



# **HB1012 Business Operations Detail to Senate Appropriations - HR Division**

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Sara Stolt | Deputy Commissioner  
March 10, 2025

# Our Vision

North Dakota is the healthiest state in the nation.

# Our Mission

HHS fosters positive, comprehensive outcomes by promoting economic, behavioral and physical health, ensuring a holistic approach to individual and community well-being.

# Our Strategic Priorities

Support the advancement of strong, stable, healthy families and communities.

Advance the foundations of well-being through access to high-quality services and support closer to home.

Optimize disaster and epidemic response and recovery.

Advance excellence in agency infrastructure and operations.

Deliver best-in-class, customer-centered experiences.

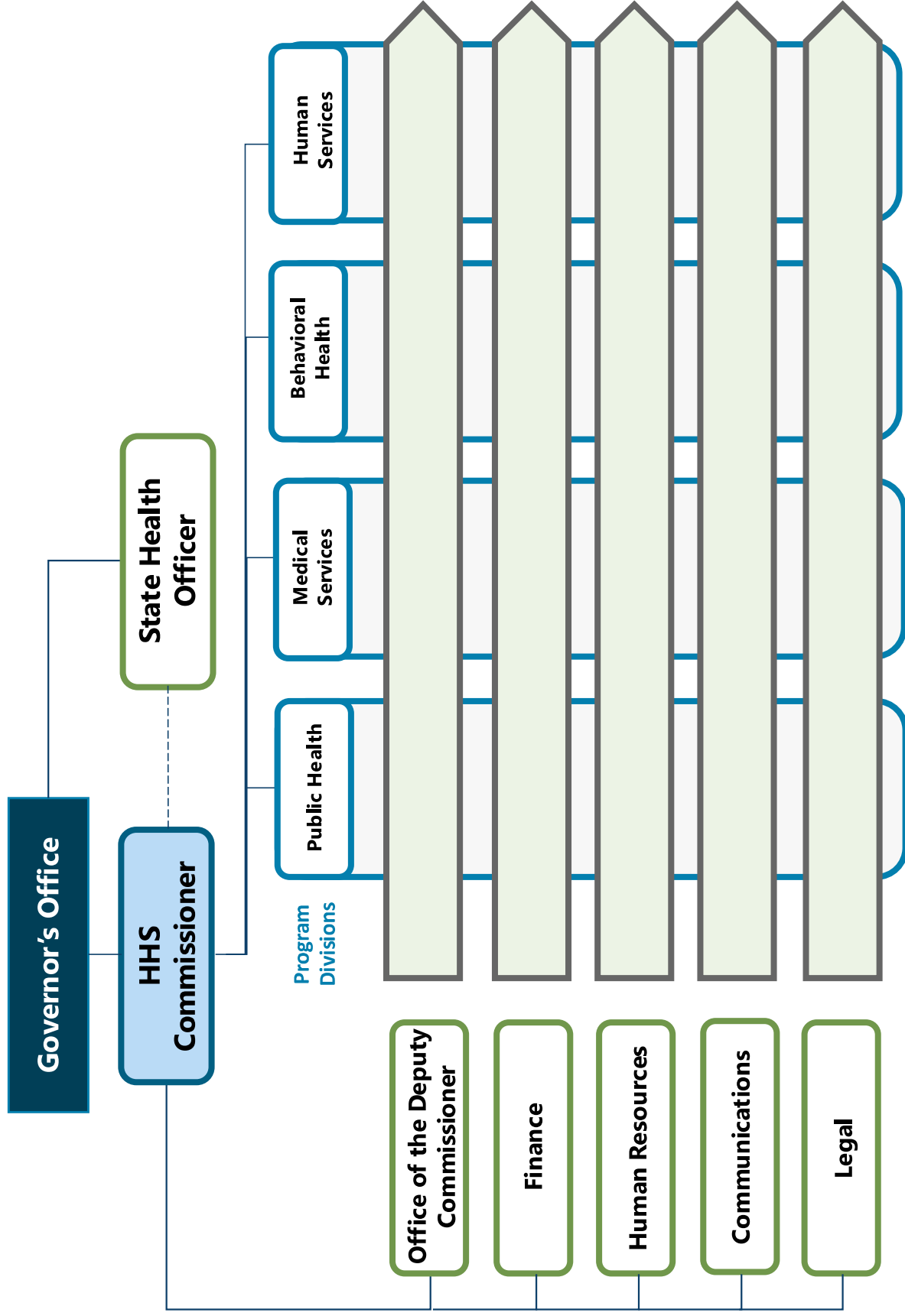
Foster a culture of excellence where every team member has a voice, adds value and is empowered to make a difference.



