one of the first programs of its kind in the nation, in the fall of 2013.
9. Received two Higher Education Impact grants to enhance security and housing, totaling \$981,492. The university is implementing a comprehensive campus access control system, including card readers on exterior doors and hand-held card readers at DSU-sponsored events. Another \$800,000 in funding is reserved for upgrading campus housing.
10. Renamed Badlands Activities Center to Biesiot Activities Center in recognition of Henry "Hank" Biesiot's longstanding service to the community and DSU.
11. Renewed 34-year old agreement with the Ukrainian Cultural Institute in July. The original agreement provided inspiration for more than three decades as the organization grew. More than 70 youth grades pre-K – 12 immerse themselves in the Ukrainian culture while attending classes and rehearsals.

Executive Budget Recommendation

- Provides \$28.4 million from the general fund for the state share of campus operations at \$121.19 per adjusted student credit hour.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

239 Dickinson State University
Biennium: 2015-2017

Bill#: HB1003

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Dickinson State University	24,523,092	43,334,155	(8,006,646)	(18.5%)	35,327,509	(14,967,128)	(34.5%)	28,367,027
Total Major Programs	24,523,092	43,334,155	(8,006,646)	(18.5%)	35,327,509	(14,967,128)	(34.5%)	28,367,027
Operating Expenses	23,283,539	27,099,227	(1,296,071)	(4.8%)	25,803,156	458,059	1.7%	27,557,286
Capital Assets	20,755	846,605	1,177,748	139.1%	2,024,353	(36,864)	(4.4%)	809,741
Capital Assets Carryover	1,218,798	388,323	(388,323)	(100.0%)	0	0	0.0%	0
Capital Projects Non-State Funded	0	0	7,500,000	100.0%	7,500,000	0	0.0%	0
TR Presidential Library	0	15,000,000	(15,000,000)	(100.0%)	0	0	0.0%	0
Total Line Items	24,523,092	43,334,155	(8,006,646)	(18.5%)	35,327,509	(14,967,128)	(34.5%)	28,367,027
By Funding Source								
General Fund	24,523,092	40,334,155	(12,506,646)	(31.0%)	27,827,509	(11,967,128)	(29.7%)	28,367,027
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	0	3,000,000	4,500,000	150.0%	7,500,000	(3,000,000)	(100.0%)	0
Total Funding Source	24,523,092	43,334,155	(8,006,646)	(18.5%)	35,327,509	(14,967,128)	(34.5%)	28,367,027
Total FTE	100.32	120.26	0.00	0.0%	120.26	0.00	0.0%	120.26

Statutory Authority

ND Constitution Article VIII, Section 6; North Dakota Century Code Chapter 15-13.

Agency Description

Mayville State University is a regional, undergraduate institution of higher education with a focus on teaching and learning. The university operates as an institution within the North Dakota University System to provide instructional programs, which prepare students for successful careers as teachers in elementary and secondary schools and for positions in business.

Major Accomplishments

1. Maintained the five year average of freshmen to sophomore retention at 58.0 percent, which is similar to the national average for four year, open admission institutions.
2. Documented six year graduation of freshmen cohorts from Mayville State and other two year and four year universities and colleges is 47.0 percent.

3. Increased distance degree seeking students by 17.0 percent to 154 since fall of 2009.
4. Increased total distance students by 15.0 percent to 389 since fall of 2009.
5. Built \$1.4 million in operating reserves.
6. Eliminated number 2 fuel oil dependency with a 15 year energy performance contract which funded a coal burning power plant.
7. Reduced campus overall building square footage by 10.0 percent to 369,201 square feet.
8. Assembled comprehensive annual and planned giving team for foundation/university.

Executive Budget Recommendation

- Provides \$18.8 million from the general fund for the state share of campus operations at \$120.32 per adjusted student credit hour.
- Adds 3.00 FTE for campus security personnel.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

240 Mayville State University

Bill#: HB1003

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Mayville State University	14,489,360	23,519,265	(5,380,852)	(22.9%)	18,138,413	(4,090,845)	(17.4%)	19,428,420
Total Major Programs	14,489,360	23,519,265	(5,380,852)	(22.9%)	18,138,413	(4,090,845)	(17.4%)	19,428,420
Operating Expenses	12,830,788	14,364,424	2,490,274	17.3%	16,854,698	3,887,225	27.1%	18,251,649
Capital Assets	430,865	8,526,434	(7,242,719)	(84.9%)	1,283,715	(7,349,663)	(86.2%)	1,176,771
Capital Assets Carryover	1,227,707	12,640	(12,640)	(100.0%)	0	0	0.0%	0
Capital Projects Carryover - Non-State	0	615,767	(615,767)	(100.0%)	0	0	0.0%	0
Total Line Items	14,489,360	23,519,265	(5,380,852)	(22.9%)	18,138,413	(4,090,845)	(17.4%)	19,428,420
By Funding Source								
General Fund	14,489,360	22,903,498	(4,765,085)	(20.8%)	18,138,413	(3,475,078)	(15.2%)	19,428,420
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	0	615,767	(615,767)	(100.0%)	0	(615,767)	(100.0%)	0
Total Funding Source	14,489,360	23,519,265	(5,380,852)	(22.9%)	18,138,413	(4,090,845)	(17.4%)	19,428,420
Total FTE	62.78	66.23	0.00	0.0%	66.23	3.00	4.5%	69.23

Statutory Authority

ND Constitution Article VIII, Section 6; North Dakota Century Code Chapters 15-10 and 15-13.

Agency Description

Minot State University (MiSU) is a regional, public institution located in the northwest region of North Dakota, serving students from Minot, the region, state, nation, and other countries. Undergraduate and graduate courses and programs are offered on campus and at a distance, through face-to-face, online, and alternative modes of delivery. Non-credit and professional training and experiences are offered to students and community members.

Major Accomplishments

1. Increased international student enrollment by 437 percent (since 2009). Out-of-state student enrollment increased by 20 percent during that same period of time. The university's strong commitment to diversity and multiculturalism is demonstrated by strengthening relationships with Native American colleges, increasing international student recruitment and support, increasing the number of cooperative agreements with foreign institutions, and expanding study abroad and study tour opportunities.
2. Purchased a Nuclear Magnetic Resonance (NMR) scope. MiSU is the only institution in western North Dakota with such an device. This instrument allows chemists to see signals from hydrogen atoms (protons) and carbon-13 atoms in

order to deduce structures of compound. Local high school students, as well as students from other institutions, will be encouraged to take advantage of this valuable technology. Our nursing program was recently reaccredited after a visit from ACEN – Accreditation Commission for Education in Nursing – in spring of 2014. Our nursing graduates once again have an very high pass rate on their board exams. Finally, an MiSU chemistry professor recently received his second patent. The professor, along with an undergraduate research student, was chosen to represent the State of North Dakota at the Council for Undergraduate Research symposium and poster session in Washington DC. This is the 4th time (in 5 years) that a Minot State student has received this honor.

3. Reached the maximum allocated amount of \$1.0 million from the ND Higher Education Challenge Grant. This helped lead Minot State to a 100 percent increase in giving over the previous year and the largest donation year in its 100-year history.

Executive Budget Recommendation

- Provides \$49.7 million from the general fund for the state share of campus operations at \$120.32 per adjusted student credit hour.
- Continues \$2.5 million for 2011 flood impact costs.
- Includes \$814,500 for one-time campus security needs.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

241 Minot State University

Bill#: HB1003

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Minot State University	60,542,813	69,024,584	(9,731,980)	(14.1%)	59,292,604	(16,019,656)	(23.2%)	53,004,928
Total Major Programs	60,542,813	69,024,584	(9,731,980)	(14.1%)	59,292,604	(16,019,656)	(23.2%)	53,004,928
Operating Expenses	40,338,974	43,810,211	3,975,225	9.1%	47,785,436	6,977,350	15.9%	50,787,561
Capital Assets	4,734,164	3,460,748	8,046,420	232.5%	11,507,168	(1,243,381)	(35.9%)	2,217,367
Capital Assets Carryover	2,899,965	2,078,959	(2,078,959)	(100.0%)	0	0	0.0%	0
Capital Projects Non-state funded	1,772,615	11,801,785	(11,801,785)	(100.0%)	0	0	0.0%	0
Capital Projects Carryover - Non-State	8,635,487	7,872,881	(7,872,881)	(100.0%)	0	0	0.0%	0
Capital Assets Federal Stimulus Funds	2,161,608	0	0	0.0%	0	0	0.0%	0
Total Line Items	60,542,813	69,024,584	(9,731,980)	(14.1%)	59,292,604	(16,019,656)	(23.2%)	53,004,928
By Funding Source								
General Fund	47,973,103	49,349,918	9,942,686	20.1%	59,292,604	3,655,010	7.4%	53,004,928
Federal Funds	2,161,608	0	0	0.0%	0	0	0.0%	0
Special Funds	10,408,102	19,674,666	(19,674,666)	(100.0%)	0	(19,674,666)	(100.0%)	0
Total Funding Source	60,542,813	69,024,584	(9,731,980)	(14.1%)	59,292,604	(16,019,656)	(23.2%)	53,004,928
Total FTE	201.76	204.10	0.00	0.0%	204.10	0.00	0.0%	204.10

Statutory Authority

ND Constitution, Article VIII, Section 6.

Agency Description

Valley City State University (VCSU), operating as a postsecondary educational institution within the North Dakota University System, serves the citizens of North Dakota and the surrounding area by offering a broad and diverse population of students an opportunity to challenge their individual learning capabilities.

Major Accomplishments

1. Achieved an all-time record enrollment in spring 2014 of 1,341 students, a 4.2 percent increase over spring 2013.
2. Received 10-year re-accreditation granted by the Higher Learning Commission in 2012; affirmation of academic quality and rigor.
3. Completed the 5th year of a \$5.6 million Bush Foundation grant, as part of a consortium with NDSU and Minnesota State University - Moorhead to improve teacher training and further strengthen teacher education in the region over the next 10 years.
4. Named the #1 Public Regional College in the Midwest by US News and World Report for 2012 and 2013.

5. Initiated new academic programs: Athletic Training; Software Engineering; Business Process Integration Management; Medical Lab Science; a M.Ed. in Elementary Education and English Education
6. Completed a \$10.3 million renovation and addition to the Rhoades Science Building.
7. Received online M.Ed ranking of 22 among 143 nationally by US News in 2013.
8. Received approval for new Mission and Vision statements from State Board of Higher Education.
9. Implemented retention software Starfish to help students succeed.
10. Provided record scholarships in each of the past two years.

Executive Budget Recommendation

- Provides \$25.9 million from the general fund to construct a fine arts building and demolish two existing structures.
- Recommends \$14.3 million to replace the existing heating plant.
- Provides \$27.6 million from the general fund for the state share of campus operations at \$120.32 per adjusted student credit hour.
- Adds 3.00 FTE for campus security personnel.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

242 Valley City State University

Bill#: HB1003

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Valley City State University	27,629,670	32,703,464	49,563,990	151.6%	82,267,454	51,823,821	158.5%	84,527,285
Total Major Programs	27,629,670	32,703,464	49,563,990	151.6%	82,267,454	51,823,821	158.5%	84,527,285
Operating Expenses	17,694,741	20,596,135	4,147,309	20.1%	24,743,444	6,450,467	31.3%	27,046,602
Capital Assets	9,482,054	5,625,811	35,898,199	638.1%	41,524,010	35,854,872	637.3%	41,480,683
Capital Assets Carryover	452,875	1,274,681	(1,274,681)	(100.0%)	0	0	0.0%	0
Capital Projects Non-state funded	0	5,006,837	10,993,163	219.6%	16,000,000	10,993,163	219.6%	16,000,000
Capital Projects Carryover - Non-State	0	200,000	(200,000)	(100.0%)	0	0	0.0%	0
Total Line Items	27,629,670	32,703,464	49,563,990	151.6%	82,267,454	51,823,821	158.5%	84,527,285
By Funding Source								
General Fund	27,629,670	27,496,627	38,770,827	141.0%	66,267,454	41,030,658	149.2%	68,527,285
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	0	5,206,837	10,793,163	207.3%	16,000,000	10,793,163	207.3%	16,000,000
Total Funding Source	27,629,670	32,703,464	49,563,990	151.6%	82,267,454	51,823,821	158.5%	84,527,285
Total FTE	97.29	105.59	0.00	0.0%	105.59	3.00	2.8%	108.59

Statutory Authority

ND Constitution Article XIX, Section 216.

Agency Description

A referendum in 1894 stated that a school of forestry should be located in Bottineau, North Dakota, to provide, in addition to forestry, comprehensive community college curricula. The North Dakota Century Code also identified the role of Dakota College at Bottineau as offering programs in agriculture, forestry, and horticulture. Since then, the college has expanded its natural resource programming, and has also added programs in other areas that serve the needs of its constituents. For example, business, information technology, allied health, and general education/liberal arts courses now comprise a majority of the college's inventory of program offerings for students enrolled in transfer, career, and technical curriculums. For over 100 years, as the North Dakota School of Forestry, NDSU-Bottineau, MSU-Bottineau, and Dakota College, the institution has prepared men and women to become contributing members of society. Most recently, the campus has adopted a "Nature, Technology, and Beyond" focus that endeavors to leave students with a care and concern for the environment.

An institutional name change from Minot State University-Bottineau to Dakota College at Bottineau did not change the college's affiliation with Minot State. That affiliation continues to grow stronger.

Major Accomplishments

1. Opened the Bottineau Children's Academy – a cooperative venture with Bottineau's Economic Development Corporation. The facility will have capacity to serve 51 children and will include a pre-school program.
2. Held the first annual Honors Symposium in December 2013. The symposium highlighted the work of the students enrolled in the college's honors program.
3. Began three new career and technical programs over the last two years: Land Management, Photography, and Health Information Management.
4. Featured the monthly NJCAA publication, *The Review*, in a special "Champions for the Community – Advocates for Education" section of the magazine. The Lumberjack hockey team was chosen for this honor for assisting Bottineau first graders over the past four years through a program called "Teaming up with Reading." The Lumberjack hockey team was also named 2013-14 academic team of the year by the NJCAA.

5. Achieved a pass rate of 100 percent for first time candidates taking the registered nurse and practical nurse licensure examination during testing year July 1, 2013 to June 20, 2014.
6. Sponsored a rummage sale and donated the profits to community service organizations. Over the years, nearly \$15,000 has been donated back to groups like the Imagination Library, Turtle Mountain Cancer Group, and Bottineau Volunteer Fire Department.
7. Revived drama group and renamed the organization the *LumberActs*. The inaugural event was a mystery dinner theater production of *The Last Pirate of the Caribbean*.
8. Coordinated a "community read" program inviting the Bottineau community to participate in a series of discussions focused on books chosen for the "read" season.
9. Continued significant growth of the Dakota College Foundation. Total net worth has grown from a little under \$1.0 million to nearly \$2.5 million. Annual scholarship awards have grown from \$100,870 to \$198,300 – an increase of nearly 100 percent.
10. Institutionalized consultations between faculty advisors and student advisees. One-to-one meetings are used to discuss class schedules, academic progress, progress toward graduation, and future plans.
11. Ranked 27 out of 700 best community colleges by the Washington Monthly for 2013.
12. Implemented an institutional policy to increase student retention and started a "First Year Sequence" or "Protective Advising" program.
13. Set fall headcount enrollment for fall 2013 with 951 students enrolled for at least one credit. The previous record was set fall, 2010, when 863 students were enrolled.

Executive Budget Recommendation

- Provides \$1.1 million from the general fund to repair Nelson Science Center.
- Provides \$10.0 million from the general fund for the state share of campus operations at \$132.58 per adjusted student credit hour, including \$197,133 for a two-year tuition freeze.
- Adds 2.00 FTE for campus security personnel.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

243 Dakota College at Bottineau

Bill#: HB1003

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Dakota College at Bottineau	7,261,773	17,592,223	3,805,185	21.6%	21,397,408	4,677,093	26.6%	22,269,316
Total Major Programs	7,261,773	17,592,223	3,805,185	21.6%	21,397,408	4,677,093	26.6%	22,269,316
Operating Expenses	6,489,750	7,861,338	1,361,431	17.3%	9,222,769	2,273,976	28.9%	10,135,314
Capital Assets	758,230	1,617,140	(90,695)	(5.6%)	1,526,445	(131,332)	(8.1%)	1,485,808
Capital Assets Carryover	13,793	57,277	(57,277)	(100.0%)	0	0	0.0%	0
Capital Projects non-state funded	0	7,600,789	3,047,405	40.1%	10,648,194	3,047,405	40.1%	10,648,194
Capital Projects Carryover - Non-State	0	455,679	(455,679)	(100.0%)	0	0	0.0%	0
Total Line Items	7,261,773	17,592,223	3,805,185	21.6%	21,397,408	4,677,093	26.6%	22,269,316
By Funding Source								
General Fund	7,261,773	9,535,755	1,213,459	12.7%	10,749,214	2,085,367	21.9%	11,621,122
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	0	8,056,468	2,591,726	32.2%	10,648,194	2,591,726	32.2%	10,648,194
Total Funding Source	7,261,773	17,592,223	3,805,185	21.6%	21,397,408	4,677,093	26.6%	22,269,316
Total FTE	36.12	46.96	0.00	0.0%	46.96	2.00	4.3%	48.96

Statutory Authority

North Dakota Constitution, Article VIII, Section 6. North Dakota Century Code 4-19,18-10 and 57-57.

Agency Description

The State Forester has the statutory authority and responsibility to meet the forestry needs in North Dakota. The North Dakota Forest Service administers forestry programs statewide. The agency operates a conifer tree nursery at Towner. Technical and financial assistance for management of private forest lands, state forest lands, urban and community forests, tree planting and wildland fire protection are provided. The North Dakota Forest Service owns and manages approximately 13,290 acres of state forest lands.

Major Accomplishments

1. Assisted six percent of biomass and wood utilization businesses in utilizing forest and municipal wood waste for renewable energy resulting in the installation of a biomass heating system demonstration in a public works facility in Bismarck.
2. Awarded \$873,828 forestry-based economic benefits for forestry practices serving 68 percent of the financial assistance needs of communities, fire districts and private forest landowners. Practices included tree planting, community forestry development, fire protection and living snow fences.
3. Enhanced community wildfire protection resulted in the preparation of 17 County Wildfire Protection Plans encompassing 32 percent of North Dakota's counties.
4. Enhanced rural fire department capacity through wildland firefighter training provided to 175 or 51 percent of rural fire departments.

5. Provided wildland fire awareness and prevention programs including firewise concepts to 53 or 100 percent of North Dakota's counties.
6. Raised public awareness through information and education and fostered individual responsibility for conserving forest resources by delivering environmental education to 1,380 K-12 teachers (20 percent) and 29,324 K-12 students (28 percent).
7. Promoted professionalism in the tree care industry through training provided to 38 arborists (17 percent) certified according to International Society of Arboriculture standards.
8. Supplied conservation tree planting needs from 99 percent of Towner State Nursery customers through the sale of 1,124,760 nursery seedlings.
9. Sustained North Dakota's natural resources through the active forest management and protection services for 97,339 acres or 19 percent of privately-owned forest lands.
10. Served 197 or 53 percent of North Dakota's communities benefiting 88 percent of the state's residents with sustainable community forestry programs including the planting and care of street and park trees.
11. Ensured the health and sustainability of 550,400 acres of "at risk" forest resources through continuous surveys for damaging pests and agents.
12. Provided quality outdoor state forest experiences on 2,152 acres or 16 percent of the state forests under multiple use management.

Executive Budget Recommendation

- Provides \$213,385 from the general fund and 1.00 FTE for the cooperative fire protection initiative.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

244 ND Forest Service

Bill#: HB1003

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Operations	5,037,198	6,652,065	(268,089)	(4.0%)	6,383,976	214,804	3.2%	6,866,869
Capital Assets	122,190	916,210	(636,907)	(69.5%)	279,303	(770,740)	(84.1%)	145,470
Total Major Programs	5,159,388	7,568,275	(904,996)	(12.0%)	6,663,279	(555,936)	(7.3%)	7,012,339
Operating Expenses	4,738,970	6,249,979	133,997	2.1%	6,383,976	616,890	9.9%	6,866,869
Capital Assets	103,791	916,210	(636,907)	(69.5%)	279,303	(770,740)	(84.1%)	145,470
Biennium Carryover	316,627	402,086	(402,086)	(100.0%)	0	0	0.0%	0
Total Line Items	5,159,388	7,568,275	(904,996)	(12.0%)	6,663,279	(555,936)	(7.3%)	7,012,339
By Funding Source								
General Fund	3,885,198	5,918,275	(904,996)	(15.3%)	5,013,279	(555,936)	(9.4%)	5,362,339
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	1,274,190	1,650,000	0	0.0%	1,650,000	0	0.0%	1,650,000
Total Funding Source	5,159,388	7,568,275	(904,996)	(12.0%)	6,663,279	(555,936)	(7.3%)	7,012,339
Total FTE	28.00	28.96	0.00	0.0%	28.96	1.00	3.5%	29.96

Statutory Authority

North Dakota Century Code Chapter 54-24.

Agency Description

The North Dakota State Library provides statewide leadership to public and school libraries. The State Library provides comprehensive informational resources for all libraries and citizens in the state. Services include training librarians, board members, teachers, students, and citizens; collecting, organizing, and cataloging state documents; developing the statewide online library catalog; facilitating interlibrary loan for all libraries and citizens statewide; distributing grants on a competitive basis; and coordinating Online Library Resources for libraries and citizens. State Library staff provide technical assistance and library development services to public and school libraries statewide.

Major Accomplishments

1. Established partnerships through the Library Vision 2020 initiative, which provides a long-range plan for coordinated library services in North Dakota.
2. Assisted in adding additional libraries to the statewide online library catalog through the cataloging of materials and training of staff.
3. Continued development of an extensive interlibrary loan system, acting as the "hub" for the state; facilitated over 50,000 interlibrary loan requests last biennium.
4. Provided professional reference services to librarians and citizens statewide; provided databases available to all North Dakotans.

5. Conducted extensive training for librarians and board members to learn to use the statewide online library catalog and the Online Library Resources available to North Dakota citizens and libraries; provided three statewide training workshops for librarians and board members.
6. Continued the establishment of an electronic state document retrieval and delivery service.
7. Administered Library Vision 2020 (LV2020) grant funds and federal Library Services and Technology Act (LSTA) grant funds; administered the State Aid to Public Libraries grant program.
8. Provided Talking Book services to 1,600 registered North Dakotans.
9. Provided library development services which includes a department of three professional librarians who provide technical assistance to public and school libraries throughout the state in all areas of librarianship, including long-range planning, disaster planning, policies and procedures establishment, budgeting, and personnel development.

Executive Budget Recommendation

- Increases the general fund state aid to public libraries by \$366,500, from \$1.8 million to \$2.1 million.
- Provides \$250,000 from the general fund for a new pilot program to provide matching grants for library maintenance and repair projects.
- Allows \$181,121 from the general fund for targeted market equity adjustments.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

250 State Library
Biennium: 2015-2017

Bill#: SB2013

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Administration	623,484	686,800	(16,643)	(2.4%)	670,157	284,111	41.4%	970,911
Services	4,921,611	5,579,333	96,572	1.7%	5,675,905	376,138	6.7%	5,955,471
Programs	1,737,066	2,004,000	0	0.0%	2,004,000	616,500	30.8%	2,620,500
Total Major Programs	7,282,161	8,270,133	79,929	1.0%	8,350,062	1,276,749	15.4%	9,546,882
Salaries and Wages	3,394,877	3,780,053	155,283	4.1%	3,935,336	735,603	19.5%	4,515,656
Accrued Leave Payments	0	75,354	(75,354)	(100.0%)	0	0	0.0%	0
Operating Expenses	1,635,569	1,895,726	0	0.0%	1,895,726	0	0.0%	1,895,726
Grants	2,251,715	2,519,000	0	0.0%	2,519,000	616,500	24.5%	3,135,500
Total Line Items	7,282,161	8,270,133	79,929	1.0%	8,350,062	1,276,749	15.4%	9,546,882
By Funding Source								
General Fund	5,263,134	5,875,988	56,853	1.0%	5,932,841	1,218,719	20.7%	7,094,707
Federal Funds	1,945,199	2,302,293	23,076	1.0%	2,325,369	58,030	2.5%	2,360,323
Special Funds	73,828	91,852	0	0.0%	91,852	0	0.0%	91,852
Total Funding Source	7,282,161	8,270,133	79,929	1.0%	8,350,062	1,276,749	15.4%	9,546,882
Total FTE	29.75	29.75	0.00	0.0%	29.75	0.00	0.0%	29.75

Statutory Authority

ND Constitution Article IX, Section 12; North Dakota Century Code Chapter 25-07.

Agency Description

North Dakota School for the Deaf/Resource Center for Deaf and Hard of Hearing (NDSD/RCDHH) provides education to persons of all ages who are deaf or hard of hearing.

The NDSD is fully accredited and specializes in speech and language development for students who are deaf or hard of hearing. Children, birth to 3 years of age, are served through the Parent/Infant program (specialized instruction in the home). Elementary and middle school students are served through school programming. Educational services for grades 9 through graduation are provided in partnership with the district of residence or with Devils Lake Public Schools. Adults (deaf and later deafened adults) may access various services through outreach programs.

In addition to the school's traditional role as an educational institution, NDSD/RCDHH also has become a state resource center on deafness. Through collaborative ventures with other agencies, NDSD/RCDHH outreach programs have increased delivery of services including: consultations, evaluations and assessments, in-service trainings and off-campus educational services. NDSD/RCDHH also provides summer camps for children with hearing loss.

Major Accomplishments

1. Updated strategic plan initiative activities.
2. Completed remodel of conference room and the library.
3. Updated the superintendent's house.
4. Completed renovation of the student dormitory.

5. Developed Preliminary Design Concept(s) and opinion for Master Facility Plan improvements for the Carl F. Smith Building.
6. Implemented training for state law enforcement officials/personnel titled; "Working with Individuals who are Deaf or Hard of Hearing".
7. Provided week-long *Summer Camp for Students who are Deaf or Hard of Hearing*.
8. Implemented two Interactive Video Network (IVN) outreach American Sign Language classes and provided them to 10 ND communities.
9. Worked on *AdvanceED* accreditation.
10. Implemented Positive Behavior Management student reward program; *Bulldog Bucks Store* opened for business.
11. Collaborated with South Dakota School for the Deaf, Midwest Regional Gallaudet Office, and NDSD Outreach to assume responsibility for the Midwest Conference on Deaf Education.
12. Conducted regional Language and Audition Fun groups for deaf/hard of hearing toddlers.

Executive Budget Recommendation

- Adds \$129,600 and 1.00 FTE for expanded adult services outreach in the western portion of the state.
- Provides \$500,000 from the general fund for operating expenses previously funded with special funds.
- Includes \$285,458 from the general fund for targeted market equity adjustments.
- Recommends \$1.7 million, of which \$1.0 million is from the general fund, for renovations to the Carl F. Smith building.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

252 School for Deaf/Res Ctr for Deaf and HoH

Bill#: SB2013

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Education and Outreach	8,528,757	10,446,714	(85,088)	(0.8%)	10,361,626	2,527,936	24.2%	12,974,650
Total Major Programs	8,528,757	10,446,714	(85,088)	(0.8%)	10,361,626	2,527,936	24.2%	12,974,650
Salaries and Wages	5,526,720	6,932,905	313,251	4.5%	7,246,156	1,276,275	18.4%	8,209,180
Accrued Leave Payments	0	134,846	(134,846)	(100.0%)	0	0	0.0%	0
Operating Expenses	1,500,041	1,908,794	139,502	7.3%	2,048,296	139,502	7.3%	2,048,296
Capital Assets	1,232,580	1,194,021	(326,847)	(27.4%)	867,174	1,323,153	110.8%	2,517,174
Capital Construction Carry	118,630	0	0	0.0%	0	0	0.0%	0
Grants	150,786	276,148	(76,148)	(27.6%)	200,000	(76,148)	(27.6%)	200,000
Total Line Items	8,528,757	10,446,714	(85,088)	(0.8%)	10,361,626	2,527,936	24.2%	12,974,650
By Funding Source								
General Fund	6,785,955	7,875,527	309,761	3.9%	8,185,288	2,801,092	35.6%	10,676,619
Federal Funds	267,630	339,145	(15,473)	(4.6%)	323,672	6,220	1.8%	345,365
Special Funds	1,475,172	2,232,042	(379,376)	(17.0%)	1,852,666	(279,376)	(12.5%)	1,952,666
Total Funding Source	8,528,757	10,446,714	(85,088)	(0.8%)	10,361,626	2,527,936	24.2%	12,974,650
Total FTE	43.94	44.61	0.00	0.0%	44.61	1.00	2.2%	45.61

Statutory Authority

ND Constitution, Article IX, Section 12; North Dakota Century Code Chapter 25-06.

Agency Description

North Dakota Vision Services/School for the Blind (NDVS/SB) is a statewide comprehensive resource that works cooperatively with related agencies in providing a full range of services to persons of all ages who are blind or visually impaired, including those with additional disabilities. Services include evaluation, consultation, and instruction in the vision specific related areas (i.e. orientation and mobility, braille, daily living skills, technology, career/vocational, recreation/leisure and functional vision). Services provided via the Vision Resource Center include adaptive materials and equipment, NIMAS, Talking Book Machine Lending Agency, braille productions, the vision services "store," descriptive videos, and the professional and consumer library. Additional services include support to parents and families, adult evaluation and training, summer camp and in-service training.

Major Accomplishments

1. Developed new departmental/program goals.
2. Renovated the west wing and addition of an elevator in the south wing.
3. Continued ongoing development of short-term programs for students and adult learners.
4. Continued offering the video magnifiers to citizens at an affordable price.
5. Continued growth and development of family-based services and events.

Executive Budget Recommendation

- Authorizes \$1.6 million, of which \$1.0 million is from the general fund, for significant building renovations.
- Includes \$215,939 from the general fund for targeted market equity adjustments.
- Approves \$107,200 from the general fund for operating inflation.
- Recommends \$5,000 from the general fund to conduct a low vision clinic for students.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

253 ND Vision Services/School for the Blind

Bill#: SB2013

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Education	4,364,732	8,547,849	(3,240,299)	(37.9%)	5,307,550	(902,433)	(10.6%)	7,645,416
Total Major Programs	4,364,732	8,547,849	(3,240,299)	(37.9%)	5,307,550	(902,433)	(10.6%)	7,645,416
Salaries and Wages	3,592,867	4,415,180	119,910	2.7%	4,535,090	693,576	15.7%	5,108,756
Accrued Leave Payments	0	87,463	(87,463)	(100.0%)	0	0	0.0%	0
Operating Expenses	712,126	720,806	(11,300)	(1.6%)	709,506	143,900	20.0%	864,706
Capital Assets	59,739	3,324,400	(3,261,446)	(98.1%)	62,954	(1,652,446)	(49.7%)	1,671,954
Total Line Items	4,364,732	8,547,849	(3,240,299)	(37.9%)	5,307,550	(902,433)	(10.6%)	7,645,416
By Funding Source								
General Fund	3,797,127	7,694,093	(2,945,223)	(38.3%)	4,748,870	(1,285,500)	(16.7%)	6,408,593
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	567,605	853,756	(295,076)	(34.6%)	558,680	383,067	44.9%	1,236,823
Total Funding Source	4,364,732	8,547,849	(3,240,299)	(37.9%)	5,307,550	(902,433)	(10.6%)	7,645,416
Total FTE	29.50	30.00	0.00	0.0%	30.00	0.00	0.0%	30.00

Statutory Authority

North Dakota Century Code Chapter 15-20.1-3 and Carl D Perkins Career and Technical Act of 2006.

Agency Description

The Department of Career and Technical Education (CTE) provides leadership, technical assistance and fiscal support of Career Technical Education to public school districts, Area Career and Technology Centers, state colleges and universities, state institutions and tribal colleges. CTE is responsible for administering federal and state legislation and funding. The Department believes the effort will be enhanced through the establishment of quality instructional programs that derive standards from industry and use industry certifications to validate both program instruction and student performance. The Department also establishes standards for teacher certification, curriculum development, access for special populations, and focuses on equity in programs, activities, and services at all levels of education. The CTE governing board recognizes that a qualified, skilled workforce is essential to the economic well-being of North Dakota's business, industry and public sector.

Major Accomplishments

1. Integrated its student/school data collection into the STARS system, which is the Department of Public Instruction data collection system. This will effectively eliminate duplicate data reporting requirements from local schools.

2. Developed a partnership with the Information Technology Council of North Dakota to promote IT Programs of Study and IT Career Awareness.
3. Developed, revised and consolidated many of the Coordinated Plans of Study to simplify the career planning process and qualifying for the CTE scholarship.
4. Continued to monitor and assisted three additional, pilot "virtual" Area Career Technology Centers established by the 2007-09 legislature. The total number of virtual Area Centers is 6, in addition to 5 traditional Area Centers, which bring increased access to CTE programming to 93 schools.
5. Established and administered a number of STEM Grants to schools and has incorporated STEM programming into many existing programs.

Executive Budget Recommendation

- Provides \$24.8 million for general fund grants to secondary and post-secondary CTE programs, an increase of \$2.0 million from the general fund.
- Authorizes \$1.5 million for one-time, general fund equipment grants to secondary and post-secondary CTE programs.
- Increases base funding for TrainND programs to \$4.0 million from the general fund, an increase of \$1.0 million.
- Approves \$700,000 to expand CTE course offerings.
- Includes \$209,202 for targeted market equity adjustments.
- Removes a vacant 0.50 FTE position.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

270 Career and Technical Education

Bill#: HB1019

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Administration	3,120,540	4,012,236	(137,959)	(3.4%)	3,874,277	369,361	9.2%	4,381,597
Technical Assistance	33,544,042	38,668,475	(919,333)	(2.4%)	37,749,142	4,442,902	11.5%	43,111,377
Total Major Programs	36,664,582	42,680,711	(1,057,292)	(2.5%)	41,623,419	4,812,263	11.3%	47,492,974
Salaries and Wages	3,890,444	4,669,943	149,621	3.2%	4,819,564	819,176	17.5%	5,489,119
Accrued Leave Payments	0	96,477	(96,477)	(100.0%)	0	0	0.0%	0
Operating Expenses	800,356	1,253,339	0	0.0%	1,253,339	0	0.0%	1,253,339
Grants	27,916,528	31,063,698	79,564	0.3%	31,143,262	4,279,564	13.8%	35,343,262
Postsecondary Grants	357,452	847,452	(140,000)	(16.5%)	707,452	(140,000)	(16.5%)	707,452
Adult Farm Management	699,802	749,802	(50,000)	(6.7%)	699,802	(50,000)	(6.7%)	699,802
Workforce Training	3,000,000	4,000,000	(1,000,000)	(25.0%)	3,000,000	0	0.0%	4,000,000
Total Line Items	36,664,582	42,680,711	(1,057,292)	(2.5%)	41,623,419	4,812,263	11.3%	47,492,974
By Funding Source								
General Fund	27,981,679	32,392,916	(467,383)	(1.4%)	31,925,533	5,402,170	16.7%	37,795,086
Federal Funds	8,673,143	9,832,821	(289,909)	(2.9%)	9,542,912	(289,907)	(2.9%)	9,542,914
Special Funds	9,760	454,974	(300,000)	(65.9%)	154,974	(300,000)	(65.9%)	154,974
Total Funding Source	36,664,582	42,680,711	(1,057,292)	(2.5%)	41,623,419	4,812,263	11.3%	47,492,974
Total FTE	27.50	27.00	0.00	0.0%	27.00	(0.50)	(1.9%)	26.50

Statutory Authority

North Dakota Century Code Titles 19, 23, 25 and 61.

Agency Description

- Works closely with the U.S. Environmental Protection Agency (EPA) to safeguard the quality of North Dakota's air, land and water resources through permitting, inspecting, sampling, analytical services and monitoring activities.
- Enables communities to promote healthy behaviors that prevent injury, illness and disease through various state and federal programs.
- Manages programs leading to the detection, diagnosis, analysis, reporting, intervention/referral and follow-up of diseases.
- Provides leadership and oversight for public health and medical emergency preparedness and response efforts in the state.
- Regulates and supports food and lodging establishments, emergency medical services and healthcare facilities including hospitals, home health agencies, nursing facilities, basic care facilities, intermediate care facilities for those with intellectual disabilities, and clinical laboratory services.

Major Accomplishments

1. Placed 29 health professionals in shortage areas.
2. Achieved accreditation as HealthLead™ for workplace wellness.
3. Enrolled 4,119 people in NDQuits in FY 2014, 266 more than were enrolled in FY 2013.
4. Screened 2,400 women for breast and/or cervical cancer through Women's Way local coordinating units and approved providers.
5. Provided funding to 20 domestic violence/rape crisis agencies to provide crisis intervention, shelter and other services to 913 primary victims of sexual assault, 4,624 new victims of domestic violence and 4,513 children impacted by domestic violence.
6. Provided suicide prevention funding of \$850,000 to schools, tribal organizations, social service agencies and medical agencies.
7. Provided 5,182 sealant applications and 1,817 fluoride varnish applications to students ages four through 18 in about 50 schools statewide. Sealants and fluoride varnish help to protect teeth from tooth decay.
8. Distributed almost 600 cribs and provided safe sleep education to families through the Cribs for Kids Program to help reduce injury and death of infants.
9. Achieved an adolescent vaccination rate for Tdap and meningococcal vaccinations of 95.0 percent and 93.7 percent, respectively.
10. Investigated three major infectious disease outbreaks including hepatitis C (47 cases, to date) syphilis (34 cases, to date) and tuberculosis (27 cases, to date).
11. Activated and staffed Department Operations Center for 15 incidents and provided medical support (staff & supplies) for six community events.
12. Reduced response time and increased emergency response capacity by placing equipment and supplies in 53 foot emergency response trailers in all eight regions of the state.

13. Distributed \$6.2 million in grants and automated CPR devices to ambulance services and hospitals.
14. Continued to maintain high compliance rates above national levels for all environmental health regulatory programs while responding to increased needs related to the energy industry including 166 citizen complaints relating to environmental quality concerns.
15. Reviewed approximately 1,422 environmental spill reports since July 1, 2012 by conducting field investigations, remediation oversight and enforcement.

Executive Budget Recommendation

- Provides \$7.0 million for oil impact affected programs in the environmental health division; included is 14.00 FTE and \$4.0 million from the general fund.
- Provides \$755,953 to maintain and increase childhood immunization rates. Funding includes \$179,100 for a school immunization module that provides an interface between the ND Immunization System and the State Longitudinal Data System and \$576,853 for increased costs of vaccines and new immunization recommendations.
- Provides \$500,000 for a catastrophic fund for infectious disease outbreaks.
- Provides \$224,000 from the general fund for forensic examiner infrastructure including \$160,000 to restore the autopsy contract with UND, \$44,000 one-time funding for digital x-ray equipment and \$20,000 one-time funding to modify the vital records system to allow for electronic review of death records.
- Provides \$792,016 and 5.00 FTE for Food and Lodging inspectors due to increased number of food and lodging establishments and federal requirements recommending additional and more frequent inspections.
- Provides \$500,000 to increase suicide prevention with an emphasis on youth and underserved populations.
- Provides \$712,500 from the general fund for additional medical loan repayment slots for a total funded program of \$1.4 million. This includes additions of 3 physicians, 2 midlevel practitioners and 1 dentist. The program also expands to behavioral health professionals with 1 slot for a psychologist and 4 slots for social workers, addiction counselors, professional counselors, psychology nurse practitioners, licensed practical nurses and registered nurses.
- Provides \$1.6 million from the general fund for salary equity adjustments for targeted occupations.
- Provides a \$1.0 million general fund increase to local public health units for a total of \$5.0 million.
- Increases Rural EMS grants to \$8.0 million with an additional \$1.6 million from the general fund.
- Provides \$500,000 for domestic violence and rape crisis.
- Continues funding for Women's Way with \$500,000 from the general fund.
- Provides \$989,000 for medical cache supplies including \$30,000 for 2 used school buses that will be converted to transport wheelchairs and stretchers.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

301 ND Department of Health

Bill#: HB1004

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Administrative Support	12,248,615	16,910,457	(1,541,319)	(9.1%)	15,369,138	3,316,301	19.6%	20,226,758
Medical Services	13,281,217	17,535,816	623,085	3.6%	18,158,901	2,550,370	14.5%	20,086,186
Health Resources	8,048,904	9,838,222	(166,856)	(1.7%)	9,671,366	1,342,045	13.6%	11,180,267
Community Health	55,621,293	68,096,680	(1,275,864)	(1.9%)	66,820,816	885,785	1.3%	68,982,465
Environmental Health	42,797,920	50,524,632	(977,593)	(1.9%)	49,547,039	8,362,666	16.6%	58,887,298
Emergency Preparedness and Response	18,085,594	22,664,135	(1,403,652)	(6.2%)	21,260,483	1,385,157	6.1%	24,049,292
Total Major Programs	150,083,543	185,569,942	(4,742,199)	(2.6%)	180,827,743	17,842,324	9.6%	203,412,266
Salaries and Wages	45,733,649	54,757,510	2,461,672	4.5%	57,219,182	12,550,547	22.9%	67,308,057
Accrued Leave Payments	0	2,223,289	(2,223,289)	(100.0%)	0	(2,215,459)	(99.6%)	7,830
Operating Expenses	27,884,983	38,395,014	1,293,954	3.4%	39,688,968	8,446,283	22.0%	46,841,297
Capital Assets	1,654,993	2,224,288	484,522	21.8%	2,708,810	1,398,522	62.9%	3,622,810
Grants	47,719,746	57,610,729	(2,967,139)	(5.2%)	54,643,590	1,395,361	2.4%	59,006,090
Tobacco Prevention & Control	5,485,311	5,544,251	822,942	14.8%	6,367,193	881,931	15.9%	6,426,182
WIC Food Payments	18,097,955	24,659,861	(4,459,861)	(18.1%)	20,200,000	(4,459,861)	(18.1%)	20,200,000
Contingent Appropriation	717,570	0	0	0.0%	0	0	0.0%	0
Federal Stimulus Funds	2,789,336	155,000	(155,000)	(100.0%)	0	0	0.0%	0
Total Line Items	150,083,543	185,569,942	(4,742,199)	(2.6%)	180,827,743	17,842,324	9.6%	203,412,266
By Funding Source								
General Fund	32,943,377	46,001,508	(444,705)	(1.0%)	45,556,803	16,693,127	36.3%	62,694,635
Federal Funds	103,226,715	120,309,143	(3,545,520)	(2.9%)	116,763,623	(231,033)	(0.2%)	120,078,110
Special Funds	13,913,451	19,259,291	(751,974)	(3.9%)	18,507,317	1,380,230	7.2%	20,639,521
Total Funding Source	150,083,543	185,569,942	(4,742,199)	(2.6%)	180,827,743	17,842,324	9.6%	203,412,266
Total FTE	344.00	354.00	0.00	0.0%	354.00	19.00	5.4%	373.00

Statutory Authority

North Dakota Century Code 23-12-09 through 23-12-11, 23-42-01 through 23-42-08, and 54-27-25.

