

**Testimony of JoDee Hanson**  
In Support of  
**2021 HOUSE BILL 1001**  
**OFFICE OF THE GOVERNOR**

**Presented to**  
**Senate Appropriations Committee**  
**Senator Homberg, Chairman**  
**Friday, March 12, 2021**

Good morning Mr. Chairman and Members of the Committee. For the record, I'm JoDee Hanson serving as Chief Administrative Officer for the Governor. Thank you for the opportunity to present the Governor's office budget for the next biennium.

In order to achieve the 95% budget guideline in the Governor's Office budget, we removed the Governor's salary. The House restored funding for his salary.

The House then reduced our operating budget by 27% or \$100,000, leaving us less than \$135,000/year (of which \$95,000 is fixed IT costs) to operate our office of 18 FTE.

We respectfully ask that you restore these operating funds as we operate very lean. For example, our travel budget for the team is \$27,500 annually.

This budget includes funding for the salary increases and health insurance changes recommended for all state agencies as part of the statewide executive compensation plan, as well as a small increase for Office 365 license fee.

For additional background, we provided the following amendments for the 19-21 appropriation to the House, which were adopted and included in the House version of the budget bill:

**Line item transfers.** Because of COVID we were unable to fully use our travel and professional development budget. Our request is to transfer these funds from the operating line to salary for the following:

- Pay out unused annual leave (approximately \$29,000) which expires on April 30 for the team members who have been unable to utilize their earned leave in the past 12 months. OMB has a policy in place for this situation and considers each agency request. Without this line item transfer, we don't have the dollars in our salary line to cover this payout. This past year has taken an enormous toll on our small team, and losing unused annual leave creates unintended consequences of morale issues for those who have worked tirelessly throughout the pandemic response.
  
- Thank you for the one-time funding from last session to upgrade our Boards and Commissions website. We are in beta testing for this much improved more user-friendly website and expect to launch in the coming days. We are under budget in part due to the technical expertise of our Boards & Commissions Manager. She collaborated closely with NDIT, which led to increased efficiencies in the project. She is budgeted as a 75% FTE but will have worked full-time for approximately 18 months to complete this project. Based on her technical expertise, we experienced savings on the appropriation, however, incurred additional expense on our salary line. This transfer of \$35,000 to our salary line better reflects the true costs of the one-time funding for the boards website upgrade and removes pressure from our already tight salary line.
  - The Boards and Commissions IT project (one-time funding) in the 2019-2021 budget is \$139,808. \$63,008 has been expended for this project thru 1/31/20.

**Carry forward of the appropriation for the Rough Rider Awards.**

- The Hall of Fame induction ceremonies were postponed this year due to the pandemic. It has been requested by recent inductees for their event to occur in the fall of 2021.

I ask for your favorable consideration of the proposed budget with the requested change, and along with our budget analyst Stephanie Gullickson, am available to answer any questions you may have.

Thank you!