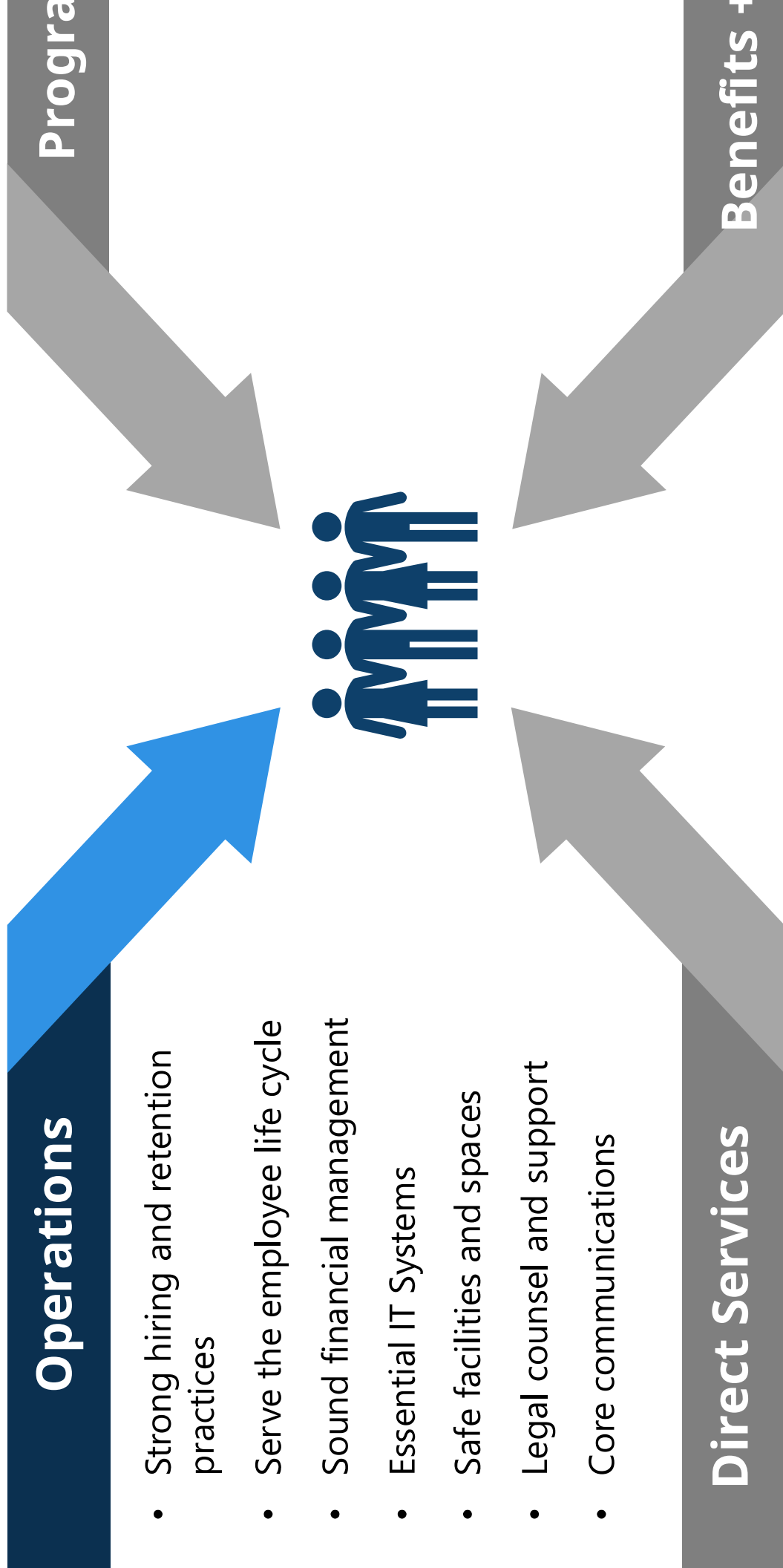


# Business Operations

# Operations Divisions model supports core business functions at



# The Foundation for Success



*"A company can seize extra-ordinary opportunities only if it is very good at ordinary operations." - Marcel Telles*

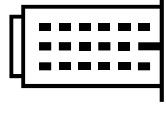
# Drive Quality, Efficiency and Effectiveness



Citizen engagement on hhs.nd.gov has doubled from 600k to 1.5M from 2023 to 2024.



The finance team manages over 400 funds coming into HHS and more than 4,000 contracts for providers, vendors and grantees.



Human Resources has posted 973 jobs in 2024; average applicants per post has gone up from 6.3 in 2022, to 9.6 in 2024.



The es recover legal h increas estate r by 15%

# Business Operations Divisions

Section Name			
Position Numbers Assigned	Filled Positions	# of temporary staff	# of Vacancies
187.25	156.05	14	31.2

- Office of Commissioner
- Office of Deputy Commiss
- Finance Division
- Communications Division
- Human Resource Division
- Legal Division

