

North Dakota Ethics Commission  
Senate Bill 2004  
Testimony presented by  
Executive Director, Rebecca Binstock  
Before the Senate Appropriations – Human Services Division  
January 14, 2025

**I. Agency Purpose & History**

Good morning, Mr. Chairman and Committee members, my name is Rebecca Binstock. I have the privilege of serving as the Executive Director of the North Dakota Ethics Commission.

The Ethics Commission was established as an independent constitutional entity in 2018. The Commission consists of five Commissioners, four of which were appointed September 1, 2019, and have since been reappointed. The newest Commissioner was appointed on October 1, 2024, with the retirement of then-Chair, Paul Richard.

Commission members are:

- Chair David Anderson (Bismarck)
- Vice-Chair Ward Koeser (Williston)
- Ron Goodman (Oakes)
- Dr. Cynthia Lindquist (Grand Forks)
- Murray Sagsveen (Bismarck)

Commissioners are appointed upon consensus agreement of the Governor, Senate Majority Leader, and Senate Minority Leader. The Commission staff consists of Executive Director, General Counsel, and Operations Administrator. We have attached an organizational chart for your reference (**Attachment No. 1**).

As we discuss the current operations and budget requests of the Commission, a brief overview of the Ethics Commission’s operational history up to the current biennium is helpful to understand where the Commission stands today and its future objectives.

- November 2018: Commission was created by voters
- January – May 2019: Legislative assembly implements Article XIV
- September 2019: Commissioners appointed for staggered terms

- September 12, 2019: First Ethics Commission Meeting
- January 2020: Hiring of Executive Director
- June 17, 2020: Complaint Rule Adopted
- October 6, 2020: Lobbyist Gifting Rule Adopted
- January – May 2021: Advisory Opinion Legislation Enacted
- June 23, 2022: Quasi-Judicial Bias Rule Adopted
- October 2022: Hiring of successor Executive Director
- October 19, 2022: Conflicts of Interest Rule Adopted
- November 2022: Commission vacates privately leased office space
- Oct - Nov 2022: Complaint filings increase exponentially.
- January – May 2023: Additions of Executive Assistant & General Counsel
- July 2023: Commission relocates to State Capitol
- September 2023: Hiring of General Counsel & Executive Assistant

Article XIV of the North Dakota Constitution gives the Commission its duties and scope of authority. Article XIV outlines two directives of the Commission: (1) to adopt ethics rules related to transparency, corruption, elections, and lobbying; and (2) investigate alleged violations of Article XIV of the Constitution chapter 54-66 of the North Dakota Century Code, and other state laws related to transparency, corruption, elections, and lobbying. The operations of the Commission are further governed by North Dakota Century Code Chapter 54-66. The mission of the North Dakota Ethics Commission is to strengthen the confidence of the citizens of North Dakota in their Government by ensuring and promoting transparency and accountability. To meet its mission, the Commission focuses on providing education and training to help individuals manage ethical concerns.

## II. Agency Update

To fulfill its constitutional duties and meet its mission, in October 2023, the Commission adopted a strategic plan for the 2023 – 2025 biennium, consisting of 5 strategic initiatives. **(Attachment No. 2)**. These strategic initiatives collectively integrate to create an overarching plan which was practically implemented to enable the Commission to promote transparency and accountability in state government. These strategic initiatives are also the foundation for the Commission’s goals for the 2025-2027 biennium.

The Commission’s Strategic Plan for the 2023-2025 biennium consists of the following strategic initiatives: (1) Education and Outreach, (2) Relationships & Communications, (3) Rules Review & Creation, (4) Positive Work Culture, and (5) Meaningful Enforcement. Reviewing the Commission’s outcomes and accomplishments through this past biennium is best understood through examining these strategic initiatives:

## 1. Education and Outreach

- a. The goal of this initiative is to provide tailored education and practical training on Commission adopted rules, Article XIV of the North Dakota Constitution, and N.D.C.C. ch. 54-66 to the regulated community as well as the residents of North Dakota.
- b. From January 1, 2024 to December 31, 2024, Commission staff conducted **28** educational and/or training presentations, which were attended by an estimated **1,000** North Dakota residents.
- c. The most notable of these educational and training presentations was the Commission's Dakota Dilemmas Webinar Series. The first webinar, "Dakota Dilemmas: A Historical Exploration of Ethical Conflicts" was produced and hosted online on March 14, 2024, and attended by 171 individuals. This webinar was 1.5 hours in length and explored how legislation, statutory initiatives, trips to the North Dakota Supreme Court, and constitutional amendments transformed ethics laws in the state over its history.

The second webinar, "Dakota Dilemmas: A Practical Application of Conflict Rules" was produced and hosted online on April 23, 2024, and attended by 158 individuals. This webinar was 1.5 hours in length and walked through the Commission's rules and offered a step-by-step approach for officials to navigate disclosing and managing potential conflicts.

The third webinar, "Dakota Dilemmas: Navigating the Complaint Process" was produced and hosted online on June 25, 2024, and attended by 124 individuals. This webinar was 1 hour in length and illustrated the steps in the complaint process and highlighted the roles the complainant, the respondent, and the Ethics Commission each have along the way.

