

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION  
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1024

2005 HOUSE APPROPRIATIONS

HB 1024

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1024  
Deficiency Appropriation

House Appropriations Full Committee

☐ Conference Committee

Hearing Date January 18, 2005

Tape Number  
1

Side A  
X

Side B  
X

Meter #  
#5.3 ending

Committee Clerk Signature

*Chris Alexander*

Minutes:

**Rep. Ken Svedjan, Chairman** opened the hearing and roll call was taken.

**Rep. Mike Timm, Vice Chairman** moved that the Appropriations Committee approve the bill relating to a transfer from the health care trust fund, the bill relating to contingent transfers to the general fund, and the bill to repeal the budget stabilization fund for introduction by the Appropriations Committee at the request of the Governor.

**Rep. Jeff Delzer** seconded the motion

**Rep. Ken Svedjan, Chairman** asked for a voice vote on the motion and the motion carried with no exceptions.

**Rep. Ken Svedjan, Chairman** open the hearing for HB1024 and the clerk read the bill title.

**Mr. Mike Ressler** deputy CIO for Information Technology Department (ITD) testified in support of the bill. Mr. Ressler distributed and discussed handout #11-1 (attached) explaining the deficiency in the 2003-05 appropriations for ITD. Mr. Ressler explained the two main reasons

for the deficiency were the short budgeting of programs initiated but not funded as well as an Attorney General opinion that disallowed a 10% purchasing fee to all agencies purchasing equipment through ITD. The total deficiency needed is \$1,070,142. Mr. Ressler continued by explaining what effect there would be on the programs initiated if HB 1024 is not passed.

**Rep. Mike Timm, Vice Chairman** asked what the overall budget is for ITD

**Mr. Ressler** answered \$106 million but explained that over \$96 million of that is special funds that cannot be used for general funded programs.

**Rep. Al Carlson** asked if ITD was given line item authority to transfer funds and if there were any turnback funds available.

**Mr. Ressler** answered that they were expecting at the most \$85,000 in general funds.

**Rep. Jeff Delzer** asked when the decision from the Attorney General's office was made, and what steps had ITD taken to reduce costs since then.

**Mr. Ressler** answered that the first decision was in January of 2004 and the second decision came in April of 2004. Page 2 and page 3 of handout explains that will be taken to reduce spending if moneys are not appropriated.

**Rep. Pam Gulleason** asked who requested that the Attorney General give an opinion? And why?

**Mr. Ressler** answered that the effected agencies requested the opinion and he believes that the agencies thought it unfair that they should have to pay for services even if they weren't receiving any.

**Rep. Mike Timm, Vice Chairman** asked OMB where the money in the agencies went if they didn't have to pay ITD. (meter #13.7)

**Ms Sheila Peterson** answered that the moneys were never appropriated because they were cut to improve the ending fund balance.

**Rep. Jeff Delzer** asked if it was a usual thing that the Attorney General has the authority to change appropriations.

**Rep. Al Carlson** asked also if we were legally bond to follow the opinion of the Attorney General or if an opinion was just an opinion and not the law, since in reality our appropriations is a statute and not just opinion.

**Rep. Eliot Glassheim** comment that he read somewhere that the opinion of the Attorney General did stand as law until it is challenged in court.

**Rep. Jeff Delzer** asked if this was true, why wouldn't the Attorney General's opinion automatically redefine the appropriations affected by this?

**Rep. Ken Svedjan, Chairman** requested that the Legislative Council please report back to the committee on these issues regarding the authority of the Attorney General's opinion as well as to check if moneys were still in the budgets of the agencies effected and what they spent those moneys on, or if the moneys discussed effected only the ending fund balance. (meter #20.8)

**Ms Kathy Roll** from the Attorney General's office distributed handout #11-2 (attached) and named the three reasons for the \$110,000 deficiency as Prosecution Witness Fees, Crime Laboratory Supplies, and Arrest and Return of Fugitives. Ms Roll explained that the Attorney General's office expected no moneys in carry over. (meter #21.5)

**Mr. Doug Friesz** of the Division of Emergency Management distributed handout #11-3 and explained that the Division borrowed money from the Bank of North Dakota to cover the state's share of disaster close out costs from disasters ranging from 1993-2004. The background of each

of these is discussed on page 2 of handout. Mr. Friesz also explained that close out processes take so long because of the litigation and mediation often involved to determine who will pay for what and the consulting fees in all of this drive up the fees needing to be paid.