Agency Description

Tobacco Prevention and Control Executive Committee, created by the passage of a statewide initiated measure in November 2008, performs the following essential functions for the state:

1. Provides leadership to develop and fully implement a statewide, long-term comprehensive plan to significantly reduce tobacco use, the leading cause of preventable disease and death in North Dakota.
2. Monitors and evaluates the effectiveness of the implementation of the statewide plan.
3. Provides for an independent review of the plan to assure it is consistent with Center for Disease Control's Best Practices for Comprehensive Tobacco Control Programs, and reports the results to the Governor and State Health Officer each biennium.
4. Develops and implements programs and policies that ensure that tobacco use and the sickness, disease, death and economic burden it places on all North Dakota residents, is reduced significantly over a matter of years rather than over many decades.
5. Supports other state and local tobacco prevention efforts that are part of the comprehensive plan, including the North Dakota Department of Health tobacco use cessation, surveillance and tribal programs.

Major Accomplishments

1. Increased capacity by hiring of two permanent personnel to implement statewide plan and provide additional fiscal and technical assistance to expanded agency grant programs.
2. Revised comprehensive state tobacco plan completed to include work in areas not covered by the new law (multi-unit housing and outdoor venues), and public education and policy development on electronic cigarettes and other nicotine addiction devices.
3. Managed 3 grant programs and supported 57 annual grant awards, granting over \$8.4 million to statewide organizations and all local public health units.
4. Managed 6 professional service contracts totaling \$2.1 million to provide the following statewide services.

5. Funded grants for local public health unit infrastructure previously funded by the department of health, at \$345,000/year.
6. Responded to emerging tobacco prevention issues related to population growth by providing an additional \$137,274 for additional public education and cessation services promotion primarily in western ND.
7. Met with public health units to discuss how to provide effective tobacco prevention education services to American Indian populations.
8. Implemented Public Health Service Guidelines in 37 medical/dental health care systems and 14 other allied health care settings such as chiropractors' practices.
9. Increased the tobacco state aid grants program in local public health units from \$470,000 in FY2014 to \$941,081 in FY2015.
10. Increased from 10 to 17 the number of smoke-free city ordinances before and after the new smoke-free law took effect in December 2012.
11. Increased from 110 to 162 the number of K-12 school districts, which is 71 percent of all school districts, that have passed comprehensive tobacco-free campus policies.
12. Increased from 12 to 14 the number of colleges adopting tobacco-free campus policies, including United Tribes Technical College, which was the first tribal college in ND, and the third in the nation, to adopt a comprehensive tobacco-free campus policy.
13. Enhanced implementation of, and compliance with, the new state smoke-free law. Provided educational materials to more than 55,000 businesses, state's attorneys and law enforcement agencies. Provided public education statewide through news stories and radio and print ads.
14. Verified 67 tobacco-free or smoke-free grounds policies, 9 smoke-free publicly funded/subsidized housing establishments, and 50 smoke-free private properties including one property with 528 apartments.
15. Added 9 new tobacco prevention coalitions in communities and 188 new coalition members for a total of 40 coalitions and 1,112 coalition members statewide.
16. Passed ordinances in 6 cities prohibiting the sale of electronic cigarettes to minors. Of these, 3 cities also require electronic cigarettes behind the counter.
17. Decreased smoking by ND high school students by 29 percent and 45 percent of middle school students the first four years of this program.

Executive Budget Recommendation

- Recommends budget as requested.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

305 Tobacco Prevention and Control

Bill#: HB1024

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Tobacco Prevention and Control Program	11,758,913	15,815,828	155,970	1.0%	15,971,798	293,928	1.9%	16,109,756
Total Major Programs	11,758,913	15,815,828	155,970	1.0%	15,971,798	293,928	1.9%	16,109,756
Accrued Leave Payments	0	8,391	(8,391)	(100.0%)	0	0	0.0%	0
Comprehensive Tobacco Control	11,758,913	15,807,437	164,361	1.0%	15,971,798	302,319	1.9%	16,109,756
Total Line Items	11,758,913	15,815,828	155,970	1.0%	15,971,798	293,928	1.9%	16,109,756
By Funding Source								
General Fund	0	0	0	0.0%	0	0	0.0%	0
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	11,758,913	15,815,828	155,970	1.0%	15,971,798	293,928	1.9%	16,109,756
Total Funding Source	11,758,913	15,815,828	155,970	1.0%	15,971,798	293,928	1.9%	16,109,756
Total FTE	8.00	8.00	0.00	0.0%	8.00	0.00	0.0%	8.00

Statutory Authority

North Dakota Century Code Chapters 54-44.6, 54-46, 54-46.1, and 54-59.

Agency Description

Located on 90 acres of land in the picturesque Sheyenne River Valley in Lisbon. The North Dakota Veterans Home stands as a tribute to North Dakota citizens who answered their country's call to duty. Since 1893, the Veterans Home has been serving the veterans and their spouses in North Dakota.

The Veterans Home has 52 skilled beds and 98 basic care beds. The skilled unit provides round the clock nursing care for residents who need ongoing nursing supervision and/or assistance with activities of daily living. The basic care unit provides care to veterans as long as they are ambulatory and able to care for their own personal needs. The basic care unit does have a nurse available for emergency care 24 hours a day.

Major Accomplishments

1. Provided a home for veterans and/or their spouses.
2. Developed standards of care where residents age in place.
3. Completed construction on a new 150 bed state of the art facility.
4. Improved the quality of life for veterans by building the new facility in the household/neighborhood design with private rooms that allow the residents more dignity and privacy.
5. Implemented an electronic health records system.
6. Received deficiency-free surveys from the State Health Department and the Department of Veterans Affairs.

Executive Budget Recommendation

- Provides \$429,624 special fund authority for salary adjustments for targeted occupations.
- Provides \$930,225 federal and special fund authority for a pedestrian bridge for residents to safely cross the Sheyenne River into town.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

313 Veterans Home
Biennium: 2015-2017

Bill#: HB1007

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Administration	2,026,039	2,237,157	(63,771)	(2.9%)	2,173,386	698,284	31.2%	2,935,441
Plant Operations	2,146,876	4,163,941	(578,412)	(13.9%)	3,585,529	(465,559)	(11.2%)	3,698,382
New Veterans Home	1,228,657	810,595	(810,595)	(100.0%)	0	(810,595)	(100.0%)	0
Dietary	1,403,494	1,600,456	79,632	5.0%	1,680,088	128,119	8.0%	1,728,575
Nursing Basic Care	4,014,283	4,634,128	300,726	6.5%	4,934,854	704,309	15.2%	5,338,437
Nursing Skilled Care	6,640,518	7,901,467	(307,067)	(3.9%)	7,594,400	270,612	3.4%	8,172,079
Resident Services	169,347	248,614	28,138	11.3%	276,752	47,255	19.0%	295,869
Social Services	1,017,778	1,196,538	18,972	1.6%	1,215,510	112,885	9.4%	1,309,423
Housekeeping	464,106	462,388	68,717	14.9%	531,105	105,329	22.8%	567,717
Laundry	212,393	292,666	35,400	12.1%	328,066	61,001	20.8%	353,667
Pharmacy	901,597	1,488,674	(234,033)	(15.7%)	1,254,641	(204,312)	(13.7%)	1,284,362
Total Major Programs	20,225,088	25,036,624	(1,462,293)	(5.8%)	23,574,331	647,328	2.6%	25,683,952
Salaries and Wages	14,019,958	15,874,866	600,421	3.8%	16,475,287	2,659,817	16.8%	18,534,683
Accrued Leave Payments	0	458,197	(458,197)	(100.0%)	0	0	0.0%	0
Operating Expenses	4,475,722	5,408,851	(102,850)	(1.9%)	5,306,001	(102,850)	(1.9%)	5,306,001
Capital Assets	605,508	1,695,915	97,128	5.7%	1,793,043	147,353	8.7%	1,843,268
Capital Construction Carryover	808,215	794,281	(794,281)	(100.0%)	0	0	0.0%	0
Shop Addition	0	788,200	(788,200)	(100.0%)	0	0	0.0%	0
New Veterans Home	315,685	16,314	(16,314)	(100.0%)	0	0	0.0%	0
Total Line Items	20,225,088	25,036,624	(1,462,293)	(5.8%)	23,574,331	647,328	2.6%	25,683,952
By Funding Source								
General Fund	6,232,082	8,516,633	(684,230)	(8.0%)	7,832,403	883,017	10.4%	9,399,650
Federal Funds	29,475	0	0	0.0%	0	450,000	0.0%	450,000
Special Funds	13,963,531	16,519,991	(778,063)	(4.7%)	15,741,928	(685,689)	(4.2%)	15,834,302
Total Funding Source	20,225,088	25,036,624	(1,462,293)	(5.8%)	23,574,331	647,328	2.6%	25,683,952
Total FTE	120.72	120.72	0.00	0.0%	120.72	0.00	0.0%	120.72

Statutory Authority

North Dakota Century Code Sections 54-36-03 to 54-36-09.

Agency Description

The North Dakota Indian Affairs Commission is the liaison between the executive branch and the tribal nations of North Dakota. Duties include coordination and mediation service with tribal nations and the state and its agencies regarding interagency communication, protocol, and jurisdictional issues. Additionally, the agency works with tribal governments, their people and communities to enhance capacity in working with the state.

The agency also is responsible for the maintenance and publication of several documents, including but not limited to the, Statewide Directory of American Indian Resources, and historical and contemporary information and research about North Dakota's American Indian citizens. These materials are available in print and for download on the website.

Major Accomplishments

1. Established and completed the 2010, 2011 and 2012 ND Indian Youth Leadership Academy. Forty high school students from across North Dakota participated in a five-day leadership camp. During the camp, nationally known native American speakers came and provided sessions on wellness, spirituality, leadership, career development, values and culture.
2. Reorganized the American Indian Business Development Office with the ND Department of Commerce. Completed inventory of all native American owned

businesses in North Dakota. Developed the new Indian Business Alliance of North Dakota and hosted Tribal Economic Summits/Conference.

3. Continued creating partnerships and memorandums of agreements and understanding between tribal entities and non-tribal entities.
4. Continued building and fostering working relations between state government agencies and tribal agencies.
5. Updated the Resource Information Guide (formerly called the Indian Affairs Directory) that became available in the fall of 2009. The NDIAC Resource Information Guide can be viewed on the NDIAC website. This guide will be updated every tribal election.
6. Established and continued to co-chair the ND Indian Education Advisory Committee in partnership with ND Department of Instruction, and continued to work directly with all ND Tribal Colleges and the ND University Systems.

Executive Budget Recommendation

- Transfers the American Indian Business Office contract and \$100,000 general fund appropriation from the Department of Commerce.
- Increases operating with \$5,000 from the general fund which includes \$3,000 funding to continue to travel to meetings with the tribes on numerous issues and \$2,000 to assist with the annual Indian Education Summit.
- Provides \$13,955 for desktop services and ongoing replacement of hardware and software.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

316 Indian Affairs Commission

Bill#: HB1005

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Indian Affairs Administration	794,310	1,027,558	112,820	11.0%	1,140,378	217,548	21.2%	1,245,106
Total Major Programs	794,310	1,027,558	112,820	11.0%	1,140,378	217,548	21.2%	1,245,106
Salaries and Wages	584,922	852,869	28,078	3.3%	880,947	106,031	12.4%	958,900
Accrued Leave Payments	0	8,421	(8,421)	(100.0%)	0	0	0.0%	0
Operating Expenses	209,388	166,268	93,163	56.0%	259,431	119,938	72.1%	286,206
Total Line Items	794,310	1,027,558	112,820	11.0%	1,140,378	217,548	21.2%	1,245,106
By Funding Source								
General Fund	794,310	1,027,558	112,820	11.0%	1,140,378	217,548	21.2%	1,245,106
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	0	0	0	0.0%	0	0	0.0%	0
Total Funding Source	794,310	1,027,558	112,820	11.0%	1,140,378	217,548	21.2%	1,245,106
Total FTE	4.00	5.00	0.00	0.0%	5.00	0.00	0.0%	5.00

Statutory Authority

North Dakota Century Code Chapters 37-14 and 37-18.

Agency Description

The North Dakota Department of Veterans Affairs (NDDVA) has the responsibility of ensuring the state's over 61,000 veterans and their dependents not only know about the state and federal benefits to which they are entitled for having served their country, but also assist them in obtaining such benefits. The department is responsible for the collection, filing, safeguarding and maintaining of North Dakota Veterans DD214 and DD215 discharge documents. The department safeguards these records in fireproof locking cabinets and in electronic form. NDDVA provides certified and true copies to the veterans upon request.

The department is responsible for assisting counties with training of 65 County Veterans Service Officers (CVSOs) and their assistants who serve 53 counties, and are appointed by their respective County Commissions, as well as assisting in the training of 7 Tribal Service Officers from three tribes. The department provides training through a minimum of two training seminars each year to keep the CVSOs as current as possible on issues, topics and programs available to and affecting veterans as well as providing initial and continued one-on-one training with the CVSOs either in the NDDVA office or the CVSO's own office.

The department accepts and carries through to completion veterans claims for entitlement from the United States Department of Veterans Affairs (VA) and acts as power of attorney in these claims; counsels veterans on employment and entrepreneurial programs and regulations, educational (high school through graduate level) programs, disability benefits, medical (both physical and mental) care entitlement, nursing home assistance, death benefits, and other related veterans activities. The department is responsible for enforcing the state's veteran's preference law.

A Veterans Aid Loan Program, Transportation Program, and Hardship medical and non-medical Grant Programs are all administered by the department. The department is responsible for distributing information relating to veterans, veterans programs and veterans issues to the state veteran's population, interested parties and the general public through the use of email, news media, website, social media, CVSOs, veterans organizations and US mail. The department, working under the supervision of the Administrative Committee on Veterans Affairs, also monitors legislation and assists others in acquiring information.

Major Accomplishments

1. Provided four training conferences for County Veteran Service Officers (CVSOs) and Tribal Veteran Service Officers (RVSOs).

2. Continued to archive DD214s into electronic data base for safe keeping and easy access.
3. Continued to improve veterans claims management program which will allow NDDVA and CVSOs to maintain, track, process and submit claims to the federal VA electronically.
4. Established women's veteran support groups around the state, provided brochures, website information and mailer information.
5. Appointed a NDDVA staff member as the Minority Veterans coordinator. Have established great working relationships with all Native American tribes in ND.
6. Involved in legislative changes that resulted in: New Veterans Education Training program to prepare veterans for college; resident tuition for dependents of veterans attending ND schools; free tuition for dependents of veterans who were 100 percent disabled at time of death; Vietnam Veterans exposed to Agent Orange outreach program grant; grants for Stand Down events; grants for purchase of service dogs for veterans with PTSD; funding for the purchase of transportation vans for Veterans to get to the VA medical centers; additional \$250,000 added to the Post War Trust Fund principal; reduced hunting and fishing fees for disabled veterans; fee removal for Gold Star, POW and DAV plates; DAV plates eligible for handicapped parking; increased property taxable value exemption amount; and added section for private employers to provide veterans hiring preference.
7. Continued to work on establishment of a Veterans Court in ND. Trained many law enforcement officers, attorneys and judges on PTSD and TBI.
8. Worked with Federal VA's Veteran Justice Outreach person to establish treatment for veterans rather than jail.
9. Applied for three federal grants: transportation grant; Veterans Cemetery improvement grant; and healthcare in rural areas grant.
10. Improved website and added many social media programs such as face book and twitter to educate veterans and dependents on benefits.
11. Collaborated in initiating the new ND Cares project.
12. Continued to improve on the training of new CVSOs.

Executive Budget Recommendation

- Provides \$55,100 salary adjustments for targeted market equity.
- Provides \$10,000 for ongoing funding of stand down events and outreach to Veterans.
- Provides \$15,000 to replace one additional van per biennium.
- Provides \$275,696 federal authority and 1.00 FTE for the State Approving Agency, previously located in Higher Education.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

321 Department of Veterans Affairs

Bill#: HB1025

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Veterans Affairs Administration	1,384,927	1,723,636	(385,755)	(22.4%)	1,337,881	141,745	8.2%	1,865,381
Total Major Programs	1,384,927	1,723,636	(385,755)	(22.4%)	1,337,881	141,745	8.2%	1,865,381
Accrued Leave Payments	0	10,123	(10,123)	(100.0%)	0	0	0.0%	0
Technology Project Carry	0	7,933	(7,933)	(100.0%)	0	0	0.0%	0
Transport Vans	0	30,000	(30,000)	(100.0%)	0	(15,000)	(50.0%)	15,000
Grants - Agent Orange	0	50,000	(50,000)	(100.0%)	0	0	0.0%	0
Veterans' Affairs Administration	1,384,927	1,375,580	(37,699)	(2.7%)	1,337,881	474,801	34.5%	1,850,381
General Fund Transfer	0	250,000	(250,000)	(100.0%)	0	0	0.0%	0
Total Line Items	1,384,927	1,723,636	(385,755)	(22.4%)	1,337,881	141,745	8.2%	1,865,381
By Funding Source								
General Fund	1,384,927	1,723,636	(385,755)	(22.4%)	1,337,881	(151,188)	(8.8%)	1,572,448
Federal Funds	0	0	0	0.0%	0	292,933	0.0%	292,933
Special Funds	0	0	0	0.0%	0	0	0.0%	0
Total Funding Source	1,384,927	1,723,636	(385,755)	(22.4%)	1,337,881	141,745	8.2%	1,865,381
Total FTE	7.00	8.00	0.00	0.0%	8.00	1.00	12.5%	9.00

Statutory Authority

North Dakota Century Code Chapters 6-09.16, 12.1-01, 14-08.1, 14-09, 14-10, 14-12.2, 14-13, 14-15, 14-15.1, 14-19, 14-20, 19-03.1, 23-02.1, 25-01, 25-01.1, 25-01.2, 25-02, 25-03.1, 25-03.2, 25-03.3, 25-04, 25-10, 25-11, 25-16, 25-16.1, 25-16.2, 25-17, 25-18, 26.1-36, 26.1-45, 27-20, 27-21, 28-21, 34-15, 50-01, 50-01.1, 50-01.2, 50-03, 50-06, 50-06.1, 50-06.2, 50-06.3, 50-06.4, 50-06.5, 50-08.1, 50-09, 50-10.1, 50-10.2, 50-11, 50-11.1, 50-11.2, 50-11.3, 50-12, 50-19, 50-24.1, 50-24.3, 50-24.4, 50-24.5, 50-24.6, 50-24.7, 50-25.1, 50-25.2, 50-27, 50-28, 50-29, 50-30, 50-31, 50-32, 50-33, 54-38, 54-44.8 and 57-15.

Agency Description

The DHS is an umbrella agency headed by an executive director appointed by the Governor. The DHS Senior Management Team is comprised of nine directors reporting to the executive director. The executive director and the management team oversee the operations of ten organizational components consisting of Program and Policy, Economic Assistance, Child Support, Medical Services, Field Services, Vocational Rehabilitation/Disability Determination Services and Administration. The appropriation bill itself consists of three major areas consisting of Management, Program/Policy Management and Field Services.

Management includes Fiscal Administration, Human Resources, Information Technology Services, Legal Advisory Unit, Risk Management, Executive Office and Public Information.

Program/Policy Management is comprised of nine major programs: Economic Assistance Policy (including TANF, SNAP, Low Income Heating Assistance Program, Child Care Assistance), Medical Services (including Traditional Medicaid and Medicaid Expansion, Children's Health Insurance Program and Long-Term Care Continuum Services), Child Support, Aging Services (Older Americans Act programs), Children and Family Services, Mental Health/Substance Abuse, Vocational Rehabilitation/Disability Determination Services, the Developmental Disabilities Division and Autism Services. North Dakota's assistance programs are supervised by the state but are directed and administered by the 47 county social service boards. Additionally, many aging and children's services are provided through County Social Service Boards.

Field Services is comprised of eight Human Service Centers located in each of the Governor's designated planning regions providing direct delivery of services to individuals and families, the State Hospital located in Jamestown and the Life Skills and Transition Center located in Grafton. The Human Service Centers provide a comprehensive array of outpatient clinical and community services including vocational rehabilitation, mental health services, developmental disabilities services, social services, addiction counseling, and emergency and outreach services. The centers provide supervision and direction to county agencies delivering social services. The State Hospital is a component of the treatment continuum providing treatment for mental illness and substance abuse.

The Life Skills and Transition Center is an educational and training facility for persons with developmental disabilities.

Major Accomplishments

1. Implemented the Medicaid Expansion providing coverage to thousands of previously uninsured low-income North Dakotans.
2. Secured a \$300,000 federal System of Care Expansion Planning Grant to develop a statewide Trauma-Informed System of Care for children and youth with serious emotional disturbances and their families.
3. Implemented Mandatory Reporting of Vulnerable Adult Abuse and Neglect developing policy, conducting outreach, providing training, adopting an online reporting system, and contracting for and providing adult protective services.
4. Managed the Order of Selection in the Vocational Rehabilitation Program ultimately eliminating the wait list for services.
5. Reached a record-low resident population of 64 adults at the Life Skills and Transition Center in Grafton and continued working with providers, advocates, residents, family members, guardians, and other stakeholders to transition residents to appropriate community settings of their choice and to provide behavioral health specialist services to help maintain people in the community.
6. Worked with partners and applied for and received a Money Follows the Person (MFP) Tribal initiative grant from the Centers for Medicare and Medicaid Services (CMS) to focus on transitions and services in Tribal areas to serve people with disabilities in their homes and communities.
7. Participated in a Substance Abuse Mental Health Services Administration (SAMHSA)-funded Olmstead Virtual Policy Academy that focused on housing with supports for people with disabilities, supported employment services, and peer support services.
8. Increased qualifying income levels and reduced family co-payments for the Child Care Assistance Program to help more qualifying low-to-moderate income parents pay for child care while they work or attend school or training.
9. Hosted biennial stakeholder meetings in the state's eight largest communities to gather input about local and regional human service needs and priorities which are utilized in strategic planning and the development of the agency budget proposal.
10. Implemented the \$9.5 million Strategic Prevention Framework, State Incentive Grant making funds available to local public health units and Tribes to help communities implement effective prevention programs, policies, and practices to reduce substance abuse and its related problems.
11. Implemented a new Autism Voucher program to help pay for assistive technology, training, and other approved support services for children ages three through 17 diagnosed with an autism spectrum disorder who meet income requirements and do not qualify for the autism waiver.
12. Received recognition from USDA – Food and Nutrition Services for North Dakota's application timeliness rate for the Supplemental Nutrition Assistance Program.

13. Participated in the NIATx process improvement project to improve admissions processes, reduce appointment no-shows, and retain consumers at the regional human service centers.
14. Expanded the voluntary Bright and Early North Dakota early childhood quality rating and improvement initiative beyond the Fargo region to include the Williston, Minot, and Jamestown regions.
15. Received recognition by the Joint Commission as a Top Performer on Key Quality Measures for the North Dakota State Hospital's work providing evidence-based clinical measures shown to improve patient care for hospital-based inpatient psychiatric services.
16. Agreed to a referral procedure after the Standing Rock Sioux Tribe Child Support Program notified DHS Child Support Division that they are ready to take referrals.
17. Implemented a new case management and payment system, AWAREND, in the Division of Vocational Rehabilitation on time and under budget. The system will enhance the ability to monitor client progress so they can achieve their employment goals.
18. Achieved a Fiscal Year 2013 work participation rate of 74 percent for the families served in the Temporary Assistance to Needy Families (TANF) program.
19. Placed third among state Child Support programs in overall performance on the five federal performance measures, including second place on the "collection of current support" performance measure.
20. Implemented sub-acute detox services in the Cass County region through a contract with Clay County.
21. Implemented a mobile crisis service pilot project in the Southeast region with Solutions, Inc. that provides phone and in-person support to people experiencing a mental health crisis to diffuse the crisis, connect people to services, and avoid unnecessary emergency room visits and interactions with law enforcement. In its first year of operation, the program responded to 231 crisis calls involving 57 individuals, including 10 children, and diverted 97 percent from inpatient hospitalizations.
22. Drafted transition plans for six Medicaid waivers and invited public comment on the plans to comply with the federal CMS Home and Community Based Services rule that covers HCBS settings, conflict-free case management, and person-centered planning.
23. Worked to address behavioral health needs, especially addiction service needs, in western North Dakota by contracting with private providers, and utilizing current and retired DHS treatment professionals from other regions to provide services onsite and via telehealth technology.
24. Celebrated the 25th anniversary of DHS' Ruth Meiers Adolescent Treatment Center in Grand Forks, which provides therapeutic residential care to about 500 youth with serious mental illness and their families.
25. Recognized by the PbS Learning Institute, the Ruth Meiers Adolescent Treatment Center was selected as the winner of the 2014 PbS Barbara Allen-Hagen Award for community-based program.

Executive Budget Recommendation

- Provides \$554,989 from the general fund to add 50 slots for extended services for seriously mentally ill individuals to assist them in maintaining employment.
- Provides \$180,783 from the general fund to add 35 slots for extended services for individuals with a traumatic brain injury to assist them in maintaining employment.
- Provides \$903,983, with \$685,895 from the general fund, for a 5-bed crisis residential unit to reduce admissions to the State Hospital and a 5-bed transitional living unit which would be used, for example, to assist individuals being discharged from the State Hospital transition back into the community in the north central region.
- Provides \$283,500 from the general fund for a 4-bed alternative care services unit to help serve individuals in a behavioral health crisis in the west central region.
- Provides \$393,295 from the general fund for 3.00 FTE to expand the integrated dual disorder treatment (IDDT) program in the west central region.
- Provides \$601,699 from the general fund for a 10-bed short term residential facility to provide crisis residential and intoxication management services in the badlands region.
- Provides \$1.5 million from the general fund to expand the Tompkins Rehabilitation Center for treating addiction and preventing addicted individuals from re-offending and returning to the corrections system.
- Provides \$287,630, with \$229,130 from the general fund, for the statewide implementation of a trauma-informed system of care which will include training and consultation for child welfare providers, so children will have a better opportunity to succeed in life.
- Provides \$1.0 million from the general fund to expand the mobile on-call service currently in the southeast region to a statewide program to help clients remain in the community and divert them from inpatient hospitalizations.
- Provides \$422,000 from the general fund for prevocational services to ensure individuals with traumatic brain injury are adequately prepared for employment opportunities.
- Provides \$1.3 million from the general fund to establish guardianships for 52 vulnerable adults and for additional resources across the state for vulnerable adult protective services.
- Provides \$3.0 million, with \$1.7 million being from the general fund, to increase the age limit of the autism waiver to 9 years of age as well as to increase the number of slots available to serve children with autism.
- Provides \$1.5 million, with \$750,000 being from the general fund, to create 2 adjoining medically fragile units in the community of Grafton to serve 8 individuals currently residing at the Life Skills and Transition Center.
- Provides \$500,000 from the general fund, for the Centers for Independent Living to assist individuals with disabilities to live independently.
- Provides \$6.2 million, with \$6.0 million from the general fund, for staff equity increases for difficult to fill positions.

- Provides \$2.0 million from the general fund, to increase child care provider rates to assist in reducing the shortage of needed child care providers in the state.
- Provides \$291,140, with \$172,459 from the general fund, for quality day care by ensuring all day care workers have the required background checks.
- Provides \$260,335 including \$169,140 from the general fund for post adoption services.
- Provides \$3.8 million, with \$1.9 million from the general fund, to rebase the Medicaid reimbursement rates for ambulance services to ensure ambulance services remain viable across the state.
- Provides an additional \$384.3 million, with \$8.2 million from the general fund, for the Medicaid Expansion program ensuring individuals continue to have access to health care.
- Provides \$2.7 million from the general fund to provide necessary heating and cooling repairs and upgrades at the State Hospital and the Life Skills and Transition Center and for additional surveillance cameras located throughout the State Hospital campus to help ensure the safety of patients and staff.
- Provides for \$750,000 from the general fund to remodel six living area kitchens at the Life Skills and Transition Center to accommodate person-centered care by engaging residents in meal preparation and providing care in smaller units.
- Provides for \$19.3 million from the general fund for property tax relief for counties by the state bearing the cost of the Child Welfare and Service Payments to the Elderly and Disabled grants, as well as the county technology costs.
- Provides \$3.9 million from the general fund to provide additional property tax relief by establishing a grant program for counties who have historically used the emergency human services levy.
- Provides \$130,000 from the general fund for ND Cares for the development of data and training materials and website communications to strengthen a seamless network of support for service members, veterans and families.
- Provides \$90.1 million, with \$48.1 million from the general fund, for inflationary increases of 4 percent each year of the biennium, to service providers.
- Maintains programs authorized by the 2013 legislature at a cost of \$49.8 million from the general fund.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

325 Department of Human Services

Bill#: SB2012

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Management	88,296,948	173,841,721	(51,992,817)	(29.9%)	121,848,904	22,127,724	12.7%	195,969,445
Program and Policy	2,026,738,310	2,537,785,886	441,700,193	17.4%	2,979,486,079	554,136,385	21.8%	3,091,922,271
Human Service Centers	154,426,310	181,778,944	5,746,629	3.2%	187,525,573	23,254,871	12.8%	205,033,815
Institutions	122,490,341	131,386,083	5,916,128	4.5%	137,302,211	22,394,594	17.0%	153,780,677
Total Major Programs	2,391,951,909	3,024,792,634	401,370,133	13.3%	3,426,162,767	621,913,574	20.6%	3,646,706,208
Salaries and Wages	65,601,871	78,183,550	3,004,435	3.8%	81,187,985	21,430,237	27.4%	99,613,787
Operating Expenses	135,151,341	176,772,009	23,257,970	13.2%	200,029,979	27,649,887	15.6%	204,421,896
Capital Assets	168,780	26,000	10,000	38.5%	36,000	10,000	38.5%	36,000
MMIS Carryover	13,877,240	77,151,465	(77,151,465)	(100.0%)	0	(16,279,196)	(21.1%)	60,872,269
Capital Construction Carryover	57,577	0	0	0.0%	0	0	0.0%	0
Grants	391,845,094	459,420,321	(3,390,355)	(0.7%)	456,029,966	12,019,309	2.6%	471,439,630
Human Service Centers / Institutions	276,859,074	313,165,027	11,662,757	3.7%	324,827,784	45,649,465	14.6%	358,814,492
Grants-Medical Assistance	1,508,390,932	1,920,074,262	443,976,791	23.1%	2,364,051,053	531,433,872	27.7%	2,451,508,134
Total Line Items	2,391,951,909	3,024,792,634	401,370,133	13.3%	3,426,162,767	621,913,574	20.6%	3,646,706,208
By Funding Source								
General Fund	936,210,800	1,181,372,441	65,230,955	5.5%	1,246,603,396	204,594,741	17.3%	1,385,967,182
Federal Funds	1,342,591,335	1,707,065,723	343,487,679	20.1%	2,050,553,402	441,015,782	25.8%	2,148,081,505
Special Funds	113,149,774	136,354,470	(7,348,501)	(5.4%)	129,005,969	(23,696,949)	(17.4%)	112,657,521
Total Funding Source	2,391,951,909	3,024,792,634	401,370,133	13.3%	3,426,162,767	621,913,574	20.6%	3,646,706,208
Total FTE	2,199.90	2,200.08	0.00	0.0%	2,200.08	24.50	1.1%	2,224.58

Statutory Authority

North Dakota Century Code Chapter 25-01.3.

Agency Description

The Protection and Advocacy Project (P&A) is governed by a seven-member board named the Committee on Protection & Advocacy. The appointments to the Committee are made by the Legislative Council, the Governor, Mental Health America of ND, The Arc of ND, and an entity selected by the Committee.

Current federal programs include the: 1) Developmental Disabilities Advocacy Program; 2) Mental Health Advocacy Program; 3) Protection and Advocacy for Individual Rights; 4) Assistive Technology Advocacy Program; 5) Protection and Advocacy for Beneficiaries of Social Security; 6) Traumatic Brain Injury Advocacy Program; and 7) Help America Vote Act.

P&A investigates allegations of abuse, neglect and exploitation of individuals with disabilities. P&A works collaboratively with the Vulnerable Adult Protective Services Program, Child Protective Services, and the Long-Term Care Ombudsman Program. P&A engages in proactive activities such as education and training, self advocacy support, and representation on various state and local committees and task forces.

Major Accomplishments

1. Awarded the contract for the Client Assistance Program (CAP) by the Vocational Rehabilitation Division of the ND Dept. of Human Services. This is being carried out using existing staff with services being provided through Advocates in Minot (0.10 FTE – NW ND) and Bismarck (0.40 FTE – SW ND) as well as an attorney in the Fargo office (0.50 FTE – Eastern ND). The Executive Director is currently functioning as the CAP Director (0.10 FTE).
2. Chosen by the National Disabilities Rights Network (NDRN) to receive one of the advocacy awards at its annual conference. This was a significant honor.
3. Initiated, in collaboration with the ND Dept. of Human Services, Developmental Disabilities Division and Regional DD Program Management, a Medication Error

Pilot Project, in FY 2011. Effective August 2012, the project went statewide. It is a systemic effort that will help assure medication errors are minimized for individuals receiving services from developmental disabilities service providers.

4. Played a key role in developing and promoting the 8th Annual AT Expo which was held on April 28, 2011 in Fargo, ND. This is an annual conference that provides a public forum/educational opportunity for increased awareness of assistive technology and its role in making the community more accessible in learning, home, work, and recreational environments. The 2011 AT Expo had the highest attendance numbers to date – there were 651 participants, and 50 AT device/service vendors.
5. Organized Legislative Working Committees (LWC's) across the state during the 2011 Legislative Session. The LWC is considered "the pipeline" for people with disabilities, family members, and advocates to network and to receive information about disability-related legislation. The groups met weekly during the Session. Facilitators reviewed new bills introduced, the status of pending bills, and upcoming hearing schedules. P&A played a significant role in organizing the groups as well as with information dissemination.
6. Tracked 155 bills that had a potential impact on individuals with disabilities and their families. Sixty-four e-mails were sent out during the Session to a distribution list of over 200 individuals and organizations, many of whom pass the information on to others. This project is especially valuable to individuals who do not reside in the capitol city of Bismarck. They received up-to-date information 1-3 times/week, including notes from hearings of special interest.

Executive Budget Recommendation

- Provides \$153,094 with \$90,492 from the general fund and 1.00 FTE paralegal to assist the legal staff with the overwhelming increase of reports of suspected abuse, neglect and exploitation.
- Provides \$170,419 with \$85,209 from the general fund and 1.00 FTE for DD quality assurance intake to handle the increased caseload.
- Provides \$399,404 salary adjustment for targeted market equity.
- Provides \$132,838 for IT desktop services.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

360 Protection and Advocacy

Bill#: SB2014

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Protection and Advocacy Program	4,595,778	5,765,174	223,045	3.9%	5,988,219	1,603,836	27.8%	7,369,010
Total Major Programs	4,595,778	5,765,174	223,045	3.9%	5,988,219	1,603,836	27.8%	7,369,010
Accrued Leave Payments	0	93,590	(93,590)	(100.0%)	0	0	0.0%	0
Protection and Advocacy Services	4,595,778	5,671,584	316,635	5.6%	5,988,219	1,697,426	29.9%	7,369,010
Total Line Items	4,595,778	5,765,174	223,045	3.9%	5,988,219	1,603,836	27.8%	7,369,010
By Funding Source								
General Fund	1,985,356	2,531,562	89,929	3.6%	2,621,491	1,317,414	52.0%	3,848,976
Federal Funds	2,610,422	3,233,612	133,116	4.1%	3,366,728	280,930	8.7%	3,514,542
Special Funds	0	0	0	0.0%	0	5,492	0.0%	5,492
Total Funding Source	4,595,778	5,765,174	223,045	3.9%	5,988,219	1,603,836	27.8%	7,369,010
Total FTE	28.50	27.50	0.00	0.0%	27.50	2.00	7.3%	29.50

Statutory Authority

North Dakota Century Code Chapters 52-01 through 52-11.

Agency Description

Job Service North Dakota (JSND) is responsible for administering the state and federal unemployment insurance program, providing labor market information, delivering workforce training and reemployment programs, and providing specific services to targeted workforce sectors.

Major Accomplishments

1. Continued the process of designing, building and implementing a modernized Unemployment Insurance (UI) technology system via the WyCAN project.
2. Implemented successfully multiple iterations of the Emergency Unemployment Compensation (EUC) program.
3. Maintained JSND's website, which continues to be the tool of choice for connecting job seekers and employers. The majority of jobs available in North Dakota are captured and listed on jobsnd.com.
4. Evaluated the workforce needs of a segment of the ND economy and a potential source of workers who would benefit when given opportunities to increase their skills. JSND submitted a proposal and was awarded a \$2.0 million Department of Labor demonstration grant to address the workforce needs of the oilfield and building trades occupations effective July 1, 2012.
5. Wrote 103 Workforce 20/20 contracts for the 2011-13 biennium. These projects provided upgrade and training to 1,293 North Dakota workers.
6. Provided, collected, analyzed, and published a wide array of information about North Dakota's labor market.

7. Maintained North Dakota's Workforce Intelligence Network (NDWIN), a next-generation Internet application that compiles, disseminates, and publishes the state's leading workforce data, and labor market information from wages, to projections, to the latest employment figures.
8. Published a report on North Dakota's oil and gas economy which melds together oil and gas production statistics, labor market information, and other related economic indicators to provide a current, quick-and-easy overview.
9. Published the Online Job Openings Report which provides a monthly overview of North Dakota's labor market supply/demand dynamic.
10. Used federal Workforce Data Quality Initiative (WDQI) funds to create an internal data warehouse.
11. Hosted numerous job fairs at our local offices and helped advertise job fairs on jobsnd.com and through Twitter.

Executive Budget Recommendation

- Provides \$15.2 million of federal fund authority for the continuing development of the unemployment insurance system modernization project, which is being conducted as part of a consortium with Wyoming, Colorado, Arizona and North Dakota.
- Provides \$80,000 of one-time funding from the general fund to continue the oil and gas survey relating to private sector employees attributable to the oil and gas sector.
- Provides \$109,500 of one-time funding from the general fund for a virtual one-stop mobile application for access to JSND job listings.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

380 Job Service North Dakota

Bill#: HB1016

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Job Service	52,420,391	79,846,564	(9,609,969)	(12.0%)	70,236,595	(6,021,414)	(7.5%)	73,825,150
Total Major Programs	52,420,391	79,846,564	(9,609,969)	(12.0%)	70,236,595	(6,021,414)	(7.5%)	73,825,150
Salaries and Wages	32,419,322	36,348,079	1,106,493	3.0%	37,454,572	4,550,921	12.5%	40,899,000
Accrued Leave Payments	0	1,479,868	(1,479,868)	(100.0%)	0	0	0.0%	0
Operating Expenses	11,207,860	18,702,700	(5,323,543)	(28.5%)	13,379,157	(5,190,043)	(27.8%)	13,512,657
Capital Assets	5,434	20,000	0	0.0%	20,000	0	0.0%	20,000
Grants Benefits and Claims	7,016,563	8,850,497	(3,446,171)	(38.9%)	5,404,326	(3,446,171)	(38.9%)	5,404,326
Work Force 20/20	1,027,204	1,541,924	29,616	1.9%	1,571,540	40,243	2.6%	1,582,167
Reed Act - Unemployment	0	12,407,000	0	0.0%	12,407,000	0	0.0%	12,407,000
Federal Stimulus Funds 2009	744,008	496,496	(496,496)	(100.0%)	0	0	0.0%	0
Total Line Items	52,420,391	79,846,564	(9,609,969)	(12.0%)	70,236,595	(6,021,414)	(7.5%)	73,825,150
By Funding Source								
General Fund	1,402,500	2,049,035	(132,579)	(6.5%)	1,916,456	72,769	3.6%	2,121,804
Federal Funds	50,943,889	77,206,472	(9,571,947)	(12.4%)	67,634,525	(6,193,522)	(8.0%)	71,012,950
Special Funds	74,002	591,057	94,557	16.0%	685,614	99,339	16.8%	690,396
Total Funding Source	52,420,391	79,846,564	(9,609,969)	(12.0%)	70,236,595	(6,021,414)	(7.5%)	73,825,150
Total FTE	261.76	250.76	(13.00)	(5.2%)	237.76	(13.00)	(5.2%)	237.76

Statutory Authority

North Dakota Century Code Title 26.1.

Agency Description

The North Dakota Insurance Department is a state regulatory agency headed by the Insurance Commissioner. The Department is made up of seven main divisions: Legal and Enforcement, Product Filing, Consumer Assistance, Examinations and Company Licensing, Agent Licensing, Administration and Special Funds. The Department employs 49.50 full-time staff members. All fees and fines paid by companies or agents are deposited into the insurance regulatory trust fund, from which the money to operate the office is appropriated by the North Dakota Legislative Assembly.

Major Accomplishments

1. Responded to consumer issues resulting in over \$10.6 million in consumer relief.
2. Closed out 400 agent and company complaints resulting in \$3.4 million in consumer relief.
3. Investigated and closed 112 insurance fraud cases.
4. Prosecuted 27 cases successfully resulting in criminal charges and restitution.
5. Completed 15 market analyses each year to identify general market disruptions and specific market conduct problems.
6. Collected over \$1.0 million from six insurance companies for using the Death Master File for their financial advantage and not in the best interest of their policyholders.
7. Proposed and had 7 administrative rules adopted by the Administrative Rules Committee, 3 were a result of statutory changes made during the 2011 session.
8. Provided low-cost insurance through the Fire and Tornado Fund to approximately 1,137 state entities and political subdivisions.
9. Waived Fire and Tornado Fund premiums for all state agencies and political subdivisions for the year starting July 1, 2014.
10. Completed inspections on 5,485 boilers in 2012 and 6,835 in 2013.
11. Closed 6,444 insurance form and rate filings in 2012 and 6,256 in 2013.
12. Implemented background checks for insurance producers as required by 2013 Legislative Session S.B. 2304.
13. Collected and deposited into the general fund \$82.5 million of premium tax and transferred \$7.4 million from the Insurance Regulatory Trust Fund to the General Fund.
14. Disbursed \$7.3 million in fire district payments to 371 certified districts in North Dakota in November 2013, implementing 2013 Legislative Session House Bill 1145.
15. Completed 5 financial examinations in 2012 and 6 in 2013 on domestic insurance companies.
16. Participated in the discussion and implementation of the federal health care reform activities under the Affordable Care Act (ACA) through many interim legislative committee meetings, public presentations and consumer inquiries.

Executive Budget Recommendation

- Provides an additional \$90,000 to the North Dakota Firefighters Association from the insurance tax distribution fund. This brings the biennial total to \$890,000.
- Provides an additional \$1.1 million to the fire districts from the insurance tax distribution fund. This brings the total appropriation to \$15.7 million.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

401 Office of the Insurance Commissioner

Bill#: SB2010

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Grants To Local Fire Departments	6,851,684	15,336,386	0	0.0%	15,336,386	1,364,821	8.9%	16,701,207
Regulatory and Administration	8,315,019	11,040,704	0	0.0%	11,040,704	769,663	7.0%	11,810,367
Total Major Programs	15,166,703	26,377,090	0	0.0%	26,377,090	2,134,484	8.1%	28,511,574
Salaries and Wages	5,998,490	8,019,514	419,148	5.2%	8,438,662	1,188,811	14.8%	9,208,325
Accrued Leave	0	163,182	(163,182)	(100.0%)	0	0	0.0%	0
Operating Expenses	1,611,106	2,858,008	(345,966)	(12.1%)	2,512,042	(345,966)	(12.1%)	2,512,042
Capital Assets	0	0	90,000	100.0%	90,000	90,000	100.0%	90,000
Grants to Fire Districts	7,021,684	15,336,386	0	0.0%	15,336,386	1,364,821	8.9%	16,701,207
American Health Benefit	231,979	0	0	0.0%	0	0	0.0%	0
Federal Affordable Care Act	303,444	0	0	0.0%	0	0	0.0%	0
Total Line Items	15,166,703	26,377,090	0	0.0%	26,377,090	2,134,484	8.1%	28,511,574
By Funding Source								
General Fund	0	0	0	0.0%	0	0	0.0%	0
Federal Funds	923,350	1,381,025	(781,351)	(56.6%)	599,674	(742,129)	(53.7%)	638,896
Special Funds	14,243,353	24,996,065	781,351	3.1%	25,777,416	2,876,613	11.5%	27,872,678
Total Funding Source	15,166,703	26,377,090	0	0.0%	26,377,090	2,134,484	8.1%	28,511,574
Total FTE	49.50	49.50	0.00	0.0%	49.50	0.00	0.0%	49.50

Statutory Authority

North Dakota Century Code 4-36, 6-09.4, 17-05, 23-29-07.6, 28-32-02, 38-08, 38-08.1, 38-11.2, 38-12, 38-12.1, 38-14.1, 38-15, 38-19, 38-22, 49-24, 54-17, 54-17.2, 54-17.3, 54-17.6, 54-17.7, 54-17-34, 54-17-38, 54-63, 57-61-01.5, 61-40-10 and 61-40.11.