The fourth webinar, "Dakota Dilemmas: Lobbyist Gifting – Naughty or Nice?" was produced and hosted online on December 12, 2024, and attended by 119 individuals. The webinar was 1 hour in length and discussed the gifting prohibition in Article XIV of the Constitution and the Commission-created exceptions to the prohibition.

The Commission offered continuing education credits to lawyers, paralegals, and accountants for attendance at the Dakota Dilemmas webinars.

## 2. Relationships & Communications

- a. The goal of this initiative is to establish open lines of communication with individuals subject to Commission oversight and the public through various mediums and communication channels. Additionally, the additional goal is to create meaningful opportunities for individuals subject to Commission oversight to explore the practical implications of Commission-established rules. Prior to mid-2023 very few communications channels existed from the Commission to the regulated community and North Dakota citizens.
- b. Commission created a quarterly newsletter: Prairie Principles. Prairie Principles provides up-to-date information regarding proposed ethics rules, advisory opinions, educational opportunities, and meeting minutes. The Prairie Principles Newsletter was first distributed on July 31, 2024, and rolls out quarterly. It is distributed through the Commission's distribution list.
- c. Commission located, categorized, and created distribution lists, organized by stakeholder classification (i.e. members of the public, elected officials, appointed officials, legislative employees, points of contacts for boards and commissions, and registered lobbyists) to provide communication to stakeholders and the regulated community.
- d. Commission created a Facebook page and YouTube Channel in September 2023 to engage with North Dakotans through social media. The Commission creates its own content and manages these pages internally. We are able to share information about upcoming meetings, educational opportunities, and general information.
- e. The Commission's website was also overhauled, starting with updates in October 2023. The website has been re-organized, contains new educational information, links to social media and videos, and allows members of the public to provide direct input on ethics rules to the Commission through the website.

## 3. Rules Review & Adoption

- a. The goal of this initiative is to conduct a thorough review of potential rules for adoption as well as enacted laws to align North Dakota ethics laws with national standards and caselaw.
- b. The Commission has been working on two major rule adoptions throughout 2024: rules related to travel disclosures and financial disclosures for public

officials. The goal of these rules is to increase transparency through disclosure in those areas. The Commission has draft rules in these areas ready for the rulemaking process. Commission staff also began preliminary research on campaign finance and disclosure rules.

- c. The Commission directed general counsel to conduct a review of rules already implemented and rules to be implemented to get North Dakota ethics laws up to date with national standards and case law. Upon commencing this process, Commission staff proposed a two-step process to address rule adoption: (1) fixing the flaws in the complaint process and then (2) a wholistic adoption of rules related to transparency, corruption, elections, and lobbying.
- d. The Commission adopted this two-step process and commenced work on amending the complaint process that shifts to be more proactive, resolve issues sooner, and reduce the exploitation of the process. This work resulted in proposed legislation to be introduced.

#### 4. Positive Work Culture

- a. The goal of this initiative is to welcome and provide quality internal training to new staff and commissioners, to support the continuing education of staff and commissioners, and implement strategies that promote creativity, empowerment, engagement, and value in staff and commissioners.
- b. In September 2023, the Commission filled the two (2) FTE positions, hiring both a General Counsel and Executive Assistant. A General Counsel was selected from 23 applicants. An Executive Assistant was selected from 22 applicants. Applicants for both positions were from state agencies and private sectors.
- c. In mid-2024, the Executive Assistant position was reclassified to an Operations Administrator position as the role evolved to include additional duties, including social media and website management, budget management, and record retention management, as well as an increase in overall workload with increasing filings.
- d. In September 2024, Chair Paul Richard retired from the Commission. Commissioner Murray Sagsveen was appointed on October 1, 2024, upon consensus agreement of the governor, senate majority leader, and senate minority leader. Commissioner Sagsveen was selected from 29 applicants.

- e. The Commission partnered with UND School of Law to host a legislative legal intern for the 2025 legislative session.
- f. There were no vacant positions and zero staff turnover during the 2023-2025 biennium.

#### 5. Meaningful Enforcement

- a. Prior to October 2022, all but one complaint filed with the Commission had been summarily dismissed. As complaints ticked up in late 2022, the Commission created an internal processing systems and standardized communications related to the complaint process.
- b. In 2024, the Commission, in partnership with NDIT, completed the transition of the Commission's paper forms to online forms, submittable through the Commission's website.
- c. The Commission has timely summarily dismissed complaints when appropriate. The Commission currently has approximately 31 complaints pending. However, Commission staff identified bottlenecks in the complaint process that significantly delay complaint resolution.
- d. Despite those bottlenecks, Commission staff has made significant strides in complaint investigations.
- e. The Commission expects to wrap-up several investigations in Q1/Q2 of 2025.

### **III. Current Budget Status**

The 2023-25 biennial budget for the Ethics Commission is \$1,213,469 in general funds, including \$98,825 in one-time funding. This one-time funding included \$25,000 to remodel the Commission's office space when it moved into the capitol, \$72,000 one-time professional fees related to complaints, and \$1,825 New FTE IT. The Commission is a general funded agency and does not receive federal or special funding. As of December 31, 2024, the Commission has spent \$851,450 with a remaining balance of \$362,019. The Commission expects a turn back of approximately \$15,000 to the general fund at the end of the biennium.