Average Age	43
Avg Years of Service	12.2
Retirement Risk	4%

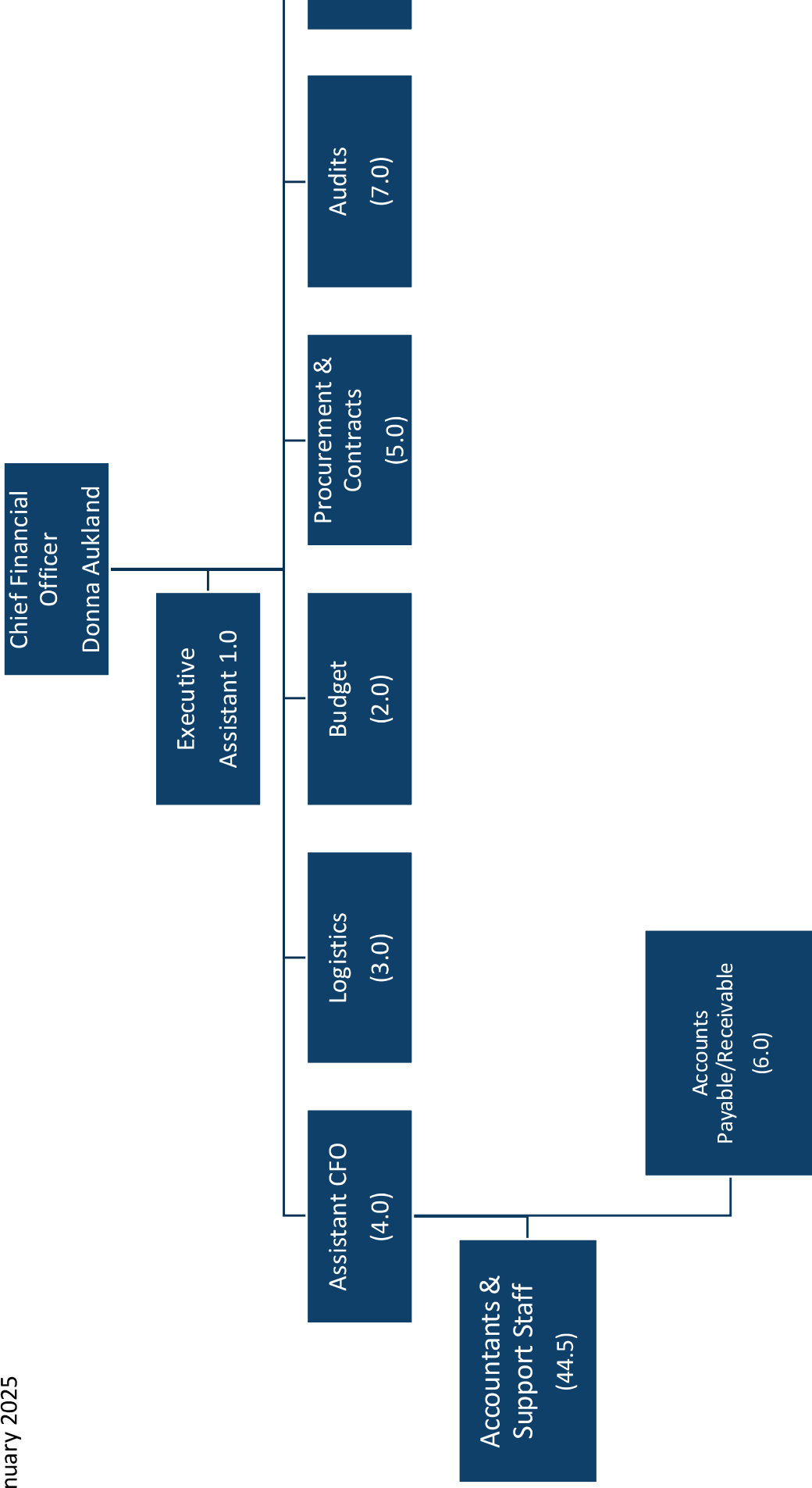




# Divisional Overviews

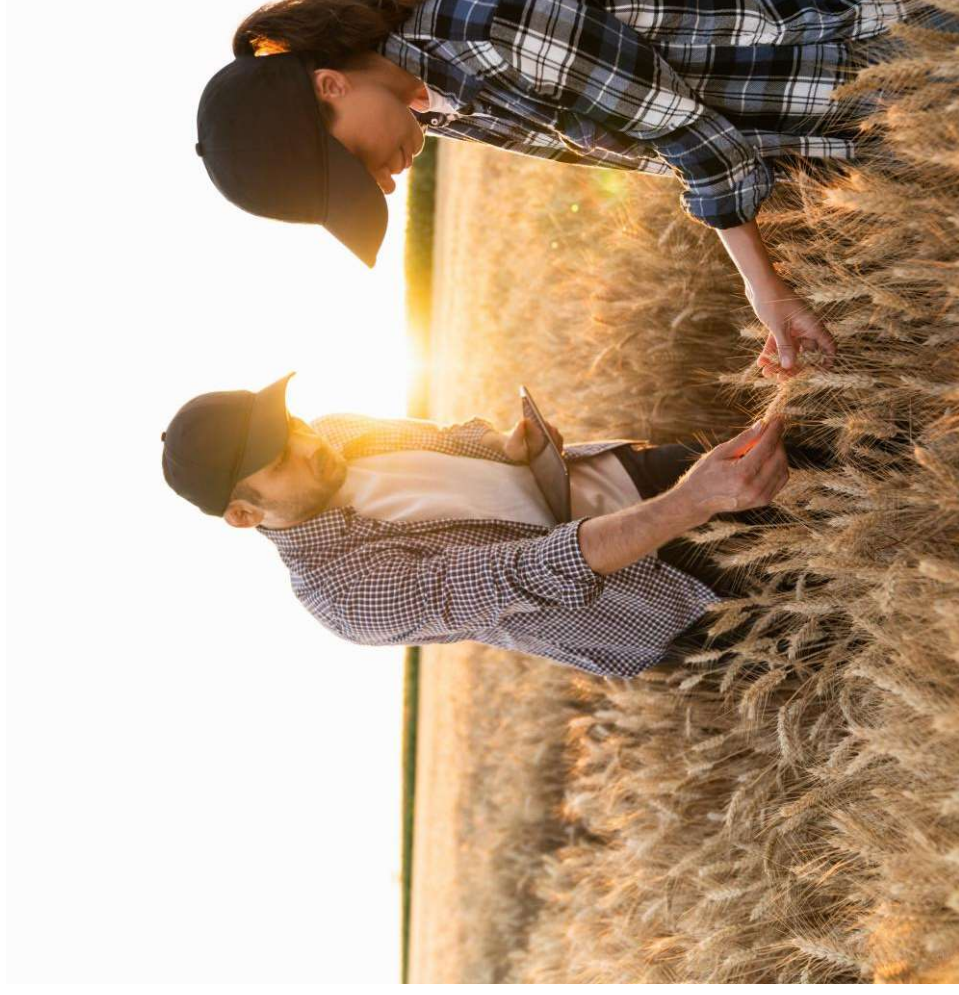
# ND Department of Health & Human Services Finance Division

Effective January 2025



# Finance Opportunities

- Procurement | Contract Governance
- Audit Governance
- Responsible Resource Management
- Grants Governance
- Digitization
- Collaboration





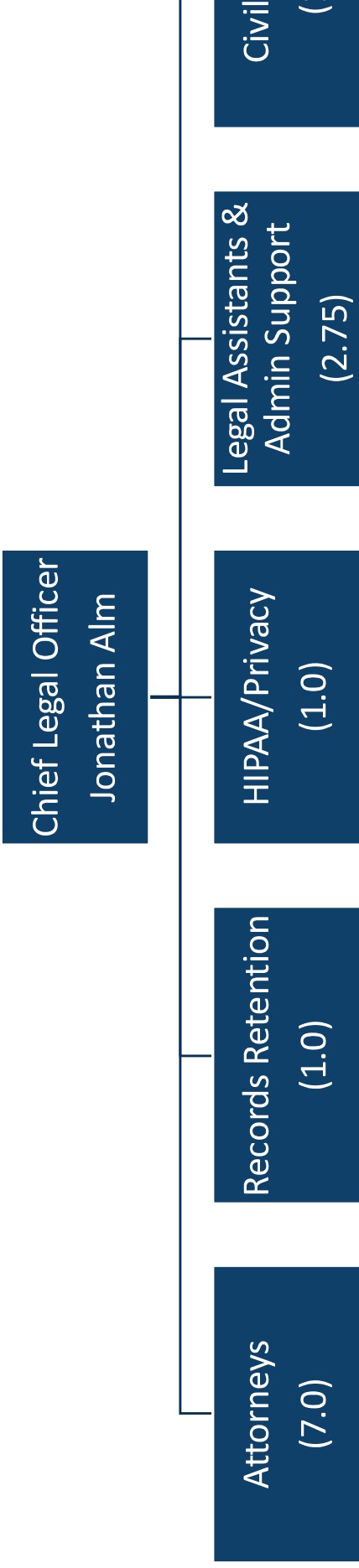
# Finance Challenges

- Manual Processes
- Financial Integration Between Agencies (ongoing)
- Responsible Resource Management
- Turnover | Retirements
- Increased Workload



# ND Department of Health & Human Services Legal Division

Effective January 2025





# Legal Division

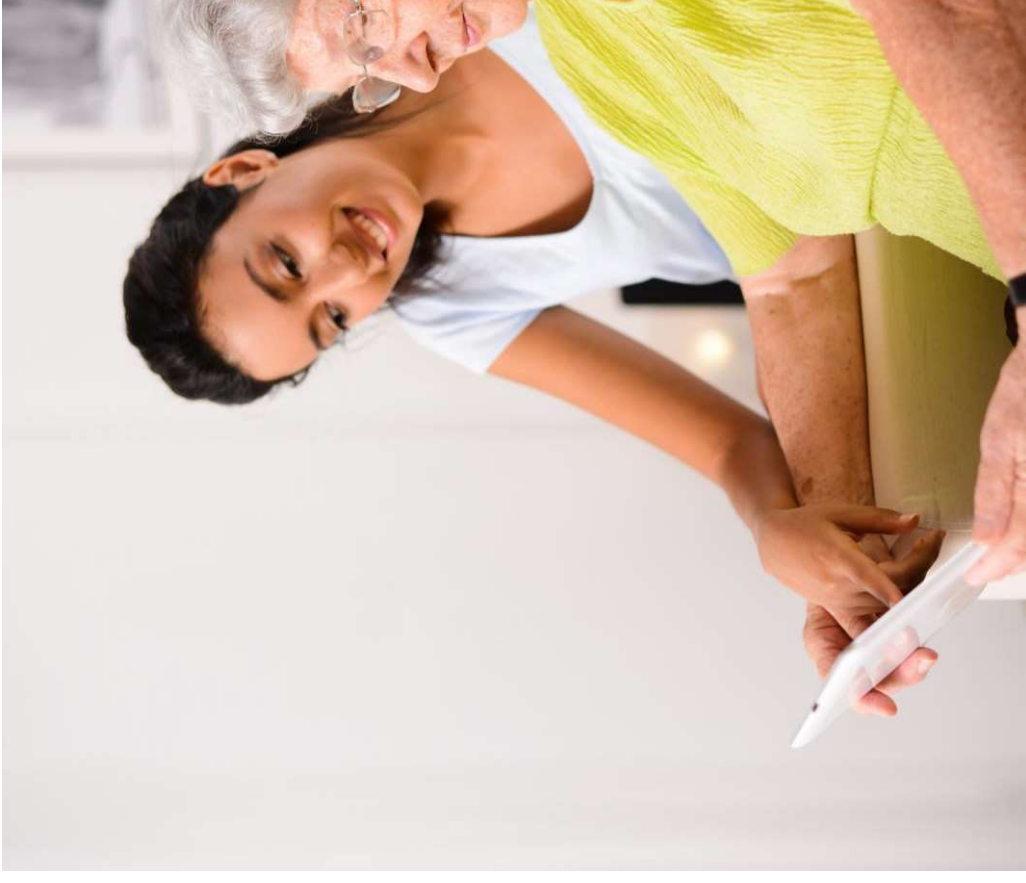
Restructured job duties to embed specific attorneys within the Department's divisions to:

- Increase response times back to Department staff, which translate into faster responses back to applicants, recipients, and our community partners;
- Create subject matter experts for each division to rely upon;
- Reduce involvement of direct care staff being involved in legal matters; and
- Be available to our legal community partners.