Agency Description

The Industrial Commission (IC or Commission) budget is comprised of three agencies including the Administrative Office, the Public Finance Authority (PFA), and the Department of Mineral Resources (DMR), which includes the Oil and Gas Division (OGD) and the Geological Survey (GS).

The Administrative Office coordinates the Commission's oversight of the agencies or entities that report to the IC. The office is the contracting office for the Lignite, Oil and Gas, and Renewable Energy Research Programs and the Outdoor Heritage Fund. The Administrative Office also provides the oversight on the disbursement of revenues from the Western Area Water Supply Authority industrial sales. This office is also the primary contact for the Building Authority.

The DMR is the primary source of information regarding the geology of ND and is responsible for regulating all facets of petroleum production through enforcement of statutes, rules and regulations of the IC with regards to geophysical exploration, permitting of wells, establishing well spacing for producing reservoirs, inspection of facilities, approving enhanced oil recovery operations, ensuring proper plugging and site reclamation of all wells, and conducting hearings on oil and gas matters in a manner that will be most beneficial to the producer, royalty owner and all citizens of the state. The DMR maintains the state's core and sample library in Grand Forks, coordinates the State Fossil and State Mineral Collection, and disseminates geological information via the internet, maps, publications, presentations, tours and field trips. The DMR has statutory regulatory responsibilities for subsurface minerals, underground fluid injection, carbon dioxide underground storage, oil well cores and drilling samples, coal exploration drilling, geothermal and paleontological resources. The DMR determines the geologic suitability of all proposed landfills, reviews a variety of highway improvement projects as well as pipeline and transmission line corridors, and coordinates the State Fossil and State Mineral collections.

The PFA provides market and below market loans to political subdivisions through the purchase and holding of eligible securities and provides financial services in connection with the administration and management of the State Revolving Fund Program as the financial agent for the State Health Department. Beginning in 2011, the PFA offered disaster loan assistance to political subdivisions through its Capital Finance Program.

Major Accomplishments

1. Issued over 5,600 well permits, heard over 4,100 cases, wrote orders disposing of the cases, and permitted approximately 15 seismic projects, due to record oil and gas production and activity. Continued to enhance royalty owner access and co-sponsored the 2014 Williston Basin Petroleum Conference & Expo in Bismarck that drew a record over 4,200 attendees from 48 states and 9 countries.
2. Published 46 articles, maps, and reports and gave 62 presentations on various aspects of North Dakota geology, including the Bakken, Three Forks, Red River, Tyler, and Spearfish Formations; issued 124 geothermal, coal exploration, and subsurface mineral permits; prepared exhibits for the opening of the Geologic Time Gallery in the Heritage Center; reboxed 15,135 core and sample boxes in an effort to better preserve the rock and extend the life of the core and sample library; responded to more than 3,800 inquiries; and lifted more than 643 tons of rock core off of the shelves in the core and sample library. During the first half of the biennium, NDGS scientists reviewed the geologic suitability of 14 pre-applications for oil field wastes and evaluated the paleontology on 649 Trust Land tracts.
3. Provided ongoing information on current pipeline construction activities through quarterly newsletters, reports, monthly webinars and numerous presentations. Assisted with the annual Governor's Pipeline Summits. The Pipeline Authority Director chaired the North Dakota Pipeline Technology Working Group established by the Governor to research technological solutions and provide recommendations to improve the monitoring and control of pipeline systems.
4. Provided funding for litigation initiated by the Attorney General's Office against the State of Minnesota, which limits the ability of our citizens to export electricity to Minnesota.
5. Participated in the ongoing work of the EmPower Commission.
6. Leveraged over \$3.7 million of state dollars with matching funds of approximately \$13.7 million for research and educational projects.
7. Provided 32 loans totaling \$189.5 million as of October 1, 2014 under its Clean Water and Drinking Water Program and Capital Finance Program.
8. Assisted the City of Fargo in reducing borrowing costs and maximizing their sales tax revenues by issuing approximately \$51.4 million revenue bonds in 2013 and over \$32.8 million in 2014, under the Capital Financing Program.
9. Developed and implemented the process for the Outdoor Heritage Fund program. Awarded 48 grants totaling \$14.1 million since inception of the fund on August 1, 2013.
10. Developed and implemented the process for the Commission's oversight of the Western Area Water.
11. Supply Authority disbursements from industrial sales revenues.

Executive Budget Recommendation

- Provides \$16.0 million from the general fund for the Wilson M. Laird Core Library expansion project.

- Provides \$3.0 million in one-time general fund funding for the purpose of defraying expenses associated with possible litigation and other administrative proceedings involving the federal government's efforts to regulate hydraulic fracturing, natural gas capture, and flaring reduction.
- Provides \$329,143 in one-time general fund funding for aerial photography, digital conversion of 2D seismic profiles, migration to RBDMS.net, and contract drilling and sedimentological analysis.
- Authorizes \$1.9 million from the general fund for 9.00 FTE engineering techs field inspector positions and related operating expenses.
- Authorizes \$501,616 from the general fund for 3.00 new FTE in the Bismarck office and related operating expenses. The new positions include: 1.00 FTE safety officer/facility specialist position to provide health and safety services and facility management services; 1.00 FTE human resources technician position to provide human resources support; and 1.00 FTE account/budget specialist position to meet the demands of daily accounting and payroll functions as a result of increased FTE and overall agency workload.
- Provides \$488,384 from the general fund for 2.00 FTE surface geologist positions to assist with surface issues and manage regulatory/advisory programs.
- Authorizes \$939,206 from the general fund for 5.00 new FTE and related operating expenses. The new positions include: 2.00 FTE petroleum engineer field inspector positions, one for inspection of increased number of drilling rigs in Bottineau County and one to respond to environmental incidents relating to illegal dumping of oil and gas wastes and associated requirements of the abandoned oil and gas well plugging and site reclamation fund; 2.00 FTE engineering tech field inspectors in the Bismarck office to process applications for permits to drill; 1.00 FTE engineering tech position located in the Bismarck office due to increased permitting requirements resulting from the implementation of gas capture plans and potential oil conditioning requirements and additional information technology requirements of permitting within areas of interest.
- Authorizes \$648,512 from the general fund for 3.00 FTE engineering tech field inspector positions and related operating expenses to perform routine producing well, injection well, and facility inspections. These positions are contingent upon the total number of wells capable of production in the state exceeding 20,000.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

405 Industrial Commission

Bill#: HB1014

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Administration	33,127,232	39,972,686	(24,111,843)	(60.3%)	15,860,843	(23,982,722)	(60.0%)	15,989,964
Office of Mineral Resources	14,912,076	22,968,301	(1,590,056)	(6.9%)	21,378,245	24,842,412	108.2%	47,810,713
Public Finance Authority	411,352	706,930	65,444	9.3%	772,374	110,252	15.6%	817,182
Total Major Programs	48,450,660	63,647,917	(25,636,455)	(40.3%)	38,011,462	969,942	1.5%	64,617,859
Salaries and Wages	12,338,539	18,030,932	533,626	3.0%	18,564,558	5,790,930	32.1%	23,821,862
Accrued Leave Payments	0	347,696	(347,696)	(100.0%)	0	0	0.0%	0
Operating Expenses	3,432,742	5,953,520	(1,547,445)	(26.0%)	4,406,075	3,788,206	63.6%	9,741,726
Capital Assets	0	5,800	(5,800)	(100.0%)	0	16,007,642	275,993.8%	16,013,442
Grants	5,559,595	19,500,000	(19,500,000)	(100.0%)	0	0	0.0%	0
Carbon Dioxide Storage Administration	532,000	0	0	0.0%	0	0	0.0%	0
Bond Payments	25,087,784	19,809,969	(4,769,140)	(24.1%)	15,040,829	(4,769,140)	(24.1%)	15,040,829
Renewable Energy Dev	1,500,000	0	0	0.0%	0	0	0.0%	0
Total Line Items	48,450,660	63,647,917	(25,636,455)	(40.3%)	38,011,462	969,942	1.5%	64,617,859
By Funding Source								
General Fund	16,687,087	22,674,125	(1,594,779)	(7.0%)	21,079,346	24,916,412	109.9%	47,590,537
Federal Funds	256,989	294,176	4,723	1.6%	298,899	(56,242)	(19.1%)	237,934
Special Funds	31,506,584	40,679,616	(24,046,399)	(59.1%)	16,633,217	(23,890,228)	(58.7%)	16,789,388
Total Funding Source	48,450,660	63,647,917	(25,636,455)	(40.3%)	38,011,462	969,942	1.5%	64,617,859
Total FTE	75.06	99.75	0.00	0.0%	99.75	22.00	22.1%	121.75

Statutory Authority

North Dakota Century Code Chapters 14-02.4, 14-02.5, 34-05, 34-06, 34-06.1, 34-07, 34-12, 34-13, 34-14, and Sections 34-01-20 and 34-08-14.

Agency Description

The Department of Labor and Human Rights is responsible for administering statutory provisions relating to labor standards, including wage and hour issues, child labor, and labor-management relations. The Department is also responsible for improving working and living conditions of employees and advancing their opportunities for employment; fostering, promoting, and developing the welfare of wage earners and industries in the state; promoting cooperative relations between employers and employees; cooperating with other governmental agencies to encourage the development of new and existing industries; representing the state in dealings with the U.S. Department of Labor, with the federal mediation and conciliation service, and the U.S. veteran's administration with regard to job training programs; acquiring and providing information on subjects connected with labor, relations between employers and employees, hours of labor, and working conditions; and encourage and assist in the adoption of practical methods of vocational training, retraining, and vocational guidance.

The Department of Labor and Human Rights also has statutory regulatory responsibilities with respect to human rights. This includes receiving and investigating complaints of discrimination in employment and housing; adopting rules necessary to implement the law; fostering prevention of discrimination through education; emphasizing conciliation to resolve complaints; publishing, in even-numbered years, a written report recommending legislative or other action to carry out the purposes of the chapters; and conducting studies relating to the nature and extent of discriminatory practices in the state.

The Department of Labor and Human Rights is responsible for promoting the human rights of all North Dakota citizens through leadership, education, prevention, and enforcement of state laws prohibiting discriminatory practices in the state.

Specifically, the department investigates complaints alleging violations of law in the areas of employment, housing, public services, public accommodations, and credit transactions.

Major Accomplishments

1. Provided human rights related training for agency staff.
2. Attended training and policy conferences sponsored by the Equal Opportunity Commission and the Department of Housing and Urban Development each year.
3. Attended training at the National Fair Housing Training Academy.
4. Updated ND Minimum Wage & Work Conditions Summary poster to reflect law changes and new department name. Partnered with Job Service to mail updated poster to 24,500 employers doing business in North Dakota.
5. Updated agency brochures.
6. Provided numerous educational presentations across the state.
7. Arranged for onsite training of entire staff from the EEOC.
8. Worked on developing a procedural manual for the agency.
9. Looked for efficiencies to improve current processes within the agency.

Executive Budget Recommendation

- Authorizes an additional 5.00 FTE and \$941,928 from the general fund for compliance investigator positions and one wage and hour director. These additional positions are needed due to the growth of economic activity in the state, which has led to an increase in claims.
- Provides general fund dollars of \$46,118 for the desktop support service provided by ITD.
- Provides general fund dollars of \$139,744 for salary adjustments for targeted market equity.
- Provides one-time general fund dollars of \$56,135 to have ITD implement a paperless system to help increase efficiency and eliminate the need to store paper documents.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

406 Department of Labor and Human Rights

Bill#: SB2007

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Office of Labor Commissioner	2,044,370	2,285,351	35,980	1.6%	2,321,331	1,557,528	68.2%	3,842,879
Total Major Programs	2,044,370	2,285,351	35,980	1.6%	2,321,331	1,557,528	68.2%	3,842,879
Salaries and Wages	1,628,298	1,922,048	75,589	3.9%	1,997,637	1,352,119	70.3%	3,274,167
Accrued Leave	0	39,609	(39,609)	(100.0%)	0	0	0.0%	0
Operating Expenses	406,072	323,694	0	0.0%	323,694	245,018	75.7%	568,712
Technology Carryover	10,000	0	0	0.0%	0	0	0.0%	0
Total Line Items	2,044,370	2,285,351	35,980	1.6%	2,321,331	1,557,528	68.2%	3,842,879
By Funding Source								
General Fund	1,480,615	1,847,425	36,074	2.0%	1,883,499	1,557,622	84.3%	3,405,047
Federal Funds	563,755	437,926	(94)	-0.0%	437,832	(94)	-0.0%	437,832
Special Funds	0	0	0	0.0%	0	0	0.0%	0
Total Funding Source	2,044,370	2,285,351	35,980	1.6%	2,321,331	1,557,528	68.2%	3,842,879
Total FTE	12.00	13.00	0.00	0.0%	13.00	5.00	38.5%	18.00

Statutory Authority

ND Constitution Article V; North Dakota Century Code Chapters, 24-01, 24-09, 28-32, 38-14.1, 38-14.2, 38-18, 40-33, 40-34, 51-05.1, 54-06, 54-44.8, 57-61; 64-02, and 64-04, Titles 49 (except Chapter 49-16) and 60 (except Chapter 60-01).

Agency Description

The Public Service Commission is a constitutional agency with varying degrees of statutory authority over electric and gas utilities, telecommunication companies, energy generation plant and transmission line siting, railroads, grain elevators, auctioneers and auction clerks, weighing and measuring devices, pipeline safety and coal mine reclamation. The Commission is comprised of three Commissioners who are elected on a state-wide basis to staggered six year terms.

Major Accomplishments

1. Since July 1, 2013, the commission has processed 1,084 formal cases. Ninety-six percent of all formal cases were processed without the need for a formal hearing.
2. The commission has received and approved eight interconnection agreements and 34 interconnection agreement amendments since July 1, 2013.
3. Conducted 151 gas pipeline safety inspections (76 standard inspections, 5 compliance follow-up, 26 design/testing and construction inspections). During the biennium, 6 violations were found and followed up with compliance orders. Since July 1, 2013, the Commission conducted gas pipeline safety inspections (78 standard inspections, 7 compliance follow-up, 6 design/testing and construction inspections). Since July 1, 2013, 16 violations were found and followed up with compliance orders.
4. Inspected and tested 16,903 weighing and measuring devices, reviewed 21,946 device test reports filed by private device testers, and investigated 9 consumer complaints. On July 1, 2013, the Commission replaced the traditional device testing program for scales over 1,000 lbs. with a quality assurance program. For the non-quality assurance testing and inspection program, the Commission has, since July 1, 2013, inspected and tested 5,860 weighing and measuring devices, reviewed 12,616 device test reports filed by private device testers, and investigated 7 consumer complaints. The Commission conducted 138 inspections under the new quality assurance program.
5. Conducted 393 grain warehouse/buyer inspections, 49 discontinue business requests approved, and 39 new licenses. Three insolvencies were completed.

All valid cash claimants received 100 percent of their claims plus interest, all valid credit-sale contract claimants received 80 percent of their claims from the Indemnity Fund, and the Commission was reimbursed for expenses. At the end of the biennium 282 warehouses, 111 facility-based grain buyers, 81 roving grain buyers, 370 auctioneers, and 201 auction clerks were licensed.

6. Permitted 16,924 acres for surface coal mining operations. Staff conducted 211 complete inspections covering all aspects of the mining and reclamation operations and 1,113 partial mine inspections were completed. Two violations were issued and \$3,000 in fines collected. Six final bond release applications were approved for successful reclamation resulting in termination of the commission's jurisdiction on 4,410 acres.
7. Drilling and grouting projects were carried out to locate and fill underground mine voids beneath public roads near Beulah and Zap in order to prevent future mine collapses. Approximately 250 hazardous sinkholes caused by the collapse underground mine workings were filled. Dangerous surface mine highwalls were eliminated at sites near Columbus and Sawyer. Four coal seam fires were extinguished.
8. Since the 2007 enactment of North Dakota Century Code Section 49-03-06 authorizing service area agreements to encourage harmony and operational efficiency among electric providers, the Commission has received 18 electric service area agreements, including recent agreements between cooperatives. As a result, there are now service area agreements filed for areas within and around the cities of Watford City, Valley City, Dickinson, Bismarck, Mandan, Kenmare, Bottineau, Williston, Garrison, Jamestown, Stanley, Wahpeton, Casselton, and Kindred as well as areas in Cass, Divide, McLean, Mountrail, and Richland Counties.

Executive Budget Recommendation

- Restores 1.00 FTE for a weights and measures inspector that was repurposed during the 63rd legislative session.
- Approves an additional 1.00 FTE for the natural gas pipeline safety program. This position is funded 50 percent from the general fund.
- Approves 3.00 FTE to create a hazardous liquid safety program. This program is funded 50 percent from the general fund and 50 percent from federal funds.
- Approves 3.00 FTE to create a railroad safety program.
- Provides one-time general fund dollars of \$414,000 for litigation.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

408 Public Service Commission

Bill#: SB2008

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Administration	3,144,496	4,447,509	(841,786)	(18.9%)	3,605,723	359,733	8.1%	4,807,242
Testing, Licensing and Certification	1,637,410	2,910,771	45,010	1.5%	2,955,781	3,331,403	114.5%	6,242,174
Public Utilities	1,253,350	1,592,553	99,171	6.2%	1,691,724	217,760	13.7%	1,810,313
Reclamation Programs	10,487,691	11,528,376	(122,163)	(1.1%)	11,406,213	104,543	0.9%	11,632,919
Total Major Programs	16,522,947	20,479,209	(819,768)	(4.0%)	19,659,441	4,013,439	19.6%	24,492,648
Salaries and Wages	7,081,195	8,506,704	160,775	1.9%	8,667,479	3,414,670	40.1%	11,921,374
Accrued Leave	0	168,278	(168,278)	(100.0%)	0	0	0.0%	0
Operating Expenses	1,761,402	1,895,562	0	0.0%	1,895,562	1,579,312	83.3%	3,474,874
Capital Assets	49,701	88,665	(62,265)	(70.2%)	26,400	(62,265)	(70.2%)	26,400
Grants	8,094	20,000	0	0.0%	20,000	0	0.0%	20,000
AML Contractual Services	7,509,496	8,000,000	0	0.0%	8,000,000	0	0.0%	8,000,000
Rail Rate Complaint Case	0	900,000	0	0.0%	900,000	0	0.0%	900,000
Reclamation & Grain Litigation	0	900,000	(750,000)	(83.3%)	150,000	(750,000)	(83.3%)	150,000
Federal Stimulus Funds 2009	113,059	0	0	0.0%	0	0	0.0%	0
Total Line Items	16,522,947	20,479,209	(819,768)	(4.0%)	19,659,441	4,013,439	19.6%	24,492,648
By Funding Source								
General Fund	5,693,828	7,091,740	(410,198)	(5.8%)	6,681,542	2,840,470	40.1%	9,932,210
Federal Funds	10,811,103	12,362,469	(409,570)	(3.3%)	11,952,899	1,172,969	9.5%	13,535,438
Special Funds	18,016	1,025,000	0	0.0%	1,025,000	0	0.0%	1,025,000
Total Funding Source	16,522,947	20,479,209	(819,768)	(4.0%)	19,659,441	4,013,439	19.6%	24,492,648
Total FTE	43.00	44.00	0.00	0.0%	44.00	9.00	20.5%	53.00

Statutory Authority

North Dakota Century Code Chapters 2-05, 2-06, 2-08, 57-40.5, 57-43.3.

Agency Description

The Aeronautics Commission encourages the establishment and maintenance of airports and navigational facilities; cooperates with federal and local governments in the development and coordination of all aeronautical activities; and represents the state and industry in all matters relating to aeronautical activities.

Major Accomplishments

1. Provided technical and financial assistance to the 89 public owned airports across the state.
2. Coordinated financial assistance through the FAA/State Capital Improvement Plan for 54 federal airports in North Dakota which belong to the National Plan of Integrated Systems (NPIAS).
3. Provided approximately \$13.6 million dollars in state airport infrastructure grants, through the Air Carrier Grant Program and General Aviation Grant Programs.
4. Served as the advisory agency for the Board of University and School Lands for the appropriation of oil impact airport grants.
5. Continued to provide the Flight Instructor Assistance Program (FTAP) to offer assistance to rural public use airports not served by an active flight instructor. This program provided a means for airports to train new pilots at their airports by defraying the costs of bringing in a flight instructor from elsewhere.
6. Continued the Air Carrier Intern Program for the eight communities that have airline service. This program provided funding to each commercial service airport that wanted to create an internship for airport management.
7. Presented the first completion awards for the Airport Passport Program to encourage pilots to visit all of the state's airports. This initiative has been very popular with the tourism division.

8. Served as the Governor's coordinator of the "Real World Design Challenge" which encourages high school students to pursue careers in science, technology, engineering and math related fields.
9. Distributed aviation charts, airport directories, and aviation education material to numerous aviation-related events throughout the state.
10. Provided support to all eight airline serviced communities which helped increase airline boardings to all-time record numbers in each community.
11. Initiated a windsock program which provides each public airport in North Dakota one new windsock on an annual basis. The goal of this program is to help prevent weather related landing accidents caused by wind direction and magnitude and to help ensure that public airports replace deteriorated windsocks.
12. Updated the pavement condition index study which provides an inventory and analysis of all the pavement at the public airports in North Dakota. An interactive website of this information was also developed and placed on the commission website.
13. Initiated a statewide contract in which funding is provided to enable internet connection and provide routine maintenance to all of North Dakota's Automated Weather Observation System's (AWOS) that report wind speed, current weather, ceiling and visibility. The AWOS that are located across the state help to provide critical information to pilots and provide for an increase in flight safety.
14. Educated the aviation community and public airport sponsors through airport inspections, training conferences, safety and security information, federal grant assurances, and community meetings.

Executive Budget Recommendation

- Approves an additional 1.00 FTE to help with increased workload due to the increase in infrastructure grants and aircraft registrations.
- Provides an additional \$450,000 from the general fund for airport grant funding.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

412 Aeronautics Commission

Bill#: HB1006

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Regulatory and Administration	1,230,470	2,152,427	338,555	15.7%	2,490,982	597,949	27.8%	2,750,376
Airport Development and Maintenance	6,299,088	19,094,511	(12,055,511)	(63.1%)	7,039,000	(10,505,511)	(55.0%)	8,589,000
Total Major Programs	7,529,558	21,246,938	(11,716,956)	(55.1%)	9,529,982	(9,907,562)	(46.6%)	11,339,376
Salaries and Wages	768,992	1,117,214	104,668	9.4%	1,221,882	364,062	32.6%	1,481,276
Accrued Leave	0	29,164	(29,164)	(100.0%)	0	0	0.0%	0
Operating Expenses	1,206,909	1,977,049	81,051	4.1%	2,058,100	81,051	4.1%	2,058,100
Capital Assets	485,900	390,000	(90,000)	(23.1%)	300,000	(90,000)	(23.1%)	300,000
Construction Carryover	1,251,645	2,233,511	(2,233,511)	(100.0%)	0	0	0.0%	0
Grants	3,816,112	15,500,000	(9,550,000)	(61.6%)	5,950,000	(8,000,000)	(51.6%)	7,500,000
Total Line Items	7,529,558	21,246,938	(11,716,956)	(55.1%)	9,529,982	(9,907,562)	(46.6%)	11,339,376
By Funding Source								
General Fund	554,500	6,550,000	(6,000,000)	(91.6%)	550,000	(5,550,000)	(84.7%)	1,000,000
Federal Funds	537,864	2,277,000	(117,000)	(5.1%)	2,160,000	(117,000)	(5.1%)	2,160,000
Special Funds	6,437,194	12,419,938	(5,599,956)	(45.1%)	6,819,982	(4,240,562)	(34.1%)	8,179,376
Total Funding Source	7,529,558	21,246,938	(11,716,956)	(55.1%)	9,529,982	(9,907,562)	(46.6%)	11,339,376
Total FTE	6.00	6.00	0.00	0.0%	6.00	1.00	16.7%	7.00

Statutory Authority

North Dakota Century Code Titles 6, 13 and 51.

Agency Description

The Department of Financial Institutions is a self-funded regulatory agency responsible for the oversight of state banks, trust companies, building and loan associations, mutual investment corporations, mutual savings corporations, banking institutions, credit unions and other financial corporations doing business under the laws of the State of North Dakota. The Department conducts examinations to determine the soundness of the financial institutions and monitor compliance with applicable rules and regulations.

Major Accomplishments

1. Retained national accreditation for the bank and credit union divisions.

2. Maintained bank and credit union examination frequency within the requirements set by statute and federal regulations.
3. Issued administrative orders to problem institutions and closely supervised these institutions to ensure corrective programs were implemented.
4. Issued an increasing number of licenses to money brokers, collection agencies, loan originators, deferred presentment service providers (payday lenders), debt settlement providers, and money transmitters.
5. Utilized the National Multi-State Licensing System to issue licenses in a more efficient manner.

Executive Budget Recommendation

- Recommends the budget as submitted.
- Provides special fund authority to support current FTE level with the addition of a new FTE and operations of the agency.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

413 Department of Financial Institutions

Bill#: HB1008

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Dept of Financial Inst	6,169,838	7,580,217	233,533	3.1%	7,813,750	999,691	13.2%	8,579,908
Total Major Programs	6,169,838	7,580,217	233,533	3.1%	7,813,750	999,691	13.2%	8,579,908
Salaries and Wages	5,018,878	5,874,989	317,109	5.4%	6,192,098	1,052,667	17.9%	6,927,656
Accrued Leave	0	120,783	(120,783)	(100.0%)	0	0	0.0%	0
Operating Expenses	1,150,960	1,428,445	116,207	8.1%	1,544,652	146,807	10.3%	1,575,252
Contingency	0	156,000	(79,000)	(50.6%)	77,000	(79,000)	(50.6%)	77,000
Total Line Items	6,169,838	7,580,217	233,533	3.1%	7,813,750	999,691	13.2%	8,579,908
By Funding Source								
General Fund	0	0	0	0.0%	0	0	0.0%	0
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	6,169,838	7,580,217	233,533	3.1%	7,813,750	999,691	13.2%	8,579,908
Total Funding Source	6,169,838	7,580,217	233,533	3.1%	7,813,750	999,691	13.2%	8,579,908
Total FTE	29.00	29.00	0.00	0.0%	29.00	1.00	3.4%	30.00

Statutory Authority

North Dakota Century Code Chapters 10-04, 43-10.1, 51-19, and 51-23.

Agency Description

The North Dakota Securities Department is a regulatory agency that serves the citizens of North Dakota through the administration and enforcement of the North Dakota Securities Act (10-04), the North Dakota Commodities Act (51-23), the Franchise Investment Law (51-19) and Pre-Need Funeral Services Law (43-10.1).

Investor protection begins with registration of investment securities, sales firms and agents, franchise offerings and pre-need funeral plan sales. Fees collected are a revenue source for the State of North Dakota. The agency fosters the formation of capital by legitimate North Dakota businesses.

Investigation of fraud and misrepresentation results in money returned to North Dakota investors through rescission, recovery and restitution. Enforcement actions generate state revenues through statutory civil penalties, and consent orders and

agreements. Education programs help investors make wise investment decisions and avoid fraud and abuse.

Major Accomplishments

1. Assisted 53 North Dakota companies seeking to raise \$269.0 million in capital through securities offerings.
2. Opened 77 investigations of fraud and misconduct perpetrated against North Dakota investors.
3. Returned \$62,236 to victimized North Dakota investors through restitution, rescission and disgorgement.
4. Referred one enforcement matter to a State's Attorney for criminal prosecution. Continue to assist with prosecution.

Executive Budget Recommendation

- Provides general and special fund authority to support current FTE level and operations of the agency.
- Provides \$46,805 from the general fund for ITD's desktop support service.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

414 Securities Department
Biennium: 2015-2017

Bill#: SB2011

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Investor Protection	1,787,570	2,297,782	(36,876)	(1.6%)	2,260,906	221,392	9.6%	2,519,174
Total Major Programs	1,787,570	2,297,782	(36,876)	(1.6%)	2,260,906	221,392	9.6%	2,519,174
Salaries and Wages	1,492,497	1,673,763	27,901	1.7%	1,701,664	239,364	14.3%	1,913,127
Accrued Leave	0	38,927	(38,927)	(100.0%)	0	0	0.0%	0
Operating Expenses	295,073	585,092	(25,850)	(4.4%)	559,242	20,955	3.6%	606,047
Total Line Items	1,787,570	2,297,782	(36,876)	(1.6%)	2,260,906	221,392	9.6%	2,519,174
By Funding Source								
General Fund	1,723,530	2,127,782	(36,876)	(1.7%)	2,090,906	221,392	10.4%	2,349,174
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	64,040	170,000	0	0.0%	170,000	0	0.0%	170,000
Total Funding Source	1,787,570	2,297,782	(36,876)	(1.6%)	2,260,906	221,392	9.6%	2,519,174
Total FTE	9.00	9.00	0.00	0.0%	9.00	0.00	0.0%	9.00

Statutory Authority

North Dakota Century Code Chapter 6-09.

Agency Description

The Bank of North Dakota (BND) serves as the development bank for agriculture, commerce, and industry in North Dakota. The strategic objectives of the Bank include delivering quality programs and services to expand the economy of North Dakota; providing a culture that develops the skills of its people and is a model of efficient business and government; and generating a consistent financial return to the State of North Dakota while maintaining the strength and financial integrity of BND.

Major Accomplishments

1. Experienced consistent asset growth. As of June 30, 2013, asset size was \$6.60 billion. Today the asset size is \$7.40 billion, an increase of 12.1 percent. Over the past 5 years, BND's assets have grown considerably (75 percent) while its authorized FTE count has only increased by 3.00 FTE's (176.5 to 179.5) over that same period.
2. Closed 2013 with a nearly \$3.50 billion loan portfolio, up a modest 6 percent over 2012. BND's loan portfolio concentrates on 4 main loan program areas: agriculture, commercial, residential, and student loans. Overall, loans totaled \$3.48 billion after \$200.0 million in new loan growth for the year 2012.
3. Participated in 309 North Dakota business and industrial projects in 2013. BND spurred economic development by funding or renewing \$1.18 billion of commercial participation with financial institution partners in the \$1.39 billion commercial loan portfolio.
4. Increased BND's residential portfolio by over \$36.0 million in 2013. BND made 58 loans through the rural housing programs, accounting for \$9.3 million of its \$630.0 million portfolio. BND also expanded a mortgage loan origination program approved by the 2011 legislature that funded \$2.9 million to 20 borrowers.
5. Disbursed over \$113.0 million in student loans in 2013 and the total portfolio increased by 3 percent to \$1.09 billion. BND's Dakota Education Alternative Loan (DEAL) Program volume increased by 13 percent in 2013. BND disbursed over \$113.4 million in DEAL loans in 2013.
6. Created a new debt consolidation program on April 21, 2014. The DEAL One Loan allows residents who have graduated or left college and are currently making student loan payments to consolidate all federal, DEAL, DEAL Consolidation and private/alternative loans into one easy payment. From April 21, 2014 to August 25, 2014, BND disbursed \$76.0 million to 1,716 borrowers.
7. Grew the agriculture loan portfolio by 5 percent in 2013 to \$362.0 million. Increased activity in farm real estate loans contributed to the overall growth of the Ag portfolio in 2013.
8. Grew BND's earnings in 2013 by 15 percent over 2012 to \$94.2 million. BND's return on average equity was 18 percent, which reflects the state's return on its investment in BND.
9. Implemented the Rebuilders Loan Program, which was authorized during the 2011 Special Session by designating \$50.0 million to help flood-impacted homeowners rebuild or purchase a home in the same community. The Rebuilders Loan Program allowed homeowners to apply for up to \$30,000 to cover qualifying expenses. The first \$30.0 million of this program was funded with BND's retained earnings. As of August 28, 2014, BND has made 1,912 loans totaling \$49.1 million.
10. Continued to be rated AA- by Standard and Poors (S&P), putting BND in a rating category with the highest-rated U.S. banks. The rating of AA- was last affirmed in August 2013.
11. Formed a Medical Facility Infrastructure (MFI) Program and named BND as the administrator of that program passed during the 2013 Legislative Session. The legislation set aside \$50.0 million to be used for loans to medical facilities located in the energy producing cities. Have approved 4 loan requests totaling \$33.3 million. Two additional applications that will account for the remaining funds have been approved by the MFI task force and are pending receipt and approval by BND.
12. Developed an infrastructure loan program for western North Dakota cities, at the request of the Industrial Commission. BND has approved direct and participation loan requests from 5 different political subdivisions totaling \$96.9 million.
13. Assisted in the growing need for affordable housing, by approving 19 loans for a total of approximately \$22.5 million to date in the 2013-15 biennium. These loans have funded 517 affordable housing units.
14. Committed to \$90.0 million in direct funding for the Western Area Water Supply Authority (WAWSA).

Executive Budget Recommendation

- Provides for a \$40.0 million transfer from BND's retained earnings to the PACE and Beginning Farmer programs: \$28.0 million PACE/Flex PACE, \$3.0 million Agriculture PACE, \$2.0 million Biofuels PACE, and \$7.0 million Beginning Farmer Loan Program.
- Provides \$1.0 million in federal fund authority to continue providing education and outreach services for those pursuing higher education.
- Authorizes 1.00 FTE credit analyst position to expand correspondent services through loan officers and calling officers.
- Authorizes 1.00 FTE information security analyst position to ensure the safety and security of the bank's assets.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

471 Bank of North Dakota

Bill#: HB1014

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Bank of North Dakota Operations	64,952,204	103,150,147	(49,636,665)	(48.1%)	53,513,482	(42,986,454)	(41.7%)	60,163,693
Total Major Programs	64,952,204	103,150,147	(49,636,665)	(48.1%)	53,513,482	(42,986,454)	(41.7%)	60,163,693
Accrued Leave Payments	0	881,231	(881,231)	(100.0%)	0	0	0.0%	0
Capital Assets	348,706	745,000	0	0.0%	745,000	0	0.0%	745,000
PACE Fund	13,543,648	0	0	0.0%	0	0	0.0%	0
Agriculture PACE Prog.	1,674,709	0	0	0.0%	0	0	0.0%	0
Beginning Farmer Prog.	4,553,327	0	0	0.0%	0	0	0.0%	0
Biofuels PACE	979,190	0	0	0.0%	0	0	0.0%	0
BND Operations	43,852,624	51,523,916	1,244,566	2.4%	52,768,482	7,894,777	15.3%	59,418,693
Med Fac Infrastructure	0	50,000,000	(50,000,000)	(100.0%)	0	0	0.0%	0
Total Line Items	64,952,204	103,150,147	(49,636,665)	(48.1%)	53,513,482	(42,986,454)	(41.7%)	60,163,693
By Funding Source								
General Fund	20,750,874	0	0	0.0%	0	0	0.0%	0
Federal Funds	2,896,149	3,000,000	(1,965,000)	(65.5%)	1,035,000	(1,953,042)	(65.1%)	1,046,958
Special Funds	41,305,181	100,150,147	(47,671,665)	(47.6%)	52,478,482	(41,033,412)	(41.0%)	59,116,735
Total Funding Source	64,952,204	103,150,147	(49,636,665)	(48.1%)	53,513,482	(42,986,454)	(41.7%)	60,163,693
Total FTE	176.50	179.50	0.00	0.0%	179.50	2.00	1.1%	181.50

Statutory Authority

North Dakota Century Code Chapter 54-17.

Agency Description

North Dakota Housing Finance Agency is a public financial institution established to develop and administer affordable housing finance and assistance programs for eligible parties.

Major Accomplishments

1. Funded more than \$2.70 billion (38,411) in home loans.
2. Administered rental assistance and compliance oversight for 3,397 Housing and Urban Development (HUD) and 5,250 Low Income Housing Tax Credit (LIHTC) affordable apartment units.
3. Assisted in the development of 6,428 LIHTC rental units.

4. Administered the housing incentive fund, which has committed just under \$50.4 million of the authorized funds, adding 1,512 units of much needed affordable housing.
5. Undertook an update of the Statewide Housing Needs Assessment to give local and state leaders accurate information to formulate housing plans.
6. Continued to partner with rural communities to help identify housing shortages and challenges and work toward effective planning.

Executive Budget Recommendation

- Recommends the base budget as submitted by the agency.
- Provides for a \$20.0 million general fund transfer to the housing incentive fund for the biennium ending June 30, 2017 to promote affordable housing projects in North Dakota.
- Increases the allowable tax credits for contributions into the housing incentive fund from \$20.0 million to \$30.0 million.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

473 ND Housing Finance Agency

Bill#: HB1014

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
ND Housing Finance Agency	39,889,848	57,907,491	(20,823,255)	(36.0%)	37,084,236	(164,964)	(0.3%)	57,742,527
Total Major Programs	39,889,848	57,907,491	(20,823,255)	(36.0%)	37,084,236	(164,964)	(0.3%)	57,742,527
Salaries and Wages	6,008,646	7,434,877	(125,696)	(1.7%)	7,309,181	532,595	7.2%	7,967,472
Accrued Leave Payments	0	147,806	(147,806)	(100.0%)	0	0	0.0%	0
Operating Expenses	3,422,299	3,791,758	(47,483)	(1.3%)	3,744,275	(47,483)	(1.3%)	3,744,275
Grants	29,467,640	31,033,050	(5,102,270)	(16.4%)	25,930,780	(5,102,270)	(16.4%)	25,930,780
HFA Contingency	0	100,000	0	0.0%	100,000	0	0.0%	100,000
Federal Stimulus Funds 2009	991,263	0	0	0.0%	0	0	0.0%	0
General Fund Transfers	0	15,400,000	(15,400,000)	(100.0%)	0	4,600,000	29.9%	20,000,000
Total Line Items	39,889,848	57,907,491	(20,823,255)	(36.0%)	37,084,236	(164,964)	(0.3%)	57,742,527
By Funding Source								
General Fund	0	15,400,000	(15,400,000)	(100.0%)	0	4,600,000	29.9%	20,000,000
Federal Funds	28,531,808	26,177,975	(950,195)	(3.6%)	25,227,780	(950,195)	(3.6%)	25,227,780
Special Funds	11,358,040	16,329,516	(4,473,060)	(27.4%)	11,856,456	(3,814,769)	(23.4%)	12,514,747
Total Funding Source	39,889,848	57,907,491	(20,823,255)	(36.0%)	37,084,236	(164,964)	(0.3%)	57,742,527
Total FTE	46.00	46.00	0.00	0.0%	46.00	0.00	0.0%	46.00

Statutory Authority

North Dakota Century Code Chapter 54-18.

Agency Description

The North Dakota State Mill & Elevator Association started operations in 1922 and serves as a foundation for value-added economic development in the state, promotes the export of North Dakota wheat, and returns a percentage of its annual profits to the states general fund. The Mill is located in Grand Forks.

Major Accomplishments

1. Achieved sales of 12.2 million hundredweight in fiscal year 2014.
2. Purchased more than 26.2 million bushels of spring wheat and durum in fiscal year 2014.

3. Achieved profits of \$13.5 million in fiscal year 2014.

Executive Budget Recommendation

- Recommends a \$64.0 million budget funded entirely from mill profits.
- Adds 6.00 FTE and \$812,026 from special funds for operation of the new milling unit expected to begin operations in the Fall of 2015.
- Adds 6.00 FTE and \$831,880 from special funds due to increased production demands.
- Continues funding of agriculture promotion expenses through a special line item.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

475 ND Mill and Elevator Association

Bill#: HB1014

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Flour Mill and Grain Terminal Operations	39,543,809	52,123,557	10,259,147	19.7%	62,382,704	12,702,193	24.4%	64,825,750
Total Major Programs	39,543,809	52,123,557	10,259,147	19.7%	62,382,704	12,702,193	24.4%	64,825,750
Salaries and Wages	23,405,939	29,141,750	5,203,954	17.9%	34,345,704	7,647,000	26.2%	36,788,750
Accrued Leave Payments	0	575,807	(575,807)	(100.0%)	0	0	0.0%	0
Operating Expenses	16,075,030	21,796,000	5,531,000	25.4%	27,327,000	5,531,000	25.4%	27,327,000
Agriculture Promotion	62,840	210,000	0	0.0%	210,000	0	0.0%	210,000
Contingency	0	400,000	100,000	25.0%	500,000	100,000	25.0%	500,000
Total Line Items	39,543,809	52,123,557	10,259,147	19.7%	62,382,704	12,702,193	24.4%	64,825,750
By Funding Source								
General Fund	0	0	0	0.0%	0	0	0.0%	0
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	39,543,809	52,123,557	10,259,147	19.7%	62,382,704	12,702,193	24.4%	64,825,750
Total Funding Source	39,543,809	52,123,557	10,259,147	19.7%	62,382,704	12,702,193	24.4%	64,825,750
Total FTE	131.00	135.00	0.00	0.0%	135.00	12.00	8.9%	147.00

Statutory Authority

North Dakota Century Code Title 65.

Agency Description

Workforce Safety and Insurance (WSI) was established in 1919 as an exclusive state fund for workers compensation insurance. Today, North Dakota is one of four remaining monopolistic workers compensation systems in the United States. The others are Ohio, Washington, and Wyoming. WSI functions as the sole provider of workers compensation insurance in the state of North Dakota. There are no provisions for self-insurance or private insurance for purposes of workers compensation. If a business has significant contacts in North Dakota, they must insure with WSI. Claims for occupational injury and disease are filed with WSI and adjudicated by in-house agency claims analysts. WSI services approximately 25,000 employers with a covered workforce of approximately 420,000 workers. WSI processes approximately 26,000 new claims per year.

Major Accomplishments

1. Remained financially stable and declared a 39 percent dividend credit in June 2014 as surplus levels exceeded the statutory limit. Dividend credits of over \$850.0 million have been granted to policyholders over nine of the past ten years.
2. Continued to enhance benefit levels in recent legislative sessions. North Dakota's benefit structure is set by statute and compares very favorably to other jurisdictions.
3. Continued to offer among the lowest premium rates in the nation, and have remained stable with small inflationary increases.
4. Experienced a low incidence of time-loss claims accounting for only 13 percent of the total claims in North Dakota compared to 20 percent in many other jurisdictions. North Dakota employees have a good work ethic and if injured,

want to get back to work. WSI's Return to Work programs greatly enhance these efforts.