For the Commission's 2023-2025 budget, the legislature appropriated 2 new FTE positions. \$260,304 of funds were appropriated for the general counsel position, with the projected total cost of \$266,092 for the 2023-2025 biennium. \$174,934 (before FTE

& Vacant Funding Pool Removal) of funds were appropriated for the executive assistant position, with the projected total costs of \$181,204.

The Commission did not have any vacant position savings for the 2023-2025 biennium. \$60,798 of funds was transferred from the OMB new and vacancy pool in October 2023. The General Counsel FTE position was not included in OMB's new/vacancy funding pool. The Commission will request the additional \$11,109 from the pool in March 2025.

To date, the Commission has had one audit - with no formal audit findings. A current budget update as of December 31, 2024, is attached (**Attachment No. 3**). Although the Commission's budget is a single budget line, there is a detailed listing of our expenditures included.

#### **IV. 2025-2027 Budget Request**

The Commission is seeking a total of \$1,801,120 with four (4) FTEs to adequately fund the Commission for the 2025-2027 biennium.

The Ethics Commission's base budget for the 2025-27 biennium is \$1,041,374 with three (3) FTEs. Our OMB adjusted base budget for 2025-27 is \$1,121,994 which includes OMB's adjustment to the base of \$80,620 that included restored amounts for new and vacant FTE pool and an increase for NDIT rates.

The adjusted base budget was submitted with an additional request of \$679,126 and one (1) additional FTE. **Attachment No. 4** shows the Commission's requested base budget along with the additional optional requests for a total request of \$1,801,120 and four (4) FTEs. The Ethics Commission is requesting nine (9) additions to the OMB adjusted base budget.

Additional requests to the adjusted base budget:

- (1) \$278,922 for an FTE as an education & communications administrator;
- (2) \$195,000 for a case management system;
- (3) \$50,000 for rules implementation;
- (4) \$50,000 for additional professional fees;
- (5) \$43,403 for commissioner and temporary salaries;
- (6) \$32,542 for workload increases;
- (7) \$19,151 for additional IT software and subscriptions;
- (8) \$7,760 for increased travel expenses; and
- (9) \$2,348 for furniture.

The Executive Recommendation included three (3) FTEs and additional request Nos. 2, 4, 5, 7, 8, and 9. It also included additional funding of \$61,043 for the proposed executive salary package. The following is an itemized description and justification for optional budget items requested by the Commission:

- a. **Education & Communications Administrator FTE – \$278,922** (\$184,320 salary, \$78,312 benefits, \$10,979 IT costs, \$2,599 office equipment, and \$2,712 travel) The Education Administrator (Grade 106) will develop educational materials/curriculum in light of the Ethics Commission’s and this Assembly’s educational goals to help stakeholders better understand the role of the Ethics Commission. This position will develop methods and tools to effectively communicate the Ethics Commission’s educational goals.

To meet its constitutional directive and best support an open, ethical, and accountable government in North Dakota, individuals (including citizens, state employees, and those who lobby in the State) need to be knowledgeable about the ethical rules in place in North Dakota’s Constitution, statutes, and rules.

This FTE will develop and implement the Commission’s preventative, educational initiative aimed at: (1) educating citizens of North Dakota so they can be knowledgeable about the role of the Ethics Commission, (2) effectively communicating with the citizens of North Dakota so they can understand how the ethical rules in the Constitution, statutes, and rules function, and (3) training individuals subject to the Ethics Commission’s oversight how to fully comply with the rules. This role is critical to the Ethics Commission’s role in supporting an open, ethical, and accountable government. Our request includes funding for four trips to various locations around the state.

An Education & Communications Administrator is also critical as legislative turn-over increases and tenure shortens with the passage of Article XV (Term Limits) of the North Dakota Constitution. There will be a high demand to provide comprehensive education about ethics rules and issues, how to manage potential conflicts of interest, and proactively addressing concerns or issues.

During the last legislative session, in response to the Commission’s request for an educational coordinator, the Legislative Assembly recognized the need for preventative education, training, and guidance. As a result, the general counsel FTE position was created with the intent the position would provide legal services to the Commission and simultaneously support the development and maintenance of a robust education and training program (33% of job duties). The



executive director FTE position also provides substantial support to the Commission's educational and communication program (approximately 33% of job duties).

Based upon increasing filings, the Commission needs to shift its current resources to have the general counsel position allocate more attorney time to legal issues, including enforcement actions, advisory opinion drafting, Commission rules, informal guidance, and counsel to the Commission. Additionally, this would shift the executive director's duties to focus on implementation of the strategic plan, including wholistic approach to rules adoption.

- b. **Case Management System - \$195,000** (\$135,000 one-time, \$60,000 ongoing) The Commission has had a steady increase of filings since the end of 2022. As the Commission adopts new rules, filings will increase as individuals comply with the Commission's rules. Currently, Commission staff manage filings, documents received, and its investigations through SharePoint with manual entry and manual tracking. This process is inefficient and prone to human error. Whereas this process could be automated and managed through a software platform, allowing our team to focus on customer contacts.