# Legal Division – Challenges

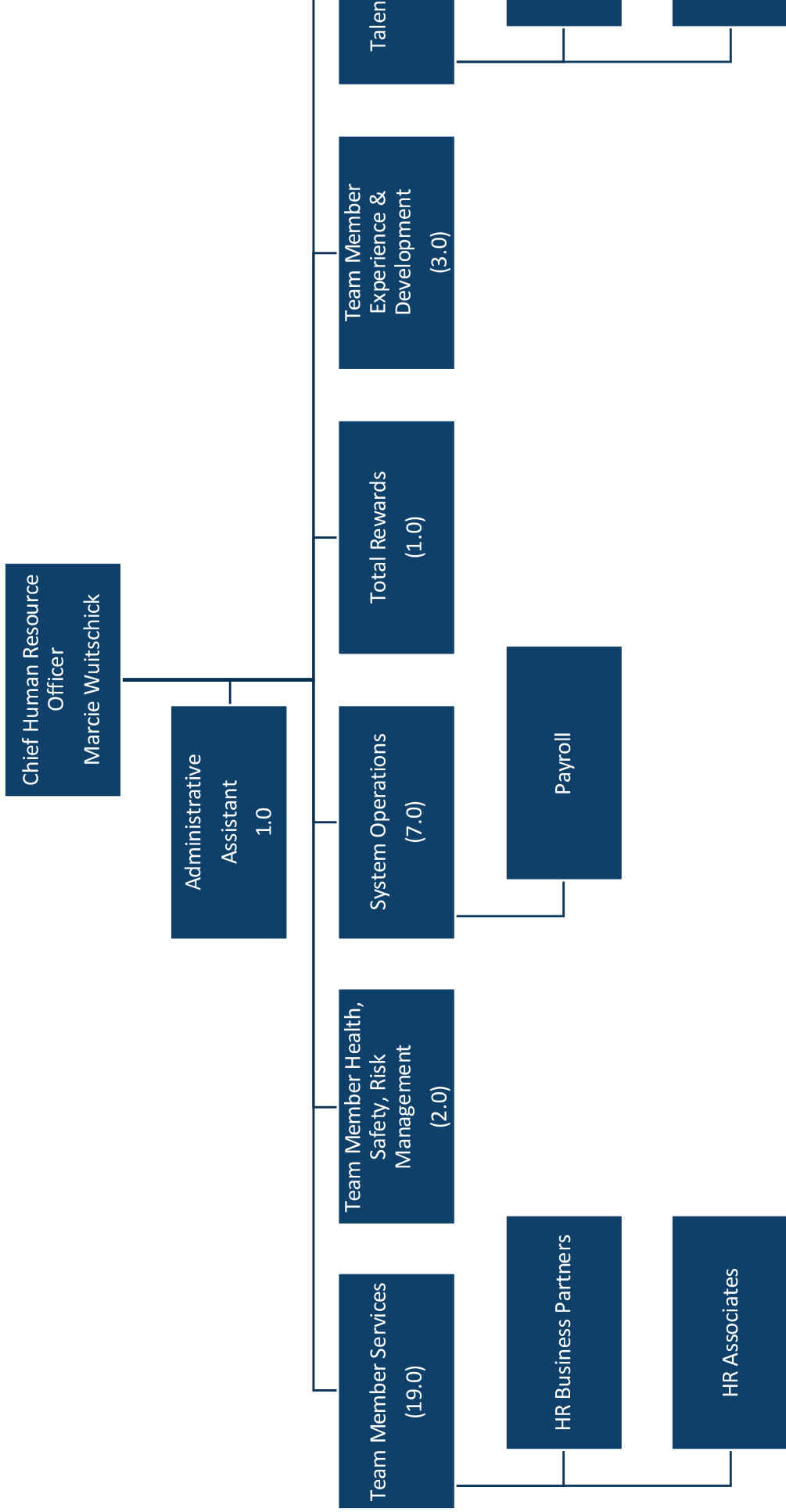
- Increase in workload due to changes to federal and state law and regulations, new programs, or increase in appropriation to provide additional services and supports.
- Increase in the number of appeals, intentional program violations, and trust reviews.
- Finding legal solutions to address the ability to provide services or assistance to individuals with more complex needs.



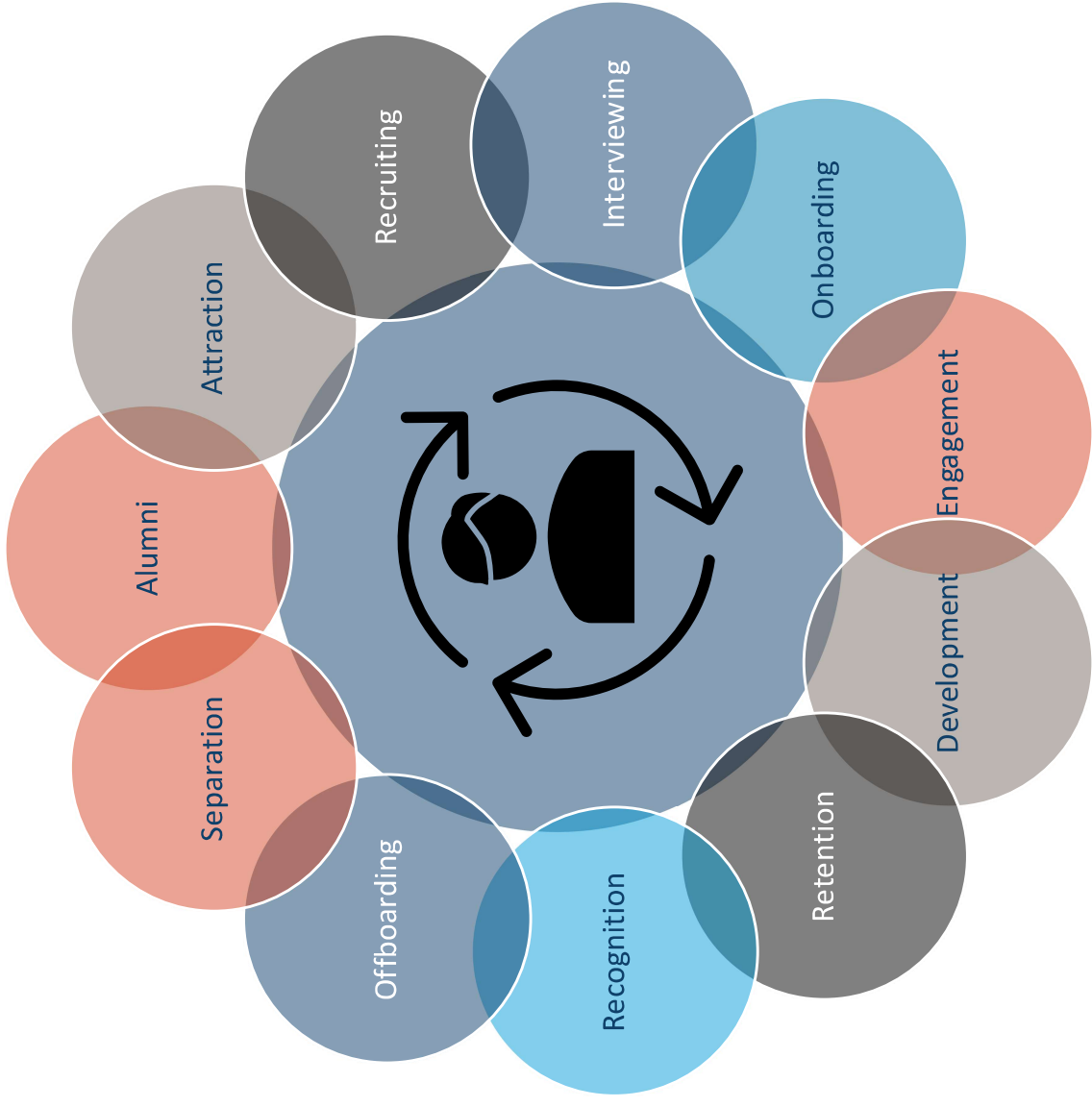
# ND Department of Health & Human Services