**Rep. Al Carlson** commented that he remembers appropriating money at the last Assembly for interest on and outstanding bill that exceeded \$6 million, yet this handout shows that there is only \$3 million in outstanding loans. Why is that?

**Ms Sheila Peterson** answered that more projects were expected to be finished by the end of the fiscal year, so because they were not finished, there were less moneys needed so the amount in the end was less.

**Discussion** ensued as to whether or not here was an actual loan out there that they appropriated dollars for to pay the interest.

**Ms Sheila Peterson** clarified that the Division of Emergency Management was given a line of credit rather than a loan and that the moneys that were appropriated for the expected interest is still around and is accounted for in the Turn-Back Line of the budget.

**Rep. Ken Svedjan, Chairman** asked if this estimate was closer, and asked that the Division should please bring a single sheet summary explaining the loan history of the Division and how the appropriated moneys were spent, for the committee to consider in their deliberations.

**Rep. Ole Aarsvold** asked if there were any considerations made for inflationary costs and increases caused by the delay of the projects from 1997 to the present.

**Mr. Friesz** answered Work plans are set with the understanding that the projects will be finished within that construction season. Conceivably, increases due to inflation could happen, and we are worried about the accuracy of some of the costs noted for equipment for these projects.

**Rep. Jeff Delzer** asked when agencies get this money if this appropriation is passed.

**Rep. Ken Svedjan, Chairman** answered that this would be paid out in this biennium. It is counted in the budget but it is offset by expected turnback.

**Rep. Jeff Delzer** asked if we passed these appropriations asked for and we give them the money and then they don't need it all, what happens to the leftover? Will they give it back?

**Ms Sheila Peterson** answered that they will continue to use the appropriated amount until it is gone, but it only acts as a delay for when they will need to access the line of credit.

**Mr. Friesz** answered that these funds are prohibited from being used for anything other than disaster recovery costs.

**Rep. Bob Skarphol** asked how this bill is processed.

**Rep. Ken Svedjan, Chairman** I presume this will go through cross-over.

**Ms Sheila Peterson** read the written testimony prepared by Kristin Lunneborg from the Veteran's Home because Kristin was unable to appear due to icy roads. (handout #11-4, attached) (meter #45.6). There were no questions raised.

**Ms Alice Brekke** of the University of North Dakota distributed handout #11-5 (attached) and reviewed the summary of what appropriations were needed (page 1 of handout) and explanations for each (on page 2 and following). Ms Brekke also explained that there were two more items that are still outstanding that may need appropriations later, since the first is in arbitration that is due to continue through 2013 and the second is a FEMA close out that is not yet complete.

**Rep. Ken Svedjan, Chairman** asked if the worse case scenario for these two projects might be an additional \$8 million.

**Ms Brekke** confirmed this and added that interest dollars may be added as well.

**Rep. Keith Kempenich** asked what "phase 2" meant on the handout.

**Ms Brekke** answered that the dollars are above what we have already paid for both phases.

**Rep. David Monson** asked for the total cost of the project

**Ms Brekke** stated that the total cost was \$29 million

**Rep. Mike Timm, Vice Chairman** asked if the work was completed and working.

**Ms Brekke** answered yes.

**Rep. Bob Skarphol** asked what was meant by the "disallowance by FEMA."

**Ms Brekke** answered that FEMA uses the standard of "reasonableness" when deciding what they will reimburse. They are the ones who define what "reasonableness" means. They look very closely and make sure that all of the documentation of costs is there. Some disaster reports aren't as well defined. So, its always a matter of interpretation.