5. Continued to provide and enhance policyholder safety and loss control programs, helping both employers and employees recognize and correct safety hazards. In June 2012 the WSI Board of Directors earmarked an additional \$15.0 million in fund surplus to be allocated toward multi-year safety education and grant programs.
6. Continued to maintain a low administrative expense ratio below 10 percent for Fiscal Year 2014. Workers' compensation industry expense ratios typically range between 25 percent and 35 percent. As a monopolistic workers compensation agency, North Dakota does not incur marketing expense, broker fees, tax expense or other fees typically incurred by private workers compensation insurers.
7. Maintained a low litigation average. Overall litigation requests represent less than one percent of total claims filed.
8. Maintained schedule of asset allocation studies, implementing a new asset allocation strategy.
9. Developed a Servant Leadership Program with a team atmosphere throughout the agency.

Executive Budget Recommendation

- Provides just under \$1.6 million in special funds for the addition of 12.00 FTE. Six of these are for hard to fill temporary positions, including nurses, and an additional 6 positions that are currently being filled by full-time temps.
- Provides \$6.0 million in special fund authority for the computer replacement project. As advised by the executive steering committee, a business process study was completed by Major Oak. This amount includes consulting fees to assist with implementation.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

485 Workforce Safety and Insurance

Bill#: SB2021

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Executive and Other Services	7,197,411	12,434,833	(2,858,162)	(23.0%)	9,576,671	(927,885)	(7.5%)	11,506,948
Administrative Services	14,404,881	18,108,148	(6,113,558)	(33.8%)	11,994,590	231,061	1.3%	18,339,209
Injury Services	20,584,598	23,277,621	3,699,626	15.9%	26,977,247	5,843,516	25.1%	29,121,137
Employer Services	7,799,281	9,501,820	1,158,411	12.2%	10,660,231	1,973,931	20.8%	11,475,751
Total Major Programs	49,986,171	63,322,422	(4,113,683)	(6.5%)	59,208,739	7,120,623	11.2%	70,443,045
Accrued Leave	0	1,662,965	(1,662,965)	(100.0%)	0	(1,256,630)	(75.6%)	406,335
Workforce Safety Operations	49,986,171	60,909,457	(1,700,718)	(2.8%)	59,208,739	9,127,253	15.0%	70,036,710
Litigation Contingency	0	750,000	(750,000)	(100.0%)	0	0	0.0%	0
Total Line Items	49,986,171	63,322,422	(4,113,683)	(6.5%)	59,208,739	7,120,623	11.2%	70,443,045
By Funding Source								
General Fund	0	0	0	0.0%	0	0	0.0%	0
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	49,986,171	63,322,422	(4,113,683)	(6.5%)	59,208,739	7,120,623	11.2%	70,443,045
Total Funding Source	49,986,171	63,322,422	(4,113,683)	(6.5%)	59,208,739	7,120,623	11.2%	70,443,045
Total FTE	247.14	250.14	0.00	0.0%	250.14	12.00	4.8%	262.14

Statutory Authority

North Dakota Century Code Title 39, Sections 2-05-14, 11-19-19, 11-19.1-06, 20.1-01-04, 20.1-13-14, 27-04-09, 29-06-02 and 44-08-20, and Chapter 28-32.

Agency Description

The primary duty of the North Dakota Highway Patrol (NDHP) is to keep the motoring public safe as they travel the state's 70,000 square miles. This is accomplished through law enforcement and traffic safety services including implementation of public education programs to reduce crashes and encourage safe driving practices; enforcement of laws to protect the highway system including size and weight regulations; and inspection of vehicles for safety equipment including school buses. The NDHP is the primary authority for enforcing laws and regulations relating to the commercial motor vehicle industry. The NDHP provides security and protection for the Governor, the Governor's immediate family, and the state Capitol, including the Supreme Court, the Legislative Assembly, and other elected government officials. The NDHP assists local agencies with responses to calls for service when situations arise which exceed the limits of local resources. The NDHP oversees the operation, maintenance, and administration of the Law Enforcement Training Academy (LETA). The LETA provides basic and advanced training to peace officers and public safety officials in North Dakota.

Major Accomplishments

1. Continued to maximize Law Enforcement Training Academy (LETA) resources. Over 296 students have attended training in 2013 not including 149 officers that attended NDHP in-service.
2. Implemented an automated routing permitting system for oversize and overweight vehicles to the existing online permitting system. During 2013, 160,633 permits were issued. All permit types are now available online 24 hours a day, seven days a week.
3. Transitioned from ten regional commanders in the field to one commander per region and one commander per division and removed the field operations commander position directly under the superintendent. This reorganization focused on improving efficiencies within the chain of command.
4. Reduced the number of patrol vehicles by three due to increased inflationary costs for vehicle equipment installations. This plan will also improve vehicle equipment installations and tracking because of the reduced demands placed on the property function to supply and install vehicle-specific equipment such as security partitions and consoles.

5. Added a second field training officer to enhance training not only at the LETA but also to other law enforcement agencies statewide. Implemented an internal supervisory and leadership training program to better prepare new first-line supervisors for their role.
6. Utilized social media to provide safety information to the public by creating an NDHP Facebook page as well as enhancements to the department website.
7. Shifted resources to the western part of the state to address the demands in the energy sector, and two additional semi-portable trailer scale systems were purchased to provide the opportunity to safely weigh more commercial vehicles and protect infrastructure while minimizing time delays to the driver.
8. Logged a total of 201,300 events in the computer-aided dispatch (CAD) system for the two-year period ending June 30, 2014. During FY13 the NDHP conducted 73,671 traffic stops, and during FY14 the NDHP conducted 74,539 traffic stops.
9. Conducted eight canine teams for missing or fleeing subjects and 37 school narcotic searches upon request in 2013. The teams accounted for 150 misdemeanor drug arrests, 40 felony drug arrests, the seizure of 32 pounds of marijuana, and the seizure of \$45,505.

Executive Budget Recommendation

- Authorizes 4.00 FTE for additional sworn officers to provide extended coverage in the western area of the state.
- Provides one-time funding of \$27.5 million, of which \$24.0 million is from the general fund, for phase II of the Law Enforcement Training Academy expansion project.
- Provides \$188,000, of which \$164,000 is from the general fund, for motor pool rate increases and additional patrol miles.
- Provides \$626,000 of one-time funding, of which \$548,000 is from the general fund for the replacement of mobile radio equipment, which is obsolete and no longer supported by the vendor.
- Provides \$80,000 of one-time funding, of which \$70,000 is from the general fund to upgrade the outdoor shooting range.
- Provides \$66,000 of one-time funding, of which \$58,000 is from the general fund for a skid-car training system.
- Provides \$300,000, of which \$262,000 is from the general fund for increased cost for vehicle equipment installation.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

504 Highway Patrol
Biennium: 2015-2017

Bill#: HB1011

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Administration	3,149,111	3,466,113	69,958	2.0%	3,536,071	518,386	15.0%	3,984,499
Field Operations	41,120,790	50,866,914	1,073,651	2.1%	51,940,565	6,169,594	12.1%	57,036,508
Law Enforcement Training Academy	1,562,035	6,803,043	(6,803,043)	(100.0%)	0	20,808,957	305.9%	27,612,000
Total Major Programs	45,831,936	61,136,070	(5,659,434)	(9.3%)	55,476,636	27,496,937	45.0%	88,633,007
Accrued Leave Payments	0	1,110,651	(1,110,651)	(100.0%)	0	0	0.0%	0
Administration	3,149,111	3,466,113	78,108	2.3%	3,544,221	526,912	15.2%	3,993,025
Field Operations	41,120,790	49,756,263	2,176,152	4.4%	51,932,415	7,271,719	14.6%	57,027,982
Law Enforcement Training Academy	1,562,035	6,803,043	(6,803,043)	(100.0%)	0	20,808,957	305.9%	27,612,000
Total Line Items	45,831,936	61,136,070	(5,659,434)	(9.3%)	55,476,636	27,496,937	45.0%	88,633,007
By Funding Source								
General Fund	35,360,659	47,743,528	(4,627,820)	(9.7%)	43,115,708	24,142,321	50.6%	71,885,849
Federal Funds	5,445,515	6,551,476	(300,538)	(4.6%)	6,250,938	(24,963)	(0.4%)	6,526,513
Special Funds	5,025,762	6,841,066	(731,076)	(10.7%)	6,109,990	3,379,579	49.4%	10,220,645
Total Funding Source	45,831,936	61,136,070	(5,659,434)	(9.3%)	55,476,636	27,496,937	45.0%	88,633,007
Total FTE	198.00	213.00	0.00	0.0%	213.00	4.00	1.9%	217.00

Statutory Authority

North Dakota Century Code Chapters 12-21, 12-44.1, 12-46, 12-47, 12-48, 12-48.1, 12-51, 12-52, 12-55, 12-59, 54-23.3, and 54-23.4.

Agency Description

The Department of Corrections and Rehabilitation (DOCR) is responsible for the care and custody of both adult and juvenile offenders. Adult offenders are sentenced to the DOCR by the State's district courts. Juvenile offenders who are determined to be unruly and delinquent are committed to the DOCR by the State's juvenile courts. The DOCR is structured into three major program areas, Central Office, Division of Adult Services, and Division of Juvenile Services.

The Central Office provides for the executive leadership of the DOCR and also provides for departmental management in the areas of human resources, training, fiscal management, information technology, research, plant services and medical services.

The Division of Adult Services (DAS) operates the North Dakota State Penitentiary, the James River Correctional Center, and the Missouri River Correctional Center. The DAS provides for the care and custody female inmates through a contractual relationship with the Dakota Women's Correctional and Rehabilitation Center (DWCRC). The DAS also has regional offices located statewide. Through these offices, parole and probation officers supervise adult offenders that are sentenced to probation by the district courts or that are released on parole by the ND Parole Board. In addition the DAS manages community-based programs that help divert offenders from prison and that assist offenders after release from incarceration. The DAS is also responsible for the operation of Roughrider Industries, for the management of victim compensation programs, and for providing administrative support to ND Parole Board and the ND Pardon Advisory Board.

The Division of Juvenile Services (DJS) operates the North Dakota Youth Correctional Center and regional community based services offices located statewide. The Community Services staff provides comprehensive case management as well as community based correctional services to youth who are placed across the continuum of care. Community Services, in cooperation with the Division of Child and Family Services, North Dakota Association of Counties, and the Department of Public Instruction provides an array of placement options and services for troubled adolescents.

Major Accomplishments

1. Achieved a one year post-release recidivism rate of 13.1 percent by the Division of Juvenile Services, amongst the lowest in the nation.
2. Achieved 100 percent compliance by YCC with the federal Prison Rape Elimination Act.

3. Integrated Community-based Standards into every community-based residential program for youth statewide.
4. Completed the expansion of the North Dakota State Penitentiary. Moved over 100 inmates to NDSP that had been housed in ND county jails. Roughrider Industries built and installed all the NDSP cell furniture, hardwood case products.
5. Developed and implemented physical fitness standards for current employees within the DOCR parole officers.
6. Implemented a positive behavior modification program at all three adult DOCR prison facilities.
7. Achieved "highly effective" audit results for all three adult DOCR prison facilities on Thinking for a Change and Cognitive-Behavioral Interventions for Substance Abuse.
8. Implemented a cognitive-behavioral curricula to intervene for offenders with aggressive behaviors, domestic violence, and sexual offending.
9. Implemented a DUI treatment program (DUI Recidivism Reduction Track) in accordance with new DUI legislation passed during 2013 legislative session.
10. Realized over 3 percent decreases in both probation and parole revocation rates, while probation caseloads increased by 13 percent and parole caseloads increased by 37 percent.

Executive Budget Recommendation

- Recommends 22.00 new FTE: 13.00 FTE parole and probation officers; 3.00 treatment FTE; 2.00 FTE to transfer central receiving activities from the State Hospital to JRCC; 1.00 FTE attorney to manage the increasing volume and complexity of legal issues at DOCR; 1.00 FTE electronic technician to maintain HVAC and security systems at the State Penitentiary; 1.00 FTE juvenile institution residential specialist at YCC; and 1.00 FTE juvenile corrections specialist to be located in Williston.
- Provides \$29.6 million from the general fund for construction of a new Missouri River Correctional Center and demolition of the old buildings.
- Provides \$28.9 million for contract treatment, and transition programs.
- Provides \$1.7 million from the general fund for a recidivism reduction program in collaboration with Burleigh and Cass Counties.
- Provides \$11.2 million for continuation of the contract with the Dakota Women's Correctional and Rehab Center for housing the state's female inmates.
- Provides \$4.0 million for extraordinary repairs - \$1.8 million for regular, ongoing repairs, and \$2.2 million for one-time repairs.
- Provides \$544,039, \$318,039 from the general fund and \$226,000 from Roughrider Industries funds, for equipment purchases.
- Provides \$1.7 million for information technology systems and equipment upgrades.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

530 Department of Corrections and Rehabilitation

Bill#: HB1015

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Juvenile Services	26,361,440	29,989,305	(498,221)	(1.7%)	29,491,084	2,042,240	6.8%	32,031,545
Adult Services	198,815,345	191,245,266	(1,497,995)	(0.8%)	189,747,271	65,339,149	34.2%	256,584,415
Total Major Programs	225,176,785	221,234,571	(1,996,216)	(0.9%)	219,238,355	67,381,389	30.5%	288,615,960
Accrued Leave Payments	0	4,639,529	(4,639,529)	(100.0%)	0	0	0.0%	0
Capital Construction Carryover	43,585,069	4,068,798	(4,068,798)	(100.0%)	0	0	0.0%	0
Adult Services	155,294,519	183,625,536	6,121,735	3.3%	189,747,271	72,958,879	39.7%	256,584,415
Juvenile Services	26,297,197	28,900,708	590,376	2.0%	29,491,084	3,130,837	10.8%	32,031,545
Total Line Items	225,176,785	221,234,571	(1,996,216)	(0.9%)	219,238,355	67,381,389	30.5%	288,615,960
By Funding Source								
General Fund	160,388,947	181,341,891	1,022,481	0.6%	182,364,372	69,265,037	38.2%	250,606,928
Federal Funds	6,881,877	5,875,962	(183,398)	(3.1%)	5,692,564	(114,330)	(1.9%)	5,761,632
Special Funds	57,905,961	34,016,718	(2,835,299)	(8.3%)	31,181,419	(1,769,318)	(5.2%)	32,247,400
Total Funding Source	225,176,785	221,234,571	(1,996,216)	(0.9%)	219,238,355	67,381,389	30.5%	288,615,960
Total FTE	794.29	814.29	0.00	0.0%	814.29	22.00	2.7%	836.29

Statutory Authority

North Dakota Century Code Chapter 37.

Agency Description

The Office of Adjutant General includes both the North Dakota National Guard and the Department of Emergency Services.

The North Dakota National Guard is a community-based defense force made up of quality North Dakota citizens, trained and available to protect the vital interests of our state and nation.

The Department of Emergency Services has two divisions, the Homeland Security Division and the Division of State Radio. Together, the divisions provide the organizational base for emergency preparedness, response, and recovery operations for the state, 54 local emergency management organizations, and four tribal management organizations.

Major Accomplishments

1. Received over 5,900 visitors in the Military Service Centers in Bismarck and Fargo and directly assisted over 1,300 veterans and retirees.
2. Participated in an Innovative Readiness Training Project (IRT) at Fairview Cemetery in Bismarck.
3. Received the US Department of Veterans Affairs national Excellence of Appearance Award for the ND Veterans Cemetery.
4. Received the Army Superior Unit Award in recognition for outstanding meritorious service by the ND National Guard Medical Detachment.
5. Completed construction of a 57,201 square foot addition to the Readiness Center at the Camp Grafton Training Site at Devils Lake.
6. Celebrated the tenth anniversary of the state partnership program between the NDNG and military officials in Ghana, West Africa.
7. Broadened its state partnership program by the addition of two new partnerships with West African countries of Togolese Republic and Republic of Benin.
8. Mobilized more than 4,000 soldiers and more than 2,400 airmen in support of the Global War on Terrorism since the 2001 terrorist attacks on America.
9. Prepared for and responded to 2 state and federal flood declarations.
10. Responded to a state and federal winter storm disaster.
11. Responded to Casselton oil train explosion.
12. Coordinated increased training for district responders relating to HAZMAT spills and oil transportation related incidents.
13. Managed construction of new State Radio dispatch center.
14. Secured \$7.4 million in federal Homeland Security grants that are shared and disbursed regionally to build and sustain preparedness and response capability.

15. Established and operated an emergency response materials, equipment and supplies warehouse that proved vital in saving lives and protecting property in 2013.
16. Coordinated the state's efforts for federally-mandated compliance for interoperable communication, frequency narrow banding, Next Generation 911, and National Broadband (FirstNet).

Executive Budget Recommendation

- Provides \$500,000 from the general fund to continue the Veteran's Bonus Program.
- Provides \$412,000 from the general fund for the ND Cares program.
- Provides \$837,000 from the general fund for salaries in the Veteran Outreach Officers program. Staffing for this program is currently temporary positions; current vacant positions will be used to staff the program using full time equivalencies.
- Approves \$139,000, of which \$69,500 is from the general fund, to purchase approximately 36 acres from the ND Parks & Recreation Department to ensure burial space at the Veteran's Cemetery.
- Provides \$386,000 in one-time general fund dollars for the purchase of Next Generation 911 system. Also adds \$209,280 in ongoing general fund dollars to cover maintenance costs.
- Approves \$719,937 for the maintenance of the statewide seamless base maps. Of this amount, \$338,000 will go to salaries of two current temporary employees and make them permanent FTE using current vacant positions.
- Adds \$150,000 from the general fund for the maintenance costs of the records management system.
- Provides one-time funds of \$90,000 for an enhancement to the current computer aided dispatch system to decrease the down time in the system.
- Provides \$3,000,000 in one-time general funds to be granted, on a regional basis, to fire departments along railroads to purchase the necessary equipment to fight a fire in the case of a train derailment.
- Provides \$5,000,000 in general funds to initiate a statewide radio communication improvement project.
- Provides \$1,000,000 in one-time special funds authority to contract services related to disaster recovery and mitigation planning.
- Authorizes one-time general fund dollars of \$80,000 to eliminate the redundancy in the radio towers used for communication with public safety.
- Provides \$550,000 in one-time general fund dollars to purchase emergency response supplies.
- Adds \$400,000 special fund authority for contracted volunteer disaster coordination services.
- Provides \$153,528 in general fund dollars for salary adjustments for targeted occupations.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

540 Office of the Adjutant General

Bill#: SB2016

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
National Guard	67,617,855	90,009,044	(7,875,013)	(8.7%)	82,134,031	(3,142,939)	(3.5%)	86,866,105
Dept of Emergency Services	250,705,801	236,777,892	(90,074,896)	(38.0%)	146,702,996	(77,025,595)	(32.5%)	159,752,297
Total Major Programs	318,323,656	326,786,936	(97,949,909)	(30.0%)	228,837,027	(80,168,534)	(24.5%)	246,618,402
Salaries and Wages	14,105,275	16,616,925	688,559	4.1%	17,305,484	3,169,871	19.1%	19,786,796
Accrued Leave	0	1,095,993	(1,095,993)	(100.0%)	0	0	0.0%	0
Operating Expenses	9,282,416	14,057,379	(1,938,299)	(13.8%)	12,119,080	6,212,981	44.2%	20,270,360
Capital Assets	2,868,321	2,293,872	(1,378,826)	(60.1%)	915,046	(1,165,826)	(50.8%)	1,128,046
Construction Carryover	13,593,044	937,435	(937,435)	(100.0%)	0	0	0.0%	0
Grants	25,262,237	20,446,067	(1,263,306)	(6.2%)	19,182,761	2,236,694	10.9%	22,682,761
Disaster Costs	206,196,303	189,771,791	(81,660,436)	(43.0%)	108,111,355	(81,585,634)	(43.0%)	108,186,157
Civil Air Patrol	238,542	287,451	5,632	2.0%	293,083	27,037	9.4%	314,488
Radio Communications	2,002,522	4,990,775	(4,990,775)	(100.0%)	0	(4,364,775)	(87.5%)	626,000
Tuition Fees	1,825,730	3,474,270	(956,770)	(27.5%)	2,517,500	(956,770)	(27.5%)	2,517,500
Air Guard Contract	8,446,184	11,483,158	(4,365,320)	(38.0%)	7,117,838	(3,325,964)	(29.0%)	8,157,194
Army Guard Contract	32,490,392	59,192,835	(254,936)	(0.4%)	58,937,899	995,709	1.7%	60,188,544
Reintegration Program	1,507,273	1,491,980	75,730	5.1%	1,567,710	441,733	29.6%	1,933,713
ND Veterans Cemetary	505,417	647,005	122,266	18.9%	769,271	179,838	27.8%	826,843
Total Line Items	318,323,656	326,786,936	(97,949,909)	(30.0%)	228,837,027	(80,168,534)	(24.5%)	246,618,402
By Funding Source								
General Fund	29,825,133	34,467,205	(7,906,185)	(22.9%)	26,561,020	5,642,090	16.4%	40,109,295
Federal Funds	260,388,040	258,973,206	(76,607,550)	(29.6%)	182,365,656	(74,017,154)	(28.6%)	184,956,052
Special Funds	28,110,483	33,346,525	(13,436,174)	(40.3%)	19,910,351	(11,793,470)	(35.4%)	21,553,055
Total Funding Source	318,323,656	326,786,936	(97,949,909)	(30.0%)	228,837,027	(80,168,534)	(24.5%)	246,618,402
Total FTE	242.00	246.00	(29.00)	(11.8%)	217.00	(12.00)	(4.9%)	234.00

Statutory Authority

North Dakota Century Code Chapters 4-14.1 and 10-30.5, 54-34.3, 54-34.4, 54-44.5, 54-60, 54-62.

Agency Description

The North Dakota Department of Commerce has four divisions: Community Services, Economic Development & Finance, Tourism and Workforce Development that work together to expand the economy of North Dakota, support community development and provide services to low income people. Our challenge is to make North Dakota a better place to live, work, do business and play, for all of the people that choose to make North Dakota their home.

Major Accomplishments

1. Developed 31 new primary sector projects during the 2011-13 biennium.
2. Developed 13 new primary sector projects during the first year of the 2013-15 biennium.
3. Brought \$231.6 million new dollars from visitor expenditures into North Dakota in 2012 through the Division of Tourism's media advertising at a cost \$1.9 million, resulting in a 1:119 return on investment.
4. Maintained an annual occupancy rate 4.0 percent higher than the national average. North Dakota led nation in growth of travel-generated employment and traveler expenditures.
5. Recognized record increases in airline boardings and lodging tax collected. North Dakota State University research indicated Tourism's contribution to the state's economy grew 3.3 percent with \$5.00 billion spent by non-residents in 2012. This makes the tourism industry the third strongest contributor behind Agriculture (\$9.00 billion) and Oil (\$14.6 billion).
6. Led effort to improve North Dakota's statewide energy policy through Empower ND Commission.
7. Led efforts in growth of and accountability for the Centers of Excellence program.
8. Led efforts to attract, retain, and expand workforce through out-of-state recruitment efforts, Operation Intern, Youth Office, Relocation Program, and statewide workforce strategy development.
9. Expanded efforts to assist out-of-state job seekers in relocation to North Dakota. Direct impact: 56 individuals and families notified the department that they relocated to North Dakota from July 2012 - June 2014; Indirect impact: 11,898 individuals served in calendar year 2014.
10. Administered Operation Intern program to connect North Dakota students with North Dakota careers via internship placements. For the biennium, as of July

2013, 19 students have notified the department that they secured full-time employment with a North Dakota employer following their internship experience. Eighty-five students have notified the department of North Dakota employment following their internship since program inception.

Executive Budget Recommendation

- Recommends \$8.0 million from the general fund for Research North Dakota.
- Provides \$6.0 million for pre-kindergarten community grants for organizations operating qualified pre-school education programs.
- Includes \$6.0 million for workforce development grants to tribally-controlled community colleges.
- Allows \$5.0 million from the strategic investment and improvements fund for infrastructure development, contingent upon development of private sector facilities as part of the enhanced use lease at Grand Forks Air Force Base.
- Appropriates \$3.0 million from the general fund for grants to political subdivisions for new or expanded licensed childcare facilities.
- Includes a one-time appropriation of \$1.5 million from the general fund for workforce enhancement grants.
- Provides \$4.2 million from the general fund (\$2.7 million new and \$1.5 million carryover) for operations of the Unmanned Aerial System Airspace Integration Test Site, including \$1.2 million for a business incentive match fund.
- Funds a \$2.0 million one-time grant to the ND Safety Council for construction of a workforce training facility.
- Recommends a \$2.0 million one-time grant for the Special Olympics, if North Dakota is selected as the site of the next national games.
- Approves \$1.5 million for matching grants to assist in base retention efforts in communities with air force bases or national guard facilities.
- Appropriates \$1.0 million from the general fund to enhance tourism-related marketing in the mid-western markets.
- Provides \$1.0 million for one-time entrepreneurial center vouchers and grants.
- Authorizes \$1.0 million for one-time homeless shelter grants.
- Approves a one-time appropriation of \$750,000 from the general fund for large infrastructure grants to attract, retain, and entertain North Dakota citizens and visitors to the state.
- Includes \$500,000 to match private contributions for a workforce recruitment campaign.
- Approves \$50,000 from the general fund for educators in industry externships.
- Provides \$198,341 from the general fund for the increased building rental and technology costs of the agency.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

601 Department of Commerce

Bill#: HB1018

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Commerce Administration	24,112,378	11,659,838	(1,097,782)	(9.4%)	10,562,056	9,643,101	82.7%	21,302,939
Innovation and Entrepreneurship	2,293,808	24,824,539	(22,389,790)	(90.2%)	2,434,749	(4,095,989)	(16.5%)	20,728,550
North Dakota Tourism	10,487,191	11,924,663	(785,117)	(6.6%)	11,139,546	1,453,119	12.2%	13,377,782
ND Workforce Development	2,520,215	13,810,343	(9,336,541)	(67.6%)	4,473,802	(1,169,976)	(8.5%)	12,640,367
Economic Development and Finance	6,276,213	9,367,643	(2,312,523)	(24.7%)	7,055,120	(2,060,679)	(22.0%)	7,306,964
Division of Community Services	67,942,563	72,613,404	(10,224,475)	(14.1%)	62,388,929	(5,865,611)	(8.1%)	66,747,793
Total Major Programs	113,632,368	144,200,430	(46,146,228)	(32.0%)	98,054,202	(2,096,035)	(1.5%)	142,104,395
Salaries and Wages	10,302,501	12,361,114	18,454	0.1%	12,379,568	1,107,917	9.0%	13,469,031
Accrued Leave Payments	0	243,767	(243,767)	(100.0%)	0	0	0.0%	0
Operating Expenses	12,617,068	16,435,749	241,227	1.5%	16,676,976	2,449,374	14.9%	18,885,123
Capital Assets	0	10,000	(10,000)	(100.0%)	0	0	0.0%	0
Grants	38,581,763	69,809,166	(22,427,871)	(32.1%)	47,381,295	8,390,290	12.0%	78,199,456
Discretionary Grants	964,117	1,605,740	(677,658)	(42.2%)	928,082	(677,658)	(42.2%)	928,082
Workforce Enhancement Fund	375,000	2,000,000	(2,000,000)	(100.0%)	0	(500,000)	(25.0%)	1,500,000
Economic Develop Initiatives	167,259	186,846	(186,846)	(100.0%)	0	0	0.0%	0
Flood Impact Loans/Grants	2,931,627	18,358,866	(5,503,866)	(30.0%)	12,855,000	(5,498,064)	(29.9%)	12,860,802
Agric. Products Util. Comm. (APUC)	1,827,456	5,506,968	(2,209,131)	(40.1%)	3,297,837	(2,180,511)	(39.6%)	3,326,457
ResearchND	12,000,000	12,000,000	(12,000,000)	(100.0%)	0	(4,000,000)	(33.3%)	8,000,000
North Dakota Trade Office	2,605,944	2,613,400	0	0.0%	2,613,400	0	0.0%	2,613,400
Partner Programs	2,063,678	2,022,044	(100,000)	(4.9%)	1,922,044	300,000	14.8%	2,322,044
Visual North Dakota	0	250,000	(250,000)	(100.0%)	0	0	0.0%	0
Federal Stimulus Funds - 2009	29,195,955	796,770	(796,770)	(100.0%)	0	0	0.0%	0
Total Line Items	113,632,368	144,200,430	(46,146,228)	(32.0%)	98,054,202	(2,096,035)	(1.5%)	142,104,395
By Funding Source								
General Fund	44,382,976	67,212,489	(35,026,365)	(52.1%)	32,186,124	3,816,829	5.7%	71,029,318
Federal Funds	65,751,283	60,828,054	(5,495,203)	(9.0%)	55,332,851	(5,356,134)	(8.8%)	55,471,920
Special Funds	3,498,109	16,159,887	(5,624,660)	(34.8%)	10,535,227	(556,730)	(3.4%)	15,603,157
Total Funding Source	113,632,368	144,200,430	(46,146,228)	(32.0%)	98,054,202	(2,096,035)	(1.5%)	142,104,395
Total FTE	68.25	69.25	0.00	0.0%	69.25	0.15	0.2%	69.40

Statutory Authority

North Dakota Century Code Chapters 4-01, 4-05.1, 4-12.2, 4-13.2, 4-14, 4-14.1, 4-14.2, 4-21.1, 4-30, 4-32, 4-33, 4-35, 4-35.1, 4-35.2, 4-37, 4-39, 4-40, 4-41, 4-44, 4.1-14, 4.1-47, 4.1-83, 4.1-88, 6-09.10, 19-13.1, 19-14, 19-18, 19-20.1, 19-20.2, 19-20.3, 36-01, 36-05, 36-05.1, 36-07, 36-14, 36-14.1, 36-15, 36-21.1, 36-24, 36-25, 36-26, and 61-31.

Agency Description

The commissioner is statutorily responsible for enforcing laws and regulations pertaining to pesticides, fertilizers, anhydrous ammonia, livestock sales, dairy production, noxious weed control, plant export certification, and beekeeping. The commissioner is also responsible for the registration of pesticides, fertilizers, animal feeds, and veterinary medicines; the administration of fair and timely mediation services to agriculture producers, creditors, and energy related issues; the collection and elimination of unusable pesticides; the promotion and marketing of North Dakota products; and the administration of a state meat inspection program. The responsibilities have expanded to include a leadership role in the formation of policies affecting the state's agricultural industries; the advocacy of the needs and concerns of farmers and ranchers on state and national levels; and the distribution of information concerning agricultural issues to the Governor, legislature, and the general public. The agriculture commissioner works collaboratively with the Board of Animal Health to protect the health of domestic animals and nontraditional livestock of the state.

Major Accomplishments

1. Obtained a university study to help North Dakota farmers, ranchers and farm organizations better understand the economic impact and other possible effects of proposed federal legislation establishing a "cap and trade" system for greenhouse gases.
2. Called and chaired the first meeting of the Advisory Committee on Sustainable Agriculture to provide ideas and advice on developing a sustainable agriculture certification program and on the marketing and packaging of certified products.
3. Helped draft and pass "Meat the Need" at the National Association of State Departments of Agriculture to help U.S. pork and dairy producers.
4. Collected 248,354 pounds of old and unwanted pesticides in 2013 through Project Safe Send. There were 290,932 pounds collected in 2012.
5. Worked cooperatively with USDA-APHIS-Veterinary Services to investigate two herds affected by bovine TB.

6. Participated in a proactive industry coalition to successfully rewrite the state's humane treatment of animals law.
7. Developed a grant program for qualifying wineries to promote and develop the state's growing wine industry.
8. Administered an Age and Source Verification program as directed by legislative intent.
9. Administered a mediation program to address energy development issues.
10. Developed a dispute resolution program to address deer depredation.
11. Participated in international trade missions to China (twice), Africa and Singapore with North Dakota agriculture businesses meeting with new buyers and fostering potential sales opportunities for the companies.
12. Increased Hunger Free North Dakota Garden Project participation to nearly 60 food pantries and charitable organizations across the state recording more than 181,000 lbs. of fresh produce in 2013.
13. Managed more than 500 Pride of Dakota member companies assisting them with strategic planning, online marketing, and other marketing activities.
14. Assisted eight North Dakota communities in developing an orchard for its citizens in 2013. Funds are granted through NDDA from the USDA Specialty Crop Block Grant to continue this project.
15. Developed the North Dakota Pollinator Plan containing voluntary best management practices to improve communication and coordination among beekeepers, landowners, and pesticide applicators to reduce exposure of pollinators to pesticides.
16. Completed delegation from U.S. EPA to enforce provisions of the Risk Management Program for agricultural anhydrous ammonia facilities under the Clean Air Act.

Executive Budget Recommendation

- Provides \$82,297 from the general fund for part-time salaries and operating expenses to monitor, survey and do inspection work of Japanese beetle and emerald ash borer.
- Recommends \$50,000 from the general fund to accommodate new venues for the Pride of Dakota showcase in Fargo and Grand Forks.
- Provides one-time general fund dollars of \$150,222 to have an information technology analysis done on the agency.
- Provides one-time general fund dollars of \$150,000 to have the department website redesigned.
- Approves \$352,912 from the general fund to cover the cost of the ITD desktop support services.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

602 Department of Agriculture

Bill#: SB2009

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Administrative Services	2,663,310	3,413,726	(381,642)	(11.2%)	3,032,084	127,483	3.7%	3,541,209
Plant Industries	2,839,143	3,436,115	(83,602)	(2.4%)	3,352,513	85,295	2.5%	3,521,410
Livestock Development	5,912,046	7,625,087	(245,886)	(3.2%)	7,379,201	33,359	0.4%	7,658,446
Marketing and Information	3,224,941	4,864,358	4,246,426	87.3%	9,110,784	4,936,059	101.5%	9,800,417
State Veterinarian	1,930,379	2,169,876	6,702	0.3%	2,176,578	108,776	5.0%	2,278,652
Pesticide and Fertilizer	2,906,798	3,769,546	92,511	2.5%	3,862,057	280,736	7.4%	4,050,282
Total Major Programs	19,476,617	25,278,708	3,634,509	14.4%	28,913,217	5,571,708	22.0%	30,850,416
Salaries and Wages	8,607,319	11,043,342	973,501	8.8%	12,016,843	2,167,166	19.6%	13,210,508
Operating Expenses	4,722,883	5,885,262	298,273	5.1%	6,183,535	1,041,807	17.7%	6,927,069
Capital Assets	16,855	12,000	(4,000)	(33.3%)	8,000	(4,000)	(33.3%)	8,000
Grants	2,711,935	4,675,828	3,722,946	79.6%	8,398,774	3,722,946	79.6%	8,398,774
Board of Animal Health	1,930,379	2,169,876	(1,356,211)	(62.5%)	813,665	(1,356,211)	(62.5%)	813,665
Wildlife Services	1,417,400	1,417,400	0	0.0%	1,417,400	0	0.0%	1,417,400
Crop Harmonization Board	69,846	75,000	0	0.0%	75,000	0	0.0%	75,000
Total Line Items	19,476,617	25,278,708	3,634,509	14.4%	28,913,217	5,571,708	22.0%	30,850,416
By Funding Source								
General Fund	8,216,166	9,524,117	105,028	1.1%	9,629,145	1,549,958	16.3%	11,074,075
Federal Funds	5,151,208	8,144,390	3,249,592	39.9%	11,393,982	3,454,444	42.4%	11,598,834
Special Funds	6,109,243	7,610,201	279,889	3.7%	7,890,090	567,306	7.5%	8,177,507
Total Funding Source	19,476,617	25,278,708	3,634,509	14.4%	28,913,217	5,571,708	22.0%	30,850,416
Total FTE	77.00	77.00	0.00	0.0%	77.00	0.00	0.0%	77.00

Statutory Authority

North Dakota Century Code Chapter 54-53.

Agency Description

The Upper Great Plains Transportation Institute (UGPTI) was created by the North Dakota legislature in 1967 as part of North Dakota State University to foster a better understanding of the role of transportation in the economy and state. UGPTI provides timely information to state and local governments regarding the condition of transportation infrastructure in the state and expected road and bridge investment needs. UGPTI provides freight transportation and logistics expertise that helps North Dakota businesses compete nationally and globally.

Major Accomplishments

1. Provided the governor, the legislature, the department of transportation, and other governmental agencies with vital information about roadway investments to propel economic growth in the state and region.
2. Provided state agencies, agricultural industries, and private investment groups with important insights into grain marketing patterns and trends.
3. Led efforts to increase the focus on transportation safety issues and trends in North Dakota.

4. Conducted research to improve the mobility of North Dakota citizens.
5. Responded to state agency needs for independent research to help improve personal and freight mobility within North Dakota.
6. Offered training throughout the state and region to road managers, transportation engineers, city planners, and transit operators to keep them up-to-date on critical skills and meet federal training requirements.
7. Helped prepare the transportation professionals of tomorrow through a combination of classroom and hands-on experiences.
8. Provided important services to Metropolitan Planning Organizations (MPOs) and the state to help them predict future traffic levels, update their transportation planning procedures, and deploy Intelligent Transportation Systems technologies.
9. Collaborated with NDDOT and the ND Association of Oil and Gas Producing Counties to help counties, townships, and cities cope with unprecedented impacts from oil production.

Executive Budget Recommendation

- Provides an additional \$300,548 from the general fund for an increase in matching funds for federal grants.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

627 Upper Great Plains Transportation Institute

Bill#: HB1020

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Core Program	15,093,707	26,530,169	(1,235,469)	(4.7%)	25,294,700	(4,777,122)	(18.0%)	21,753,047
Total Major Programs	15,093,707	26,530,169	(1,235,469)	(4.7%)	25,294,700	(4,777,122)	(18.0%)	21,753,047
Accrued Leave	0	241,627	(241,627)	(100.0%)	0	0	0.0%	0
Transportation Institute	15,093,707	26,288,542	(993,842)	(3.8%)	25,294,700	(4,535,495)	(17.3%)	21,753,047
Total Line Items	15,093,707	26,530,169	(1,235,469)	(4.7%)	25,294,700	(4,777,122)	(18.0%)	21,753,047
By Funding Source								
General Fund	1,929,191	4,077,206	3,577,925	87.8%	7,655,131	(713,993)	(17.5%)	3,363,213
Federal Funds	11,137,524	19,007,683	(7,307,488)	(38.4%)	11,700,195	(6,844,738)	(36.0%)	12,162,945
Special Funds	2,026,992	3,445,280	2,494,094	72.4%	5,939,374	2,781,609	80.7%	6,226,889
Total Funding Source	15,093,707	26,530,169	(1,235,469)	(4.7%)	25,294,700	(4,777,122)	(18.0%)	21,753,047
Total FTE	51.75	54.98	4.00	7.3%	58.98	0.00	0.0%	54.98

Statutory Authority

North Dakota Century Code Chapter 4-05.1.

Agency Description

Dickinson Research Extension Center (DREC)

The NDSU Dickinson Research Extension Center has an established record of service to the people in the 13-county region south and west of the Missouri River. The DREC operates 4,916 acres of owned land within the region as well as annual land leases needed to accommodate ongoing projects. The land base provides opportunities for a broad perspective in evaluating various agricultural systems that can serve as engines for economic development. This is a continuation of what has taken place for over 100 years. Currently, the DREC assists agricultural producers in solving production problems with agronomy, animal science and range science, while integrating new developments. Five major areas are served: agronomy, beef management, bio-security, range management, and sustainable agricultural practices. Faculty and staff are committed to engaging people of the region and to the identification of current economic opportunities, while sustaining natural resources for future generations as directed by the mission statement and Advisory Board. Research data and producer ideas are continually considered so the DREC can leverage the latest knowledge to best benefit the people of North Dakota.

Central Grasslands Research Extension Center (CGREC)

The CGREC conducts research for the Coteau region of North Dakota, an area bounded by the Missouri River on the west and the James River on the east and extends from Divide and Burke counties in northwestern North Dakota in a southeasterly direction through Dickey County. CGREC is located between two counties which rank in the top 10 counties for the production of livestock and forages. The area served by CGREC contains 5.0 million acres (44 percent) of the state's rangeland where 42 percent of the state's livestock is raised on 38 percent of the state's farms.

Research objectives must increase the range-carrying capacity of native range emphasizing conservation and preservation, stabilize grass production to compensate for the vagaries of the weather and precipitation as it influences forage production in the dryland agriculture, identify the impact of different management systems upon beef production in the central region and explore the increased use of crop residues and byproducts for the maintenance of the cow herd. CGREC's primary focus is management of grassland acreage which occupies about one-third of the agricultural land in the state and aims to improve production and increase returns to cattle producers.

Hettinger Research Extension Center (HREC)

The HREC is a semi-arid site located in southwest North Dakota, providing the most southerly NDSU location in the non-glaciated portion of North Dakota as a site for its agronomy research program. The HREC also is located at the center of the North Dakota sheep industry, the focus of one of its animal research programs, and in an area of rapidly growing livestock feeding ventures, another focus of animal research at the HREC. Additionally, the HREC is located in a region where much of the land base is in the Conservation Reserve Program, which has resulted in additional research evaluating potential changes in the CRP program and how these changes may affect upland native and game bird populations. A new research program evaluating low-cost rangeland monitoring strategies on U.S. Forest Service lands and wildlife/livestock interactions has resulted in a significant increase in the quantity of rangeland research conducted at the HREC throughout the western Dakotas. Research at HREC involves the disciplines of animal science, range science, wildlife science, agronomy, and agri-business and applied economics. Collaboration is with Main Station scientists, Branch Station scientists, U.S. Forest Service, grazing associations, university scientists from WY, SD, and MT, and USDA research entities in these research disciplines to improve productivity of livestock, grazing, and cropping systems, and to improve economic development of the region.

Langdon Research Extension Center (LREC)

The Langdon Research Extension Center (LREC) is located one mile east of Langdon on US highway five. The agricultural land base at the station consists of 389 owned acres and an additional 320 acres under lease agreement. The LREC serves a nine-county region located in northeast North Dakota and has North Dakota's highest precipitation rates, coolest temperatures, and richest productive soils. The climate creates high levels of diverse crop production and recurring disease problems.

The LREC has a strong tradition of assisting the region's producers to meet agricultural production challenges throughout the course of its existence. In 1993, the LREC redirected much of its research programming to focus on the significant increase of disease and insect pressure associated with its climate. This redirected applied research programming has provided producers with proven cultural practices and advances in chemical applications that minimize disease and insect pressures in all regions of North Dakota.

Since 2001, the LREC has significantly enhanced its overall agricultural research programming with the addition of a crop protection scientist, a director that also serves the region with an emphasis in rural economic/community development, increased foundation seed stocks program and a farm business management instructor. In addition, a full service agricultural based learning center was constructed in 2004 that greatly enhances outreach and extension efforts delivered to the regions agricultural industry. Finally, additional programming has been created that is working to employ LREC resources as an engine for rural

community and economic development in partnership with the region's economic developers.

North Central Research Extension Center (NCREC)

The NCREC was established in 1945 and is located one mile south of Minot on Highway 83. The 1,200-acre center specializes in crop research and extension education activities and foundation seed production. Approximately 1,500 owned, rented, and contracted acres are planted for foundation seed production each year. The NCREC evaluates conventional and new crops for production in the region and explores weed management and cropping systems to improve the economic potential of crop production in the north central region. The NCREC is a leader in North Dakota on production and disease research of canola, pea, lentil, and chickpea crops, in addition to the conventional crops of hard red spring and durum wheat, barley, flax, sunflower, and oats. The NCREC works closely with business and economic development leaders in the region to improve the economic vitality of north central North Dakota.

