

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2004

That the House recede from its amendments as printed on pages 1116 and 1117 of the Senate Journal and pages 1235 and 1236 of the House Journal and that Engrossed Senate Bill No. 2004 be amended as follows:

Page 1, line 1, after "auditor" insert "; and to amend and reenact subsection 4 of section 54-10-01 of the North Dakota Century Code, relating to the powers and duties of the state auditor"

Page 1, line 8, replace "5,620,686" with "5,981,437"

Page 1, line 9, replace "732,580" with "717,771"

Page 1, remove line 10

Page 1, line 11, replace "6,403,266" with "6,699,208"

Page 1, line 12, replace "2,121,195" with "2,117,976"

Page 1, line 13, replace "4,282,071" with "4,581,232"

Page 1, after line 18, insert:

**"SECTION 3. AMENDMENT.** Subsection 4 of section 54-10-01 of the North Dakota Century Code is amended and reenacted as follows:

4. Perform or provide for performance audits of state agencies as determined necessary by the state auditor or the legislative audit and fiscal review committee. A performance audit must be done in accordance with generally accepted auditing standards applicable to performance audits. The state auditor may not hire a consultant to assist with conducting a performance audit of a state agency without the prior approval of the legislative audit and fiscal review committee. The state auditor shall notify an agency of the need for a consultant before requesting approval by the legislative audit and fiscal review committee. The agency that is audited shall pay for the cost of any consultant approved."

Re-number accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2004 - State Auditor - Conference Committee Action**

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
Salaries and wages	\$5,754,797	\$5,620,686	\$360,751	\$5,981,437	\$5,981,437	
Operating expenses	761,380	732,580	(14,809)	717,771	675,204	\$42,567
Performance audits	<u>100,000</u>	<u>50,000</u>	<u>(50,000)</u>		<u>50,000</u>	<u>(50,000)</u>
Total all funds	\$6,616,177	\$6,403,266	\$295,942	\$6,699,208	\$6,706,641	(\$7,433)
Less estimated income	<u>2,140,958</u>	<u>2,121,195</u>	<u>(3,219)</u>	<u>2,117,976</u>	<u>2,119,441</u>	<u>(1,465)</u>
General fund	\$4,475,219	\$4,282,071	\$299,161	\$4,581,232	\$4,587,200	(\$5,968)
FTE	52.00	52.00	3.00	55.00	55.00	0.00

**Dept. 117 - State Auditor - Detail of Conference Committee Changes**

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE <sup>1</sup>	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS <sup>2</sup>	ADDS 3 FTE AND FUNDING FOR POSITIONS DELETED IN THE EXECUTIVE BUDGET <sup>3</sup>	RESTORES FUNDING FOR SALARIES AND WAGES <sup>4</sup>	REMOVES FUNDING FOR PERFORMANCE AUDITS <sup>5</sup>	ADDS FUNDING FOR COPIER REPAIRS <sup>6</sup>
Salaries and wages	(\$5,366)		\$294,917	\$71,200		
Operating expenses		(\$15,809)				\$1,000
Performance audits					(\$50,000)	
Total all funds	(\$5,366)	(\$15,809)	\$294,917	\$71,200	(\$50,000)	\$1,000
Less estimated income	<u>(1,754)</u>	<u>(1,465)</u>				
General fund	(\$3,612)	(\$14,344)	\$294,917	\$71,200	(\$50,000)	\$1,000
FTE	0.00	0.00	3.00	0.00	0.00	0.00
TOTAL CONFERENCE COMMITTEE CHANGES						
Salaries and wages	\$360,751					
Operating expenses	(14,809)					
Performance audits	<u>(50,000)</u>					
Total all funds	\$295,942					
Less estimated income	<u>(3,219)</u>					
General fund	\$299,161					
FTE	3.00					

<sup>1</sup> This amendment reduces the funding for state employee health insurance premiums from \$493 to \$488.70 per month.

<sup>2</sup> This amendment reduces funding for information technology by \$15,809, which is \$14,344 from the general fund and \$1,465 from other funds, which represents a reduction in total information technology funding of approximately 5 percent.

<sup>3</sup> This amendment restores the three FTE positions and funding for the positions that were deleted in the executive budget recommendation.

<sup>4</sup> This amendment restores funding of \$71,200 for a position that the Senate removed.

<sup>5</sup> This amendment removes funding for performance audits.

<sup>6</sup> This amendment adds \$1,000 from the general fund to the operating expenses line item for copier repairs. The Senate had removed \$28,800 from the operating expenses line item, which was to be used for the purchase of a new copy machine. These adjustments were done in addition to the 5 percent information technology reduction in footnote No. 2.

This amendment also amends and reenacts subsection 4 of North Dakota Century Code Section 54-10-01 relating to the powers and duties of the State Auditor, to require Legislative Audit and Fiscal Review Committee approval before the State Auditor may hire a consultant to assist in state agency performance audits, and that the State Auditor shall notify the agency of the need to hire a consultant.