**Mr. Dick Rayl** from North Dakota State University distributed and reviewed handout #11-6 (attached). Mr. Reyl explained that what NDSU is facing is a "Rain Event" and not a flood, since flood damage is not covered by Hartford Insurance. Mr. Reyl also explained the deficiency request as summarized on the handout.

**Rep. Jeff Delzer** asked what would happen if Hartford is proven to be responsible in the end? Why would we need to pay for the legal fees?

**Mr. Reyl** answered that FEMA is very adamant about saying that you have to challenge things in court, but that they will not pay for legal fees. (meter Tape 1, Side B #10.8)

**Rep. David Monson** commented that if the court agrees that Hartford needs to fulfill the claim, then they would also be responsible for any legal fees incurred in the process.



**Mr. Reyl** comment that they were not sure if this has ever been the case before and said that they would check into the possibility and what it would mean to the appropriation. Mr. Reyl also commented that if the appropriations were made and the legal fees were not needed, the University would pay the moneys back.

**Mr. Dave Krabbenhoft** from Department of Corrections and Rehabilitation distributed handout #11-7 (attached) and reviewed their estimated deficiency and the reasons for it. (meter Tape #1, Side B, #12.8) Mr. Krabbenhoft continued discussion saying that there were three possible high cost medical expenses already on the horizon that are not included in these estimates. Mr. Krabbenhoft also explained that the appropriations allowed for the female inmates were under spent and have thus been used to offset the higher costs in the medical expenses and the Department has reduced spending in several other areas and increased bed capacities to help offset the deficiency.

**Rep. David Monson** asked what level of medical care do we owe these inmates.

**Mr. Krabbenhoft** answered that they are accountable for "community standards" of care. Mr. Krabbenhoft also explained that because sentences are longer, inmates are aging, and because of all the meth-related inmates already in poor health, medical expenses are going to continue to rise.

**Dr. Robert Potts** from the North Dakota University System distributed a request for an amendment to HB1024 (handout #11-8, attached) so that NDUS might be added to the needs for deficiency appropriation.. (meter Tape #1, Side B, #23.9) DR Potts reviewed the handout and explained that the reason for the deficiency is the expenses incurred due to the delay of the

Needs  
Amend.  
increased amount  
418,000.00  
more than original estimate

implementation of the ConnectND software. DR Potts assured the committee that there were no other moneys available to the university system to pay for these unexpected costs.

**Rep. Ole Aarsvold** asked what the cost was to the university system due to this pilot project.

**DR Potts** answered that all but \$90,000 of appropriated funds to the system were used for this project and that he would provide those specific figures to the committee.

**Rep. Ken Svedjan, Chairman** asked if the decision to delay implementation of the program was decided after the contingency transfer of \$150,000 was approved.

**DR Potts** answered yes.

**Rep. Ken Svedjan, Chairman** asked DR Potts to explain the cost of delaying the implementation.

**DR Potts** answered that most of the costs were tied up in consulting fees, and maintaining the legacy system.

**Rep. Ken Svedjan, Chairman** asked about the \$100 million put aside in a reserve fund for all of the universities in the system and asked if these funds might be used for this deficiency.

**DR Potts** answered that most usually, these types of funds were restricted in their use.

**Ms Brekke** commented that these funds are considered continuing appropriation and there was just a brochure put together that defined what these funds were restricted for. Ms Brekke will make sure that the committee receives a copy of this brochure. (brochure was delivered the next day and is attached to these minutes.).

**Rep. Ken Svedjan, Chairman** asked for further testimony. Seeing none, Chairman Svedjan closed the hearing on HB1024.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1024  
Deficiency Appropriation

House Appropriations Full Committee

☐ Conference Committee

Hearing Date January 25, 2005

Tape Number  
2

Side A  
X

Side B  
X

Meter #  
#22.9 - end (a)  
#0 - #15.3 (b)

Committee Clerk Signature

*Chris Alexander*

Minutes:

**Rep. Ken Svedjan, Chairman** opened the discussion on HB1024 and explained the handouts that were distributed that were in response to the questions concerning this bill from the hearing on January 11, 2005 (handout #16-7, attached). Chairman Svedjan explained that an amendment was drawn up to provide for the additional funds needed by the Department of Corrections and Rehabilitation and to add the deficiency for the North Dakota University System to HB1024 and further clarified that he thought that these two issues would come as separate amendments but that now they were together.