After a review of state procurement contract 38 and discussions with other ethics commissions, we believe initial costs of \$135,000 plus a \$30,000 annual maintenance/support fee is a worst-case scenario cost to procure and maintain a case management system. There is currently an RFP for a state contract for case/licensee management for boards and commissions. A demonstration is scheduled in the coming weeks and this amount may be modified during legislative session.

- c. **Rules Implementation - \$50,000** Administrative agencies that adopt rules are doing so based upon legislative directive. The authority for administrative agencies to adopt rules stems from legislative authority. This is distinct from the Ethics Commission—the Commission's rulemaking authority is directed from the constitution—not the legislative assembly.

The funding to support rules to be adopted by administrative agencies is included in the agency's budget because the direction is coming from the legislature. Therefore, by the time the agency is presenting rules for adoption to the Administrative Rules Committee, the funding is already available for the administrative agency to implement the rule(s). For the Ethics Commission, its rules are adopted pursuant to its independent, constitutional authority. To date,

the only funding for rules adoption included in Commission budgets are the costs associated with publication of the notices for rulemaking.

Previous Commission-adopted rules did not require additional funds to implement and enforce. However, the same will not be the case for the rule being considered by the Commission or future rules the Commission may consider. Rules currently under consideration will require additional professional services as well as IT solutions. Therefore, the Commission is requesting \$50,000 in funds to implement Commission adopted rules. The funds should be used for rule implementation only.

- d. **Additional Professional Fees - \$50,000** The Commission has spent an average of approximately \$4,500/month for professional services since May 2023. Extrapolating those monthly costs over 24 months in the next biennium equates to approximately \$108,000 in professional services fees for the next biennium.

The amount included in the base budget is \$70,000, so there is a need for additional funds. Since there is also the possibility the Commission could be involved in litigation, we rounded up to \$120,000 less the \$70,000 included in the base budget.

- e. **Commissioner & Temporary Salaries - \$43,403**

**Intern Salaries:**

Beginning legislative session 2025, the Commission will host an intern to assist in the Commission's legislative work as well as provide a UND law student an opportunity to learn about North Dakota legislative process and North Dakota government functions. For the 2025 legislative session, the Ethics Commission will receive funds through OMB's Internship Program to cover 75% of the salary costs.

As the Commission moves forward, internships will be a critical component of the Commission's workforce as the Commission has minimal staff (3) and an increasing workload. The Commission plans to offer both a summer and legislative internship experience for law students. The Commission is requesting funds to support those internships in the amount of \$28,484 in salaries and benefits (FICA).

**Overtime Compensation:**

With the addition of an operations administrator position in 2023, the Commission is required to comply with the Fair Labor Standards Act (FLSA), which requires the operations administrator be paid compensation for overtime. The Commission adopted an Overtime Compensation Policy in accordance with the FLSA which will require funds of \$4,778 for overtime hours during the 2025-2027 biennium.

**Commissioner Salaries:**

The Commission is requesting additional funds to cover salaries for Commissioners. This increase is for two reasons: (1) The Commission is holding regular monthly meetings as well as special meetings, and (2) the rate of compensation for Commissioners under N.D.C.C. §§ 54-66-04 and 54-35-10 will be increasing during the next biennium.

The Commission's 2023-2025 budget includes \$27,290 for commissioner salaries. This calculation includes compensation for regular meetings only. However, since September 2022, the Commission held 20 special meetings. Prior to September 2022, the Commission only held 2 special meetings. Funds of \$7,428 cover commissioner salaries and benefits (FICA) for 12 additional special meetings per biennium, which is better aligned to the data from the previous 3 years.

Pursuant to N.D.C.C. § 54-66-04, Commissioners are entitled to compensation for each day necessarily spent conducting commission business in the amount provided for members of the legislative management under N.D.C.C. § 54-35-10. The compensation in N.D.C.C. § 54-35-10 will likely be increasing based upon historical data. Funds of \$2,713 cover commissioner salary increases for 24 regular meetings.

- f. **Workload Increases - \$32,542** The Commission has identified an additional \$20,208 in salaries and \$4,226 in fringe benefits to cover a salary increase for the operations administrator as a result of workload increases. In mid-2024, the Commission's executive assistant position was reclassified from grade 104 to grade 105 based upon a review of the job description and additional job duties performed. Based upon that review, HRMS reclassified the position, and the Commission assigned a new title—Operations Administrator. At that time, a pay increase did not happen because of limited agency funds. The operations administrator received a small workload increase in September 2024, when the position had been filled for 1 year. However, this workload increase was insufficient to account for the proportion of workload increase that occurred since

2023. In the 2025-2027 biennium, the Commission anticipates a sufficient workload increase to this position's salary.

The Commission has identified an additional \$6,762 in salaries and \$1,346 in fringe benefits to cover a salary increase for the executive director as a result of workload increases. The executive director position now oversees two full-time team members and leads the Commission's educational initiative.

- g. **Additional IT Software & Subscriptions - \$19,151** With the addition of a general counsel position, the Commission was required to procure a legal research subscription. The Commission's Westlaw subscription for the 2025-2027 costs \$7,251.