## Human Resource Division

Effective January 2025



# The Employee Life Cycle



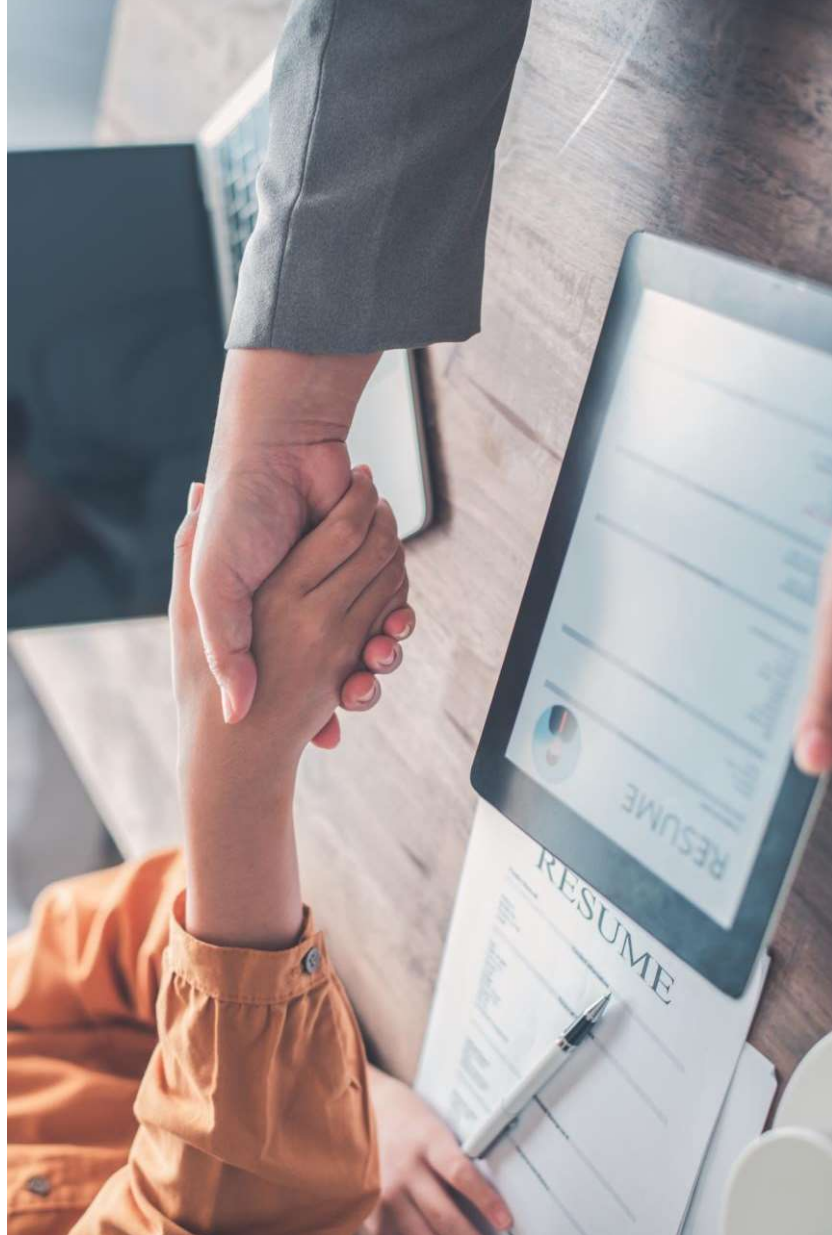
# Human Resources Opportunities



- Team Member Experience (development, onboarding, offboarding)
- Automating Standard HR Functions
- Leadership & Manager Development
- Employee Engagement



