

**State Auditor  
Budget No. 117  
House Bill No. 1004**

	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
2009-11 executive budget (bills as introduced)	51.80	\$6,872,229	\$2,312,802	\$9,185,031
<b>2009-11 legislative appropriations</b>	<b>51.80</b>	<b>6,662,229</b>	<b>2,312,802</b>	<b>8,975,031</b>
Legislative increase (decrease) to executive budget	0.00	(\$210,000)	\$0	(\$210,000)
Legislative increase (decrease) to 2007-09 appropriations	(3.00)	\$947,552	(\$297,400)	\$650,152

**ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS**

	<b>Ongoing General Fund Appropriation</b>	<b>One-Time General Fund Appropriation</b>	<b>Total General Fund Appropriation</b>
2007-09 legislative appropriations	\$5,714,677	\$0	\$5,714,677
<b>2009-11 legislative appropriations</b>	<b>6,512,229</b>	<b>150,000</b>	<b>6,662,229</b>
2009-11 legislative increase (decrease) to 2007-09 appropriations	\$797,552	\$150,000	\$947,552
Percentage increase (decrease) to 2007-09 appropriations	14.0%	N/A	16.6%
2009-11 legislative increase (decrease) to executive budget	(\$210,000)	\$0	(\$210,000)
Percentage increase (decrease) to executive budget	(3.1%)	0%	(3.1%)

**SUMMARY OF LEGISLATIVE CHANGES TO THE EXECUTIVE BUDGET AND MAJOR FUNDING ITEMS**

**Salaries and Wages**

The legislative action affecting the recommended appropriation for the State Auditor is in accordance with legislative salary and fringe benefits guidelines as contained in House Bill No. 1015.

	<b>Major Items</b>			
	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
The legislative action:				
Removed funding added in the executive budget for state employee salary equity adjustments		(\$210,000)		(\$210,000)
<b>Total</b>	<b>0.00</b>	<b>(\$210,000)</b>	<b>\$0</b>	<b>(\$210,000)</b>

**FTE Changes**

The Legislative Assembly did not change the executive recommendation which included funding for 51.80 FTE positions, a decrease of 3.00 FTE positions from the 2007-09 biennium. The agency in its budget request removed 3 FTE auditor II and auditor III positions related to the closing of the political subdivision audit office in Bismarck.

### **One-Time Funding**

In Section 2 of House Bill No. 1004, the Legislative Assembly identified \$150,000 from the general fund for the implementation of electronic working papers as one-time funding. This amount is not to be considered part of the agency's base budget for preparing the 2011-13 executive budget and the State Auditor is to report to the Appropriations Committees during the 2011 legislative session on the use of this funding.

### **Other Sections in Bill**

**Salary of State Auditor** - Section 3 provides statutory changes to North Dakota Century Code Section 54-10-10 relating to the salary of the State Auditor. The Legislative Assembly authorized 2009-11 biennium annual salary increases of 5 percent for elected officials. The State Auditor's salary is to be increased from the current level of \$79,571 to \$83,550, effective July 1, 2009, and to \$87,728, effective July 1, 2010.

### **Related Legislation**

**House Bill No. 1129** - This bill changes the threshold for cities required to be audited by the State Auditor every two years and increases the fee for annual report review from \$50 to \$80. Cities with a population of less than 500 (previously 300) may submit an annual report in lieu of conducting an audit. The bill also provides for a Legislative Council study of the structure and requirements of the State Auditor's office necessary to carry out its auditing of political subdivisions, as required by law, including how such audits should be adequately self-funded.

**House Bill No. 1148** - This bill requires the State Auditor to audit political subdivisions upon the request of the state court administrator.

**Senate Bill No. 2142** - This bill removes the requirement of the Information Technology Department to file with the State Auditor a description of the wide area network service the department provided to each private, charitable, and nonprofit entity receiving services from the department.

**Senate Bill No. 2144** - This bill allows the State Auditor to investigate or cause to be investigated any public employee or public official who defaults or creates a liability against the bonding fund.

**Senate Bill No. 2295** - This bill changes the minimum population requirement for an audit of a city from 300 to 500.