There are also additional IT costs associated with hosting interns in the Commission's office in the amount of \$3,007.

With Commission turnover this biennium, and since the previous Commissioner was not using a state computer, the Commission needed to add a state computer user. The desktop support service laptop fee for an additional laptop is \$2,700. This laptop fee only applies when the Commission adds a hardware user, not when there is a change of commissioners.

The cost of JotForm software will be paid by agencies during the 2025-2027 biennium instead of paid by NDIT. The cost for JotForm is \$2,088.

In addition, the Commission has a shortage of \$4,105 for projected IT costs. The Commission's projected estimate for IT services is \$4,105 more than the estimate received from NDIT and OMB.

- h. **Increased Travel Costs - \$7,760** The Commission has been holding most of its monthly meetings as well as special meetings via Teams since the Spring of 2020. Although, under the circumstances it has worked well, the Commission would like to increase regular monthly meetings to an in-person meeting at least twice a year.

The Commission is a member of the Council on Government Ethics Laws (COGEL) which holds an annual convention each year. This provides our Commissioners with best practices by networking with colleagues throughout the United States. The Commission's goal is to send three Commissioners or staff to this event each year of the biennium.

- i. **Furniture - \$2,348** The Commission has identified a total requirement of \$2,348 for office furniture with \$1,073 for a privacy addition to our reception desk and \$1,275 for an additional storage cabinet.

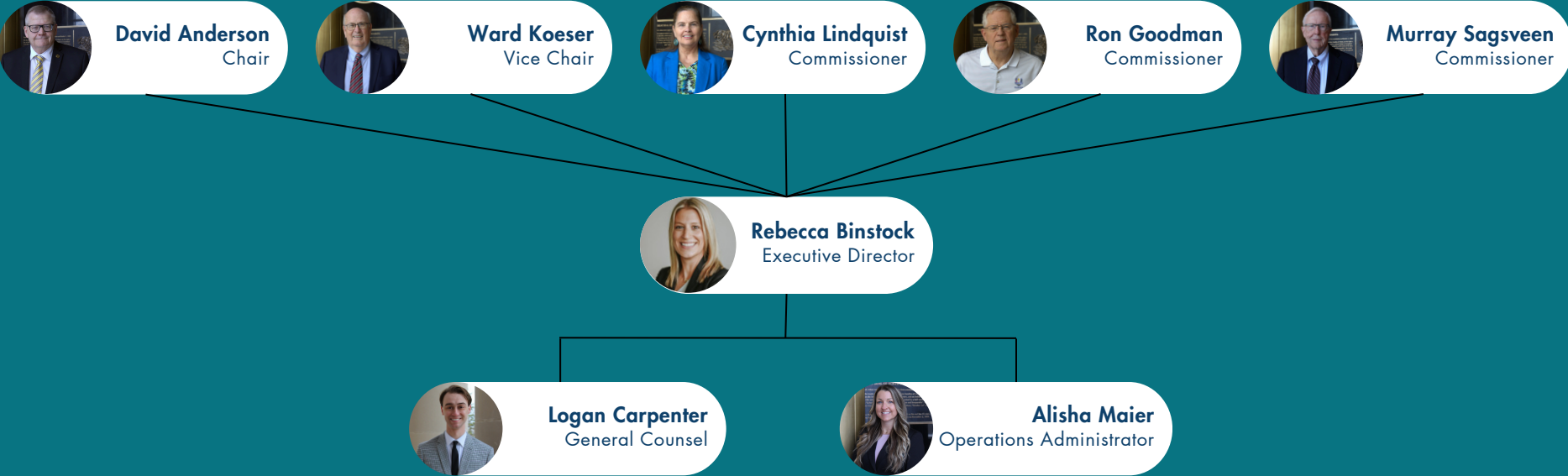
**V. Legislative Proposals Affecting Commission Budget**

- a. As referenced earlier, the Commission has been working on a bill that changes the Commission's complaint process. As it considers budget additions, the Commission took the changes presented in that bill into consideration. The funding and resources outlined above allow the Commission to implement that bill effectively and efficiently.
- b. HB 1146, pre-filed by the Commission, allows the Commission to issue advisory opinions on its own initiative. If implemented, the Commission expects an increase in attorney work to draft advisory opinions. Nonetheless, with the shift in resources with an additional Education & Communication FTE, the Commission is confident the general counsel position can adequately handle the increased workload from that bill.
- c. HB 1141, introduced last week, affects the duties of the Commission and may impact its workload. Any workload increases because of this bill was not considered in the additional requests. The Commission is evaluating the workload impact of this bill if passed.

Mr. Chairman, that concludes my testimony. I will gladly stand for any questions you may have.

# NORTH DAKOTA ETHICS COMMISSION

## Organizational Chart



## North Dakota Ethics Commission Strategic Plan 2023 – 2025 Biennium

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The North Dakota Ethics Commission (“Commission”) was created in 2018 by the passage of a constitutional amendment which added Article XIV to the North Dakota Constitution. Article XIV tasks the Commission with supporting an open, ethical, and accountable government. The mission of the Commission is to strengthen the confidence of the citizens of North Dakota in their Government by ensuring and promoting transparency and accountability.