Williston Research Extension Center (WREC)

The Williston Research Extension Center, established in 1907 and relocated to the present site in 1954, is an 800-acre rain-fed farm located in northwest North Dakota near the city of Williston. In 2001, an additional 160 acres were purchased in the Nesson Valley and an irrigated research and development project was established. WREC research studies are conducted on crop variety evaluation, herbicide performance and other cultural management research, cropping systems and soil and water conservation practices. The main dryland crops are spring wheat and durum. Barley, oats, safflower, pea, lentil, chickpea, canola, flax, alfalfa and other alternative crops are also grown as cash crops or for livestock feed.

WREC research is intended to increase the producer's net profit, support crop diversification and encourage more intensive cropping and irrigation development. Research on soil and crop management systems for sprinkler irrigation, on alternative irrigated high value and value-added crops and on western malting barley programs are conducted. WREC also conducts variety development research on safflower, winter wheat, and durum and variety evaluations in cooperation with NDSU Main Station scientists. WREC produces and supplies foundation seed to area farmers of new and old varieties adapted to the region.

Carrington Research Extension Center (CREC)

The Carrington Research Extension Center was established in 1960. CREC operates on a land base of around 1,700 acres and has infrastructure to irrigate about 260 acres with center-pivot systems and 120 acres by surface methods. The balance of the acreage is managed as traditional dryland and is utilized primarily for dryland field crop research activities.

The research effort at CREC focuses on these general program areas: traditional crop variety evaluation, crop production and management, plant disease management, alternative crop development, cropping systems, irrigation, integration of crop and livestock production, intensive cow/calf production, beef cattle feeding, feedlot management, livestock waste and nutrient management, foundation seedstocks production, and development of new agricultural enterprises. Through these efforts, the CREC research program has gained a national reputation for its involvement in agriculturally-based economic development and study of a wide range of crops and cropping systems.

CREC maintains a strong Extension program as five extension specialists base their educational programming from the center.

Major Accomplishments

Dickinson Research Extension Center (DREC)

1. Continued work in agronomic, beef and range agricultural practices and developed managerial options reported in the Center's annual report.
2. Prepared to embrace change and the rapid expansion of the energy related business in western ND.
3. Shifted to explore new forage and cattle resources and inputs that shifts from a grain-based beef production model to a grass-based beef production model.
4. Studied various management techniques involving grass cultivars, soil mineral nitrogen, prairie ecosystems, grassland restoration, grazing systems with the integration of beef cattle.
5. Investigated conventional and organic agronomic systems, tillage systems, cropping systems, pest control systems, variety development, cover crops and the integration of beef cattle.

Central Grasslands Research Extension Center (CGREC)

1. Expanded research on control of invasive grass species through grazing to include a soil seed bank study, early intensive grazing study, and study incorporating both grazing and prescribed burning.
2. Continued research projects evaluating a multitude of forage species for use in the northern plains.
3. Continued to expand the animal science program collaborating with projects on reproduction, animal nutrition, and animal health.
4. Continued to develop research in the area of cover crops, evaluating the impacts of plant biomass removal on subsequent soil health parameters.
5. Added new area extension specialist/livestock systems position.

Hettinger Research Extension Center (HREC)

1. Distributed foundation seed produced at NDSU research centers to southwest ND producers.

2. Evaluated new varieties and technologies to grow drought tolerant crops, wheat stem sawfly resistance, and new and emerging bio-fuels.
3. Conducted multiple land use research evaluating sharp-tailed grouse habitat, cattle grazing systems to complement pheasant habitat concerns, and reclamation of low-quality farmland in the badlands.
4. Collaborated with Sitting Bull College on the Standing Rock Sioux Reservation, USDA-ARS, NDSU, and SDSU on a multi-agency project evaluating the reclamation of lands degraded by prairie dogs.
5. Conducted a nationally recognized sheep research program evaluating alternative technologies for increasing reproductive efficiency in both males and females.

Langdon Research Extension Center (LREC)

1. Continued to build strong research partnerships with agricultural input companies, commodity groups, regional crop improvement associations, growers and others.
2. Produced the highest quality foundation grade seed of the major crops grown in our region.
3. Pursued value-added agricultural opportunities that may lead to new high value cropping system opportunities for producers and economic enhancement for rural communities.
4. Provided dependable support for main station crop breeding programs and other cropping system research programs based at the main station in Fargo at NDSU.
5. Continued to foster and strengthen two new Extension outreach programs in agronomy and soil health that fills a vital educational need for growers in our region.

North Central Research Extension Center (NCREC)

1. Produced, conditioned, and distributed foundation seed of 14 varieties of seven crops grown in the region.
2. Screened and assisted in development of alternative/new crops – carinata, winter canola, energy beets.
3. Reclaimed/re-established flooded pastures, reclaiming wet/saline farmland with cover crops.
4. Researched new crop protection products for eight minor crops grown in ND and researched new products for controlling noxious weeds in non-cropland areas.

5. Conducted residue trials with the USDA IR-4 that lead to registration of new pesticides for controlling weeds, diseases, and insects in minor crops.

Williston Research Extension Center (WREC)

1. Evaluated the performance and adaptation of new and established dryland and irrigated crop cultivars and crop cultural practices to improve productivity of agricultural products.
2. Conducted research and demonstration projects on potatoes, malting barley, safflower, spring wheat, and winter wheat variety developments, safflower disease control, pulse crop production and variety selection, horticultural crops, sprinkler irrigation, water, soil, and crop management.
3. Conducted bioenergy crop research on sugar beets for ethanol and biomass production from switchgrass and other perennial herbaceous crops.
4. Developed and utilized a 160-acre irrigated site in the Nesson Valley for developing improved irrigated cropping systems and best management products.
5. Initiated a new dryland project to develop agricultural cropping systems.

Carrington Research Extension Center (CREC)

1. Expanded soil health and soil fertility research projects.
2. Investigated challenges of managing glyphosate resistant kochia with a series of soybean studies.
3. Improved methods were developed for screening sunflowers for resistance to Sclerotinia head rot.
4. Conducted a project where energy/feed beets were established on a saline soil site to demonstrate a remediation option.
5. Investigated the effects on corn particle size when fed in feedlot diets with decreasing forage levels.

Executive Budget Recommendation

- Provides \$550,000 from the general fund for equipment at the research centers.
- Adds \$130,000 and 1.00 FTE for technical support staff at the Dickinson Research Center to work on ways to minimize the effect that the dust issues in the western part of the state are having on the agricultural industry.
- Adds \$130,000 and 1.00 FTE for an animal science technical support staff at the Hettinger Research Center. Currently, the director is the only animal scientist at the center.
- Adds \$330,000 and 2.00 FTE at the Williston Research Center for a plant pathologist and technical support staff to evaluate and research crop diseases.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

628 Branch Research Centers

Bill#: HB1020

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Dickinson Research Center	4,686,213	6,208,379	1,177,359	19.0%	7,385,738	1,253,939	20.2%	7,462,318
Central Grasslands Research Center	2,641,522	3,281,230	332,985	10.1%	3,614,215	438,163	13.4%	3,719,393
Hettinger Research Center	3,720,470	4,727,652	413,321	8.7%	5,140,973	576,772	12.2%	5,304,424
Langdon Research Center	2,273,829	2,873,635	248,045	8.6%	3,121,680	336,072	11.7%	3,209,707
North Central Research Center	3,630,683	4,646,378	455,756	9.8%	5,102,134	585,336	12.6%	5,231,714
Williston Research Center	3,301,589	3,848,619	1,469,466	38.2%	5,318,085	1,697,064	44.1%	5,545,683
Carrington Research Center	6,969,017	8,015,392	1,454,027	18.1%	9,469,419	1,672,695	20.9%	9,688,087
Total Major Programs	27,223,323	33,601,285	5,550,959	16.5%	39,152,244	6,560,041	19.5%	40,161,326
Accrued Leave Payout	0	503,916	(503,916)	(100.0%)	0	0	0.0%	0
Dickinson Research Center	4,686,213	6,121,371	1,264,367	20.7%	7,385,738	1,340,947	21.9%	7,462,318
Central Grasslands Research Center	2,641,522	3,229,867	384,348	11.9%	3,614,215	489,526	15.2%	3,719,393
Hettinger Research Center	3,720,470	4,663,479	477,494	10.2%	5,140,973	640,945	13.7%	5,304,424
Langdon Research Center	2,273,829	2,832,495	289,185	10.2%	3,121,680	377,212	13.3%	3,209,707
North Central Research Center	3,630,683	4,586,427	515,707	11.2%	5,102,134	645,287	14.1%	5,231,714
Williston Research Center	3,301,589	3,771,236	1,546,849	41.0%	5,318,085	1,774,447	47.1%	5,545,683
Carrington Research Center	6,969,017	7,892,494	1,576,925	20.0%	9,469,419	1,795,593	22.8%	9,688,087
Total Line Items	27,223,323	33,601,285	5,550,959	16.5%	39,152,244	6,560,041	19.5%	40,161,326
By Funding Source								
General Fund	14,945,208	17,600,202	1,977,192	11.2%	19,577,394	2,657,177	15.1%	20,257,379
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	12,278,115	16,001,083	3,573,767	22.3%	19,574,850	3,902,864	24.4%	19,903,947
Total Funding Source	27,223,323	33,601,285	5,550,959	16.5%	39,152,244	6,560,041	19.5%	40,161,326
Total FTE	103.04	110.94	6.00	5.4%	116.94	4.00	3.6%	114.94

Statutory Authority

North Dakota Century Code Chapter 4-08.

Agency Description

The North Dakota State University (NDSU) Extension Service is part of a nationwide, university-based educational system that provides research-based educational programs to citizens in all 53 counties and four American Indian reservations in North Dakota. Programs focus on selected needs and issues affecting the state's agriculture, youth, families, communities and natural resources. The staff is located at state, area and local/county offices. The NDSU Extension Service combines funding from federal, state, county and grant sources to specifically address local concerns.

Major Accomplishments

1. Enabled ND growers to efficiently produce over \$11.00 billion of crops with best management practice recommendations.
2. Improved the production, efficiency and economics of ND's \$900.0 million beef industry through educational programs.
3. Educated ND producers on salinity management practices to avoid damage and increase productivity.
4. Increased leadership roles to improve their communities.

5. Conducted Community Vitality programs that resulted in 115 business plans, 57 community plans and access to other resources.
6. Improved school readiness of 1,081 students/families in 57 districts in 2013 through Gearing Up for Kindergarten.
7. Improved the skills of ND families to deal with food insecurity, chronic disease and other health issues.
8. Engaged more than 25,000 ND youth in 4-H club, summer camp and after-school activities.
9. Engaged 3,580 youth through 34 projects in 28 ND counties in the Junior Master Gardener program.
10. Made over 817,000 direct educational contacts in ND during the 2013 programming year.

Executive Budget Recommendation

- Provides \$720,000 from the general fund and 3.00 FTE for one area livestock specialist, an area community vitality specialist and one area food and health specialist.
- Approves \$100,000 from the general fund for a salary pool for the food systems and health initiative.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

630 NDSU Extension Service

Bill#: HB1020

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
COOP Extension Service	44,912,601	54,467,574	1,394,026	2.6%	55,861,600	2,694,179	4.9%	57,161,753
Total Major Programs	44,912,601	54,467,574	1,394,026	2.6%	55,861,600	2,694,179	4.9%	57,161,753
Accrued Leave	0	1,716,289	(1,716,289)	(100.0%)	0	0	0.0%	0
NDSU Extension Service	43,924,801	51,613,485	3,035,315	5.9%	54,648,800	4,410,468	8.5%	56,023,953
Soil Conservation Committee	987,800	1,137,800	75,000	6.6%	1,212,800	0	0.0%	1,137,800
Total Line Items	44,912,601	54,467,574	1,394,026	2.6%	55,861,600	2,694,179	4.9%	57,161,753
By Funding Source								
General Fund	24,885,644	28,919,765	2,346,781	8.1%	31,266,546	1,921,708	6.6%	30,841,473
Federal Funds	5,905,459	6,613,069	358,301	5.4%	6,971,370	913,621	13.8%	7,526,690
Special Funds	14,121,498	18,934,740	(1,311,056)	(6.9%)	17,623,684	(141,150)	(0.7%)	18,793,590
Total Funding Source	44,912,601	54,467,574	1,394,026	2.6%	55,861,600	2,694,179	4.9%	57,161,753
Total FTE	256.26	262.91	11.75	4.5%	274.66	3.00	1.1%	265.91

Statutory Authority

North Dakota Century Code Chapter 4-14.2.

Agency Description

The Northern Crops Institute (NCI) is a cooperative effort between North Dakota, Minnesota, Montana and South Dakota to support the promotion and market development of crops grown in this four-state region. NCI is an international meeting and learning center that brings together customers, commodity traders, technical experts, agricultural producers, and food and industrial processors for education, discussion and technical services. NCI provides technical and marketing assistance through specialized training courses and technical services that facilitate domestic and international market development and expanded sales of northern grown crops. Representatives from more than 128 countries have visited NCI since its inception. It is located on the campus of North Dakota State University.

Major Accomplishments

1. Offered a full array of educational short courses designed to educate foreign buyers about our crops.
2. Conducted seminars at the Culinary Institute of America, both in New York and California. Educated chefs on how to incorporate peas, lentils, and other pulses into their food menu items. According to the Northern Pulse Growers

Association, these efforts helped generate additional interest leading to the eventual expansion of operations in two pulse processing plants in North Dakota potentially employing 75 additional people.

3. Completed a major equipment upgrade to the NCI Feed Production Center in 2014. The upgrade included the installation of a new mixer, a new automation system, and the facility's first micro-ingredient system. The nearly \$800,000 project began with an initial \$100,000 appropriation from the 2013-15 legislative assembly followed by major equipment donations from the feed industry and additional funding from the ND soybean and corn councils. Approximately 90 percent of the costs were donated through this collaborative effort. The Feed Center teaches feed training courses for customers around the world and serves as a training facility for regional undergraduate and graduate students. In addition, the center is a working feed mill, producing livestock feed for the Ag Experiment Station. The upgrade enhanced our worldwide reputation as a provider of high quality feed technology programming using soybeans, corn, dried distillers grains, barley, and other crops grown in this region.

Executive Budget Recommendation

- Approves the budget as requested.
- Maintains current staffing levels and funding sources.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

638 Northern Crops Institute

Bill#: HB1020

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Farm Product Development, Mktg. and Util	2,846,885	4,688,993	(968,833)	(20.7%)	3,720,160	(788,507)	(16.8%)	3,900,486
Total Major Programs	2,846,885	4,688,993	(968,833)	(20.7%)	3,720,160	(788,507)	(16.8%)	3,900,486
Accrued Leave	0	42,195	(42,195)	(100.0%)	0	0	0.0%	0
Northern Crops Institute	2,846,885	4,646,798	(926,638)	(19.9%)	3,720,160	(746,312)	(16.1%)	3,900,486
Total Line Items	2,846,885	4,688,993	(968,833)	(20.7%)	3,720,160	(788,507)	(16.8%)	3,900,486
By Funding Source								
General Fund	1,692,582	2,064,861	(75,548)	(3.7%)	1,989,313	81,835	4.0%	2,146,696
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	1,154,303	2,624,132	(893,285)	(34.0%)	1,730,847	(870,342)	(33.2%)	1,753,790
Total Funding Source	2,846,885	4,688,993	(968,833)	(20.7%)	3,720,160	(788,507)	(16.8%)	3,900,486
Total FTE	12.00	12.00	0.00	0.0%	12.00	0.00	0.0%	12.00

Statutory Authority

ND Constitution Article XIX; North Dakota Century Code Chapter 4-05.1.

Agency Description

The North Dakota State University Main Research Station is located on the campus of the North Dakota State University of Agriculture and Applied Science. The station is the administrative location of the North Dakota Agricultural Experiment Station. The station conducts research and coordinates all research activities of the Agricultural Experiment Station. The purpose of the research is the development and dissemination of technology important to the production and utilization of food, feed, fiber, and fuel from crop and livestock enterprises. The research provides for an enhancement of economic development, quality of life, sustainability of production, and protection of the environment. The Main Research Station keeps detailed records of all activities and publishes the information that will be of value to the residents of this state.

Major Accomplishments

1. Continued breeding, disease and insect tests, fertility tests, responses to weed pressure, determination of desirable agronomic processing and products, and economic impacts for 14 major crops and several new crops.
2. Worked to develop an Unmanned Aircraft System test site in the state. The use of this technology has wide application possibilities within production agriculture in the state.
3. Investigated the impacts of oil and brine spills on soil and rangeland productivity and measured the impacts of dust from oilfield traffic. Development of pipelines alone impact over 10,000 acres annually in the state. Better recommendations on remediation strategies will bring this land back into production sooner and at higher productivity levels.
4. Realized at least a 0.5 ton/acre increase in seasonal forage yield with a fall alfalfa harvest management program developed at NDSU, which increased the crop value \$86.0 million annually in ND.

5. Researched feeding behavior and feed efficiency in beef cattle indicates improvements in maternal nutrition to improve feed efficiency and reduce cow wintering costs. A 5 percent improvement in feed efficiency in states beef cows could result in a cost savings of over \$14.0 million annually.
6. Worked to improve reproductive management. For every 1 percent improvement in pregnancy rate, the states beef cattle producers increase gross revenue by over \$7.0 million annually.
7. Conducted critical research on the cause of disease affecting livestock in the state.
8. Conducted research to understand the causes of disease development and to improve the diagnosis and management of them. Host genetic resistance is the most economical and environmentally-safe way to control disease.
9. Studied runoff, evapotranspiration, soil moisture, and other parameters to enhance knowledge for profitable crop production while reducing the risk of water availability.
10. Used micro herbicide rates to control annual weeds, which has increased yields up to 42 percent and resulted in an increased income of \$95.0 million dollars to growers.
11. Investigated the impact of sugarbeet root aphid.
12. Studied the economic feasibility of growing sugar beets as a biofuel feedstock.

Executive Budget Recommendation

- Approves \$800,000 from the general fund and 2.00 FTE for bioinformaticists.
- Approves \$455,000 and 2.00 FTE for precision ag research.
- Adds \$550,000 for equipment purchases.
- Adds \$400,000 one-time funding from the general fund for utilities at the greenhouse.
- Provides \$18.0 million to construct a veterinary diagnostic laboratory.
- Provides \$783,796 for an agronomy lab at the Central Grasslands Research Center.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

640 NDSU Main Research Center

Bill#: HB1020

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Agricultural Research	107,191,420	111,660,237	40,201,081	36.0%	151,861,318	23,245,816	20.8%	134,906,053
Total Major Programs	107,191,420	111,660,237	40,201,081	36.0%	151,861,318	23,245,816	20.8%	134,906,053
Accrued Leave	0	2,561,394	(2,561,394)	(100.0%)	0	0	0.0%	0
Main Research Center	107,191,420	109,098,843	42,762,475	39.2%	151,861,318	25,807,210	23.7%	134,906,053
Total Line Items	107,191,420	111,660,237	40,201,081	36.0%	151,861,318	23,245,816	20.8%	134,906,053
By Funding Source								
General Fund	56,605,041	58,606,521	37,464,346	63.9%	96,070,867	18,915,467	32.3%	77,521,988
Federal Funds	6,547,697	5,931,138	1	0.0%	5,931,139	553,608	9.3%	6,484,746
Special Funds	44,038,682	47,122,578	2,736,734	5.8%	49,859,312	3,776,741	8.0%	50,899,319
Total Funding Source	107,191,420	111,660,237	40,201,081	36.0%	151,861,318	23,245,816	20.8%	134,906,053
Total FTE	349.01	351.85	17.00	4.8%	368.85	4.00	1.1%	355.85

Statutory Authority

North Dakota Century Code Chapter 4-05.1.

Agency Description

The Agronomy Seed Farm (ASF) is a 590 acre farm located near Casselton, which has been a part of the North Dakota Agriculture Experiment Station (NDAES) since it was gifted to the state in 1950. It was the result of a fund drive conducted by the North Dakota Crop Improvement Association, which solicited farmers, seed companies and many others throughout the state to help establish a farm whose main purpose is to increase seed of new varieties as they are developed by the plant breeding and supporting departments of the NDAES. The ASF also propagates seed of older but still desirable varieties for the seedsmen of the area.

Major Accomplishments

1. Produced 25,000 to 50,000 bushels of seed for availability to the seed industry annually.
2. Conditioned 35,000 to 50,000 bushels of seed for availability to the seed industry annually.

Executive Budget Recommendation

- Approves the budget as requested.
- Maintains current staffing levels and funding sources.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

649 Agronomy Seed Farm

Bill#: HB1020

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Agricultural Research	1,149,854	1,471,759	17,496	1.2%	1,489,255	61,518	4.2%	1,533,277
Total Major Programs	1,149,854	1,471,759	17,496	1.2%	1,489,255	61,518	4.2%	1,533,277
Accrued Leave	0	5,741	(5,741)	(100.0%)	0	0	0.0%	0
Agronomy Seed Farm	1,149,854	1,466,018	23,237	1.6%	1,489,255	67,259	4.6%	1,533,277
Total Line Items	1,149,854	1,471,759	17,496	1.2%	1,489,255	61,518	4.2%	1,533,277
By Funding Source								
General Fund	0	0	0	0.0%	0	0	0.0%	0
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	1,149,854	1,471,759	17,496	1.2%	1,489,255	61,518	4.2%	1,533,277
Total Funding Source	1,149,854	1,471,759	17,496	1.2%	1,489,255	61,518	4.2%	1,533,277
Total FTE	3.00	3.00	0.00	0.0%	3.00	0.00	0.0%	3.00

Statutory Authority

North Dakota Century Code Chapter 4-02.1.

Agency Description

The North Dakota State Fair Association produces the State Fair for North Dakota. This nine day event includes the production of horse, cattle, sheep and swine shows, 4H State Championship competitions, FFA State Championship competitions, several junior stock shows, and open class competitions for hundreds of categories. The annual budget for the State Fair and All Seasons Arena complex is over \$11.2 million.

State Fair provides the facilities, administration, staffing judges, equipment, prizes and recognition for those who bring over 43,000 entries from every community in North Dakota.

The Association provides educational and entertaining exhibits along with special attractions that bring North Dakotan's together to celebrate their heritage and lifestyle each year.

Major Accomplishments

1. Generated revenues to operate facilities through admissions, rents, and gifts from friends.
2. Solicited \$42.0 million in capital construction from non-state revenues for capital improvements.
3. Generated revenue of \$11.5 million for capital improvements from admissions and rents.
4. Received international awards for excellence in the fair agricultural program.
5. Hosted 43,321 competitive entries from 4H, FFA, and open class in 2013.
6. Received entries from nearly every community in North Dakota.
7. Recognized state wide, regionally and nationally as a great attraction and The Show Place of North Dakota.

Executive Budget Recommendation

- Provides an inflationary increase for exhibitor premiums of \$24,000 from the general fund.
- Provides \$1,750,000 in one-time general fund dollars to finish the asphalt overlay project on the grounds.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

665 ND State Fair
Biennium: 2015-2017

Bill#: HB1009

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
State Support	1,134,731	3,296,000	(2,750,000)	(83.4%)	546,000	(976,000)	(29.6%)	2,320,000
Total Major Programs	1,134,731	3,296,000	(2,750,000)	(83.4%)	546,000	(976,000)	(29.6%)	2,320,000
Capital Assets	857,361	2,750,000	(2,750,000)	(100.0%)	0	(1,000,000)	(36.4%)	1,750,000
Premiums	277,370	546,000	0	0.0%	546,000	24,000	4.4%	570,000
Total Line Items	1,134,731	3,296,000	(2,750,000)	(83.4%)	546,000	(976,000)	(29.6%)	2,320,000
By Funding Source								
General Fund	1,134,731	3,296,000	(2,750,000)	(83.4%)	546,000	(976,000)	(29.6%)	2,320,000
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	0	0	0	0.0%	0	0	0.0%	0
Total Funding Source	1,134,731	3,296,000	(2,750,000)	(83.4%)	546,000	(976,000)	(29.6%)	2,320,000
Total FTE	0.00	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00

Statutory Authority

North Dakota Century Code 53-06.2-01 to 53-06.2-16.

Agency Description

The North Dakota Racing Commission is the regulatory agency in charge of regulating live and simulcast racing, and account deposit wagering. The Commission administers four special funds for the benefit of the horse racing industry in North Dakota. The Commission is made up of five members appointed by the Governor and has an office staff of a Director and an Administrative Assistant.

Major Accomplishments

1. Regulated live, simulcast, and account deposit wagering industry in North Dakota.
2. Promoted and supported live horse racing.
3. Worked with the Fargo track and prominent members of the Fargo community to deal with the track's outstanding debt to the city and create a viable plan for live horse racing in the future.
4. Responded to issues related to live horse racing and account deposit wagering.
5. Drafted rule changes to revise medication rules to conform with national standards, implement the new tote-x wager, and revise rules related to ADW and live racing.

6. Executed the duties required by the North Dakota Century Code.
7. Approved and licensed live racing via licenses provided to tracks, associations, owners, trainers and jockeys.
8. Approved and licensed simulcast racing, including account deposit wagering companies, totalizators, service providers, site operators, and simulcast employees.
9. Monitored live racing by contracting to provide veterinarians, stewards, compliance investigator, and other individuals required to assure compliance with the Administrative Code.
10. Administered the promotion fund monies to promote live racing and provided oversight to ensure compliance with promotion awards.
11. Approved and disbursed the purse fund grants to live horse racing associations.
12. Contracted with an independent contractor to administer the North Dakota Breeders' Fund Horse Registry and licensing at live race meets.
13. Worked with an independent accounting agency to strengthen oversight and review of all pari-mutuel activities.

Executive Budget Recommendation

- Provides general and special fund authority to support current FTE level and operations of the agency.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

670 ND Horse Racing Commission

Bill#: HB1023

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Horse Racing Administration	421,267	555,652	(2,427)	(0.4%)	553,225	27,601	5.0%	583,253
Total Major Programs	421,267	555,652	(2,427)	(0.4%)	553,225	27,601	5.0%	583,253
Accrued Leave	0	3,789	(3,789)	(100.0%)	0	0	0.0%	0
Racing Commission	421,267	551,863	1,362	0.2%	553,225	31,390	5.7%	583,253
Total Line Items	421,267	555,652	(2,427)	(0.4%)	553,225	27,601	5.0%	583,253
By Funding Source								
General Fund	317,501	389,244	5,251	1.3%	394,495	35,279	9.1%	424,523
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	103,766	166,408	(7,678)	(4.6%)	158,730	(7,678)	(4.6%)	158,730
Total Funding Source	421,267	555,652	(2,427)	(0.4%)	553,225	27,601	5.0%	583,253
Total FTE	2.00	2.00	0.00	0.0%	2.00	0.00	0.0%	2.00

Statutory Authority

North Dakota Century Code Chapters 55-01, 55-02, 55-03, 55-05, 55-06, 55-09, 55-10, 55-11, and 55-12.

Agency Description

The State Historical Society of North Dakota is responsible for identifying, preserving, interpreting, and promoting the heritage of ND and its people. The agency was founded in 1895 and accomplishes its mission through five divisions, as follows:

- Support Services Division provides support and coordination for all functions of the agency through budgeting, accounting, purchasing, human resource management, inventory control, concession sales, communications services, building and site security, and general supervision.
- Communication and Education Division is responsible for agency publications and development of educational programs and curriculum.
- Museum Division presents the history of ND through planning, fabrication and installation of exhibits, including traveling exhibits and those located in the Heritage Center, Pembina State Museum and Historic Sites.
- State Archives preserves and makes accessible records of ND government; makes available the collections of books, microfilm, newspapers, maps, photographs, manuscripts, and other two-dimensional historical materials through reference services and programs of preservation.
- Historic Preservation Division services include evaluating architectural and archeological properties, providing assistance to historic property owners, nominating properties to the National Register of Historic Places and State Historic Sites Registry, administering the Preservation Tax Credit Program, reviewing the impact of federally-related projects on historic properties, and providing information about historic preservation and restoration. Provides for management, maintenance, repair and operation of all Historical Society land and buildings, except the ND Heritage Center.

Major Accomplishments

1. Began construction on the ND Heritage Center expansion project in March 2011 and completed in the fall of 2014. New exhibit galleries were developed and began opening on April 28, 2013 and culminated on November 2, 2014 with the 125 anniversary of statehood celebration.
2. Expanded and enhanced social media presence to better promote the Society and provide the public with additional access to the state's collections.
3. Continued to work with other states and NDSU on the ContentDM project.
4. Continued to develop exhibits, interpretative and educational programs for the public.
5. Provided grants through the Cultural Heritage Grant program.
6. Continued working on the stabilization of the hospital building at the Fort Totten State Historic Site and the Stutsman County Courthouse in Jamestown.

Executive Budget Recommendation

- Provides \$1.2 million and 6.00 FTE to provide staffing for the newly expanded Heritage Center. The Technology Administrator position continues the FTE funded by the 2013 Legislature; 1 Visitor Services/Security Officer, currently filled with pooled funds; 2 Security Officers, 1 Historic Site Supervisor that has been employed in a temporary position for 11 years and 1 Electronic Records Archivist.
- Provides \$620,486 general fund salary adjustments for targeted market equity.
- Provides \$233,580 from the general fund for historic site operating budgets. Operating costs continue to escalate and the budgets have not been increased over the past 10 years.
- Provides \$26,970 for increased motor pool costs. Motor Pool's use of a different calculation method for depreciation will result in increased cost to the agency.
- Provides \$320,304 for the ongoing storage costs of historical documents, maintenance agreements for software such as the 8 Hub of History kiosks and Rediscover.
- Provides \$172,800 ongoing and \$264,000 one-time funding to begin implementation of the electronic records archiving project. Records are being received from agencies in electronic format. Will work with ITD to determine what information needs to be kept and how to store in a format that can be retrieved for future use.
- Provides \$200,000 to publicize Historical events and pay for expenses like speakers, short film series and booth display banners at historic sites.
- Provides \$155,226 for \$1.00 per hour increase per year for temporary staff hired for seasonal work at historic sites.
- Provides \$450,000 for traveling exhibits in the Governor's Gallery and historic sites.
- Provides \$100,000 to convert 4th grade history curriculum to online. Funding is provided as ongoing in order to continue to maintain and update 4th grade, 8th grade and the Governing ND curriculum and publications.
- Transfers 7.00 existing FTE maintenance staff from OMB Facilities to Historical. The individuals are currently assigned to the Heritage Center on a daily basis; this change would move them and the operating budget to the Heritage Center.
- Provides \$100,650 one-time funding for additional storage to convert the deteriorating collection of film and images, digital scanners, and camera and software to webcast Historical events and presentations.
- Provides \$1.0 million from the general fund for phase 2 repairs at Ft. Totten and renovations at Stutsman County Courthouse. Friends of the projects have dedicated \$175,000 with the stipulation that they cannot be used in place of general fund dollars.
- Provides \$3.5 million one-time funding for Double Ditch to repair slumping and stop erosion.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

701 Historical Society
Biennium: 2015-2017

Bill#: SB2018

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Support Services	3,087,700	4,761,519	(1,070,966)	(22.5%)	3,690,553	1,902,032	39.9%	6,663,551
Museum	1,486,982	1,836,836	16,936	0.9%	1,853,772	915,017	49.8%	2,751,853
Communication and Education	1,172,539	1,407,439	(296)	-0.0%	1,407,143	750,709	53.3%	2,158,148
SA & HRL	2,122,887	2,279,402	176,894	7.8%	2,456,296	524,412	23.0%	2,803,814
Historic Sites	34,394,909	10,431,883	(5,643,355)	(54.1%)	4,788,528	(284,889)	(2.7%)	10,146,994
Historic Preservation Division	2,136,866	3,718,264	100,365	2.7%	3,818,629	259,773	7.0%	3,978,037
Total Major Programs	44,401,883	24,435,343	(6,420,422)	(26.3%)	18,014,921	4,067,054	16.6%	28,502,397
Salaries and Wages	9,218,834	11,551,470	79,804	0.7%	11,631,274	3,933,976	34.1%	15,485,446
Accrued Leave Payments	0	211,332	(211,332)	(100.0%)	0	0	0.0%	0
Operating Expenses	2,657,421	2,825,145	299,216	10.6%	3,124,361	1,807,520	64.0%	4,632,665
Capital Assets	2,099,270	1,749,725	100,569	5.7%	1,850,294	4,775,569	272.9%	6,525,294
Capital Construction Carryover	736,482	146,466	(146,466)	(100.0%)	0	0	0.0%	0
Heritage Center Carryover	28,881,253	5,492,213	(5,492,213)	(100.0%)	0	0	0.0%	0
Project Pool	0	950,000	(950,000)	(100.0%)	0	0	0.0%	0
Grants	316,873	1,000,000	(100,000)	(10.0%)	900,000	(100,000)	(10.0%)	900,000
Cultural Heritage Grants	491,750	504,500	0	0.0%	504,500	0	0.0%	504,500
Exhibits	0	0	0	0.0%	0	450,000	100.0%	450,000
Yellowstone-Missouri-Ft Union Comm	0	4,492	0	0.0%	4,492	0	0.0%	4,492
Total Line Items	44,401,883	24,435,343	(6,420,422)	(26.3%)	18,014,921	4,067,054	16.6%	28,502,397
By Funding Source								
General Fund	42,464,971	21,213,379	(6,446,289)	(30.4%)	14,767,090	3,776,107	17.8%	24,989,486
Federal Funds	1,876,912	3,221,964	25,867	0.8%	3,247,831	115,947	3.6%	3,337,911
Special Funds	60,000	0	0	0.0%	0	175,000	0.0%	175,000
Total Funding Source	44,401,883	24,435,343	(6,420,422)	(26.3%)	18,014,921	4,067,054	16.6%	28,502,397
Total FTE	63.00	69.00	(1.00)	(1.4%)	68.00	12.00	17.4%	81.00

Statutory Authority

North Dakota Century Code 54-54.

Agency Description

The North Dakota Council on the Arts (NDCA) was established by state statute in 1967. Its board is comprised of nine citizens appointed by the Governor to serve five-year terms. The purpose of the Council is to establish policies, programs, and partnerships to encourage the study and presentation of the performing and fine arts and to encourage public interest in the cultural heritage of the state. The Council functions as a community partner and a catalyst for artists and organizations. The Council re-grants National Endowment for the Arts funds and state appropriated funds to North Dakota communities, schools, individuals, and organizations through its various grant programs. It offers educational opportunities and technical advice, collects and disseminates arts information, and acts as the state's foremost arts advocate.

Major Accomplishments

1. Produced *Under the Dakota Sky: An Exhibition Celebrating 125 Years of Statehood*.
2. Continued and expanded the Art for Life program, now reaching ten communities.
3. Developed 48 activity plans based on the agency *Sundogs and Sunflowers* book for use in assisted living centers.
4. Developed 48 articles/stories relating the impact of the Art for Life program on senior citizens and their families.
5. Revised the arts in education grant programs, making them more accessible and enabling NDCA to gather more in-depth information.
6. Expanded the *Sundogs and Sunflowers* exhibit to include traditional art objects and toured it through ND Art Gallery Association.

7. Produced an on-line newsletter (nine issues per year) and hard copy newsletter (three issues per year) and increased the number of subscriptions by over 10.0 percent.
8. Provided two international residencies, one held at Cavalier Public School with an Icelandic artist and one held in Iceland with Native American artist and storyteller Dakota Goodhouse.
9. Partnered with ND Parks and Recreation in establishing four residencies in state parks in the 2013-15 biennium.
10. Provided funding for four international music groups to perform in Grand Forks through the Arts Midwest Worldfest, performances by New York Kammermusiker at the International Music Camp, Ellendale, Wahpeton and Fargo, dance residencies in Dickinson and surrounding rural schools by the New York Elisa Monte dance troupe, and intense organizational professional development through the Arts Lab project.
11. Revised and updated a three-year strategic plan for the agency.
12. Conducted Poetry Out Loud, a national poetry competition that involved high school students from across the state competing for the chance to represent ND in the national competition held in Washington D.C.

Executive Budget Recommendation

- Recommends \$300,000 from the general fund to be used for agency grant programs, specifically the Arts in Education.
- Approves \$10,000 in one-time general fund dollars to be used for the economic impact study on the arts.
- Provides one-time general fund dollars of \$30,000 for exhibition/touring of the American Indian stories related to specific sacred geographical sites exhibit.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

709 Council on the Arts

Bill#: HB1010

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Council on the Arts	2,829,049	3,249,019	4,549	0.1%	3,253,568	485,669	14.9%	3,734,688
Total Major Programs	2,829,049	3,249,019	4,549	0.1%	3,253,568	485,669	14.9%	3,734,688
Salaries and Wages	717,165	790,756	25,719	3.3%	816,475	124,256	15.7%	915,012
Accrued Leave	0	7,933	(7,933)	(100.0%)	0	0	0.0%	0
Operating Expenses	269,530	348,023	(13,237)	(3.8%)	334,786	69,346	19.9%	417,369
Grants	1,842,354	2,102,307	0	0.0%	2,102,307	300,000	14.3%	2,402,307
Total Line Items	2,829,049	3,249,019	4,549	0.1%	3,253,568	485,669	14.9%	3,734,688
By Funding Source								
General Fund	1,327,296	1,504,102	4,000	0.3%	1,508,102	485,119	32.3%	1,989,221
Federal Funds	1,480,321	1,681,402	549	0.0%	1,681,951	550	0.0%	1,681,952
Special Funds	21,432	63,515	0	0.0%	63,515	0	0.0%	63,515
Total Funding Source	2,829,049	3,249,019	4,549	0.1%	3,253,568	485,669	14.9%	3,734,688
Total FTE	5.00	5.00	0.00	0.0%	5.00	0.00	0.0%	5.00

Statutory Authority

North Dakota Century Code Title 20.1.

Agency Description

The North Dakota Game and Fish Department manages publicly owned wildlife resources for the state of North Dakota. The Game and Fish Department consists of five major divisions, as follows:

- Administrative Services provides policy, planning, and support services and is responsible for all game and fish licensing.
- Fisheries manages the state's fisheries.
- Enforcement provides enforcement of the laws and regulations governing the use of the state's wildlife resources and recreational waters.
- Conservation and Communication informs the public of rules, regulations, and guidelines for safe, lawful hunting, fishing, trapping, and boating.
- Wildlife provides for the management of wildlife resources in the state.

Major Accomplishments

1. Continued the private land initiative (PLI) offering a wide variety of programs maximizing landowner participation.
2. Emphasized biological control of leafy spurge and other noxious weeds.
3. Continued the special spring snow goose hunting season and expanded Canada goose hunting opportunities.

4. Initiated several wildlife research projects to better guide the agency with management decisions.
5. Created a new department website enhancing on-line communication with the hunting and fishing public and increasing on-line licensing.
6. Provided hunter safety education to 6,000 youth in 200 communities.
7. Expanded the department's shooting range grants program to fund larger shooting range projects throughout the state.
8. Increased the number of recreational fishing lakes in North Dakota to over 350.
9. Continued to improve the Aquatic Nuisance Species Program to protect North Dakota's waterways.
10. Continued to improve boating access throughout the state.
11. Upgraded and renovated the Game and Fish Department Conservation and Outdoor Skills Park at the State Fair after 2011 flooding.
12. Increased coordination with oil and gas industry to reduce wildlife impacts.

Executive Budget Recommendation

- Approves 4.00 new FTE. Two of the positions are located in Williston. One is for an administrative assistant and the other is a biologist. Both of these positions are currently being filled by temporary employees. The other two positions will be located in Bismarck and include a new administrative officer and an additional administrative assistant to work with the hunter safety program.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

720 Game and Fish Department

Bill#: SB2017

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Administrative Services	12,726,824	17,404,209	(4,341,926)	(24.9%)	13,062,283	(3,577,114)	(20.6%)	13,827,095
Fisheries	10,764,283	9,305,397	2,240,462	24.1%	11,545,859	2,568,453	27.6%	11,873,850
Enforcement	7,426,596	7,794,765	1,593,810	20.4%	9,388,575	2,149,739	27.6%	9,944,504
Communications and Conservation	6,178,115	7,291,630	805,809	11.1%	8,097,439	1,176,666	16.1%	8,468,296
Wildlife	24,344,992	27,245,098	5,646,357	20.7%	32,891,455	6,449,434	23.7%	33,694,532
Total Major Programs	61,440,810	69,041,099	5,944,512	8.6%	74,985,611	8,767,178	12.7%	77,808,277
Salaries and Wages	23,242,352	25,899,606	1,824,453	7.0%	27,724,059	4,358,849	16.8%	30,258,455
Accrued Leave	0	816,366	(816,366)	(100.0%)	0	0	0.0%	0
Operating Expenses	10,730,865	13,020,430	485,412	3.7%	13,505,842	489,833	3.8%	13,510,263
Capital Assets	3,059,821	4,376,061	1,121,935	25.6%	5,497,996	1,121,935	25.6%	5,497,996
Capital Construction Carryover	198,880	283,923	(283,923)	(100.0%)	0	0	0.0%	0
Grants-Game and Fish	8,832,213	7,122,500	211,912	3.0%	7,334,412	211,912	3.0%	7,334,412
Land Habitat & Deer Depredation	11,528,163	13,356,238	3,500,000	26.2%	16,856,238	3,591,436	26.9%	16,947,674
Noxious Weed Control	596,256	650,000	50,000	7.7%	700,000	50,000	7.7%	700,000
Missouri River Enforcement	199,999	275,939	0	0.0%	275,939	9,169	3.3%	285,108
Grant-Gift-Donation	557,975	800,000	1	0.0%	800,001	133,487	16.7%	933,487
Nongame Wildlife Conservation	45,653	120,000	0	0.0%	120,000	0	0.0%	120,000
Lonetree Reservoir	1,579,833	1,935,636	(148,912)	(7.7%)	1,786,724	(99,154)	(5.1%)	1,836,482
Wildlife Services	868,800	384,400	0	0.0%	384,400	0	0.0%	384,400
Total Line Items	61,440,810	69,041,099	5,944,512	8.6%	74,985,611	8,767,178	12.7%	77,808,277
By Funding Source								
General Fund	0	0	0	0.0%	0	0	0.0%	0
Federal Funds	27,888,443	30,091,851	2,309,099	7.7%	32,400,950	3,152,525	10.5%	33,244,376
Special Funds	33,552,367	38,949,248	3,635,413	9.3%	42,584,661	5,614,653	14.4%	44,563,901
Total Funding Source	61,440,810	69,041,099	5,944,512	8.6%	74,985,611	8,767,178	12.7%	77,808,277
Total FTE	158.00	158.00	0.00	0.0%	158.00	4.00	2.5%	162.00

Statutory Authority

North Dakota Century Code Chapters 39-24, 39-29, 55-08 and 55-11.

Agency Description

The North Dakota Park Service was created in 1965. In 1977, it was renamed the North Dakota Parks and Recreation Department when it merged with the State Outdoor Recreation Agency. The Department currently operates within three major program areas, as follows:

- Administration, which provides support services, such as accounting, human resource management, information technology, media relations, risk management, ADA coordination, and budget functions.
- Recreation, which consists of recreation grants coordination, snowmobile and off highway vehicle trail and safety programs, statewide comprehensive outdoor recreation and trail planning.
- Natural Resources, which encompasses state park operations and coordinates state park system planning, park improvements and enhancements, state nature preserve oversight, and state park natural resource management.

In addition, as trustee for the state of North Dakota, NDPRD has general supervision over the lands comprising the ND portion of the International Peace Garden.