**Rep. Ron Carlisle** moved a do pass on the part of the proposed amendment that would add the additional deficiency of the Department of Corrections and Rehabilitation but no action to be taken on the part of the amendment that would add the deficiency for the North Dakota University System (NDUS).

**Rep. Ken Svedjan, Chairman** clarified that we authorize the additional \$418,284.00 for the Department of Corrections and Rehabilitation (DCR).

**Rep. Keith Kempenich** seconded.

**Rep. Mike Timm, Vice Chairman** asked what the additional moneys would be used for in the DCR.

**Rep. Jeff Delzer** answered that in this case the DCR needs more money to cover the additional work load costs for the male inmates.

**Rep. Ralph Metcalf** asked what would happen to the NDUS part of the amendment if it is not voted on.

**Rep. Ken Svedjan, Chairman** answered that it could be moved at a later time and voted on or if there is never a motion for it, it would just sit there.

**Rep. Ole Aarsvold** asked what was different about the DCR and their unanticipated costs versus the unanticipated costs for NDUS?

**Rep. Ken Svedjan, Chairman** answered that no one was saying there was a difference, but that the motion on the floor was to accept the additional amount for DCR and leave the discussion for NDUS. If someone wishes to move the section for NDUS they still can.

**Rep. Jeff Delzer** answered that the state agencies have an obligation to their clients and have no where else to go to raise funds for their unanticipated costs whereas higher education has other avenues available for revenue.

**Rep. Larry Bellew** asked if it was possible to separate the amendment.

**Rep. Ken Svedjan, Chairman** answered that since amendment .0101 was never moved we have a motion still on the floor that in essence creates our own amendment (now it is amendment #58047.0104, attached) without having the paper in from of us. (meter Tape #2, side A, #33.7)

**Rep. Ken Svedjan, Chairman** called for a roll call vote on the motion to accept the amendment that adds the additional dollars for DCR. Motion carried with a vote of 17 yeas, 2 neas, and 4 absent.

**Rep. Ken Svedjan, Chairman** explained the letter from Division of Emergency Management (DEM) (within handout #16-7, attached) that explained the initial deficiency request of 110,000 for fire expenditures and the request for an additional \$91,125.00 for further fire expenditure costs that were recently billed to the division. These additional funds would bring the total deficiency request for DEM to \$6,420,658.

**Rep. Bob Skarphol** commented that the reality of the situation is that if this is not added to the deficiency bill here, they will just go borrow it from the Bank of North Dakota and we'll have to vote to pay it back at the next assembly.

**Rep. Al Carlson** mentioned that the DEM has just distributed another handout (#16-8, attached)

**Mr. Ross Mushik** from DEM introduced Ms Susan Reinertson who was to explain handout #16-8 .

**Rep. Ken Svedjan, Chairman** asked if Emergency Management was changing their requested amount for deficiency.

**Mr Ross Mushik** answered yes and testified that DEM is requesting an additional amount of almost \$1.2 million be added to their deficiency request in HB1024.

**Rep. Ken Svedjan, Chairman** asked where they came up with this and wondered why this wasn't mentioned in the hearing on January 11.

**Mr Ross Mushik** answered that the original costs were calculated in May and that North Dakota has been hit with two additional disasters since then and the disasters in Florida delayed work on our disasters for six weeks, so they just found out about these costs.

**Rep. Bob Skarphol** asked if this will reduce what they would be asking for in the next biennium.

**Mr Ross Mushik** affirmed this.

**Rep. Jeff Delzer** asked if since we would not be changing their authority to borrow wouldn't they still be able to borrow even if we appropriate this additional cost now.