To fulfill its constitutional duties and meet its mission, the Commission has adopted five (5) strategic initiatives for the 2023-2025 biennium. These strategic initiatives collectively integrate to create an overarching plan which can be practically implemented to enable the Commission to ensure and promote transparency and accountability.

### Strategic Initiative #1: Education & Outreach

- Provide tailored education and practical training on Commission adopted rules, Article XIV of the North Dakota Constitution, and N.D.C.C. ch. 54-66 to all individuals subject to the rules and as well as the residents of North Dakota.
- Create and distribute topical, comprehensible information to help North Dakota residents learn about the role, rules, and processes of the Commission.

### Strategic Initiative #2: Relationships & Communication

- Establish open lines of communications with individuals subject to Commission oversight and the public through various mediums and communication channels.
- Create meaningful opportunities for individuals subject to Commission oversight to explore the practical implications of Commission-established rules.
- Provide timely advise to assist individuals with ethical situations related to Article XIV of the North Dakota Constitution, N.D.C.C. Ch. 54-66, and Commission-established rules.

### Strategic Initiative #3: Rules Review & Creation

- Conduct a thorough review of potential rules for adoption by the Commission.
- Align North Dakota governmental ethics laws and rules with up-to-date caselaw developments.
- Review currently enacted rules to consider amendments.

- Provide legislative recommendations which increase transparency and accountability in state government.

Strategic Initiative #4: Positive Work Culture

- Welcome and provide high quality internal training to new staff and commission members.
- Support continuing education of staff and commission members.
- Implement strategies that promote creativity, empowerment, engagement, and value in Commission staff and members.

Strategic Initiative #5: Meaningful Enforcement

- Encourage consistent application of rules related to transparency, corruption, elections, and lobbying.
- Ensure the complaint process is fairly and consistently administered.
- Conduct thorough investigations of matters brought before the Commission.





**ND Ethics Commission (Senate Bill 2004)**  
**2023-2025 Budget Status as of December 31, 2024**

**DETAIL**

	<b>Expenditures as of</b>		<b>Projected Expenditures</b>		<b>Total Projected</b>
	<b><u>31-Dec-24</u></b>		<b><u>1-Jan-25 - 30-June-25</u></b>		<b><u>2023-2025</u></b>
<b>Salaries and Benefits</b>					
Salaries - Permanent	\$ 433,206	\$	164,549	\$	597,755
Salaries -Other (Commissioners)	\$ 23,237	\$	13,620	\$	36,857
Temporary Salaries	\$ 17,506	\$	17,901	\$	35,407
Fringe Benefits (FTE)	\$ 171,253	\$	63,301	\$	234,554
	<b>\$ 645,203</b>	<b>\$</b>	<b>259,371</b>	<b>\$</b>	<b>904,574</b>
<b>Operating Expenses</b>					
Travel	\$ 10,144	\$	6,979	\$	17,123
Supply/Material - Professional	\$ 583	\$	460	\$	1,043
Miscellaneous Supplies	\$ 10	\$	-	\$	10
Office Supplies	\$ 1,329	\$	1,171	\$	2,500
Postage	\$ 221	\$	79	\$	300
Printing	\$ 113	\$	87	\$	200
Electrical Service	\$ 119	\$	-	\$	119
IT Equipment under \$750	\$ -	\$	720	\$	720
Insurance	\$ 317	\$	-	\$	317
Rentals/Leases-Equip & Other	\$ 2,512	\$	887	\$	3,399
Rentals/Leases - Bldg/Land	\$ 17,644	\$	5,731	\$	23,375
IT - Data Processing	\$ 36,742	\$	15,710	\$	52,453
IT - Communications	\$ 3,759	\$	1,290	\$	5,050
Professional Development	\$ 2,868	\$	637	\$	3,505
Office Equipment & Furniture	\$ 6,999	\$	-	\$	6,999
Operating Fees and Services	\$ 5,528	\$	4,000	\$	9,528
Office Move Remodel One Time - 21-23' Expenditure	\$ 25,000	\$	-	\$	25,000
Fees - Professional Services One Time - \$20,700 was 21-23' Expenditure	\$ 72,000	\$	-	\$	72,000
Fees - Professional Services	\$ 20,000	\$	-	\$	20,000
Fees - Professional Services (contingency)	\$ 359	\$	49,641	\$	50,000
	<b>\$ 206,248</b>	<b>\$</b>	<b>87,392</b>	<b>\$</b>	<b>293,640</b>
<b>Totals</b>	<b>\$ 851,450</b>	<b>\$</b>	<b>346,763</b>	<b>\$</b>	<b>1,198,214</b>
<b>Total FTEs</b>					<b>3</b>
			<b>Total General Funds</b>	\$	<b>1,213,469</b>
			<b>Total Projected 2023-2025</b>	\$	<b>1,198,214</b>
			<b>Projected 2023-2025 Balance</b>	\$	<b>15,255</b>