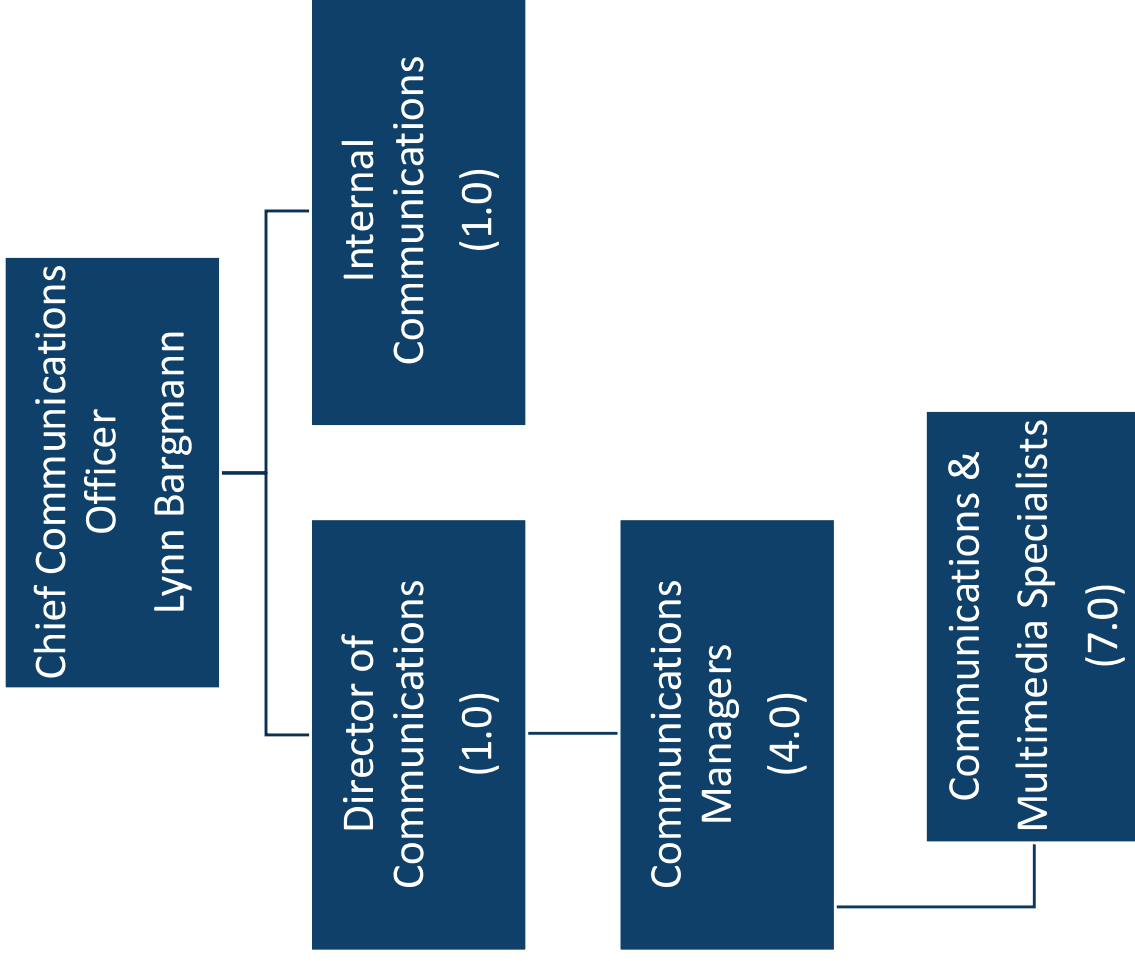
# Human Resources Challenges



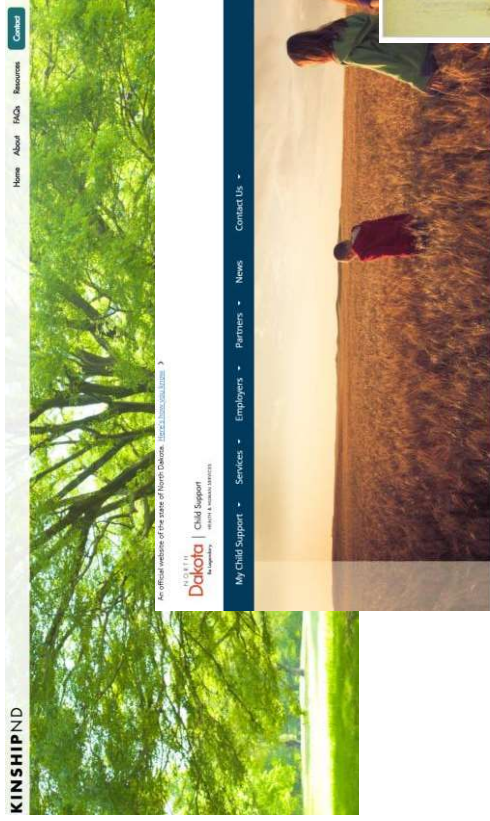
- Low unemployment | attract
- Manual processes
- Amount of change | helping adapt

# ND Department of Health & Human Services Communications Division

Effective January 2025



# Improve access: Streamline and strengthen communications touch making it easier for North Dakotans to meet their health and well-b



ND Sexual Violence and Intimate Partner Violence Prevention Toolkit  
Sexual and intimate partner violence prevention resources

Welcome to North Dakota Child Support  
Child Support works with parents, employers, and other partners to help ensure children receive court ordered financial aid. employers, and partners can connect with Child Support 24/7.

## Program websites planned for integration to HHS.nd.gov:

- KinshipND
- ND Child Support
- ND Sexual Violence and Intimate Partner Violence Prevention Toolkit

HHS.nd.gov

NORTH  
Dakota  
Be Le

# Foster engagement and trust with those we serve, t and the media

## Storytelling campaigns

Voices of Impact

EVERY PERSON HAS A STORY  
Every story has a purpose.

We wake up every day with a shared goal:  
To make North Dakota the best place to live, a place where individuals and families  
have the opportunity to succeed and build meaningful lives in thriving communities.  
Explore with us how our work shapes the economic, physical, and behavioral health of North Dakotans.

Featured Content

- Vocational Rehabilitation: Lon Eardson overcomes hearing loss to remain in the workforce
- Child Passenger Safety: A new program ensures how seat belts and child restraint seats are used
- DBE Lifeline: Business partners work together to learn how to support employee mental health
- Nursing Facility Incentive Program: New state nursing facility means to residents' health and well-being
- Vocational Rehabilitation: A new program ensures how seat belts and child restraint seats are used

## Community engagement

Community engagement activities including people painting rocks and a woman smiling.

NORTH Dakota Be Legendary. Health & Human Services

## Partner | provider

GREAT KIDS GROW HERE.

North Dakota provides two great programs to help working parents with child care costs. Learn more on the following pages.