Major Accomplishments

1. Increased campsite reservations approximately 38 percent from 2013 to 2014; other facilities such as cabins and yurts increased approximately 3 percent.
2. Planned the 50th Anniversary celebration.
3. Completed the Pembina Gorge State Recreation Area Master Plan.
4. Added OHV trails in the Turtle Mountains – School Section Property.
5. Added hiking trails at Fort Abraham Lincoln State Park, Turtle Mountains State Forest, Pembina Gorge State Recreation Area.
6. Hosted the 2nd and 3rd Annual North Dakota Trails Conference.
7. Funded 9 community grant projects (campground expansions, playground equipment, swimming pool & basketball court).
8. Granted over \$2.0 million in federal funds into over 30 projects statewide.
9. Completed the North Dakota Scenic Byway Strategic Plan.
10. Increased off-highway vehicle registration by 11.0 percent, projected 36,852 registrations.

11. Increased snowmobile registration by 9 percent, projected 15,828 registrations.
12. Became Title VI compliant in 2014.
13. Completed Enbridge Pipeline Company 10,000 tree/shrub mitigation planting project at Graham's Island State Park in Devils Lake.
14. Completed and opened the new 48 full service campsite campground at Graham's Island State Park in Devils Lake.
15. Completed the new 36 full service site campground at Lewis and Clark State Park in Epping (near Williston).
16. Completed construction of the new visitor services building at Fort Stevenson State Park, Garrison.
17. Completed construction of a new shower house/comfort station at Lake Sakakawea State Park, Pick City.
18. Completed master plan updates for Fort Ransom/Fort Abraham Lincoln State Parks in Fort Ransom and Mandan.
19. Continued to have the partnership with ND Game and Fish in the Becoming an Outdoors Woman Program.
20. Sprayed and mapped all noxious weed acres in all state parks in the biennium.
21. Installed point-of-sale systems in the larger park concession areas.
22. Purchased marina at Lake Sakakawea State Park (Pick City).

Executive Budget Recommendation

- Provides \$30.4 million from the general fund for the Governor's proposed plans for statewide park improvements.
- Provides a total of 10.00 new FTE. Seven of these are taking positions that are currently being filled by temps and making them permanent positions.
- Provides \$220,220 from the general fund to increase hourly wages by approximately \$1.00 per year for seasonal temporary staff.
- Provides \$600,000 for one-time equipment purchases - \$300,000 from the general fund and \$300,000 from federal funds.
- Provides \$278,000 in federal fund authority for a land purchase to replace park land near the Veteran's Cemetery that is being purchased by the Adjutant General.
- Provides \$335,297 from the general fund for deferred maintenance and one-time equipment needs at the International Peace Garden.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

750 Parks and Recreation Department

Bill#: SB2019

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Administration	2,484,556	2,700,350	(7,344)	(0.3%)	2,693,006	456,262	16.9%	3,156,612
Recreation	6,298,428	6,210,525	(1,731,451)	(27.9%)	4,479,074	926,417	14.9%	7,136,942
Park Operations & Maintenance	18,375,288	22,658,800	(5,799,116)	(25.6%)	16,859,684	29,238,700	129.0%	51,897,500
Peace Garden	1,040,699	2,223,699	(1,250,000)	(56.2%)	973,699	(914,703)	(41.1%)	1,308,996
Lewis and Clark	0	0	0	0.0%	0	455,000	0.0%	455,000
Total Major Programs	28,198,971	33,793,374	(8,787,911)	(26.0%)	25,005,463	30,161,676	89.3%	63,955,050
Accrued Leave	0	181,577	(181,577)	(100.0%)	0	0	0.0%	0
Capital Construction Carryover	841,505	1,166,305	(1,166,305)	(100.0%)	0	0	0.0%	0
Administration	2,484,556	2,673,593	19,413	0.7%	2,693,006	483,019	18.1%	3,156,612
Parks Operations and Maintenance	17,534,023	21,350,325	(4,490,641)	(21.0%)	16,859,684	30,547,175	143.1%	51,897,500
Recreation	6,298,188	6,197,875	(1,718,801)	(27.7%)	4,479,074	939,067	15.2%	7,136,942
Peace Garden	1,040,699	2,223,699	(1,250,000)	(56.2%)	973,699	(914,703)	(41.1%)	1,308,996
Lewis & Clark	0	0	0	0.0%	0	455,000	100.0%	455,000
Total Line Items	28,198,971	33,793,374	(8,787,911)	(26.0%)	25,005,463	30,161,676	89.3%	63,955,050
By Funding Source								
General Fund	16,922,901	21,072,643	(6,731,050)	(31.9%)	14,341,593	28,116,668	133.4%	49,189,311
Federal Funds	3,201,718	2,728,104	(66,219)	(2.4%)	2,661,885	2,902,104	106.4%	5,630,208
Special Funds	8,074,352	9,992,627	(1,990,642)	(19.9%)	8,001,985	(857,096)	(8.6%)	9,135,531
Total Funding Source	28,198,971	33,793,374	(8,787,911)	(26.0%)	25,005,463	30,161,676	89.3%	63,955,050
Total FTE	54.00	55.00	0.00	0.0%	55.00	10.00	18.2%	65.00

Statutory Authority

North Dakota Century Code Chapters 61-01 through 61-32.

Agency Description

The State Water Commission consists of the Governor as chairman, the Commissioner of Agriculture as an ex-officio member, and seven members appointed by the Governor. The Commission appoints a Secretary/State Engineer, to employ staff to carry out the goals of the Commission. The agency budget is comprised of two major program areas: administrative and support services, and water and atmospheric resources.

The Commission has three primary functions: regulation, development, and education. Regulatory functions include water rights, drainage, floodplain management, sovereign land management, and dam safety. Water development functions include large state projects, such as the southwest pipeline project, the northwest area water supply, and Devils Lake flood control; and several types of medium and small projects, including dams and drains. The Commission promotes water development by providing cost-share assistance for many local projects such as dams, dikes, drains, and water supplies and by conducting studies of potential projects. The third primary function of the Commission involves educating teachers and the public regarding the nature and occurrence of the state's water resources.

Major Accomplishments

1. Continued to provide technical assistance relating to legal actions affecting the advancement of the Northwest Area Water Supply.
2. Continued to operate two Devils Lake outlets that have a combined maximum operating capacity of 600 cubic feet per second. Since 2005, about 500,000 acre-feet of floodwater has been removed from Devils Lake.
3. Continued to operate the Tolna Coulee Control Structure, completed in 2012 by the U.S. Army Corps of Engineers to prevent a catastrophic overflow of Devils Lake floodwater into the Sheyenne River. This structure is now owned and operated by the State Water Commission.
4. Contributed toward the advancement of other large-scale community flood control projects throughout the state in the Mouse River, Sheyenne River, and Red River basins.
5. Contributed funding assistance to advance rural flood control projects and floodwater retention efforts—primarily in the Red River Basin.
6. Supported the advancement of irrigation development along the McClusky canal.
7. Worked cooperatively with the Lake Agassiz Water Authority to identify feasible and constructible routes for a water supply from the Missouri River system to areas in eastern North Dakota.

8. Advanced efforts to upgrade the Oliver-Mercer-North Dunn water treatment plant.
9. Served about 58,000 residents, including more than 5,350 rural service locations, 31 communities, and 23 raw water customers.
10. Continued work through the Silver Jackets program to identify comprehensive, long-term flood solutions through a collaborative, interagency effort between state and federal authorities.
11. Conducted extensive ground and surface water evaluations to address water needs of the oil development industry, and in the Jamestown area to address water needs of a future fertilizer plant.
12. Approved state funding assistance through the state's water supply program and provided funding assistance through the municipal, rural, and industrial water supply program.
13. Continued implementation of North Dakota's Sovereign Land Management Plan.
14. Deployed state-of-the-art remote telemetry water metering systems to track industrial water use in oil producing areas of the state.
15. Participated with the International Souris River Board and Souris Basin Task Force to review operating plans for water supply and flood control.
16. Conducted two rounds of State Water Commissioner-hosted meetings across the state to improve local participation and to encourage input into the new cost-share policy and project prioritization process.

Executive Budget Recommendation

- Authorizes 5.00 FTE and \$979,015 from other funds to address the increase in water permit applications as a result of energy development in western North Dakota.
- Authorizes 1.00 FTE and \$273,871 from other funds to provide for a director of the regulatory division.
- Authorizes 1.00 FTE and \$229,840 from other funds to address increases in water supply projects
- Authorizes 1.00 FTE and \$192,784 from other funds to address increases in activities related to sovereign lands permits.
- Authorizes 1.00 FTE and \$210,184 from other funds to address Missouri River issues and assist with interstate and interagency coordination in matters involving state and federal agencies.
- Authorizes 1.00 FTE and \$165,013 from other funds to address increases in the cost share program.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

770 Water Commission

Bill#: SB2020

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Administrative and Support Services	3,075,777	4,815,977	730,517	15.2%	5,546,494	1,094,411	22.7%	5,910,388
Water and Atmospheric Resources	306,708,334	854,775,934	562,779,570	65.8%	1,417,555,504	566,137,526	66.2%	1,420,913,460
Total Major Programs	309,784,111	859,591,911	563,510,087	65.6%	1,423,101,998	567,231,937	66.0%	1,426,823,848
Accrued Leave Payments	0	325,774	(325,774)	(100.0%)	0	0	0.0%	0
Grants - Local Cost Share	10,868	0	0	0.0%	0	0	0.0%	0
Administrative and Support Services	3,075,777	4,761,665	784,829	16.5%	5,546,494	1,148,723	24.1%	5,910,388
Water and Atmospheric Resources	299,425,693	854,504,472	563,051,032	65.9%	1,417,555,504	566,408,988	66.3%	1,420,913,460
Federal Stimulus Funds 2009	7,271,773	0	0	0.0%	0	0	0.0%	0
Total Line Items	309,784,111	859,591,911	563,510,087	65.6%	1,423,101,998	567,231,937	66.0%	1,426,823,848
By Funding Source								
General Fund	14,253,825	0	0	0.0%	0	0	0.0%	0
Federal Funds	23,244,971	37,310,283	(21,715,425)	(58.2%)	15,594,858	(21,658,703)	(58.1%)	15,651,580
Special Funds	272,285,315	822,281,628	585,225,512	71.2%	1,407,507,140	588,890,640	71.6%	1,411,172,268
Total Funding Source	309,784,111	859,591,911	563,510,087	65.6%	1,423,101,998	567,231,937	66.0%	1,426,823,848
Total FTE	87.00	90.00	0.00	0.0%	90.00	10.00	11.1%	100.00

Statutory Authority

North Dakota Century Code Sections 24-01 through 24-15, 39-02 and 49-17.1-2.

Agency Description

The North Dakota State Highway Department was created in 1917. In 1990, the name was changed to the North Dakota Department of Transportation (NDDOT). NDDOT oversees the development of surface transportation, including highways, bridges, and transit services in North Dakota. NDDOT's central office is in Bismarck, with eight district offices located strategically across the state.

NDDOT is headed by a director appointed by the Governor. The director is assisted by a deputy director for business support, a deputy director for engineering, and a deputy director of vehicle services. In addition, the central office staff provides planning, programming, design, construction, maintenance, safety, driver's license, motor vehicle and business support services.

Major Accomplishments

1. Completed two of the largest construction seasons in state history in 2013-15 biennium investing \$1.60 billion on state highways. The Department biennial budget of approximately \$2.30 billion was utilized to provide transportation and motorist services, as well as maintain and improve state highways.
2. Invested approximately \$280.0 million in county road improvements.
3. Completed major construction projects including:
 - the first two phases of constructing a four-lane highway on US 85 from Watford City to County Road 16.
 - truck bypasses and truck reliever routes around the following communities: Watford City–US 85 Southwest and ND 23 Southeast; Alexander; New Town; Dickinson–Interim Bypass; and Williston–first phase of Northwest Bypass.

- widening projects on highways ND 8, ND 22, ND 23 and US 85.
- expediting repairs on damaged pavement of several state highways.
- several road projects in Williston, Dickinson, Bismarck, Minot, Devils Lake, Valley City, Grand Forks and Fargo Districts.

Executive Budget Recommendation

- Provides \$1.35 billion in one-time funding from a transfer from the general fund to the highway fund for enhanced state highway investments including: truck reliever routes around cities, upgrading two-lane highways to four-lane highways, and repairing bridges.
- Provides \$100.0 million in one-time funding from a transfer from the general fund to the highway fund for transportation distributions to non-oil producing counties, cities and townships.
- Authorizes \$377,423 in special funds for 2.00 new FTE. The new FTE include one environmental scientist to provide guidance on corrosion control and one archeologist to provide project management of system cultural resource projects.
- Provides \$5.0 million from a transfer from the general fund to the special roads fund for improvements to roads leading to recreational areas.
- Provides \$2.5 million in other funds to continue the motor vehicle registration and titling system (VRTS) replacement project.
- Provides \$1.45 billion from the highway fund and 5.0 million from the special roads fund, including \$1.35 billion for enhanced state infrastructure; \$100.0 million for transportation distributions; and \$5.0 million for improvements to roads that lead to recreational areas.
- An Early Access bill will include \$450.0 million of the \$1.35 billion, noted above, for enhanced state infrastructure as well as the \$100.0 million for transportation distributions.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

801 Department of Transportation

Bill#: HB1012

Biennium: 2015-2017

Description	Expenditures Prev Biennium 2011-2013	Present Budget 2013-2015	2015-2017 Requested		Requested Budget 2015-2017	2015-2017 Recommended		Executive Recommendation 2015-2017
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Administration	37,710,243	52,423,646	(2,969,657)	(5.7%)	49,453,989	(1,134,699)	(2.2%)	51,288,947
Drivers and Vehicle Services	33,616,969	53,974,508	(1,939,945)	(3.6%)	52,034,563	2,059,794	3.8%	56,034,302
Highways	1,764,040,550	3,147,007,041	(2,084,473,139)	(66.2%)	1,062,533,902	(613,256,333)	(19.5%)	2,533,750,708
Fleet Services	70,001,370	85,560,797	247,059	0.3%	85,807,856	1,652,961	1.9%	87,213,758
Total Major Programs	1,905,369,132	3,338,965,992	(2,089,135,682)	(62.6%)	1,249,830,310	(610,678,277)	(18.3%)	2,728,287,715
Salaries and Wages	168,050,866	189,016,797	7,651,330	4.0%	196,668,127	23,493,177	12.4%	212,509,974
Accrued Leave Payments	0	7,280,897	(7,280,897)	(100.0%)	0	0	0.0%	0
Operating Expenses	243,530,694	250,905,955	44,856,796	17.9%	295,762,751	222,356,796	88.6%	473,262,751
Capital Assets	1,169,461,865	858,421,223	(163,939,821)	(19.1%)	694,481,402	1,120,175,737	130.5%	1,978,596,960
Capital Improvements-Carryover	12,702,782	13,323,437	(13,323,437)	(100.0%)	0	0	0.0%	0
Road Reconstruction Program	60,890,347	1,100,709,653	(1,100,709,653)	(100.0%)	0	0	0.0%	0
Grants	85,921,960	89,788,030	(26,870,000)	(29.9%)	62,918,030	(25,870,000)	(28.8%)	63,918,030
County & Township Road Program	142,000,000	160,000,000	(160,000,000)	(100.0%)	0	0	0.0%	0
Non-Oil Producing Counties	0	120,000,000	(120,000,000)	(100.0%)	0	0	0.0%	0
Federal Stimulus Funds - 2009	22,810,618	0	0	0.0%	0	0	0.0%	0
General Fund Transfer	0	542,700,000	(542,700,000)	(100.0%)	0	0	0.0%	0
General License Plate Issue	0	6,820,000	(6,820,000)	(100.0%)	0	0	0.0%	0
Total Line Items	1,905,369,132	3,338,965,992	(2,089,135,682)	(62.6%)	1,249,830,310	(610,678,277)	(18.3%)	2,728,287,715
By Funding Source								
General Fund	98,463,957	1,406,401,940	(1,406,401,940)	(100.0%)	0	(1,405,401,940)	(99.9%)	1,000,000
Federal Funds	885,568,091	691,487,199	(76,826,712)	(11.1%)	614,660,487	(75,025,468)	(10.8%)	616,461,731
Special Funds	921,337,084	1,241,076,853	(605,907,030)	(48.8%)	635,169,823	869,749,131	70.1%	2,110,825,984
Total Funding Source	1,905,369,132	3,338,965,992	(2,089,135,682)	(62.6%)	1,249,830,310	(610,678,277)	(18.3%)	2,728,287,715
Total FTE	1,063.50	1,079.50	0.00	0.0%	1,079.50	2.00	0.2%	1,081.50

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE****Biennium: 2015-2017**

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
101	Office of the Governor					
	Base Budget Request	18.00	4,145,184	0	0	4,145,184
	Desktop Services	0.00	43,200	0	0	43,200
	Desktop Services One-time	0.00	35,190	0	0	35,190
	Total	18.00	4,223,574	0	0	4,223,574
108	Secretary of State					
	Base Budget Request	28.00	6,104,560	1,500,000	2,075,000	9,679,560
	01 Add Funding for 3 FTE Positions	3.00	310,451	0	0	310,451
	01 Secretary of State Technology Project	0.00	4,000,000	0	0	4,000,000
	02 Add Funding for 6 Additional FTEs	6.00	574,777	0	0	574,777
	03 Add funding for 1 FTE - Office Trainer	1.00	138,979	0	0	138,979
	03 Leave Payouts	0.00	9,500	0	0	9,500
	04 Overtime Funding	0.00	250,000	0	0	250,000
	Total	38.00	11,388,267	1,500,000	2,075,000	14,963,267
110	Office of Management and Budget					
	Base Budget Request	130.50	32,990,988	0	7,103,900	40,094,888
	New Entrance, Pathway, and Building ID Signs	0.00	1,400,000	0	0	1,400,000
	Two Level Parking Structure - West Entrance	0.00	13,000,000	0	0	13,000,000
	01 Operating Expenses	0.00	650,000	0	0	650,000
	02 Prairie Public	0.00	362,862	0	0	362,862
	03 Mailroom Equipment Upgrades	0.00	30,000	0	0	30,000
	04 Security Enhancements - Governor's Residence	0.00	175,000	0	0	175,000
	05 Student Internship-Optional	0.00	100,000	0	0	100,000
	06 Mechanical Upgrade in Inspiration Gallery	0.00	600,000	0	0	600,000
	07 Prairie Public-Optional	0.00	3,130,000	0	0	3,130,000
	08 Upgrade Capitol Elevators	0.00	1,400,000	0	0	1,400,000
	09 Fire Suppression J-Wing	0.00	3,100,000	0	0	3,100,000
	Total	130.50	56,938,850	0	7,103,900	64,042,750
112	Information Technology					
	Base Budget Request	340.30	20,065,551	3,725,000	140,128,381	163,918,932
	01 ITD Security Package	6.00	537,000	0	898,000	1,435,000
	02 Higher Education Video Services	1.00	0	0	225,000	225,000
	03 ConnectND Staffing	1.00	0	0	225,000	225,000
	04 CDE Keeping Pace with Growth	8.00	1,986,000	0	997,279	2,983,279
	05 Agency Desktop Support	2.00	0	0	1,812,000	1,812,000
	06 ETC Grants	0.00	1,050,000	0	0	1,050,000
	07 CJIS - Security Package	0.00	60,000	0	0	60,000
	08 CJIS - LERMS Upgrade/Funding	0.00	380,000	0	0	380,000
	09 CJIS - STARS Funding	0.00	330,000	0	0	330,000

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE****Biennium: 2015-2017**

Priority Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
10 CJIS - Staffing	1.00	500,000	0	0	500,000
11 CJIS - Projects	0.00	1,655,000	0	0	1,655,000
12 SLDS Staffing and Ongoing Operations	1.00	3,500,000	0	0	3,500,000
13 SLDS One-Time Build Out	0.00	4,500,000	0	0	4,500,000
14 Digital Archives FTE	1.00	210,000	0	0	210,000
15 GIS Staffing	1.00	225,000	0	0	225,000
15 HIE Staffing	1.00	0	0	225,000	225,000
Total	363.30	34,998,551	3,725,000	144,510,660	183,234,211
117 Office of the State Auditor					
Base Budget Request	53.80	8,547,352	1,250,107	1,867,782	11,665,241
03 Restore Funding	0.00	173,712	0	0	173,712
04 Raises for existing staff	0.00	234,720	0	0	234,720
05 Add 2 Performance Auditors	2.00	296,686	0	0	296,686
06 Additional funding for Security Audit of ND University S	0.00	200,000	0	0	200,000
07 Funding to renovate the vault	0.00	150,000	0	0	150,000
08 Add 1 Minerals Royalty Auditor	1.00	0	153,501	0	153,501
09 ITD Desktop Support	0.00	69,200	14,500	15,900	99,600
Total	56.80	9,671,670	1,418,108	1,883,682	12,973,460
120 Office of the State Treasurer					
Base Budget Request	8.00	1,851,134	0	0	1,851,134
01 Operating Expense Increase	0.00	30,000	0	0	30,000
02 ITD Desktop Services Program	0.00	20,880	0	0	20,880
Total	8.00	1,902,014	0	0	1,902,014
125 Office of the Attorney General					
Base Budget Request	212.50	37,568,626	8,480,116	24,509,103	70,557,845
01 Rent & inflation increases	0.00	1,195,750	0	0	1,195,750
02 Oil Impact Law Enforcement package	13.50	0	292,037	23,843,765	24,135,802
03 Crime Lab forensic scientist funding source change	0.00	174,898	0	0	174,898
04 Restore 1.0 FTE Programmer analyst	1.00	142,278	0	31,314	173,592
05 Legal staff needs	2.00	0	0	307,379	307,379
06 Gaming staff	1.00	313,382	0	29,921	343,303
07 Concealed Weapons license staffing	2.00	0	0	261,766	261,766
08 15-17 General Fund equipment	0.00	220,000	0	0	220,000
Total	232.00	39,614,934	8,772,153	48,983,248	97,370,335
127 Office of State Tax Commissioner					
Base Budget Request	134.00	59,122,106	125,000	0	59,247,106
01 Multistate Tax Commissioner and Nexus Programs	0.00	413,369	0	0	413,369
02 Inflation Increase for GenTax System Support	0.00	200,000	0	0	200,000

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE****Biennium: 2015-2017**

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
	03 Inflation and Volume changes for Temporary wages and Pos	0.00	221,315	0	0	221,315
	04 New FTEs to meet critical needs - 4 FTEs	4.00	553,599	0	0	553,599
	05 AC100 - Equity adjustments	0.00	254,129	0	0	254,129
	06 AD100 - oil impact pay differential	0.00	90,426	0	0	90,426
	07 New FTEs to meet critical needs - 3 FTEs	3.00	407,859	0	0	407,859
	08 Homestead Tax Credit Program Expansion	0.00	28,000,000	0	0	28,000,000
	Total	141.00	89,262,803	125,000	0	89,387,803
140	Office of Administrative Hearings					
	Base Budget Request	5.00	0	0	2,853,747	2,853,747
	Total	5.00	0	0	2,853,747	2,853,747
150	Legislative Assembly					
	Base Budget Request	0.00	16,056,565	0	0	16,056,565
	Total	0.00	16,056,565	0	0	16,056,565
160	Legislative Council					
	Base Budget Request	37.00	12,655,770	0	70,000	12,725,770
	Total	37.00	12,655,770	0	70,000	12,725,770
180	Judicial Branch					
	Base Budget Request	391.00	112,743,985	1,918,911	444,656	115,107,552
	Total	391.00	112,743,985	1,918,911	444,656	115,107,552
188	Commission on Legal Counsel for Indigents					
	Base Budget Request	33.00	12,031,302	0	1,900,001	13,931,303
	01 Funding to Restore Budget	0.00	194,662	0	0	194,662
	02 Change 5 Temp Employees to FTE	5.00	720,794	0	0	720,794
	03 Increase to General Fund approp to defray expenses	0.00	4,200,000	0	0	4,200,000
	04 Create Watford City Office	2.00	539,555	0	0	539,555
	05 Create Dickinson Conflict Office	2.00	539,555	0	0	539,555
	Total	42.00	18,225,868	0	1,900,001	20,125,869
190	Retirement and Investment Office					
	Base Budget Request	19.00	0	0	5,197,257	5,197,257
	Total	19.00	0	0	5,197,257	5,197,257
192	Public Employees Retirement System					
	Base Budget Request	33.00	0	0	8,192,535	8,192,535
	01 Perslink Refinements	0.00	0	0	147,000	147,000

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE****Biennium: 2015-2017**

Priority Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
02 Accounting Position	1.00	0	0	216,069	216,069
03 Benefits Position	0.50	0	0	51,346	51,346
04 Temprary Position	0.00	0	0	122,352	122,352
05 RHIC Portability	0.00	0	0	43,052	43,052
06 Website Redesign	0.00	0	0	73,880	73,880
07 Secure Reception area	0.00	0	0	27,500	27,500
08 Self Funded Insurance	2.00	0	0	406,294	406,294
Total	36.50	0	0	9,280,028	9,280,028

201 Department of Public Instruction

Base Budget Request	99.75	1,704,212,836	286,840,266	141,717,673	2,132,770,775
01 General Fund Salary	0.00	293,308	0	0	293,308
02 General Fund Salary - Academic Standards Unit	0.00	294,228	0	0	294,228
03 Safe & Healthy Administrative Costs	0.00	597,674	0	0	597,674
04 MIS - STARS Maintenance & Website Update	0.00	160,000	0	0	160,000
05 Statewide Accreditation System	0.00	799,750	0	0	799,750
06 Principal & Teacher Evaluation System	0.00	300,000	0	0	300,000
07 Adult Education Grant Funds	0.00	1,858,000	0	0	1,858,000
09 ESPB - Teacher Support Program	0.00	115,000	0	0	115,000
10 Gearing Up for Kindergarten	0.00	295,000	0	0	295,000
14 North Dakota LEAD Center	0.00	7,500	0	0	7,500
15 North Dakota Museum of Art	0.00	20,000	0	0	20,000
16 North Dakota Teacher Center Network	0.00	180,000	0	0	180,000
17 Northern Plains Writing Project	0.00	24,000	0	0	24,000
18 Pathfinders Parent Project	0.00	19,000	0	0	19,000
19 Red River Writing Project	0.00	48,900	0	0	48,900
20 We the People Program	0.00	7,000	0	0	7,000
21 Young Entrepreneur Education Program	0.00	80,000	0	0	80,000
22 State Aid Grant Increases	0.00	97,192,000	0	78,808,000	176,000,000
Total	99.75	1,806,504,196	286,840,266	220,525,673	2,313,870,135

215 ND University System

Base Budget Request	111.99	119,566,068	1,006,472	1,004,744	121,577,284
01 Campus Security One-time	0.00	60,775	0	0	60,775
01 Core Technology Services Base Requests	0.00	6,439,300	0	0	6,439,300
02 Core Technology Services One Time Requests	0.00	4,076,500	0	0	4,076,500
02 EPSCoR	0.00	5,000,000	0	0	5,000,000
03 Compensation Pool	0.00	12,620,000	0	0	12,620,000
03 Student Mental Health Service Enhancement	0.00	77,480	0	0	77,480
04 Deferred Maint, Space Utilization and Space Inventory	0.00	750,000	0	0	750,000
Ev					
04 Internal Audit	3.00	1,822,732	0	0	1,822,732
05 College-Career Readiness Initiative	0.00	752,840	0	0	752,840

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE****Biennium: 2015-2017**

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
	05 Deferred Maintenance Pool	0.00	20,000,000	0	0	20,000,000
	06 Diversity Education and Awareness	0.00	100,000	0	0	100,000
	06 Open Educational Resources Initiative	0.00	500,000	0	0	500,000
	Total	114.99	171,765,695	1,006,472	1,004,744	173,776,911
226	Department of Trust Lands					
	Base Budget Request	31.00	0	0	8,415,917	8,415,917
	Additional office space - Dept of Trust Lands	0.00	0	0	73,900	73,900
	Additional office space - EIO	0.00	83,500	0	0	83,500
	01 New FTE - Land Management Specialist	1.00	0	0	198,278	198,278
	02 New FTE - Public Information Officer and Policy Director	1.00	0	0	198,278	198,278
	03 New FTE - Energy Impact Office Compliance Officer	1.00	33,265	0	153,703	186,968
	04 New FTE - Unclaimed Property Outreach and Compliance	1.00	0	0	186,968	186,968
	05 New FTE - Strategic Investment and Improvements Fund Acc	1.00	0	0	181,644	181,644
	Total	36.00	116,765	0	9,408,688	9,525,453
227	Bismarck State College					
	Base Budget Request	133.53	38,893,419	0	600,000	39,493,419
	01 Security and Emergency Preparedness	4.00	711,000	0	0	711,000
	02 Campus Security One-time	0.00	700,000	0	0	700,000
	03 Special Assessments	0.00	491,800	0	0	491,800
	Total	137.53	40,796,219	0	600,000	41,396,219
228	Lake Region State College					
	Base Budget Request	50.19	18,351,161	0	0	18,351,161
	01 Campus Security One-time	0.00	609,300	0	0	609,300
	01 Security and Emergency Preparedness	4.00	611,000	0	0	611,000
	Total	54.19	19,571,461	0	0	19,571,461
229	Williston State College					
	Base Budget Request	49.96	28,076,093	0	0	28,076,093
	01 Security and Emergency Preparedness	1.00	205,500	0	0	205,500
	01 WSC Stabilization Funding	0.00	2,500,000	0	0	2,500,000
	02 Campus Security One-time	0.00	1,155,000	0	0	1,155,000
	03 Special Assessments	0.00	45,000	0	0	45,000
	Total	50.96	31,981,593	0	0	31,981,593
230	University of North Dakota					
	Base Budget Request	630.20	279,681,229	0	6,000,000	285,681,229
	06 Security and Emergency Preparedness	1.00	205,500	0	0	205,500

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE****Biennium: 2015-2017**

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
	07 Campus Security One-time	0.00	1,054,000	0	0	1,054,000
	08 UND Petroleum Engineering Equipment	0.00	500,000	0	0	500,000
	09 Statewide Nursing Consortium	0.00	309,000	0	0	309,000
	10 Special Assessments	0.00	68,815	0	0	68,815
	Total	631.20	281,818,544	0	6,000,000	287,818,544
232	UND Medical Center					
	Base Budget Request	163.58	54,885,796	0	0	54,885,796
	01 HWI Funding	21.00	18,514,806	0	0	18,514,806
	Total	184.58	73,400,602	0	0	73,400,602
235	North Dakota State University					
	Base Budget Request	537.10	275,453,590	0	16,927,775	292,381,365
	01 Campus Security One-time	0.00	1,120,000	0	0	1,120,000
	01 Security and Emergency Preparedness	1.00	205,500	0	0	205,500
	02 Special Assessments	0.00	407,089	0	0	407,089
	Total	538.10	277,186,179	0	16,927,775	294,113,954
238	ND State College of Science					
	Base Budget Request	168.30	77,067,716	0	1,500,000	78,567,716
	01 Security and Emergency Preparedness	2.50	458,250	0	0	458,250
	02 Campus Security One-time	0.00	393,000	0	0	393,000
	03 Special Assessments	0.00	98,794	0	0	98,794
	Total	170.80	78,017,760	0	1,500,000	79,517,760
239	Dickinson State University					
	Base Budget Request	120.26	27,827,509	0	7,500,000	35,327,509
	01 Student Mental Health Support	1.00	141,700	0	0	141,700
	02 Security and Emergency Preparedness	1.00	205,500	0	0	205,500
	03 TR Center Operations	0.00	750,000	0	0	750,000
	Total	122.26	28,924,709	0	7,500,000	36,424,709
240	Mayville State University					
	Base Budget Request	66.23	18,138,413	0	0	18,138,413
	01 Campus Security One-time	0.00	580,000	0	0	580,000
	01 Security and Emergency Preparedness	4.00	611,000	0	0	611,000
	05 Special Assessments	0.00	74,876	0	0	74,876
	Total	70.23	19,404,289	0	0	19,404,289
241	Minot State University					
	Base Budget Request	204.10	59,292,604	0	0	59,292,604

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE****Biennium: 2015-2017**

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
	01 Campus Security One-time	0.00	1,300,000	0	0	1,300,000
	01 Security and Emergency Preparedness	1.00	205,500	0	0	205,500
	Total	205.10	60,798,104	0	0	60,798,104
242	Valley City State University					
	Base Budget Request	105.59	66,267,454	0	16,000,000	82,267,454
	01 Security and Emergency Preparedness	4.00	711,000	0	0	711,000
	02 Special Assessments	0.00	65,555	0	0	65,555
	03 Campus Security One-time	0.00	725,921	0	0	725,921
	Total	109.59	67,769,930	0	16,000,000	83,769,930
243	Dakota College at Bottineau					
	Base Budget Request	46.96	10,749,214	0	10,648,194	21,397,408
	01 Security and Emergency Preparedness	2.50	439,750	0	0	439,750
	02 Campus Security One-time	0.00	598,500	0	0	598,500
	03 Special Assessments	0.00	7,755	0	0	7,755
	Total	49.46	11,795,219	0	10,648,194	22,443,413
244	ND Forest Service					
	Base Budget Request	28.96	5,013,279	0	1,650,000	6,663,279
	01 Forest Service Fire Protection Initiative	3.00	633,731	0	0	633,731
	Total	31.96	5,647,010	0	1,650,000	7,297,010
250	State Library					
	Base Budget Request	29.75	5,932,841	2,325,369	91,852	8,350,062
	01 Work toward fully funding State Aid as per NDCC	0.00	266,500	0	0	266,500
	02 Repair and Maintenance Grants	0.00	1,000,000	0	0	1,000,000
	Total	29.75	7,199,341	2,325,369	91,852	9,616,562
252	School for Deaf/Res Ctr for Deaf and HoH					
	Base Budget Request	44.61	8,185,288	323,672	1,852,666	10,361,626
	09 Optional Change Adult Services Gen Fund FTE Req	2.00	259,200	0	0	259,200
	10 Master Facility Plan Extraordinary Repairs	0.00	1,650,000	0	100,000	1,750,000
	Total	46.61	10,094,488	323,672	1,952,666	12,370,826
253	ND Vision Services/School for the Blind					
	Base Budget Request	30.00	4,748,870	0	558,680	5,307,550
	01 Optional Increase Operating	0.00	107,200	0	0	107,200
	03 Optional Special Assessments	0.00	0	0	19,000	19,000
	04 Optional Increase Position and Expenses	1.00	160,609	0	0	160,609
	05 Optional Building Improvements	0.00	1,290,000	0	300,000	1,590,000

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE****Biennium: 2015-2017**

Priority Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
06 Optional Low Vision Clinic	0.00	5,000	0	0	5,000
07 Optional Equipment Operating	0.00	0	0	21,000	21,000
Total	31.00	6,311,679	0	898,680	7,210,359
270 Career and Technical Education					
Base Budget Request	27.00	31,925,533	9,542,912	154,974	41,623,419
01 Re-establish States share of CTE funding	0.00	8,570,000	0	0	8,570,000
02 New & expanded programs	0.00	700,000	0	0	700,000
03 Update CTE equipment	0.00	3,500,000	0	0	3,500,000
04 Workforce Training	0.00	2,000,000	0	0	2,000,000
Total	27.00	46,695,533	9,542,912	154,974	56,393,419
301 ND Department of Health					
Base Budget Request	354.00	45,556,803	116,763,623	18,507,317	180,827,743
01 Oil Impact	15.00	6,867,858	1,514,366	1,633,549	10,015,773
02 Maintain/Incr Immunization Rates of ND Children	1.00	2,614,103	176,460	0	2,790,563
03 Prevention/Response-Infectious Disease	0.00	1,566,688	0	0	1,566,688
04 Forensic Examiner Infrastructure	0.00	353,375	0	0	353,375
05 Newborn Screen Medical Consultant	0.00	30,000	0	0	30,000
06 Cardiac System of Care	0.00	601,400	0	0	601,400
07 Food & Lodging Staffing Increase	7.00	1,049,822	0	59,000	1,108,822
08 Suicide Prevention Program	1.00	1,422,043	0	0	1,422,043
09 Million Hearts Program	1.00	1,400,000	139,573	500,000	2,039,573
10 Loan Repayment Programs	0.00	1,617,500	0	0	1,617,500
11 State Medical Cache	0.00	2,000,000	(891,000)	0	1,109,000
12 EMS Database System	0.00	480,000	0	0	480,000
13 Salary Equity Package	0.00	437,016	145,672	0	582,688
14 Health Equity Office Salary Funding	0.00	87,975	0	0	87,975
15 LPHU Workforce Development	0.00	275,000	0	0	275,000
16 LPHU Regional Networks	0.00	367,000	0	0	367,000
17 Pediatric Obesity Prevention Coordinator	1.00	411,747	0	0	411,747
18 LPHU State Aid Increase	0.00	1,960,000	0	0	1,960,000
19 Evidence-based Home Visiting Programs	0.00	1,500,000	0	0	1,500,000
20 Rural EMS Grant Assistance	0.00	9,600,000	0	0	9,600,000
21 Reducing Infant Mortality	0.00	475,000	0	0	475,000
22 Diabetes Prevention and Control	1.00	0	139,573	0	139,573
23 Enhanced Western ND Water Quality Monitoring	0.00	729,030	0	0	729,030
24 Domestic Violence/Rape Crisis Program	0.00	1,500,000	0	0	1,500,000
25 Regulation of On-Site Sewage Disposal	2.00	385,243	0	0	385,243
26 CD Prevention - Healthy Communities	0.00	850,000	0	0	850,000
27 State School Nurse Consultant	1.00	142,125	0	0	142,125
28 Women's Way Services	0.00	500,000	0	0	500,000
Total	384.00	84,779,728	117,988,267	20,699,866	223,467,861

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE****Biennium: 2015-2017**

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
305	Tobacco Prevention and Control					
	Base Budget Request	8.00	0	0	15,971,798	15,971,798
	Total	8.00	0	0	15,971,798	15,971,798
313	Veterans Home					
	Base Budget Request	120.72	7,832,403	0	15,741,928	23,574,331
	01 Bridge	0.00	930,225	0	0	930,225
	Total	120.72	8,762,628	0	15,741,928	24,504,556
316	Indian Affairs Commission					
	Base Budget Request	5.00	1,140,378	0	0	1,140,378
	01 Increased Operating Costs	0.00	5,000	0	0	5,000
	02 Desktop Services	0.00	12,000	0	0	12,000
	02 Desktop Services One time Hardware Cost	0.00	9,775	0	0	9,775
	Total	5.00	1,167,153	0	0	1,167,153
321	Department of Veterans Affairs					
	Base Budget Request	8.00	1,337,881	0	0	1,337,881
	01 Increase to the Principal of the Post War Trust Fund (PW	0.00	1,750,000	0	0	1,750,000
	01 To restore base budget funding	0.00	47,846	0	0	47,846
	02 Salary Equity Funding	0.00	96,143	0	0	96,143
	02 Website Upgrade	0.00	60,935	0	0	60,935
	03 Training Position	1.00	135,575	0	0	135,575
	03 Treatment/Study for Veterans with TBI	0.00	108,352	0	0	108,352
	04 Veterans Organizations NSO Office	0.00	300,000	0	0	300,000
	05 Temp Employees	0.00	59,488	0	0	59,488
	06 Marketing / Advertising	0.00	20,000	0	0	20,000
	07 Service Dogs for Veterans with PTSD	0.00	50,000	0	0	50,000
	08 Agent Orange Outreach	0.00	50,000	0	0	50,000
	09 Increased Funding for Stand Downs	0.00	10,000	0	0	10,000
	10 Funding for Vans	0.00	15,000	0	0	15,000
	12 State Approving Agency under ND DVA	1.00	0	275,696	0	275,696
	Total	10.00	4,041,220	275,696	0	4,316,916
325	Department of Human Services					
	Base Budget Request	2,200.08	1,246,603,396	2,050,553,402	129,005,969	3,426,162,767
	01 Staff Equity Increase	0.00	7,116,270	3,183,730	0	10,300,000
	02 Oil Patch Add on - Williston, Minot and Dickinson Region	0.00	2,856,811	512,865	0	3,369,676
	03 10 Bed Crisis Residential/Transitional Living	0.00	685,895	174,744	43,344	903,983
	03 10 Bed Residential Addiction	0.00	601,699	0	0	601,699
	03 15 Bed Unit for Tompkins Program	11.00	1,520,369	0	0	1,520,369

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE****Biennium: 2015-2017**

Priority Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
03 4 Additional Beds for Alternative Care Services (ACS)	0.00	283,500	0	0	283,500
03 Additional Autism Voucher Slots	0.00	500,002	0	0	500,002
03 Ambulance Rate Increase	0.00	1,904,746	1,904,746	0	3,809,492
03 Autism Administrative Staff Officer	1.00	114,829	59,249	0	174,078
03 Chafee Independent Living	0.00	178,361	0	0	178,361
03 Change in Federal Child Care Laws	1.50	172,459	118,681	0	291,140
03 Child Welfare Regional Supervisors	3.00	437,771	52,273	0	490,044
03 DD Case Managers	3.00	249,669	188,349	0	438,018
03 Developmental Disabilities Nurse FTE	1.00	91,454	91,455	0	182,909
03 Guardianship Establishment (Vulnerable Adults)	0.00	130,000	0	0	130,000
03 IDDT Programming - 3 FTE	3.00	393,295	0	0	393,295
03 Increase Child Care Provider Rates	0.00	2,022,099	0	0	2,022,099
03 Increase in Current Autism Waiver Slots	0.00	880,800	880,800	0	1,761,600
03 Increase in Wards for DD Guardianship	0.00	155,919	0	0	155,919
03 ND State Council on Developmental Disabilities FTE	1.00	0	34,018	0	34,018
03 Other Extended Services Slots	0.00	122,796	0	0	122,796
03 Physical Therapy/Occupational Therapy/Speech Therapy Rate	0.00	2,775,371	2,775,371	0	5,550,742
03 Severely Mentally Ill Extended Services	0.00	554,989	0	0	554,989
03 Spousal Impoverishment	0.00	617,544	617,544	0	1,235,088
03 Supported Employment for Integrated Dual Disorder Treatm	0.00	928,248	0	0	928,248
03 TBI Extended Services	0.00	180,783	0	0	180,783
03 TBI Prevocational Skills	0.00	422,000	0	0	422,000
03 Vulnerable Adult Protective Services	0.00	1,080,073	0	0	1,080,073
04 Inflation	0.00	48,060,897	40,736,005	1,327,065	90,123,967
05 Eligibility Modernization Project	0.00	18,427,988	24,803,643	0	43,231,631
06 Assisted Living	1.00	146,234	0	0	146,234
06 Companionship Services	0.00	123,020	123,020	0	246,040
06 DD Crisis Beds	0.00	76,800	0	0	76,800
06 Family Team Decision Making	0.00	300,000	0	0	300,000
06 Increase Age Limit of Autism Waiver to 9 Years	0.00	352,320	352,320	0	704,640
06 Long Term Care Consultant for Pay for Performance	0.00	40,000	10,000	0	50,000
06 Medically Fragile ICF in Grafton, ND	0.00	750,000	750,000	0	1,500,000
06 Mobile On-Call Crisis Services	0.00	1,000,000	0	0	1,000,000
06 NDCARES	0.00	130,000	0	0	130,000
06 Parents LEAD	0.00	420,000	0	0	420,000
06 Peer Support Specialists	0.00	1,294,238	0	0	1,294,238
06 Personal Care with Supervision	0.00	649,118	649,118	0	1,298,236
06 Post Adoption Services	0.00	169,140	91,195	0	260,335
06 Trauma-Informed System of Care	0.00	229,130	58,500	0	287,630
07 6 Living Area Kitchens	0.00	750,000	0	0	750,000
07 Central Air for Tompkins Building	0.00	557,606	0	0	557,606