**ND Ethics Commission - SB 2004  
2025-2027 Agency Request**

Attachment #4

**SUMMARIZED**

			(1)		
	Agency 2023-2025	Agency 2025-2027	OMB Adjusted	2025-2027	
	<u>Base Budget</u>	<u>Base Budget</u>	<u>2025-2027</u>	<u>Agency Optional</u>	<u>Agency 2025-2027</u>
			<u>Base Budget</u>	<u>Budget Changes</u>	<u>Total Budget Request</u>
Salaries and Benefits	\$ 825,349.00	\$ 855,541.00	\$ 927,448.00	\$ 338,577.00	\$ 1,266,025.00
Operating Expenses	\$ 312,893.00	\$ 185,833.00	\$ 194,546.00	\$ 340,549.00	\$ 535,095.00
<b>Totals</b>	<b>\$ 1,138,242.00</b>	<b>\$ 1,041,374.00</b>	<b>\$ 1,121,994.00</b>	<b>\$ 679,126.00</b>	<b>\$ 1,801,120.00</b>
FTEs	3	3	3	1	4

(1) The OMB 2025-27 Adjusted Base Budget removed one time funding and included \$71,907 for restored New & Vacant FTE Pool and \$8,713 in NDIT rate increases.

**DETAILED**

			(1)		
	Agency 2023-2025	Agency 2025-2027	OMB Adjusted	2025-2027	
	<u>Base Budget</u>	<u>Base Budget</u>	<u>2025-2027</u>	<u>Agency Optional</u>	<u>Agency 2025-2027</u>
			<u>Base Budget</u>	<u>Budget Changes</u>	<u>Total Budget Request</u>
<b>Salaries and Benefits</b>					
Salaries - Permanent	\$ 519,587.00	\$ 570,483.00	\$ 642,390.00	\$ 184,320.00	\$ 826,710.00
Salaries - Other	\$ 27,290.00	\$ 34,426.00	\$ 34,426.00	\$ 42,683.00	\$ 77,109.00
Temporary Salaries	\$ 50,000.00	\$ -	\$ -	\$ 33,262.00	\$ 33,262.00
Fringe Benefits (FTE)	\$ 228,472.00	\$ 250,632.00	\$ 250,632.00	\$ 78,312.00	\$ 328,944.00
<b>Total Salaries and Benefits</b>	<b>\$ 825,349.00</b>	<b>\$ 855,541.00</b>	<b>\$ 927,448.00</b>	<b>\$ 338,577.00</b>	<b>\$ 1,266,025.00</b>
FTE's	3	3	3	1	4

			(1)		
	Agency 2023-2025	Agency 2025-2027	OMB Adjusted	2025-2027	
	<u>Base Budget</u>	<u>Base Budget</u>	<u>2025-2027</u>	<u>Agency Optional</u>	<u>Agency 2025-2027</u>
			<u>Base Budget</u>	<u>Budget Changes</u>	<u>Total Budget Request</u>
<b>Operating Expenses</b>					
Travel	\$ 22,016	\$ 22,016	\$ 22,016	\$ 10,472.00	\$ 32,488.00
Supplies - IT Software	\$ -	\$ -	\$ -	\$ 60,000.00	\$ 60,000.00
Professional Supplies	\$ 500	\$ 896	\$ 896	\$ -	\$ 896.00
Miscellaneous Supplies	\$ 500	\$ -	\$ -	\$ -	\$ -
Office Supplies	\$ 2,500	\$ 2,500	\$ 2,500	\$ -	\$ 2,500.00
Printing	\$ 200	\$ 300	\$ 300	\$ -	\$ 300.00
Postage	\$ -	\$ 300	\$ 300	\$ -	\$ 300.00
Electrical	\$ -	\$ -	\$ -	\$ -	\$ -
IT Equipment under \$5000	\$ 2,300	\$ 1,070	\$ 1,070	\$ 850.00	\$ 1,920.00
IT Equipment / Software \$5000+	\$ -	\$ -	\$ -	\$ 135,000.00	\$ 135,000.00
Insurance	\$ 250	\$ 403	\$ 403	\$ -	\$ 403.00
Rentals/Leases-Equip & Other	\$ 3,552	\$ 3,547	\$ 3,547	\$ -	\$ 3,547.00
Rentals/Leases - Bldg/Land	\$ 52,416	\$ 23,990	\$ 23,990	\$ -	\$ 23,990.00
IT - Data Processing	\$ 48,939	\$ 41,537	\$ 50,250	\$ 27,864.00	\$ 78,114.00
IT - Communications	\$ 1,920	\$ 5,304	\$ 5,304	\$ 1,416.00	\$ 6,720.00
Professional Development	\$ 3,800	\$ 4,490	\$ 4,490	\$ -	\$ 4,490.00
Office Equipment / Furniture	\$ -	\$ -	\$ -	\$ 4,947.00	\$ 4,947.00
Operating Fees and Services	\$ 7,000	\$ 9,480	\$ 9,480	\$ -	\$ 9,480.00
Office Move / Remodel 1X	\$ 25,000	\$ -	\$ -	\$ -	\$ -
Fees - Professional Services 1X	\$ 72,000	\$ -	\$ -	\$ -	\$ -
Fees - Professional Services	\$ 20,000	\$ 20,000	\$ 20,000	\$ -	\$ 20,000.00
Fees - Professional Services (contingent)	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000.00	\$ 100,000.00
Rules Implementation (contingent)	\$ -	\$ -	\$ -	\$ 50,000.00	\$ 50,000.00
<b>Totals Operating Expenses</b>	<b>\$ 312,893</b>	<b>\$ 185,833</b>	<b>\$ 194,546</b>	<b>\$ 340,549.00</b>	<b>\$ 535,095.00</b>
<b>Agency Total</b>	<b>\$ 1,138,242</b>	<b>\$ 1,041,374</b>	<b>\$ 1,121,994</b>	<b>\$ 679,126.00</b>	<b>\$ 1,801,120.00</b>
<b>TOTAL AUTHORIZED FTEs</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>1</b>	<b>4</b>

