

**CHAPTER 54-14**  
**CLAIMS AGAINST STATE - OFFICE OF THE BUDGET**

**54-14-01. State auditing board - Members - Secretary - Duties - Quorum.**

Repealed by S.L. 1973, ch. 110, § 13.

**54-14-01.1. Office of the budget to assume functions of auditing board - Substitution of phrases - Legislative statement.**

Repealed by S.L. 1997, ch. 445, § 4.

**54-14-02. Meetings of board.**

Repealed by S.L. 1973, ch. 110, § 13.

**54-14-03. Powers and duties of the office of the budget.**

Repealed by S.L. 1979, ch. 541, § 2.

**54-14-03.1. Reports to legislative management budget section.**

The office of the budget, in the course of the preaudit of claims against the state, or in otherwise carrying out its duties, shall note irregularities in the fiscal practices of the state and its departments, agencies, and institutions and areas where more uniform and improved fiscal procedures are desirable, and it shall further note expenditures and governmental activities that it may believe to be contrary to law or to the intent of the legislative assembly. "Irregularities" as used in this section includes the use of state funds to provide bonuses, cash incentive awards, and temporary salary adjustments for state employees. The office of the budget shall submit a detailed written report accompanied by adequate documentation to the budget section of the legislative management, or any division of the budget section designated for that purpose, setting out the irregularity, expenditure, or activity. The report must be presented at the next scheduled meeting of the budget section following the discovery of the irregularity, expenditure, or activity.

**54-14-03.2. Claims against the state - Acts of residents of state institutions.**

Repealed by S.L. 1995, ch. 329, § 14.

**54-14-04. Claim against state filed with office of the budget.**

No bill, claim, account, or demand against the state may be audited, allowed, or paid until a full itemized statement in writing has been filed with the office of the budget, unless such bill, claim, account, or demand is:

1. For a salary fixed by law;
2. Against a state-owned utility, enterprise, or business project; or
3. Specifically exempt by law.

**54-14-04.1. Departmental payrolls.**

The office of the budget is authorized to issue regulations governing methods whereby the regular payrolls for each department, agency, or institution of this state may be prepared and certified by the agency concerned without individually executed or signed certificates of claim by the employees as provided in section 54-14-04. In all such cases, the warrants issued to cover such payroll items must have the required certificate printed on the back of the warrant in such manner that the endorsement of the warrant will constitute an execution of the certificate provided in section 54-14-04.

**54-14-04.2. Use of electronic funds transfer systems.**

Repealed by S.L. 1991, ch. 582, § 1.

**54-14-04.3. Severance pay - Definition - Settlements.**

1. For the purposes of this section, "severance pay" means compensation received, upon termination of employment, for reasons primarily beyond the control of the state employee or officer. Severance pay does not include payments made to a terminated employee or officer for accrued annual or sick leave, or compensatory leave, when such payments are authorized.
2. Except as provided in subsection 3, no state employee or officer is entitled to severance pay upon termination of employment if the employee or officer quit employment voluntarily or resigned of the person's own accord, or was dismissed for gross neglect of duty, gross misconduct while on duty, or for other good cause. A state employee or officer may be entitled to severance pay if the employee or officer was dismissed from employment because of reductions in staff or temporary or permanent layoffs, or for other reasons primarily beyond the control of the employee or officer. This section does not affect the rights of employees or officers in salary or wage disputes which are the subject of out-of-court settlements.
3. A state agency may, within the limits of its legislative appropriations, provide financial incentives to encourage an employee to retire or resign if the resulting departure will increase agency efficiencies or reduce expenses.

**54-14-05. Vouchers have penalty printed on them.**

Repealed by S.L. 1965, ch. 304, § 9.

**54-14-06. Penalty for certifying to false claim.**

Repealed by S.L. 1975, ch. 106, § 673.

**54-14-07. Office of the budget to set policy - Standard vouchers - Disapproval of claims.**

In order to ensure that sufficient information is provided to verify claims and determine the exact purpose of expenditures, the office of the budget shall set policies which it deems necessary for an adequate accounting and shall direct the preparation of standard forms or vouchers upon which claims against any public fund must be submitted. The office of the budget may direct individuals or departments to maintain adequate records which they may be called upon to produce for preaudit or postaudit purposes in order to verify any information submitted upon travel vouchers or verify the correctness and lawfulness of the expenditures. The department, institution, board, commission, or agency to which a voucher is submitted shall disapprove all vouchers or expenditures it determines to be in error, unlawful, or in excess of the limits of legislative appropriation.

**54-14-08. Withholding certain amounts from state employees' compensation.**

All departments, agencies, boards, commissions, and institutions in state government shall compute and withhold from state employees' monetary compensation only those amounts required by law to be withheld and only those other items approved by the office of the budget. However, amounts may not be withheld or deducted from state employees' monetary compensation for the payment of insurance premiums, except life or health insurance premiums or amounts deferred to fund a deferred compensation program, unless otherwise specifically authorized by law.