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE****Biennium: 2015-2017**

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
	07 Heating Plant Repairs and Upgrades for LSTC	0.00	230,000	0	0	230,000
	07 Heating Plant Repairs and Upgrades for State Hospital	0.00	1,509,156	0	0	1,509,156
	07 Surveillance Cameras	0.00	390,000	0	0	390,000
	Total	2,225.58	1,349,186,795	2,128,721,028	130,376,378	3,608,284,201
360	Protection and Advocacy					
	Base Budget Request	27.50	2,621,491	3,366,728	0	5,988,219
	01 OAR #1 Paralegal	1.00	90,492	62,602	0	153,094
	02 OAR #2 DD Quality Assurance/Intake	1.00	85,209	85,210	0	170,419
	03 OAR #3 Salary Equity	0.00	554,000	0	0	554,000
	04 OAR #4 IT Desktop Support Services	0.00	84,480	0	0	84,480
	04 OAR #4 IT Desktop Support Services One-Time	0.00	48,358	0	0	48,358
	Total	29.50	3,484,030	3,514,540	0	6,998,570
380	Job Service North Dakota					
	Base Budget Request	237.76	1,916,456	67,634,525	685,614	70,236,595
	Oil Patch Add on	0.00	0	115,046	0	115,046
	Oil and Gas Survey	0.00	80,000	0	0	80,000
	Skill Build	0.00	1,500,000	0	0	1,500,000
	Virtual One-stop Applications	0.00	208,500	0	0	208,500
	Workforce 2020 Pilot Expansion	0.00	500,000	0	0	500,000
	Total	237.76	4,204,956	67,749,571	685,614	72,640,141
401	Office of the Insurance Commissioner					
	Base Budget Request	49.50	0	599,674	25,777,416	26,377,090
	Total	49.50	0	599,674	25,777,416	26,377,090
405	Industrial Commission					
	Base Budget Request	99.75	21,079,346	298,899	16,633,217	38,011,462
	01 Inflation/Restoration	0.00	627,272	0	0	627,272
	02 Possible Litigation Costs EPA & BLM	0.00	3,000,000	0	0	3,000,000
	03 Market Equity	0.00	800,000	0	0	800,000
	04 Wilson M. Laird Core & Sample Library Expansion	0.00	16,033,942	0	0	16,033,942
	05 Energy Impact Funding - Housing Allowance & Differential	0.00	1,187,903	0	0	1,187,903
	06 (9) FTE Eng Tech Field Facilities Inspection	9.00	1,945,537	0	0	1,945,537
	07 (2) ATV - Pipeline Inspection	0.00	41,500	0	0	41,500
	08 (1) FTE Eng Tech GIS Pipelines	1.00	162,018	0	0	162,018
	09 (1) FTE PE Bot Cty Drill Rig Inspector	1.00	222,508	0	0	222,508
	10 (3) FTE Safety Offic/Acct Bdgt Spec/HR Tech	3.00	501,616	0	0	501,616
	11 (1) FTE PE Reclamation Specialist	1.00	230,911	0	0	230,911
	12 (2) FTE Surface Geologists	2.00	488,384	0	0	488,384

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE****Biennium: 2015-2017**

Priority Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
13 (4) FTE ET Logs/Surveys	4.00	647,538	0	0	647,538
14 (1) FTE ET Treating Plant Inspector	1.00	215,611	0	0	215,611
15 (1) FTE PE Geology Analyst	1.00	211,920	0	0	211,920
16 (2) FTE ET APDs	2.00	323,769	0	0	323,769
17 Funding Changes	0.00	60,900	0	0	60,900
18 Aerial Photography	0.00	104,143	0	0	104,143
19 Contract Drilling/Coring & Sedimentological Analyses	0.00	125,000	0	0	125,000
20 Paleontology Equipment	0.00	12,500	0	0	12,500
21 Digital Conversion of 2D Seismic Profiles	0.00	100,000	0	0	100,000
22 Contingency (3) FTE ET Field Facilities Inspection	3.00	648,512	0	0	648,512
23 I.C. Administration Increases	0.00	0	0	52,000	52,000
24 RBDMS.net GWPC Assistance	0.00	250,000	0	0	250,000
Total	127.75	49,020,830	298,899	16,685,217	66,004,946
406 Department of Labor and Human Rights					
Base Budget Request	13.00	1,883,499	437,832	0	2,321,331
01 Additional FTEs	5.00	941,928	0	0	941,928
01 Overtime and Retirement	0.00	46,000	0	0	46,000
02 ITD Desktop Support	0.00	46,118	0	0	46,118
Total	18.00	2,917,545	437,832	0	3,355,377
408 Public Service Commission					
Base Budget Request	44.00	6,681,542	11,952,899	1,025,000	19,659,441
01 Weights and Measures Inspector	1.00	313,035	0	0	313,035
02 Natural Gas Pipeline Inspector	1.50	255,166	255,168	0	510,334
03 Market Analysis Equity Request	0.00	173,498	83,285	0	256,783
04 Reclamation & Grain Litigation Fund	0.00	414,000	336,000	0	750,000
05 Travel Adjustment for Existing Natural Gas FTE	0.00	20,000	20,000	0	40,000
06 General Travel Cost Increases	0.00	75,857	0	0	75,857
07 Hazardous Liquids Safety Program	3.50	595,739	595,741	0	1,191,480
08 Railroad Safety Program	3.00	929,910	0	0	929,910
10 Accrued Leave Payout Liability	0.00	170,300	91,700	0	262,000
11 Extraordinary Repairs - Hearing Room	0.00	82,442	0	0	82,442
Total	53.00	9,711,489	13,334,793	1,025,000	24,071,282
412 Aeronautics Commission					
Base Budget Request	6.00	550,000	2,160,000	6,819,982	9,529,982
05 Request an additional FTE	1.00	0	0	149,933	149,933
06 Request one-time Airport Grant Funding	0.00	5,000,000	0	0	5,000,000
08 Request additional permanent airport grant funding	0.00	9,450,000	0	0	9,450,000
11 Energy Impact - One Time Airport Grant Funding Request	0.00	50,000,000	0	0	50,000,000

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE**

Biennium: 2015-2017

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
	Total	7.00	65,000,000	2,160,000	6,969,915	74,129,915
413	Department of Financial Institutions					
	Base Budget Request	29.00	0	0	7,813,750	7,813,750
	01 New FTE	1.00	0	0	218,089	218,089
	Total	30.00	0	0	8,031,839	8,031,839
414	Securities Department					
	Base Budget Request	9.00	2,090,906	0	170,000	2,260,906
	01 Retirement salaries and wages - 3 staffer retirements	0.00	53,252	0	0	53,252
	02 Desktop Support Costs	0.00	46,805	0	0	46,805
	Total	9.00	2,190,963	0	170,000	2,360,963
471	Bank of North Dakota					
	Base Budget Request	179.50	0	1,035,000	52,478,482	53,513,482
	01 Changes in Operating Expenses Special Noted Changes	0.00	0	0	3,581,593	3,581,593
	02 New FTE - Credit Analyst	1.00	0	0	177,836	177,836
	03 New FTE - Information Security Analyst	1.00	0	0	209,809	209,809
	Total	181.50	0	1,035,000	56,447,720	57,482,720
473	ND Housing Finance Agency					
	Base Budget Request	46.00	0	25,227,780	11,856,456	37,084,236
	Total	46.00	0	25,227,780	11,856,456	37,084,236
475	ND Mill and Elevator Association					
	Base Budget Request	135.00	0	0	62,382,704	62,382,704
	01 New FTE for Expansion Project	6.00	0	0	812,026	812,026
	02 New FTEs for Workload	6.00	0	0	831,880	831,880
	Total	147.00	0	0	64,026,610	64,026,610
485	Workforce Safety and Insurance					
	Base Budget Request	250.14	0	0	59,208,739	59,208,739
	02 Funding for Computer Software Replacement Project	0.00	0	0	5,000,000	5,000,000
	03 High priority Temp to FTE conversion	6.00	0	0	878,474	878,474
	04 Move temporary employee to FTE status	13.00	0	0	1,418,825	1,418,825
	05 Litigation cost for computer system lawsuit	0.00	0	0	1,000,000	1,000,000
	06 Equity	0.00	0	0	500,000	500,000
	Total	269.14	0	0	68,006,038	68,006,038
504	Highway Patrol					
	Base Budget Request	213.00	43,115,708	6,250,938	6,109,990	55,476,636

OPTIONAL ADJUSTMENT REQUESTS

OPTIONAL ADJUSTMENT PACKAGE

Biennium: 2015-2017

Priority Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
01 Maintain Motor Pool Funding	0.00	164,000	0	24,000	188,000
02 Energy Impact Expenses	0.00	666,000	0	96,000	762,000
03 LETA Phase II Expansion	0.00	24,090,000	0	3,442,000	27,532,000
04 4 New Sworn FTEs	4.00	917,992	0	130,857	1,048,849
08 Vehicle Equipment Installation	0.00	262,000	0	38,000	300,000
09 Replace Mobile Radio Equipment	0.00	548,000	0	78,000	626,000
10 Upgrade Outdoor Gun Range	0.00	70,000	0	10,000	80,000
11 Skid Car System Training	0.00	58,000	0	8,000	66,000
Total	217.00	69,891,700	6,250,938	9,936,847	86,079,485

530 Department of Corrections and Rehabilitation

Base Budget Request	814.29	182,364,372	5,692,564	31,181,419	219,238,355
01 DOCR Salary Equity	0.00	8,336,102	0	176,324	8,512,426
02 Oil Patch Add-on	0.00	350,298	0	0	350,298
03 Contract Housing and Programming	0.00	7,743,102	0	0	7,743,102
04 Food and Clothing	0.00	1,701,258	0	0	1,701,258
05 Professional Services / Medical	0.00	1,971,436	0	0	1,971,436
06 Hepatitis C Treatment	0.00	1,080,000	0	0	1,080,000
07 Facility Maintenance and Operation	0.00	1,278,405	0	0	1,278,405
08 Information Technology	0.00	596,216	0	0	596,216
09 Travel Costs	0.00	466,802	0	0	466,802
10 Parole and Probation Staffing	23.00	3,284,565	0	222,387	3,506,952
11 JCS Staffing	1.00	172,154	0	0	172,154
12 YCC Staffing	1.00	133,713	0	0	133,713
13 AS Central Office Staffing	3.00	428,620	0	0	428,620
14 AS Treatment Staffing	3.00	360,006	0	0	360,006
15 NDSP Staffing	3.00	421,423	0	0	421,423
16 DOCR Attorney	1.00	292,970	0	0	292,970
17 DWCR	0.00	3,250,000	0	0	3,250,000
18 Adult Recidivism Reduction Reentry Program	0.00	1,705,382	0	0	1,705,382
19 Inmate Offender Assessments	0.00	75,884	0	0	75,884
20 Adult Services Teacher Salary Equity	0.00	694,116	0	0	694,116
21 Equipment Under \$5,000	0.00	298,225	0	0	298,225
22 JRCC Central Receiving	2.00	231,617	0	471,247	702,864
50 MRCC Building Project	0.00	29,550,000	0	0	29,550,000
51 IT - Elite Community Module	0.00	1,100,000	0	0	1,100,000
52 IT - Workforce Scheduler	0.00	616,144	0	0	616,144
53 JRCC Extraordinary Repairs - Optional Request	0.00	1,771,100	0	0	1,771,100
54 MRCC Extraordinary Repairs - Optional Request	0.00	232,500	0	0	232,500
55 YCC Extraordinary Repairs - Optional Request	0.00	618,517	0	0	618,517
56 NDSP Extraordinary Repairs - Optional Request	0.00	1,842,701	0	0	1,842,701
57 Equipment Over \$5,000	0.00	318,039	0	0	318,039
58 JRCC Master Plan	0.00	200,000	0	0	200,000

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE****Biennium: 2015-2017**

Priority Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
59 YCC Master Plan	0.00	200,000	0	0	200,000
60 NDSP Security Camera Upgrade	0.00	337,000	0	0	337,000
Total	851.29	254,022,667	5,692,564	32,051,377	291,766,608

540 Office of the Adjutant General

Base Budget Request	217.00	26,561,020	182,365,656	19,910,351	228,837,027
01 Camp Grafton Training Center Expansion NG #1	0.00	3,100,000	0	600,000	3,700,000
01 Cp Grafton Training Center Expansion - Lease Pymt NG #1	0.00	160,000	0	0	160,000
02 ND Cares Exec Dir and Support Package (1 FTE) NG #3	0.00	462,100	0	0	462,100
03 Human Resource Technician II (1 FTE) NG #6	0.00	55,950	55,950	0	111,900
03 Veterans Bonus Program NG #2	0.00	500,000	0	0	500,000
04 Military Funeral Honors (3 FTE) with Travel NG #7	0.00	459,521	0	0	459,521
04 Veterans Cemetery Land Purchase NG #4	0.00	69,500	0	69,500	139,000
05 Energy Saving Projects NG #5	0.00	300,000	0	0	300,000
05 Military Outreach Officers (5 FTE) NG #8	0.00	700,261	0	0	700,261
06 Next Generation 911 Initial Purchase DES #3	0.00	386,000	0	0	386,000
06 State Executive Officer (1 FTE) NG #9	0.00	141,204	0	0	141,204
07 Custodian (1 FTE) Regional Training Institute NG #10	0.00	20,210	60,634	0	80,844
07 UPS Upgrade and Refurbishment DES #13	0.00	30,000	0	0	30,000
08 Custodian (1 FTE) 119th Wing Fargo Hector Field NG #11	0.00	20,210	60,634	0	80,844
08 Radio Tower Infrastructure Redundancy DES #10	0.00	80,000	0	0	80,000
09 Increased special assessments and pmt in lieu of taxes N	0.00	74,000	0	0	74,000
09 MicroSoft SQL Enterprise for CAD System DES #6	0.00	90,000	0	0	90,000
10 Civil Air Patrol Operational Increase NG #13	0.00	11,000	0	0	11,000
10 Warehouse for Emerg Response Equip and Supplies DES #16	0.00	2,300,000	0	0	2,300,000
11 Computer & Network Spec II for State Radio (1 FTE) DES #	0.00	119,604	0	0	119,604
11 Emergency Response Supplies DES #17	0.00	550,000	0	0	550,000
12 Base Map Maintenance DES #5	0.00	382,000	0	0	382,000
12 Disaster Recovery Assistance Contract DES #20	0.00	0	0	1,000,000	1,000,000
13 Disaster Volunteer Coordination DES #14	0.00	0	0	400,000	400,000
13 GIS Specialists for Base Map Maintenance (2 FTE) DES #8	0.00	282,408	0	0	282,408
14 Next Generation 911 Maintenance DES #4	0.00	209,280	0	0	209,280
15 Message Switch Back-Up Site DES #18	0.00	120,000	0	0	120,000
15 Message Switch Test Server DES #9	0.00	70,000	0	0	70,000
16 Radio Communications Improvement DES #12	0.00	1,000,000	0	0	1,000,000
16 Radio Tower Redundancy Maintenance DES #11	0.00	120,000	0	0	120,000
17 Vulnerable Population Registry DES #19	0.00	80,000	0	0	80,000

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE****Biennium: 2015-2017**

Priority Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
18 Records Management System Maintenance DES #2	0.00	150,000	0	0	150,000
19 HLS Funding Decrease DES #15	0.00	372,000	0	0	372,000
20 State Radio Dispatch Equity DES #1	0.00	431,842	0	0	431,842
Total	217.00	39,408,110	182,542,874	21,979,851	243,930,835
601 Department of Commerce					
Base Budget Request	69.25	32,186,124	55,332,851	10,535,227	98,054,202
01 Entrepreneurial ecosystem	0.00	3,500,000	0	0	3,500,000
02 Tourism Midwest markets	0.00	3,244,752	0	0	3,244,752
03 Unmanned aerial systems	0.00	2,218,620	0	0	2,218,620
04 Research ND	0.00	10,000,000	0	0	10,000,000
05 Childcare facility grants	0.00	3,000,000	0	0	3,000,000
06 Tourism infrastructure grants	0.00	750,000	0	0	750,000
07 Homeless shelter grants	0.00	2,000,000	0	0	2,000,000
08 Workforce enhancement grants	0.00	2,000,000	0	0	2,000,000
09 Find the good life	0.00	500,000	0	0	500,000
10 Educators & industry externships	0.00	300,000	0	0	300,000
11 Inflationary increase	0.00	198,341	0	0	198,341
12 Tourism Admin FTE	0.15	25,472	0	0	25,472
13 Promotion of UAS Industry	0.00	200,000	0	50,000	250,000
14 Foreign direct investment	0.00	200,200	0	0	200,200
15 Tourism international	0.00	247,836	0	0	247,836
16 Community development block grant program	0.00	160,640	0	0	160,640
17 Manufacturing extension partnership	0.00	200,000	0	0	200,000
18 Small business development center	0.00	100,000	0	0	100,000
19 Community action energy conservation	0.00	500,000	0	0	500,000
20 Base realignment grants	0.00	1,500,000	0	0	1,500,000
21 Womens Business Dev Office & Rural Dev Office	0.00	100,000	0	0	100,000
22 Rural health services grant	0.00	400,000	0	0	400,000
23 Tribal College Grants	0.00	5,000,000	0	0	5,000,000
Total	69.40	68,531,985	55,332,851	10,585,227	134,450,063
602 Department of Agriculture					
Base Budget Request	77.00	9,629,145	11,393,982	7,890,090	28,913,217
01 Monitoring, surveying, and inspecting for Japanese beetle	0.00	82,297	0	0	82,297
02 Pride of Dakota Holiday Showcase venues	0.00	50,000	0	0	50,000
03 Information Technology Analysis	0.00	150,222	0	0	150,222
04 Department website redesign	0.00	150,000	0	0	150,000
05 ITD Client Technologies Services Desktop Support	0.00	352,912	0	0	352,912
06 National Genomics Center	0.00	800,000	0	0	800,000
07 Study to assess the economic contribution of the agricul	0.00	242,000	0	0	242,000
08 North Dakota Centennial Farms	0.00	90,000	0	0	90,000
Total	77.00	11,546,576	11,393,982	7,890,090	30,830,648

OPTIONAL ADJUSTMENT REQUESTS

OPTIONAL ADJUSTMENT PACKAGE

Biennium: 2015-2017

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
627	Upper Great Plains Transportation Institute					
	Base Budget Request	58.98	7,655,131	11,700,195	5,939,374	25,294,700
	Total	58.98	7,655,131	11,700,195	5,939,374	25,294,700
628	Branch Research Centers					
	Base Budget Request	116.94	19,577,394	0	19,574,850	39,152,244
	Total	116.94	19,577,394	0	19,574,850	39,152,244
630	NDSU Extension Service					
	Base Budget Request	274.66	31,266,546	6,971,370	17,623,684	55,861,600
	Oil Patch Salary Differential	0.00	250,000	0	0	250,000
	Total	274.66	31,516,546	6,971,370	17,623,684	56,111,600
638	Northern Crops Institute					
	Base Budget Request	12.00	1,989,313	0	1,730,847	3,720,160
	Total	12.00	1,989,313	0	1,730,847	3,720,160
640	NDSU Main Research Center					
	Base Budget Request	368.85	96,070,867	5,931,139	49,859,312	151,861,318
	Oil Patch Salary Differential	0.00	430,000	0	0	430,000
	Total	368.85	96,500,867	5,931,139	49,859,312	152,291,318
649	Agronomy Seed Farm					
	Base Budget Request	3.00	0	0	1,489,255	1,489,255
	Total	3.00	0	0	1,489,255	1,489,255
665	ND State Fair					
	Base Budget Request	0.00	546,000	0	0	546,000
	01 Exhibitor Premium Funding	0.00	24,000	0	0	24,000
	01 Fair Grounds Asphalt Overlay	0.00	1,750,000	0	0	1,750,000
	02 Expos Barn Roof Replacement	0.00	600,000	0	0	600,000
	Total	0.00	2,920,000	0	0	2,920,000
670	ND Horse Racing Commission					
	Base Budget Request	2.00	394,495	0	158,730	553,225
	Total	2.00	394,495	0	158,730	553,225
701	Historical Society					
	Base Budget Request	68.00	14,767,090	3,247,831	0	18,014,921
	01 Additional Staff Ongoing	11.00	1,939,285	0	0	1,939,285

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE****Biennium: 2015-2017**

Priority Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
02 Equity Funding Ongoing	0.00	1,014,395	0	0	1,014,395
03 Historic Site Inflation Ongoing	0.00	223,580	0	0	223,580
04 Motor Pool Increase Ongoing	0.00	26,970	0	0	26,970
05 Oil Impact Funding Onetime	0.00	55,368	0	0	55,368
06 Technology Core Services Ongoing	0.00	320,304	0	0	320,304
07 Technology One Time	0.00	100,650	0	0	100,650
08 Welk Homestead Ongoing	0.00	135,008	0	0	135,008
09 Ft Totten and Stutsman Repairs Onetime	0.00	1,000,000	0	175,000	1,175,000
10 Electronic Records Project Ongoing	0.00	172,800	0	0	172,800
11 Electronic Records Project Onetime	0.00	264,000	0	0	264,000
12 Promotion Ongoing	0.00	200,000	0	0	200,000
13 Temporary Salary Increase Ongoing	0.00	232,838	0	0	232,838
14 Traveling and Historic Sites Exhibits Ongoing	0.00	450,000	0	0	450,000
15 4th Grade and Governing ND Onetime	0.00	145,000	0	0	145,000
16 Double Ditch Historic Site Repairs Onetime	0.00	3,500,000	0	0	3,500,000
17 Cultural Heritage Grants Ongoing	0.00	150,000	0	0	150,000
18 School Lands Survey Onetime	0.00	250,000	0	0	250,000
Total	79.00	24,947,288	3,247,831	175,000	28,370,119

709 Council on the Arts

Base Budget Request	5.00	1,508,102	1,681,951	63,515	3,253,568
01 Cultural Endowment Contribution	0.00	10,000,000	0	0	10,000,000
01 Employee Health Insurance Funding	0.00	23,561	0	0	23,561
02 Arts in Education Research	0.00	90,000	0	0	90,000
02 Inflationary Increases	0.00	26,783	0	0	26,783
03 Economic Impact Study	0.00	10,000	0	0	10,000
03 Grant Funding Increase	0.00	200,000	0	0	200,000
04 Exhibition Preparation/Touring	0.00	30,000	0	0	30,000
04 ITD Desktop Support/Service	0.00	15,800	0	0	15,800
Total	5.00	11,904,246	1,681,951	63,515	13,649,712

720 Game and Fish Department

Base Budget Request	158.00	0	32,400,950	42,584,661	74,985,611
Rent Allowance for oil impacted areas	0.00	0	0	100,000	100,000
01 Admin-Admin Asst I New FTE Request	1.00	0	0	92,966	92,966
01 Admin-Admin Officer II New FTE Request	1.00	0	0	139,475	139,475
01 Conservation and Comm.-Admin Asst I New FTE Request	1.00	0	0	92,966	92,966
01 Enforcement-Game Warden II New FTE Request	1.00	0	73,651	138,770	212,421
01 Fisheries-Wildlife Tech I New FTE Request	1.00	0	96,615	32,207	128,822
01 Wildlife-Biologist I New FTE Request	1.00	0	0	136,683	136,683
Total	164.00	0	32,571,216	43,317,728	75,888,944

OPTIONAL ADJUSTMENT REQUESTS

OPTIONAL ADJUSTMENT PACKAGE

Biennium: 2015-2017

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
750	Parks and Recreation Department					
	Base Budget Request	55.00	14,341,593	2,661,885	8,001,985	25,005,463
	01 Add 15-17 Extraordinary Repairs - OPTIONAL	0.00	3,722,600	0	0	3,722,600
	01 Add new FTE Park Ranger - CRSP	1.00	133,354	0	0	133,354
	02 Add Funding for Trail Lease Renewals Little Missouri Bay	0.00	200,000	0	0	200,000
	02 Add new FTE Administrative Assistants FTE	7.00	733,731	0	0	733,731
	03 Add One Time Equipment	0.00	548,200	0	0	548,200
	03 Add new FTE Park Ranger - Recreation Department	1.00	0	33,338	100,016	133,354
	04 Add .25 FTE for 4 .75 FTE Positions	1.00	93,647	0	0	93,647
	04 New Web App - Registration/Renewal of Snowmobiles	0.00	310,299	0	0	310,299
	05 Funding for Snowmobile Groomers & Equipment	0.00	0	300,000	0	300,000
	05 Increase Park Temporary Seasonal Salaries Statewide	0.00	660,660	0	0	660,660
	06 35 Additional Seasonal Employees	0.00	747,399	0	0	747,399
	06 Add Funding for Statewide Comprehensive Outdoor Recreation	0.00	45,000	45,000	0	90,000
	07 Add overtime pay for employees	0.00	110,000	0	0	110,000
	07 Purchase of land due to Adj. Gen acquisition	0.00	0	278,000	0	278,000
	08 Add One-Time Temporary Salary for 50th Anniversary Inte	0.00	8,778	0	0	8,778
	08 Add funding for Temp Administrative Assistant - Recreation	0.00	20,020	20,020	40,040	80,080
	09 Add funding for Exceptional Staff Turnover with Retirement	0.00	204,563	0	0	204,563
	09 Optional one-time request for L&C	0.00	1,330,000	0	0	1,330,000
	10 Add temporary Biological Technician	0.00	17,160	0	0	17,160
	11 Operating Increases for Park O&M	0.00	0	0	1,000,000	1,000,000
	12 Operating Increases for Planning, Development & NR	0.00	42,090	0	150,000	192,090
	13 Operating Increases for Administration	0.00	328,600	0	0	328,600
	14 Operating Increases for Recreation	0.00	0	168,000	251,600	419,600
	15 Add Capital Projects	0.00	6,380,386	0	0	6,380,386
	16 Add Strategic Planning Update State Park Master Plans	0.00	100,000	0	0	100,000
	17 Add Community Grants Program	0.00	1,000,000	0	0	1,000,000
	18 Increase Game & Fish Cooperative Agreement	0.00	0	150,000	50,000	200,000
	19 Increase 2015-2017 Federal Fund Authority	0.00	0	1,980,936	0	1,980,936
	20 Switch Funding Source for IT Costs	0.00	200,000	0	(200,000)	0
	22 Optional operating increases for Peace Garden	0.00	200,000	0	0	200,000
	23 Optional capital requests for Peace Garden	0.00	335,297	0	0	335,297
	Total	65.00	31,813,377	5,637,179	9,393,641	46,844,197
770	Water Commission					
	Base Budget Request	90.00	0	15,594,858	1,407,507,140	1,423,101,998
	01 Funding of Emergency Commission Positions	5.00	0	0	979,015	979,015
	02 Director of Regulatory (EM II)	1.00	0	0	273,871	273,871

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE****Biennium: 2015-2017**

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
	03 Water Supply Project Manager (EM I)	1.00	0	0	229,840	229,840
	04 Sovereign Lands Position (WRPA II)	1.00	0	0	192,784	192,784
	05 Investigations (WRE III)	1.00	0	0	210,184	210,184
	06 Cost Share (WRPA I)	1.00	0	0	165,013	165,013
	Total	100.00	0	15,594,858	1,409,557,847	1,425,152,705
801	Department of Transportation					
	Base Budget Request	1,079.50	0	614,660,487	635,169,823	1,249,830,310
	01 Enhanced State Infrastructure Investments	0.00	1,354,115,558	0	0	1,354,115,558
	02 Oil Patch Add On	0.00	0	0	7,534,840	7,534,840
	03 Additional FTE	2.00	0	0	377,423	377,423
	04 Motor Coaches	0.00	1,000,000	0	0	1,000,000
	Total	1,081.50	1,355,115,558	614,660,487	643,082,086	2,612,858,131
	Total All Agencies	11,980.23	7,065,684,757	3,638,050,378	3,246,046,481	13,949,781,616

SCHEDULE OF FEDERAL FUNDS**REQUEST AND RECOMMENDATION****Biennium: 2015-2017**

Agency/Fund Source	2013-2015 Appropriation	2015-2017 Request	2015-2017 Recommendation
108 Secretary of State			
Federal Fund Budget	0	0	3,500
Title II Fed Election Funds	4,619,508	1,500,000	1,511,651
Total	4,619,508	1,500,000	1,515,151
112 Information Technology			
Broadband Mapping	2,300,000	0	0
CJIS Grant	600,000	600,000	600,000
CJIS Savin Grant	50,000	50,000	50,000
E911 Grant	25,000	0	0
FirstNet	1,975,000	2,000,000	2,013,121
GIS Grant	75,000	75,000	75,000
HIE Grant	4,500,000	500,000	500,000
RUS Grant	500,000	500,000	500,000
Total	10,025,000	3,725,000	3,738,121
117 Office of the State Auditor			
Federal Fund Budget	0	0	2,065
Royalty Audit Program	1,306,400	1,250,107	1,518,154
Total	1,306,400	1,250,107	1,520,219
125 Office of the Attorney General			
Bulletproof Vest Partnership Progra	5,000	5,000	5,000
Convicted Offender DNA Backlog	270,000	270,000	270,000
Cops Rural Meth Initiative 06	618,758	426,954	426,954
Coverdell - Natl Forensic Improve F	210,692	(80,133)	(80,133)
Crime Lab Forensic Casework DNA	648,448	448,448	448,448
Crime Lab Improvement Project	330,000	330,000	330,000
Crime Labe DNA Capacity Enhance.	0	322,038	322,038
DOT Hwy. Safety Plan	75,000	526,289	526,289
DOT Safety 24/7	75,000	0	0
ICAC Stimulus	0	209,700	209,700
Internet Crimes Against Children 20	691,410	404,411	404,411
JAG Grant	1,260,387	855,993	855,993
JAG SORNA	70,000	70,000	70,000
Justice Assistance Grant (JAG)	1,474,695	949,395	1,078,745
Justice Assistance Grants	2,153	2,153	2,153
Midwest HIDTA	12,700	12,700	12,700
Midwest HIDTA 2010	1,468,820	1,503,112	1,500,776
National Incident Based Reporting S	100,000	100,000	100,000
Paul Coverdell Grant	542,825	542,825	542,825

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2015-2017

Agency/Fund Source	2013-2015 Appropriation	2015-2017 Request	2015-2017 Recommendation
Residential Substance Abuse Tr	0	150,000	150,000
SMART (Sex Offenses)	610,000	702,000	702,000
State Domestic Preparedness Grant	409,925	404,231	404,231
Statistical Analysis Center	295,182	225,000	225,000
Statistical Analysis Center	100,000	100,000	100,000
Total	9,270,995	8,480,116	8,607,130
127 Office of State Tax Commissioner			
Motor Fuel Tax Grant	125,000	125,000	125,000
Total	125,000	125,000	125,000
180 Judicial Branch			
Child Support	1,222,940	1,352,881	1,352,881
Crt Improvement Data Share 2013	94,875	0	0
Crt Improvement Training 2013	193,160	187,200	187,200
Crt. Improvement Basic	197,648	121,244	122,863
Crt. Improvement Basic 2011	0	70,386	72,005
Crt. Improvement Data Share	99,468	121,198	121,198
Crt. Improvement Data Share 2010	0	66,002	66,003
Total	1,808,091	1,918,911	1,922,150
201 Department of Public Instruction			
21st Century/After School Learning	11,515,492	11,441,113	11,463,725
Adult Education	2,144,970	2,102,531	2,113,787
Child Care Food Program	23,098,881	24,837,866	24,859,947
Child Nutr/Distrib-Cnp Team Nutr	266,722	403,568	422,182
Consolidated School Health Programs	577,494	955,889	992,107
Deaf-Blind Children & Youth	130,000	130,000	130,000
Direct Certification Grant	195,485	195,485	195,485
Eisenhower/Univ System	32,558	29,399	31,731
Eng Lang Acq/State Formula Grnt Pro	1,115,176	1,512,509	1,535,154
Enhancing Education Thru Technology	0	(400,000)	(400,000)
Federal Fund Budget	0	0	174,785
Food Distribution on Indian Res	2,606,703	2,279,001	2,288,271
Fresh Fruits and Vegetables Program	4,343,932	4,220,737	4,222,302
Homeless Children	381,119	348,948	357,109
IDEA B	68,592,482	60,271,333	60,466,329
Improving Teacher Quality	21,288,144	21,036,249	21,070,833
Indirect Cost Pool	4,790,173	4,193,843	4,398,352
Indiv w/Disabil Educ Act/Preschool	1,633,965	1,502,422	1,509,969
NAEP State Coordinator	245,690	234,230	247,253

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2015-2017

Agency/Fund Source	2013-2015 Appropriation	2015-2017 Request	2015-2017 Recommendation
NDSLEDS	253,824	253,824	253,824
Refugee Children School Impact	308,800	296,482	296,482
Restricted State Administrative Exp	35,442	10,000	10,000
Robert Byrd Honors Scholarship	0	(156,000)	(156,000)
SAE School Food And Nutrition	1,832,077	1,923,440	2,023,222
School Food Prog Gnt	44,352,084	50,935,557	50,935,557
School Improvement	500	0	0
Spec Ed Personnel Development	2,039,744	1,636,206	1,650,415
State Program Improvement	94,689	167,861	180,476
Statewide Longitudinal Data System	4,143,898	4,143,898	4,143,898
Summer Food Service Program	1,196,548	1,283,075	1,287,690
Supplemental Commodity Asst Program	395,056	322,558	323,916
Temp Emerg Food Asst Program	241,956	213,433	213,943
Title I Migrant Education	869,899	678,789	683,973
Title I Neg/Delnq	154,422	160,000	160,000
Title I State Administration	85,209,542	78,794,110	78,866,760
Title II/No Child Left/Math & Scien	1,805,818	1,549,961	1,554,348
Title VI-Rural & Low-Income Schools	51,605	50,952	50,952
Title VI/State Assessmnts/Related A	9,352,679	9,280,997	9,376,433
Total	295,297,569	286,840,266	287,935,210
215 ND University System			
State Approving Agency	288,696	0	0
Title II	1,006,472	1,006,472	1,006,472
Total	1,295,168	1,006,472	1,006,472
235 North Dakota State University			
CCAST	4,270,000	0	0
Total	4,270,000	0	0
250 State Library			
Federal Fund Budget	0	0	6,025
Libraries LSTA	515,000	515,000	515,000
Public Libraries	1,787,293	1,655,953	1,684,882
Public Library Services	0	154,416	154,416
Total	2,302,293	2,325,369	2,360,323
252 School for Deaf/Res Ctr for Deaf and HoH			
Deaf Blind FY 11-12	55,000	0	0
Deaf Blind Services Project 12-13	82,775	28,363	28,363
Deaf/Blind Services Project	174,270	224,187	238,396

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2015-2017

Agency/Fund Source	2013-2015 Appropriation	2015-2017 Request	2015-2017 Recommendation
Federal Fund Budget	0	0	3,871
IDEA-B	0	44,022	47,635
Matchmaker	12,500	12,500	12,500
School Breakfast	2,100	2,100	2,100
School Lunch	12,500	12,500	12,500
Total	339,145	323,672	345,365
270 Career and Technical Education			
Carl Perkins Funds	9,699,603	9,409,694	9,409,696
Mine Safety	133,218	133,218	133,218
Total	9,832,821	9,542,912	9,542,914
301 ND Department of Health			
ARRA Funding	155,000	0	0
Administrative Services Federal Fun	6,161,474	5,444,031	5,448,350
Community Health Federal Funds	56,266,517	54,509,312	54,874,563
Emergency Prep & Response Fed Fd	9,889,794	10,502,349	10,548,717
Environmental Health Federal Funds	30,018,741	28,235,295	30,418,591
Federal Fund Budget	0	0	315,623
Health Resources Federal Funds	5,690,672	5,532,711	5,911,353
Medical Services Federal Funds	12,126,945	12,539,925	12,557,383
Rape Prevention and Ed	0	0	3,530
Total	120,309,143	116,763,623	120,078,110
313 Veterans Home			
Federal Grant Funds	0	0	450,000
Total	0	0	450,000
321 Department of Veterans Affairs			
State Approving Grant	0	0	292,933
Total	0	0	292,933
325 Department of Human Services			
Aging Services	13,540,940	13,768,954	13,768,952
Child Care	19,403,577	19,960,140	20,049,658
Child Support	19,660,011	23,473,390	24,729,371
Child Welfare	40,076,210	46,777,606	48,580,920
Disability Services	42,225,579	40,762,890	42,082,946
Federal Fund Budget	0	0	1,049,953
Food And Nutrition Services	211,702,606	173,494,853	179,919,818
Low Income Heating & Energy Asst	42,842,437	54,371,439	54,371,440

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2015-2017

Agency/Fund Source	2013-2015 Appropriation	2015-2017 Request	2015-2017 Recommendation
Medicaid	1,182,431,108	1,554,482,599	1,639,503,552
Mental Health And Substance Abuse	22,618,584	19,160,496	19,227,506
Refugee	2,969,164	4,299,696	4,299,697
Social Service Block Grant	7,314,549	6,992,793	6,992,791
State Childrens Health Insur Prog	43,035,444	36,922,648	37,419,001
Temporary Asst For Needy Families	59,245,514	56,085,898	56,085,900
Total	1,707,065,723	2,050,553,402	2,148,081,505

360 Protection and Advocacy

Assistive Technology	95,000	98,948	108,686
Client Assistance	243,740	250,519	250,519
DD Program	834,872	940,491	954,402
Federal Fund Budget	0	0	8,991
HAVA Program	227,989	228,140	228,140
MI Program	1,047,011	988,660	1,002,573
Medicaid Title 19	85,000	88,267	164,486
PABSS Program	175,000	191,004	200,742
PAIR Program	415,000	453,713	463,451
TBI Program	110,000	126,986	132,552
Total	3,233,612	3,366,728	3,514,542

380 Job Service North Dakota

ARRA	496,496	0	0
Department of Human Services Funds	2,872,115	3,254,821	3,448,261
Federal Fund Budget	0	0	424,159
Labor Statistics	1,587,396	1,956,150	2,097,241
Other Federal Grants	3,063,730	710,138	735,635
Reed Act Distribution	12,407,000	12,407,000	12,407,000
Trade Assistance	2,921,271	831,773	849,276
Unemployment Insurance	29,137,298	23,271,096	24,555,371
Veterans Programs	1,282,120	1,463,217	1,550,630
Wagner-Peyser	11,950,094	10,432,043	11,105,434
Workforce Investment Act	11,488,952	13,308,287	13,839,943
Total	77,206,472	67,634,525	71,012,950

401 Office of the Insurance Commissioner

Federal Fund Budget	0	0	7,756
Health Insurance Premium Review	660,000	0	0
State Health Insurance Counseling	721,025	599,674	631,140
Total	1,381,025	599,674	638,896

SCHEDULE OF FEDERAL FUNDS**REQUEST AND RECOMMENDATION****Biennium: 2015-2017**

Agency/Fund Source	2013-2015 Appropriation	2015-2017 Request	2015-2017 Recommendation
405 Industrial Commission			
NCRDS-Coal	31,145	31,642	8,003
PSC Coal	14,540	14,697	19,922
Statemap	14,540	14,829	0
UIC Oil & Gas	233,951	237,731	210,009
Total	294,176	298,899	237,934
406 Department of Labor and Human Rights			
Equal Employ Opp. Comm.	173,777	125,832	125,832
Fair Housing	264,149	312,000	312,000
Total	437,926	437,832	437,832
408 Public Service Commission			
AML Admin Grant	730,653	649,454	709,547
AML Construction Grant	8,575,000	8,551,753	8,590,020
Federal Fund Budget	0	0	13,264
Gas Pipeline Safety Program	41,000	11,000	11,000
Gas Safety Grant	256,909	328,017	641,271
Hazardous Liquids Program	0	0	631,392
Indirect Cost Recovery	751,515	881,052	953,299
One Call	15,000	15,000	15,000
Reclamation Grant	1,992,392	1,516,623	1,970,645
Total	12,362,469	11,952,899	13,535,438
412 Aeronautics Commission			
IPG Runway Rejuvenation	90,000	(207,000)	(207,000)
IPG Terminal and Fencing	207,000	477,000	477,000
Multi Pavement Project	990,000	990,000	990,000
ND Air Service Study 2009	360,000	360,000	360,000
Pavement Condition Index 09	360,000	360,000	360,000
State Aviation System Plan	0	(90,000)	(90,000)
State Aviation System Plan-13	270,000	270,000	270,000
Total	2,277,000	2,160,000	2,160,000
471 Bank of North Dakota			
NDCAN	3,000,000	1,035,000	1,046,958
Total	3,000,000	1,035,000	1,046,958
473 ND Housing Finance Agency			
Home Investments Partnership Prog	800,000	600,000	600,000
Housing Counseling Assistance	250,000	238,000	238,000

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2015-2017

Agency/Fund Source	2013-2015 Appropriation	2015-2017 Request	2015-2017 Recommendation
Lower Inc Housing Assist Prog Sec 8	1,440,600	1,438,960	1,438,960
Neighborhood Stabilization Program	1,330,000	0	0
Rent Supplements Contract Admin	22,357,375	22,950,820	22,950,820
Total	26,177,975	25,227,780	25,227,780

504 Highway Patrol

Alcohol Saturation OT	310,000	326,618	326,618
Border Inspection Program	600,000	516,379	547,744
Construction Zone OT	130,000	96,482	96,482
Federal Body Armor	100,000	100,000	100,000
Federal Fund Budget	0	0	10,674
Federal NDDOT Equipment	950,000	649,828	649,828
Fusion Center Program	250,000	254,817	271,980
Mtr Carrier Safety Assistance Progr	3,271,476	3,327,180	3,504,730
New Entrant Program	570,000	581,602	620,425
PRISM	100,000	100,000	100,000
Seat Belt OT	230,000	258,032	258,032
Sobriety Checkpoint OT	40,000	40,000	40,000
Total	6,551,476	6,250,938	6,526,513

530 Department of Corrections and Rehabilitation

Adult Educ/Pen	93,000	93,000	93,000
Adult Education - YCC	50,988	63,650	65,382
Crime Victims Advocacy-DJS	54,172	0	0
FY 01 Fed Voca Grant	2,677,586	3,087,314	3,087,314
FY 2000 Federal Cvc Grant	647,915	593,474	593,474
Federal Fund Budget	0	0	12,701
Fresh Fruit And Veg Program	1,000	0	0
IV-E/IV-A Reimbursements	634,622	0	0
Institutional Care (Federal) - YCC	117,612	135,856	153,002
JAIBG - DJS	333,500	200,000	200,000
OJJDP - Challenge Funds	26,000	0	0
OJJDP - Formula Funds	800,000	600,000	600,000
School Garden YCC	1,000	0	0
School Lunch - YCC	190,000	192,000	192,000
Title I - YCC	148,862	131,211	132,457
Title XIX	0	497,640	532,641
Voc Ed (Carl Perkins) - YCC	14,100	13,818	13,818
Voc Ed (Incarcerated) - YCC	41,005	40,001	41,243
Vocational/Tech Education	44,600	44,600	44,600
Total	5,875,962	5,692,564	5,761,632