Dakota Be Legendary

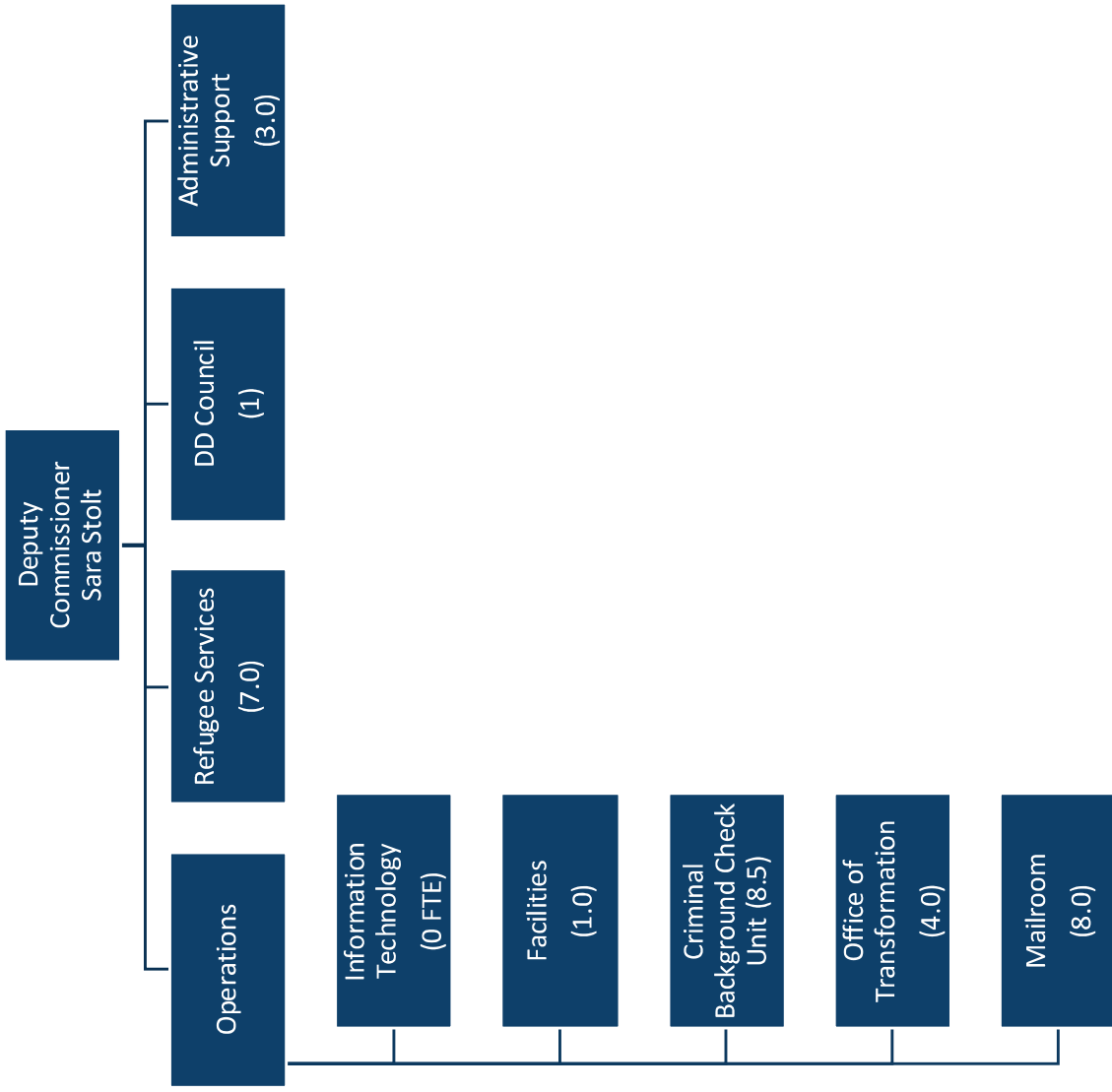
## Voices of Impact on hhs.nd.gov

## "Recovery Rocks" campaign

## Working Parents Employer

# ND Department of Health & Human Services Office of Deputy Commissioner

Effective January 2025





# IT + Project Governance

- Technology solutions support core services HHS provides
- Align resources to support right technology at the right time
- Retire legacy systems and mainframe
- Establish, in collaboration with NDIT, the IT strategic direction



# Office of Transformation

- Ensure successful implementation of major HHS initiatives
- Support change management, process improvement and project management across HHS



# Criminal Background Check Unit

- Ensures compliance with federal and state laws related to required background checks
- Increased timeliness and quality
- Moving to an automated solution in 2025







# FTE Details

# Current FTE vacancies - point in time (12

374.63 Vacant Positions – Phases summarized as follows:

Phase	Description
1	Part of current budget, position number established, job description completed and in process of being classified then posted
2	Position posted; actively recruiting and has not yet closed
3	Position posting closed; applications being reviewed and interviews scheduled
4	Position has been offered, and offer is pending
5	Position is filled; new team member not started as of 12/1/24
Remove	Not budgeted for in 23-25 and/or can be deleted
Freeze	Federal Hiring Freeze does not allow for filling position(s)
	<b>TOTAL</b>

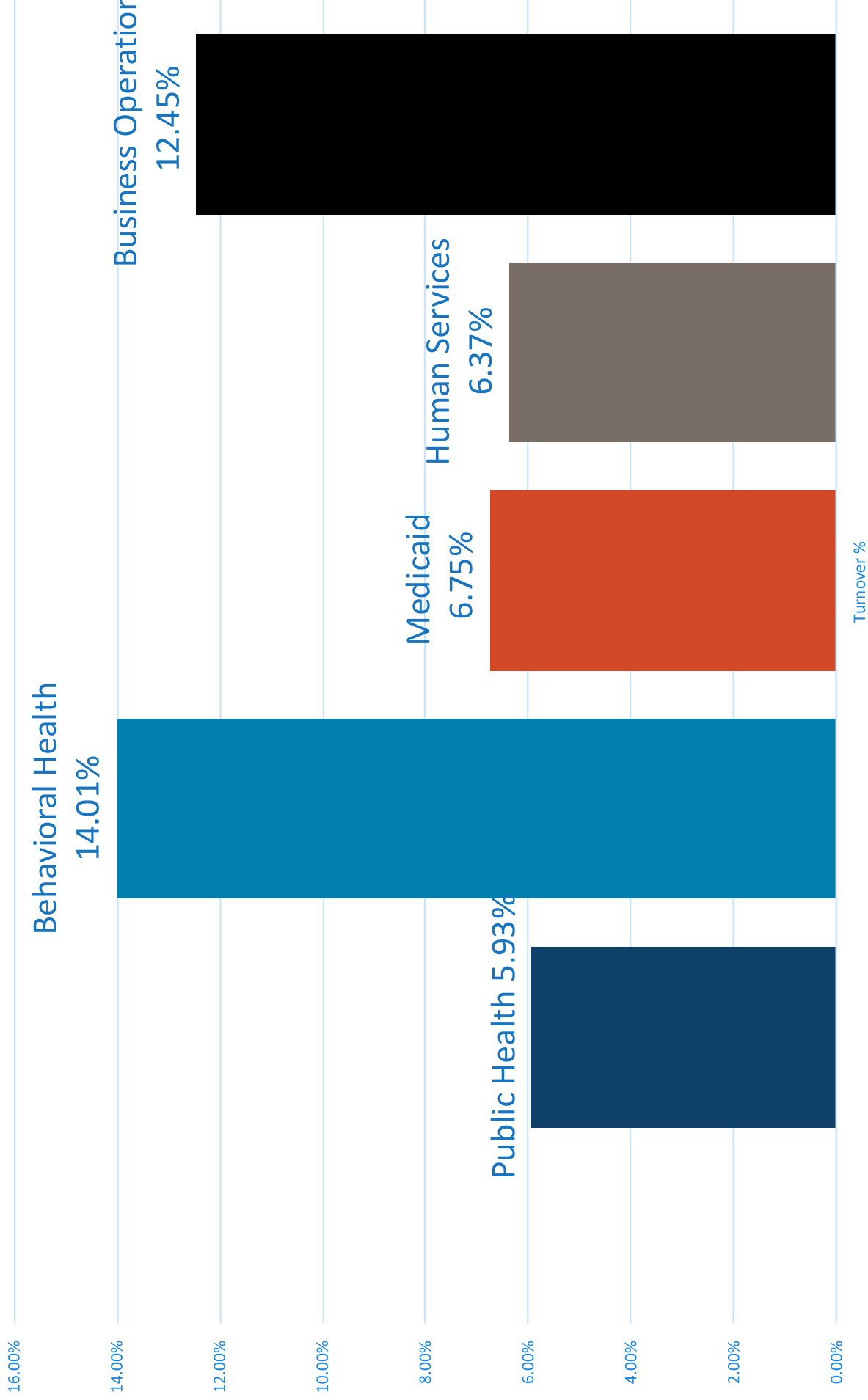


# Salary appropriation for 2023-2025 Bier

Total HHS Salary + Benefits = \$551,714,842

**NOTE:** *Block grant includes all compensation, overtime, promotional increases, health insurance premium bonuses, etc.*

# ND Department of Health & Human Services Turnover 2024



# FTE Recap

1. HHS has never exceeded our salary appropriation nor exceeded 23-25 FTE allocation.
2. HHS went through a rigorous process to build out FTE block plan that was vetted with OMB and the Governor's Office.
3. The flexibility of this block grant has made a significant impact on our ability to serve North Dakotans

# Reports

- Reconciliation Report
- Salary Budget Report (Donna)

# Other Bills Impact

Discuss any other bills being considered by the Legislative Assembly and potential budgetary impact on your agency.