2025-2027 Agency Requested w/Executive Recommendation Changes

SUMMARIZED

	<u>2025-2027 Executive Recommendation</u>	<u>Agency Requested Change Amount</u>	<u>Agency 2025-2027 Total Budget Request</u>	<u>Details</u>
Salaries and Benefits	\$ 1,031,894.00	\$ 295,174.00	\$ 1,327,068.00	Itemized Below
Operating Expenses	\$ 468,805.00	\$ 66,290.00	\$ 535,095.00	Itemized Below
<b>Totals</b>	<b>\$ 1,500,699.00</b>	<b>\$ 361,464.00</b>	<b>\$ 1,862,163.00</b>	
<b>FTEs</b>	<b>3</b>	<b>1</b>	<b>4</b>	

DETAILED

	<u>2025-2027 Executive Recommendation</u>	<u>Agency Requested Change Amount</u>	<u>Agency 2025-2027 Total Budget Request</u>	<u>Details</u>
Salaries - Permanent	\$ 678,107.00	\$ 184,320.00	\$ 862,427.00	Education Administrator - Salary Workload Increases - OA: \$20,208 Salary, \$4,226
Salaries - Other	\$ 44,567.00	\$ 32,542.00	\$ 77,109.00	Benefits, ED: \$6,762 Salary, \$1,346 Benefits
Temporary Salaries	\$ 33,262.00	\$ -	\$ 33,262.00	
Fringe Benefits (FTE)	\$ 275,958.00	\$ 78,312.00	\$ 354,270.00	Education Administrator - Benefits
<b>Total Salaries and Benefits</b>	<b>\$ 1,031,894.00</b>	<b>\$ 295,174.00</b>	<b>\$ 1,327,068.00</b>	
<b>FTEs</b>	<b>3</b>	<b>1</b>	<b>4</b>	

	<u>2025-2027 Executive Recommendation</u>	<u>Agency Requested Change Amount</u>	<u>Agency 2025-2027 Total Budget Request</u>	<u>Details</u>
Travel	\$ 29,776.00	\$ 2,712.00	\$ 32,488.00	Educational Travel
Supplies - IT Software	\$ 60,000.00	\$ -	\$ 60,000.00	
Professional Supplies	\$ 896.00	\$ -	\$ 896.00	
Miscellaneous Supplies	\$ -	\$ -	\$ -	
Office Supplies	\$ 2,500.00	\$ -	\$ 2,500.00	
Printing	\$ 300.00	\$ -	\$ 300.00	
Postage	\$ 300.00	\$ -	\$ 300.00	
Electrical	\$ -	\$ -	\$ -	
IT Equipment under \$5000	\$ 1,070.00	\$ 850.00	\$ 1,920.00	Education Administrator - Printer
IT Equipment / Software \$5000+	\$ 135,000.00	\$ -	\$ 135,000.00	
Insurance	\$ 403.00	\$ -	\$ 403.00	
Rentals/Leases-Equip & Other	\$ 3,547.00	\$ -	\$ 3,547.00	
Rentals/Leases - Bldg/Land	\$ 23,990.00	\$ -	\$ 23,990.00	
IT - Data Processing	\$ 68,705.00	\$ 9,409.00	\$ 78,114.00	Education Administrator IT - Data
IT - Communications	\$ 6,000.00	\$ 720.00	\$ 6,720.00	Education Administrator IT - Communications
Professional Development	\$ 4,490.00	\$ -	\$ 4,490.00	
Office Equipment / Furniture	\$ 2,348.00	\$ 2,599.00	\$ 4,947.00	Education Administrator - Desk
Operating Fees and Services	\$ 9,480.00	\$ -	\$ 9,480.00	
Office Move / Remodel 1X	\$ -	\$ -	\$ -	
Fees - Professional Services	\$ 20,000.00	\$ -	\$ 20,000.00	
Fees - Professional Services (contingent)	\$ 100,000.00	\$ -	\$ 100,000.00	
Rules Implementation (contingent)	\$ -	\$ 50,000.00	\$ 50,000.00	Contingency - Rules Implementation
<b>Totals Operating Expenses</b>	<b>\$ 468,805.00</b>	<b>\$ 66,290.00</b>	<b>\$ 535,095.00</b>	
			\$ -	
<b>Agency Total</b>	<b>\$ 1,500,699.00</b>	<b>\$ 361,464.00</b>	<b>\$ 1,862,163.00</b>	
<b>Total FTEs</b>	<b>3</b>	<b>1</b>	<b>4</b>	