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2015-2017

Agency/Fund Source	2013-2015 Appropriation	2015-2017 Request	2015-2017 Recommendation
540 Office of the Adjutant General			
Air Guard Contracts	9,466,892	6,230,784	7,193,076
Army Guard Contracts	58,479,427	57,863,448	58,933,417
Emergency Mgmt Performance Grants	6,961,406	7,462,300	7,639,545
Federal Fund Budget	0	0	178,974
Hazard Mitigation Grants	22,131,910	47,308,571	47,328,441
Hazardous Material Emergency Prep	407,395	409,847	411,786
Homeland Security Grants	11,245,066	10,093,417	10,213,193
Public Assistance Grants	150,281,110	52,997,289	53,057,620
Total	258,973,206	182,365,656	184,956,052
601 Department of Commerce			
APUC Rural Business Enterp. Grants	300,000	0	0
Community Development Block Grant	8,335,227	8,159,092	8,172,145
Community Services Block Grant	6,885,710	7,090,922	7,104,134
Community Services Block Grt.	165,034	0	0
DOE Weatherization Asst for Low Inc	6,920,936	6,581,659	6,591,491
Disaster Community Dev Block Grant	18,358,866	12,855,000	12,860,802
ESGP 2000	1,064,750	1,098,626	1,102,269
HOME Program	7,273,935	7,388,295	7,407,620
Ind Cost Division of Comm Services	0	396,467	427,871
Indirect Cost	774,194	88,920	90,571
LI Energy Assist - Weatherization	271,184	794,783	804,329
LIHEAP	88,000	88,000	88,000
Low Inc Energy Asst Prog Emer Rprs	7,050,000	7,093,024	7,096,559
Neighborhood Stabilization Prog	51,305	1,087,505	1,089,660
Shelter Plus Care	450,000	500,000	500,000
State Energy Program	444,834	480,372	484,634
State Heating Oil and Propane Prog	6,064	6,064	6,064
Stimulus State Energy Program	796,770	0	0
WFD NDCNCS	1,591,245	1,624,122	1,645,771
Total	60,828,054	55,332,851	55,471,920
602 Department of Agriculture			
Ag Mediation Services	468,328	289,171	298,355
Animal Disease Trace (ADT)	300,684	209,331	209,332
Animal Health Umbrella	150,000	227,722	227,722
Coop Agricultural Pest Survey Prog	440,961	513,844	525,915
Cooperative Weed Mgmt	290,000	202,921	204,060
Federal Fund Budget	0	0	38,291
Market News	80,000	30,000	30,000

SCHEDULE OF FEDERAL FUNDS**REQUEST AND RECOMMENDATION****Biennium: 2015-2017**

Agency/Fund Source	2013-2015 Appropriation	2015-2017 Request	2015-2017 Recommendation
Meat Inspection	1,603,462	1,540,096	1,615,996
Medicated Feed/Bse Inspections	240,000	170,809	173,415
ND Livestock Pollution Prev Prog	1,130,000	1,138,281	1,145,519
Organic Certification	0	(143,000)	(143,000)
Pesticide Enforcement	1,029,271	799,570	842,273
Specialty Crop Grant	2,411,684	6,415,237	6,430,956
Total	8,144,390	11,393,982	11,598,834
627 Upper Great Plains Transportation Institute			
University Transportation Centers	19,007,683	11,700,195	12,162,945
Total	19,007,683	11,700,195	12,162,945
630 NDSU Extension Service			
USDA/CREES Smith Lever	6,613,069	6,971,370	7,526,690
Total	6,613,069	6,971,370	7,526,690
640 NDSU Main Research Center			
USDA/CREES Animal Health	52,044	52,044	52,044
USDA/CREES Hatch 7 Multi-State	5,459,536	5,459,537	5,974,278
USDA/CREES McIntire Stennis	419,558	419,558	458,424
Total	5,931,138	5,931,139	6,484,746
701 Historical Society			
BOR Collections Database	0	50,000	50,000
Bureau of Land Management Grant	85,000	85,000	85,000
Bureau of Reclamation	40,000	80,000	80,000
FEMA Chateau	20,000	10,000	10,000
Federal Fund Budget	0	0	18,532
Highway Hub of History	25,000	25,000	25,000
Historic Preservation 6100	2,593,964	2,419,831	2,491,379
Humanities Council	10,000	10,000	10,000
IMLS Grant	145,000	145,000	145,000
NDHC	40,000	15,000	15,000
NHPRC Advisory Board	0	45,000	45,000
NPS-Amer Battlefield	3,000	3,000	3,000
Newspaper Digitization	230,000	330,000	330,000
Save America's Treasures	30,000	30,000	30,000
Total	3,221,964	3,247,831	3,337,911
709 Council on the Arts			
NEA Partnership Grants	40,000	40,000	40,000

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2015-2017

Agency/Fund Source	2013-2015 Appropriation	2015-2017 Request	2015-2017 Recommendation
NEA Partnership Grants	1,316,402	1,316,951	1,316,952
NEA Partnership Grants	85,000	85,000	85,000
NEA Partnership Grants	160,000	160,000	160,000
NEA Partnership Grants	80,000	80,000	80,000
Total	1,681,402	1,681,951	1,681,952

720 Game and Fish Department

DOI - Sportfish Restoration	5,398,175	7,411,756	7,689,870
DOI - Wildlife Restoration	16,777,251	20,215,111	20,591,044
DOI-Bureau of Reclamation	1,953,636	1,796,724	1,846,482
Federal Fund Budget	0	0	55,830
Misc Federal Funds	4,244,853	624,500	624,500
State Wildlife Grants	385,000	419,803	437,393
State Wildlife Grants	0	80,197	80,197
State Wildlife Grants	200,000	500,000	500,000
USCG-Boating Safety	1,132,936	1,352,859	1,419,060
Total	30,091,851	32,400,950	33,244,376

750 Parks and Recreation Department

2010-11 LWCF	638,075	638,075	961,075
Artist Residency Grant	6,000	6,000	6,000
FEMA Grants 13-15	10,451	(189,549)	210,451
Federal Fund Budget	0	0	1,793
Ft. Ransom Solar Powered	2,012	2,012	2,012
G&F Cooperative Agreement	0	0	150,000
Game & Fish Grant	80,000	80,000	80,000
Homeland Security	2,100	2,100	2,100
LWCF 1992 Projects	10,000	10,000	10,000
Mandan Earth Lodges	40,000	40,000	40,000
Plant Conservation Program	55,382	55,382	55,382
RTP	1,116,899	1,190,123	3,278,534
Scenic Byways	758,453	819,010	824,129
Solar Lighting - Turtle River	2,933	2,933	2,933
TRSP Early Warning Siren	5,799	5,799	5,799
Total	2,728,104	2,661,885	5,630,208

770 Water Commission

1990 Coop Research	1,500,000	1,500,000	1,500,000
Cap Program	246,768	320,769	342,247
FEMA Cooperating Technical Partn	3,516,157	236,000	236,000
FEMA Map Modernization Mgmt	271,602	448,411	462,378

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2015-2017

Agency/Fund Source	2013-2015 Appropriation	2015-2017 Request	2015-2017 Recommendation
Fed Fund Transfer from Another Agen	229,842	10,987	10,987
Federal Fund Budget	0	0	6,364
MR&I Administration	167,751	109,640	116,185
Northwest Area Water Supply (NAWS)	15,000,000	7,500,000	7,500,000
Southwest Pipeline	16,000,000	5,000,000	5,000,000
State Dam Safety Grant Program	164,471	231,696	231,696
Wet Non-Point Source Program	213,692	237,355	245,723
Total	37,310,283	15,594,858	15,651,580

801 Department of Transportation

Alcohol Traffic Safety	3,559,700	3,895,865	3,908,047
CVISN	24,591	42,352	43,993
Drivers License Security Grants	0	1,798	1,941
Fed Hwy Admin Planning & Construc	647,988,688	580,995,955	582,678,368
Fed Transit Admin Cap Asst Program	616,800	616,800	616,800
Fed Transit Admin Cap Invest Grants	49,900	49,900	49,900
Fed Transit Admin Formula Grants No	13,303,600	13,303,600	13,303,600
Fed Transit Admin Metro Planning G	10,793,035	10,793,035	10,793,035
Federal Emergency Management Admin	1,000	1,000	1,000
Federal Fund Budget	0	0	56,992
Highway Beautification	0	2,373	2,591
Job Access Reverse Comm	146,100	146,100	146,100
Motorcycle Safety	179,400	179,400	179,400
National Priority Safety Program	274,124	265,263	266,191
New Freedom Program	122,100	122,100	122,100
Recreational Trail Program	54,500	54,500	54,500
State & Community Highway Safety	30,000	56,539	60,116
State Traffic Safety Info Impr	1,099,803	1,104,095	1,104,452
State and Comm Highway Safety	3,243,858	3,029,812	3,072,605
TIGER Discretionary Grants	10,000,000	0	0
Total	691,487,199	614,660,487	616,461,731

Total All Agencies

3,432,683,292	3,552,954,844	3,671,830,023
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SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2015-2017

Agency/Fund Source	Fund No	2013-2015 Appropriation	2015-2017 Request	2015-2017 Recommendation
108 Secretary of State				
SOS General Services Fund 263	263	780,641	880,000	880,001
HAVA Election Ref.Matching Fund 283	283	523,607	1,195,000	1,195,000
Total		1,304,248	2,075,000	2,075,001
110 Office of Management and Budget				
Special Fund Budget	003	2,353,076	0	13,520,205
Capital Grounds Planning Fund 251	251	25,000	25,000	25,000
Risk Management Workers' Comp Fund	275	288,260	336,427	354,835
State Risk Management Fund 288	288	1,281,637	1,238,049	1,295,711
OMB Unemp/Payroll CI Fund 461	461	1,500,000	0	0
Central Dup Serv Fund 790	790	5,635,734	5,504,424	5,606,967
Capitol Renovation Fund 902	902	1,544,299	0	0
Total		12,628,006	7,103,900	20,802,718
112 Information Technology				
Special Fund Budget	003	0	0	84,873
Independent Study Operating Fd 274	274	2,052,536	2,052,721	3,050,000
PowerSchool Fund 300	300	4,560,125	4,714,463	4,936,780
Health Information Exchange Fd 325	325	4,445,144	4,447,569	4,497,432
EduTech Fund 408	408	650,000	650,000	650,000
ITD Service Fund 780	780	127,941,748	128,263,628	135,244,587
Total		139,649,553	140,128,381	148,463,672
117 Office of the State Auditor				
Special Fund Budget	003	0	0	12,779
State Auditors Operating Fund 246	246	1,833,268	1,867,782	2,047,385
Total		1,833,268	1,867,782	2,060,164
125 Office of the Attorney General				
Special Fund Budget	003	0	0	21,748
Oil and gas impact grant fund	238	0	0	24,487,086
Insurance Regulatory Trust Fund	239	660,000	660,000	660,000
Attorney General Refund Fund 250 F	250	8,616,383	4,677,280	4,986,847
Lottery Fund 292	292	4,133,821	5,220,323	5,353,485
Attorney General Fund 322	322	21,927,979	12,869,474	13,483,677
AG Multijurisdictional Taskforce	367	64,272	63,396	63,396
Reduced Cigarette Ignition Propensi	374	304,000	258,630	258,630
Fire Prevention & Public Safety Fun	386	100,000	50,000	50,000
Tobacco settlement fund	407	0	200,000	200,000
Gaming And Excise Tax Alloc 446	446	510,000	510,000	510,000

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2015-2017

Agency/Fund Source	Fund No	2013-2015 Appropriation	2015-2017 Request	2015-2017 Recommendation
Total		36,316,455	24,509,103	50,074,869
140 Office of Administrative Hearings				
Administrative Hearings Fund 266	266	2,831,896	2,853,747	2,945,313
Total		2,831,896	2,853,747	2,945,313
160 Legislative Council				
Insurance Regulatory Trust Fund 239	239	69,999	70,000	70,000
Total		69,999	70,000	70,000
180 Judicial Branch				
Judicial Conduct Comm. Fund 328	328	367,499	444,656	444,656
Total		367,499	444,656	444,656
188 Commission on Legal Counsel for Indigents				
Indigent Defense Admin. Fund	282	2,497,866	1,900,001	1,916,104
Total		2,497,866	1,900,001	1,916,104
190 Retirement and Investment Office				
Special Fund Budget	003	0	0	24,769
Retirement and Investment Fund 207	207	4,899,369	5,197,257	5,500,231
Total		4,899,369	5,197,257	5,525,000
192 Public Employees Retirement System				
Special Fund Budget	003	0	0	58,656
Public Employee Retirement Sys 483	483	7,650,450	8,192,535	9,797,562
Total		7,650,450	8,192,535	9,856,218
201 Department of Public Instruction				
Special Fund Budget	003	0	0	524
Displaced Homemakers Fund 201F	235	229,360	247,843	249,742
Public Instruction Fund 201F	391	141,469,830	141,469,830	220,277,830
Total		141,699,190	141,717,673	220,528,096
215 ND University System				
Higher Ed Special Rev Fund 215F	340	1,004,744	1,004,744	1,004,744
Total		1,004,744	1,004,744	1,004,744
226 Department of Trust Lands				
Special Fund Budget	003	0	0	23,757

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2015-2017

Agency/Fund Source	Fund No	2013-2015 Appropriation	2015-2017 Request	2015-2017 Recommendation
Trust Lands Maint. Fund	206	7,506,969	7,418,078	9,106,746
Energy Development Impact Fund	238	240,000,000	997,839	94,327,921
Total		247,506,969	8,415,917	103,458,424
227 Bismarck State College				
Bismarck State College Fund 227C	387	15,272,417	600,000	600,000
Total		15,272,417	600,000	600,000
229 Williston State College				
UND- Williston Center Fund 229C	389	7,410,000	0	0
Total		7,410,000	0	0
230 University of North Dakota				
UND Fund 230C	341	103,978,318	6,000,000	6,000,000
Total		103,978,318	6,000,000	6,000,000
235 North Dakota State University				
NDSU Fund 235C	344	65,985,693	16,927,775	11,600,000
Total		65,985,693	16,927,775	11,600,000
238 ND State College of Science				
ND Science School Fund-N 238C	347	3,199,516	1,500,000	0
Total		3,199,516	1,500,000	0
239 Dickinson State University				
Dickinson State Univ. Fund 239C	348	3,000,000	7,500,000	0
Total		3,000,000	7,500,000	0
240 Mayville State University				
Mayville State Univ. Fund 240C	349	615,767	0	0
Total		615,767	0	0
241 Minot State University				
Minot State Univ. Fund 241C	350	19,674,666	0	0
Total		19,674,666	0	0
242 Valley City State University				
Valley City State Univ. Fund 242c	351	5,206,837	16,000,000	16,000,000
Total		5,206,837	16,000,000	16,000,000

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2015-2017

Agency/Fund Source	Fund No	2013-2015 Appropriation	2015-2017 Request	2015-2017 Recommendation
243 Dakota College at Bottineau				
NDSU - Bottineau Fund 243c	345	8,056,468	10,648,194	10,648,194
Total		8,056,468	10,648,194	10,648,194
244 ND Forest Service				
Forest Service Fund 244c	326	750,000	750,000	750,000
Cent. Tree Prog. Trust Fund	451	900,000	900,000	900,000
Total		1,650,000	1,650,000	1,650,000
250 State Library				
Library Commission Fund - 390	390	91,852	91,852	91,852
Total		91,852	91,852	91,852
252 School for Deaf/Res Ctr for Deaf and HoH				
School for the Deaf Fund - 353	353	2,232,042	1,852,666	1,952,666
Total		2,232,042	1,852,666	1,952,666
253 ND Vision Services/School for the Blind				
Special Fund Budget	003	0	0	12,115
School for the Blind Fund - 354	354	853,756	558,680	1,224,708
Total		853,756	558,680	1,236,823
270 Career and Technical Education				
Vocational Education Fund - 393	393	454,974	154,974	154,974
Total		454,974	154,974	154,974
301 ND Department of Health				
Special Fund Budget	003	0	0	112,681
Abandoned Vehicle Fund 202	202	250,000	250,000	250,000
Insurance Tax Distribution Fund 240	240	1,250,000	1,250,000	1,250,000
Water Development Trust Fund 267	267	0	0	2,438
EHPL Administrators Fund 313	313	3,000	1,840	9,339
ND Health Care Trust Fund 315	315	167,725	85,127	85,127
Community Health Trust Fund 316	316	3,985,854	4,321,364	4,321,364
Health & Consolidated Lab Fund 370	370	12,969,302	11,980,786	13,987,495
Wastewater Operators Cert. Fund 371	371	21,100	28,200	28,200
Environment & Rangeland Prot 376	376	272,310	250,000	250,000
Domestic Violence Prev Fund 462	462	340,000	340,000	342,877
Total		19,259,291	18,507,317	20,639,521

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2015-2017

Agency/Fund Source	Fund No	2013-2015 Appropriation	2015-2017 Request	2015-2017 Recommendation
305 Tobacco Prevention and Control				
Special Fund Budget	003	0	0	7,815
Tobacco Prevention and Control 369	369	15,815,828	15,971,798	16,101,941
Total		15,815,828	15,971,798	16,109,756
313 Veterans Home				
Special Fund Budget	003	0	0	9,493
Melvin Norgard Memorial Fund 289	289	788,200	126,800	126,800
Soldiers Home Fund 380	380	15,731,791	15,615,128	15,698,009
Total		16,519,991	15,741,928	15,834,302
325 Department of Human Services				
Special Fund Budget	003	0	0	17,129
Employment - People W/ Disabil 254	254	12,000	11,944	11,944
Compuls Gambling & Prevention 285	285	400,000	400,000	400,000
ND Health Care Trust Fund 315	315	971,786	0	0
Provider Assessment Fund 355	355	12,081,515	11,752,960	11,752,960
Human Services Department Fund 360	360	122,198,357	116,328,009	99,962,431
Childrens Trust Fund 419	419	690,812	513,056	513,057
Total		136,354,470	129,005,969	112,657,521
360 Protection and Advocacy				
Special Fund Budget	003	0	0	5,492
Total		0	0	5,492
380 Job Service North Dakota				
Special Fund Budget	003	0	0	580
Job Service North Dakota Fund	362	591,057	685,614	689,816
Total		591,057	685,614	690,396
401 Office of the Insurance Commissioner				
Special Fund Budget	003	0	0	64,875
Unsatisfied Judgement Fund 209	209	28,690	27,935	30,048
State Bonding Fund 210	210	45,198	49,257	52,413
State Fire & Tornado Fund 211	211	1,552,929	1,855,011	1,957,060
Petroleum Rel. Comp. Fund 233	233	107,598	113,396	120,385
Insurance Reg. Trust Fund 239	239	7,925,264	8,395,431	8,946,690
Insurance Tax Distrib. Fund 240	240	15,336,386	15,336,386	16,701,207
Total		24,996,065	25,777,416	27,872,678

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2015-2017

Agency/Fund Source	Fund No	2013-2015 Appropriation	2015-2017 Request	2015-2017 Recommendation
405 Industrial Commission				
Special Fund Budget	003	0	0	4,261
Industrial Commission Fund 305	305	20,472,686	15,860,843	15,967,945
Lignite Research Fund 314	314	19,500,000	0	0
Public Finance Authority	900	706,930	772,374	817,182
Total		40,679,616	16,633,217	16,789,388
408 Public Service Commission				
PSC Valuation Revolving Fund 248	248	125,000	125,000	125,000
State Rail Fund 277	277	900,000	900,000	900,000
Total		1,025,000	1,025,000	1,025,000
412 Aeronautics Commission				
Aeronautics Comm. Spec Fund 324	324	12,419,938	6,819,982	8,179,376
Total		12,419,938	6,819,982	8,179,376
413 Department of Financial Institutions				
Financial Inst Regulatory Fund 242	242	7,580,217	7,813,750	8,579,908
Total		7,580,217	7,813,750	8,579,908
414 Securities Department				
Investor Education & Technology	244	170,000	170,000	170,000
Total		170,000	170,000	170,000
471 Bank of North Dakota				
Special Fund Budget	003	0	0	191,239
Strategic investment and improvemen	493	50,000,000	0	0
Bank of North Dakota	998	50,150,147	52,478,482	58,925,496
Total		100,150,147	52,478,482	59,116,735
473 ND Housing Finance Agency				
Special Fund Budget	003	0	0	56,560
State Disaster Relief Fund	352	1,500,000	0	0
Housing Finance Agency-Fees	473	14,829,516	11,856,456	12,458,187
Total		16,329,516	11,856,456	12,514,747
475 ND Mill and Elevator Association				
Mill and Elevator Fund	475	52,123,557	62,382,704	64,825,750
Total		52,123,557	62,382,704	64,825,750

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2015-2017

Agency/Fund Source	Fund No	2013-2015 Appropriation	2015-2017 Request	2015-2017 Recommendation
485 Workforce Safety and Insurance				
Workmens Compensation Fund 213	213	63,322,422	59,208,739	70,443,045
Total		63,322,422	59,208,739	70,443,045
504 Highway Patrol				
Special Fund Budget	003	0	0	22,575
Highway Tax Distribution Fund - 400	400	6,841,066	6,109,990	10,198,070
Total		6,841,066	6,109,990	10,220,645
530 Department of Corrections and Rehabilitation				
Special Fund Budget	003	0	0	79,716
Probation Violation Transp - 321	321	303,900	303,900	303,900
Penitentiary Industries - 365	365	20,918,595	19,631,665	20,018,982
Pen.- Land Replacement - 366	366	3,757,759	0	0
Crime Victims Gift Fund - 372	372	160,000	200,000	200,000
Dept of Corrections Oper - 379	379	8,876,464	11,045,854	11,644,802
Total		34,016,718	31,181,419	32,247,400
540 Office of the Adjutant General				
Special Fund Budget	003	0	0	24,341
Disaster Relief Fund 352	352	24,719,967	16,383,595	17,783,595
Radio Communications Fund 373	373	1,556,877	1,564,886	1,618,890
Emergency Management Fund 375	375	3,987,257	76,358	76,358
State Hazardous Chemical Fund 378	378	864,101	881,355	914,019
National Guard Fund 383	383	1,842,918	546,531	577,972
Veterans Cemetery Fund 433	433	375,405	457,626	557,880
Total		33,346,525	19,910,351	21,553,055
601 Department of Commerce				
APUC Fund 224	224	3,363,203	2,095,628	2,095,628
Economic Dev. Fund 330	330	5,772,520	1,313,266	1,376,458
Intergovernmental Assist. Fund 342	342	6,661,164	6,763,333	6,768,071
Department of Tourism Fund 443	443	363,000	363,000	363,000
Strategic Investment and Improve.	600	0	0	5,000,000
Total		16,159,887	10,535,227	15,603,157
602 Department of Agriculture				
State Waterbank Fund 236	236	108,061	107,929	107,929
Agriculture Department Fund 308	308	953,339	1,049,659	1,105,698
Game and Fish Funds	309	484,398	491,301	499,585

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2015-2017

Agency/Fund Source	Fund No	2013-2015 Appropriation	2015-2017 Request	2015-2017 Recommendation
Environment & Rangeland Prot 376	376	6,064,403	6,241,201	6,464,295
Total		7,610,201	7,890,090	8,177,507
627 Upper Great Plains Transportation Institute				
Transportation Institute Fund 352	352	3,445,280	5,939,374	6,226,889
Total		3,445,280	5,939,374	6,226,889
628 Branch Research Centers				
Central Grasslands Expr. Station	323	1,255,240	1,357,830	1,362,979
Hettinger Expr. Station Fund	332	2,530,112	2,709,038	2,739,746
Langdon Expr. Station Fund	333	1,306,000	1,328,363	1,337,452
North Central Expr. Station Fund	335	2,626,676	2,981,766	3,033,276
Williston Expr. Station Fund	336	1,365,637	2,276,096	2,329,467
Carrington Expr. Station Fund	337	4,392,397	5,592,399	5,738,631
Dickinson Exper. Station Fund	359	2,525,021	3,329,358	3,362,396
Total		16,001,083	19,574,850	19,903,947
630 NDSU Extension Service				
Extension Division Fund 357	357	18,934,740	17,623,684	18,793,590
Total		18,934,740	17,623,684	18,793,590
638 Northern Crops Institute				
Northern Crops Institute Fund 243	243	2,624,132	1,730,847	1,753,790
Total		2,624,132	1,730,847	1,753,790
640 NDSU Main Research Center				
Ag Research Fund 338	338	2,000,000	2,000,000	2,000,000
Main Experiment Station Fund 358	358	45,122,578	47,859,312	48,899,319
Total		47,122,578	49,859,312	50,899,319
649 Agronomy Seed Farm				
Agronomy Seed Farm Fund 226	226	1,471,759	1,489,255	1,533,277
Total		1,471,759	1,489,255	1,533,277
670 ND Horse Racing Commission				
Horse Racing Operating Funds 334	334	166,408	158,730	158,730
Total		166,408	158,730	158,730
701 Historical Society				
Historical Soc Gift & Beq. - 415	415	0	0	175,000

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2015-2017

Agency/Fund Source	Fund No	2013-2015 Appropriation	2015-2017 Request	2015-2017 Recommendation
Total		0	0	175,000
709 Council on the Arts				
Arts & Humanities Fund - 399	399	63,515	63,515	63,515
Total		63,515	63,515	63,515
720 Game and Fish Department				
Non-Game Wildlife Fund 216	216	120,000	120,000	120,000
Game & Fish Department Fund 222	222	35,679,248	38,105,251	39,993,055
Habitat and Depredation Fund 488	488	3,150,000	4,359,410	4,450,846
Total		38,949,248	42,584,661	44,563,901
750 Parks and Recreation Department				
Snowmobile Fund - 261	261	746,760	746,760	866,760
State Parks Gift Fund - 265	265	144,070	144,070	144,070
ND Outdoor Heritage Fund	294	241,000	0	0
Parks & Recreation Fund - 398	398	8,235,349	6,384,196	7,389,371
Trail Tax Transfer Fund - 441	441	625,448	726,959	735,330
Total		9,992,627	8,001,985	9,135,531
770 Water Commission				
Special Fund Budget	003	0	0	155,987
Water Development Trust Fund 267	267	44,250,000	27,500,000	27,500,000
NAWS Operations Fund 381	381	1,200,000	2,000,000	2,013,231
Water Commission Fund 397	397	776,681,628	1,377,657,140	1,381,153,050
NAWS Project Reserve Fund 413	413	150,000	350,000	350,000
Total		822,281,628	1,407,507,140	1,411,172,268
801 Department of Transportation				
Special Fund Budget	003	0	0	307,303
Highway Fund - 200	200	1,126,298,287	516,799,333	1,983,622,641
Motor Vehicle Operating - 201	201	26,116,252	30,081,853	33,187,732
Highway Rail Grade Crossing Safety	203	657,150	0	0
Motorcycle Safety Fund - 205	205	665,991	665,991	665,991
Dealer Enforcement Fund	217	181,500	193,514	207,283
Special Road Fund - 230	230	1,596,876	1,621,276	6,621,276
Fleet Services Fund - 700	700	85,560,797	85,807,856	86,213,758
Total		1,241,076,853	635,169,823	2,110,825,984
Total All Agencies		3,645,383,181	3,098,373,462	4,817,620,608

Account – A subdivision of a fund. An account is a classification by which information on particular financial transactions and financial resources is recorded and arranged.

Addition – Extension, enlargement, or expansion made to an existing asset.

Agency Budget Number – The three-digit number assigned to each Business Unit by OMB.

Agency or Business Unit – A principal, functional, and administrative entity created by statute within state government.

Allotment – A procedure under which appropriated funds are restricted when resources appear insufficient to cover appropriations. Allotment, authorized by NDCC 54-44.1-12, is intended to assure that expenditures do not exceed available resources during a biennium.

Appropriation – A legislative authorization to expend resources. An appropriation specifies the amount of money to be used for a particular purpose during a period of time, usually one biennium.

Appropriation Authority – Authorization in an Appropriation Act for an agency to expend funds.

Appropriation Bill – A bill through which appropriations are given legal effect.

Balanced Budget – A budget in which estimated expenditures for the fiscal year are equal to or less than projected revenues for the same period. In certain situations, a balanced budget may include the beginning balance in projected revenues.

IBARS – Internet Budget Analysis and Reporting System.

Base Budget Request – The statement with accompanying explanations in which a state agency sets forth its financial requirements and plans for a biennium within constraints set by the Governor.

Biennium – The period of two state fiscal years for which the budget is written. For example, the 2015-17 budget covers the period July 1, 2015 to June 30, 2017.

Budget – The complete financial plan for the state for the fiscal period, as proposed in the executive recommendation and modified and adopted by the Legislature in appropriation and revenue acts.

Budget Account Code – A six digit code used for accounting and budgeting purposes, in lieu of a written description, to describe the specific items anticipated to be purchased in the budget, or purchased within various expenditure categories. Codes are assigned by OMB. A budget account code is a rollup of detail account codes.

Budget Document – The instrument used by OMB and the Governor to present a comprehensive financial program to the Legislature. The budget document consists of three parts. The first contains a summary of proposed expenditures and the means of financing them. The second consists of schedules supporting the summary. The third part is the necessary legislation to put the budget into effect including appropriation, revenue, and borrowing measures.

Budget Message – A general discussion of the proposed budget as presented in writing by the Governor to the Legislature. The budget message contains an explanation of the principal budget items, an outline of the government's experience during the past period, its financial status at the time of the message and recommendations regarding the financial policy for the coming biennium.

Budget Request – The statement with accompanying explanations that a state agency uses to set forth its financial requirements and plans for a biennium.

Budget Request Summary – The IBARS subschedule that summarizes the budget request by reporting level.

Budget Stabilization Fund (Rainy Day Fund) – A special fund with reserve dollars to be used only in time of great need.

Capital Assets – Expenditures for capital projects, extraordinary repairs and equipment over \$5,000. In IBARS, capital assets are the subschedules that summarize the budget request for capital projects, extraordinary repairs, equipment over \$5,000, IT equipment and software over \$5,000, and other capital payments.

Capital Budget – The portion of the budget devoted to proposed additions and repair of buildings and land and the means of financing those assets. The capital budget portion of the budget includes money for building new state facilities and making improvements to existing facilities.

Capital Projects – Expenditures for new construction, additions, restorations, and demolitions of buildings and infrastructure.

Capital Carryover – The unexpended balance of an appropriation, remaining at the end of the biennium, approved for expenditure by the carryover committee.

Comprehensive Annual Financial Report (CAFR) – The official annual report of a government, prepared in conformity with GAAP and organized into a financial reporting pyramid.

Continuing Appropriation – Statutory authorization for an agency to accept revenue and make expenditures that are not subject to the biennial appropriation process. In IBARS, the subschedule that provides the statutory authority and the estimated revenues and expenditures for each continuing appropriation fund.

Debt Limitation – Constitutionally or statutorily imposed limits on state obligations.

Debt Service – A category of appropriations and expenditures used for the payment of principal and interest on debt.

Dedicated Fund – A fund that receives and expends revenue collected by the state for a specific purpose.

Dedicated Tax – A tax levied to support a specific government program or purpose.

Deficiency Appropriation – An appropriation used to meet obligations not foreseen when the biennial budget was enacted and for which the costs would exceed available spending authorizations. It might add to a previously authorized appropriation anticipated to be inadequate, or provide a new appropriation to finance an existing or anticipated liability for which no appropriation exists.

Deficit – The amount by which spending exceeds income within a given fiscal period.

Demolition – All expenditures associated with tearing down an existing building or structure.

Department ID – Provides a means for entering and tracking accounting data. It is the lowest level of detail for accumulating costs.

Direct Costs – Costs specifically traceable to certain goods, services, units, programs, activities, or functions. Direct costs differ from indirect costs in that the latter cannot be specifically traced and so must be allocated on some systematic and rational basis.

Enterprise Resource Planning (ERP) – An administrative software system that covers the entire enterprise.

Executive Recommendation – The Governor's constitutionally mandated plan of appropriations, expenditures, and cash disbursements, along with estimates of revenues and cash receipts expected to be available to support those expenditures.

Expenditure – Decreases in net financial resources. Expenditures include current operating expenses requiring the present or future use of net current assets, debt service and capital outlays, and intergovernmental grants, entitlements and shared revenues. An expenditure occurs when the liability is incurred for goods and services received regardless of when the money is disbursed.

Extraordinary Repair – Relatively large expenditures for repairs that benefit more than one operating cycle or period. Extraordinary repairs are non-recurring in nature and increase the value or service life of the asset.

Federal Funds – Funds received or requested directly from the federal government, or federal funds passed through from another state entity.

Fiscal Note – The statement of fiscal impact (revenue and/or expenditure) that a proposed bill will have on the state, its political subdivisions, or the citizens of the state.

Fiscal Year – The state fiscal year runs from July 1 through June 30. The federal fiscal year runs from October 1 through September 30. The fiscal year for counties and cities is the calendar year.

Fringe Benefits – Payments made by the state for retirement, social security, health insurance, workers compensation, and unemployment insurance.

Full-time Equivalent (FTE) Position – A full-time position approved by the Legislature. A full-time work year is 40 hours per week, 52 weeks per year.

Fund – A fiscal entity segregating the financial resources of the state. Monies in a fund may be used for a specific purpose as provided by law. Each fund is a self-balancing set of accounts recording resources, obligations, reserves, and equities in accordance with GAAP.

Fund Number – A three-digit code assigned by OMB to each fund for accounting purposes.

Funding – The source of operating revenue for a department. The three categories for funding are general, federal, and special.

General Fund – The major operating fund of the state that receives all state income not earmarked for a particular program or activity and not specified by law to be deposited into another fund.

Generally Accepted Accounting Principles (GAAP) – Uniform minimum standards and guidelines for financial accounting and reporting.

Goal – A long-term (multi-year) vision of the future; the general end towards which efforts are directed.

Governmental Accounting Standards Board (GASB) – An independent, professional body that establishes standards for accounting and financial reporting applicable to state and local governmental entities.

Improvement (or betterment) – The removal of a major part or component of an asset and the substitution of a different part or component having significantly improved and superior performance capabilities.

Indirect Costs – The elements of cost necessary in the production of goods or services that are not directly traceable to the product or service.

Internal Controls – Methods and measures adopted within an organization to safeguard its assets, check the accuracy and reliability of its accounting data, promote operational efficiency, and encourage adherence to prescribed managerial

policies. Internal controls encompass both internal administrative controls and internal accounting controls.

Large IT Project – Information Technology (IT) projects with a budget in excess of \$500,000. In IBARS, these projects are reported through the Large IT Projects subschedule.

Line Item (Class [PS]) – A line item is a subdivision of an appropriation such as salaries and wages, operating expenses, and capital assets.

Matching Funds – A type of grant requiring the government or agency receiving the grant to commit a certain amount of funding to the program before funds will be made available by the granting entity.

Mission – A broad statement of the overall purpose of an agency's existence including what they do, why they do it, and for whom they do it.

Non-appropriated – Revenues or expenditures of governmental entities that are not subject to the appropriation process.

Non-recurring Revenues – Revenues available during a fiscal period that will not be available in subsequent fiscal periods.

Operating Budget – Plans of current expenditures and the proposed means of financing them. For the State of North Dakota, this is the proposed plan of funds necessary to run a program, excluding the cost of capital construction.

Operating Maintenance – Expenditures for maintenance and ordinary repairs to keep assets in usable condition. Operating maintenance is either recurring or incurred on a continuous basis, not capitalized, and involves dollar amounts less than \$1,500. Examples include paint, floor wax, lubrication, cleaning supplies, and air filters.

Optional Request – The statement with accompanying explanations in which a state agency sets forth its financial requirements that exceed the base budget constraints set by the Governor.

Other Funds – Non-general fund amounts appropriated by the Legislature, which include all federal and special funds.

Peoplesoft Financials – Name of the computerized system used in North Dakota state government to account for all financial transactions.

Peoplesoft HR/Payroll – Name of the computerized system used in North Dakota state government to account for all human resource and payroll transactions.

Performance Measure – The gauge used to measure progress towards a stated goal.

Program – A functional unit of activity representing the basic budget unit used to describe and account for services provided by state government. Programs have an identifiable objective that can be evaluated for performance.

Program Objective – The ultimate purpose of a program, towards which efforts are directed, stated in terms of a measurable result.

Receipts – A general term for cash received which may either satisfy a receivable, or be a conversion of another asset or a refund of a prior expenditure.

Receivable – An anticipated sum of money treated as revenue even though it is not in hand. Such sums are available for expenditure by state agencies when properly authorized. The establishment of a receivable amount results in an increase in an asset balance.

Renovation – Substantial changes to an asset bringing it to a condition better than it was when originally built.

Replacement – Involves the removal of a major part or component of an asset and the substitution of a new part or component of essentially the same type and performance capabilities.

Restoration – An expenditure to bring an asset back to its original condition or state.

Revenue Estimates – Projections of anticipated state revenue for the current and future biennia.

Revolving Fund (Account) – A fund (or an account within any fund) established to finance (1) state activities of a business or commercial nature or (2) the operation of an intra governmental service agency or enterprise, which generates receipts (income) from the sale of commodities or services. Such receipts are available for the continuing operation of the activity or enterprise.

Special Funds – Monies derived from sources such as local governmental units, special funds, departmental collections, and private contributors.

Strategic Plan – An action-oriented guide developed through an examination of internal and external factors that directs goal-setting and resource allocation to achieve meaningful results over time.

Success Indicator – The gauge used to measure progress towards a stated goal.

Surplus – The amount income exceeds spending within a given fiscal period.

Transfers – The movement of cash or other resources between funds, as legally authorized.

Trust Funds – Funds used to account for assets held by a government in a trustee capacity for individuals, private organizations, other governments, or other funds.

Unexpended Appropriated Balance – The appropriated authority minus actual expenditures. The same amount as the portion of an appropriation not yet expended.

User Taxes and Fees – Charges associated with using a particular service or facility (e.g., park entrance fees, highway tolls).

Veto – The constitutional authority of the Governor to disapprove bills passed by the Legislature. The *line item veto* is the authority of the Governor to disapprove any item or items of appropriation while approving the rest of the appropriation bill. The Legislature may override a veto or line item veto with a vote of at least two-thirds of the members of each House.

MANAGEMENT AND FISCAL ANALYSTS

Budget No.	Agency	OMB Analyst	Leg Council Analyst
101	Office of the Governor	Lori Laschkewitsch	Brady Larson
108	Secretary of State	Becky Deichert	Sean B. Smith
110	Office of Management and Budget	Lori Laschkewitsch	Adam Mathiak
112	Information Technology	Lori Laschkewitsch	Sean B. Smith
117	Office of the State Auditor	Becky J. Keller	Sheila M. Sandness
120	Office of the State Treasurer	Lori Laschkewitsch	Adam Mathiak
125	Office of the Attorney General	Becky J. Keller	Chris J. Kadrmas
127	Office of State Tax Commissioner	Becky J. Keller	Adam Mathiak
140	Office of Administrative Hearings	Becky J. Keller	Alex Cronquist
150	Legislative Assembly	Lori Laschkewitsch	Sheila M. Sandness
160	Legislative Council	Lori Laschkewitsch	Sheila M. Sandness
180	Judicial Branch	Becky J. Keller	Sean B. Smith
188	Commission on Legal Counsel for Indigents	Becky J. Keller	Sean B. Smith
190	Retirement and Investment Office	Lori Laschkewitsch	Michael C. Johnson
192	Public Employees Retirement System	Lori Laschkewitsch	Michael C. Johnson
201	Department of Public Instruction	Tammy R. Dolan	Sheila M. Sandness
215	ND University System	Tammy R. Dolan	Brady Larson
226	Department of Trust Lands	Becky J. Keller	Adam Mathiak
227	Bismarck State College	Tammy R. Dolan	Alex Cronquist
228	Lake Region State College	Tammy R. Dolan	Alex Cronquist
229	Williston State College	Tammy R. Dolan	Alex Cronquist
230	University of North Dakota	Tammy R. Dolan	Brady Larson
232	UND Medical Center	Tammy R. Dolan	Brady Larson
235	North Dakota State University	Tammy R. Dolan	Brady Larson
238	ND State College of Science	Tammy R. Dolan	Alex Cronquist
239	Dickinson State University	Tammy R. Dolan	Brady Larson
240	Mayville State University	Tammy R. Dolan	Brady Larson
241	Minot State University	Tammy R. Dolan	Brady Larson
242	Valley City State University	Tammy R. Dolan	Brady Larson
243	Dakota College at Bottineau	Tammy R. Dolan	Alex Cronquist
244	ND Forest Service	Tammy R. Dolan	Alex Cronquist
250	State Library	Tammy R. Dolan	Sheila M. Sandness
252	School for Deaf/Res Ctr for Deaf and HoH	Tammy R. Dolan	Sheila M. Sandness
253	ND Vision Services/School for the Blind	Tammy R. Dolan	Sheila M. Sandness
270	Career and Technical Education	Tammy R. Dolan	Sean B. Smith
301	ND Department of Health	Lori Laschkewitsch	Sheila M. Sandness
305	Tobacco Prevention and Control	Lori Laschkewitsch	Sheila M. Sandness
313	Veterans Home	Lori Laschkewitsch	Sean B. Smith
316	Indian Affairs Commission	Lori Laschkewitsch	Chris J. Kadrmas
321	Department of Veterans Affairs	Lori Laschkewitsch	Sean B. Smith
325	Department of Human Services	Lori Laschkewitsch	Michael C. Johnson
360	Protection and Advocacy	Lori Laschkewitsch	Sean B. Smith
380	Job Service North Dakota	Becky J. Keller	Sean B. Smith
401	Office of the Insurance Commissioner	Becky Deichert	Alex Cronquist
405	Industrial Commission	Becky J. Keller	Adam Mathiak
406	Department of Labor and Human Rights	Becky Deichert	Sean B. Smith

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Budget No.	Agency	OMB Analyst	Leg Council Analyst
408	Public Service Commission	Becky Deichert	Chris J. Kadrmas
412	Aeronautics Commission	Becky Deichert	Chris J. Kadrmas
413	Department of Financial Institutions	Becky Deichert	Chris J. Kadrmas
414	Securities Department	Becky Deichert	Chris J. Kadrmas
471	Bank of North Dakota	Becky J. Keller	Adam Mathiak
473	ND Housing Finance Agency	Becky J. Keller	Adam Mathiak
475	ND Mill and Elevator Association	Becky J. Keller	Adam Mathiak
485	Workforce Safety and Insurance	Becky Deichert	Sean B. Smith
504	Highway Patrol	Becky J. Keller	Brady Larson
530	Department of Corrections and Rehabilitation	Becky J. Keller	Alex Cronquist
540	Office of the Adjutant General	Becky Deichert	Alex Cronquist
601	Department of Commerce	Tammy R. Dolan	Sean B. Smith
602	Department of Agriculture	Becky Deichert	Alex Cronquist
627	Upper Great Plains Transportation Institute	Becky Deichert	Alex Cronquist
628	Branch Research Centers	Becky Deichert	Alex Cronquist
630	NDSU Extension Service	Becky Deichert	Alex Cronquist
638	Northern Crops Institute	Becky Deichert	Alex Cronquist
640	NDSU Main Research Center	Becky Deichert	Alex Cronquist
649	Agronomy Seed Farm	Becky Deichert	Alex Cronquist
665	ND State Fair	Becky Deichert	Michael C. Johnson
670	ND Horse Racing Commission	Becky Deichert	Chris J. Kadrmas
701	Historical Society	Lori Laschkewitsch	Chris J. Kadrmas
709	Council on the Arts	Becky Deichert	Michael C. Johnson
720	Game and Fish Department	Becky Deichert	Chris J. Kadrmas
750	Parks and Recreation Department	Becky Deichert	Michael C. Johnson
770	Water Commission	Becky J. Keller	Chris J. Kadrmas
801	Department of Transportation	Becky J. Keller	Chris J. Kadrmas