*See Report*



# Comparison of budget expenditures and pro

## By Program

PROGRAMS	2023-25 LEGISLATIVE BASE		2023-25 EXPENSES THROUGH DECEMBER		2023-25 PROJECTED EXPENDITURES		2025-27 EXECUTIVE BUDGET RECOMMENDATION		INCREASE / (DECREASE)		ENGGROSSED HB 1012		GENE	
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
COMMISSIONER		2,198,688	750,000	6,260,581	11,721,745	5,517,746	(340,007)	5,177,739	3,844,000					
DEPUTY COMMISSIONER		2,208,772	1,000,000	4,336,523	6,209,827	6,798,538	(284,294)	6,514,244	4,444,000					
DD COUNCIL		1,160,234	-	1,009,189	1,294,603	1,055,139	-	1,055,139	1,055,139					
REFUGEE SERVICES		12,634,669	-	9,692,785	12,880,891	22,977,244	-	22,977,244	22,977,244					
COMMUNICATIONS		1,379,791	-	1,511,631	2,575,859	3,520,085	(225,015)	3,295,070	3,295,070					
LEGAL ADVISORY UNIT		4,622,228	-	3,012,614	5,010,607	5,529,611	(201,036)	5,328,575	5,328,575					
HUMAN RESOURCES		6,130,044	-	5,369,153	7,262,622	8,391,086	(501,144)	7,889,942	7,889,942					
FINANCE		11,581,681	-	10,502,695	14,875,896	17,712,431	(678,875)	17,033,556	17,033,556					
STATEWIDE OPERATIONS*		(6,797,738)	-	5,822,081	13,003,718	31,006,677	(6,044,894)	24,961,783	24,961,783					
IT BUSINESS OPERATIONS		107,625,432	37,477,342	6,812,770	9,026,224	63,396,440	1,500,000	64,896,440	64,896,440					
IT BEHAVIORAL HEALTH POLICY		647,935	-	525,439	687,423	-	-	-	-					
IT HUMAN SERVICE CENTERS		526,805	-	658,377	1,102,657	-	-	-	-					
IT STATE HOSPITAL & LSTC		4,306,226	-	2,599,200	3,654,560	-	-	-	-					
IT AGING SERVICES		115,618	-	408,573	437,478	-	-	-	-					
IT CHILD SUPPORT		7,475,631	60,000,000	4,108,203	65,894,491	-	-	-	-					
IT CHILDREN & FAMILY SERVICES		3,692,455	29,642,619	3,418,207	33,177,947	-	-	-	-					
IT DEVELOPMENTAL DISABILITIES		710,136	-	518,657	696,191	-	-	-	-					
IT EARLY CHILDHOOD		1,069,714	-	278,111	545,539	-	-	-	-					
IT ECONOMIC ASSISTANCE		14,819,433	-	9,717,833	13,422,692	-	-	-	-					
TECHNOLOGY AND CONNECTION FEES			-	7,951,010	11,751,320	-	-	-	-					
IT VOCATIONAL REHABILITATION		121,994	-	121,680	152,178	-	-	-	-					
IT MEDICAL SERVICES		16,771,028	35,988,399	17,348,533	51,587,932	-	-	-	-					
IT CONTRACT/SERVICE AGREEMENTS			-	93,409,858	139,929,514	-	-	-	-					
<b>TOTAL</b>		<b>\$ 193,000,776</b>	<b>\$ 164,858,360</b>	<b>\$195,393,702</b>	<b>\$ 406,901,914</b>	<b>\$ 165,904,996</b>	<b>\$ (6,775,265)</b>	<b>\$ 159,129,731</b>	<b>\$ 94,414,000</b>					

\*STATEWIDE OPERATIONS INCLUDES COPIERS, POSTAGE, RENT FOR CAPITOL BUILDING, TELEPHONE, AUDIT FEES, STATEWIDE INDIRECT COSTS AND MOTORPOOL

# Changes to Base Budget

## By Ongoing, One-Time and Funding Source

BASE BUDGET CHANGES	DESCRIPTION	2025-27 EXECUTIVE BUDGET		ENGGROSS GENERAL
		GENERAL	OTHER	
IT Existing	IT Contractual Inflationary increases	\$20,730,788		\$20,730,788
IT Existing	NDIT Rate increases	\$4,012,147		\$4,012,147
IT Existing	Retire Technical Debt remediation		\$10,000,000 - Federal (50%)/SIIF (50%)	
HHS Operations	Operational reduction	\$6,950,000		\$6,910,000
HHS operations	FTE Block Grant salary reduction	\$9,842,126		\$1,606,861
HHS Operations	Office of Administrative Hearings and Attorney General rate increases	\$190,590		\$190,590

# Comparison of budgets and funding

## By Major Expense

DESCRIPTION	2023-25 LEGISLATIVE BASE	INCREASE / (DECREASE)	2025-27 EXECUTIVE BUDGET RECOMMENDATION	INCREASE / (DECREASE)	ENGRD HB 10
Salaries & Benefits	\$ 24,595,351	\$ 33,441,843	\$ 58,037,194	\$ (8,235,265)	\$ 49,8
Operating	(4,499,799)	23,204,604	18,704,805	(40,000)	18,6
IT Services	159,001,387	(93,870,773)	65,130,614	1,500,000	66,6
Capital Asset Expense	-	-	-	-	-
Capital Assets	108,934	(108,934)	-	-	-
Grants	-	-	-	-	-
<b>Total</b>	<b>\$ 179,205,873</b>	<b>\$ (37,333,259)</b>	<b>\$ 141,872,613</b>	<b>\$ (6,775,265)</b>	<b>\$ 135,0</b>

<b>General Fund</b>	<b>\$ 74,099,008</b>	<b>\$ 28,221,387</b>	<b>\$ 102,320,395</b>	<b>\$ (7,866,785)</b>	<b>\$ 94,4</b>
<b>Federal Funds</b>	<b>102,033,269</b>	<b>(66,239,452)</b>	<b>35,793,816</b>	<b>(1,408,245)</b>	<b>34,3</b>
<b>Other Funds</b>	<b>3,073,596</b>	<b>684,806</b>	<b>3,758,402</b>	<b>2,499,765</b>	<b>6,2</b>
<b>Total Funds</b>	<b>\$ 179,205,873</b>	<b>\$ (37,333,259)</b>	<b>\$ 141,872,613</b>	<b>\$ (6,775,265)</b>	<b>\$ 135,0</b>

### Business Operations Budget

- 2.2%

### as % of HHS Budget

- 70% General
- 25% Federal
- 5% Other

### Budget by Funding Source

- 9% Paid to private
- 0% Direct Service
- 42% Admin
- 49% IT
- 0% Capital Projects

### Budget by Pass Th



# Amendments

HB 1012

# Contact Information

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