**Mr Ross Mushik** answered that yes, they would still have the authority to borrow but wouldn't have to borrow so soon if the appropriations were approved now.

**Rep. Ken Svedjan, Chairman** asked if DEM had prepared a new amendment to account for these changes and mentioned that this information should have come up as a possibility in the hearing in the previous week, but said that he would allow additional information to be heard now.

**Mr Ross Mushik** answered that an amendment was not prepared because he was hoping to get the advice of the committee as to whether they needed an amendment or not, and thanked the chair for allowing his additional information to be heard.

**Rep. Mike Timm, Vice Chairman** asked if it was a policy of the Department to check all of the work bills to make sure that the bills were accurate for the work accomplished.

**Ms Susan Reinertson** from DEM answered yes.

**Rep. Bob Skarphol** asked what the limit was on their line of credit from the Bank of North Dakota and how close the department has ever come to it.

**Mr Ross Mushik** answered that their limit was \$14 million minus the \$6 million they have already borrowed and that the overview coming up might answer how close they have come to it.

**Ms Susan Reinertson** reviewed the process of disaster relief through the DEM (handout #16-8).

**Mr Ross Mushik** reviewed the second page of handout #16-8 and explained the state's share of disaster relief costs in answer to Rep Skarphol's question concerning the departments borrowing history. Mr Mushik also explained the effect of "continual disasters" where a second disaster strikes before the relief for the first one was cleared out. (meter Tape #2, side B, #6.9) Mr Mushik also used the handout to show the department's borrowing history and where the funds appropriated last assembly for interest ended up and explained that the total requested deficiency appropriation is now \$7,472,144, which is a difference of \$1,197,144 from the original request when the bill was drafted.

**Rep. Ken Svedjan, Chairman** clarified that these figures did not include the additional \$35 thousand requested for further fire costs.

**Rep. Jeff Delzer** asked if the \$35 thousand shouldn't be part of the \$500 thousand listed in here?

**Mr Ross Mushik** answered that they have an identified billing from the USDA Forestry Service that specifically lists the \$35 thousand.

**Rep. Jeff Delzer** continues to ask whether we appropriate any general fund dollars in their budget or if this the case where we give them a line of credit and then in a deficiency they come in and ask for additional funding.

**Ms Sheila Peterson** from OMB answered that the majority of the funding for this department is from federal funding. There is a small amount of general fund appropriated to them. Their present budget is \$5.5 million in general funds but the lion's share of that is state radio.

**Rep. Ken Svedjan, Chairman** asked Legislative Council for a new amendment to reflect the language we passed regarding DCR and asked them to draft new amendments that reflect the requests from NDUS and the changes to Emergency Management.

**Rep. Ken Svedjan, Chairman** closed the discussion of HB1024 and adjourned the committee.

(meter Tape #2, side B, #15.3)



2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1024  
Deficiency Appropriations

House Appropriations Full Committee

☐ Conference Committee

Hearing Date February 1, 2005

Tape Number	Side A	Side B	Meter #
3	X		#17.6 - end
3		X	#0 - #4.3

Committee Clerk Signature

*Chris Alexander*

Minutes:

**Rep. Ken Svedjan, Chairman** opened the hearing on HB1024. Chairman Svedjan reminded everyone that Amendment #0104 regarding the changes to the appropriations for the Department of Corrections and Rehabilitation (DOCR) was adopted on the last discussion on this bill. This brings the total deficiency for the DOCR to \$1.668 million. This discussion will begin with amendment #0102 regarding Emergency Management (EM). Originally EM requested an increase of \$35,658.29 for their deficiency and then Ross Mushik from EM came before this committee and requested an additional \$1.2 million. Chairman Svedjan asked if this appropriation is approved this session, will that mean less will be asked for in the next assembly?

**Roxanne Woeste** from Legislative Council answered that this is correct and amendment #0102 reflects both of these increases.

**Rep. Ken Svedjan, Chairman** commented that the total deficiency requested now for Emergency Management is \$7.617 million.

**Rep. Bob Skarphol** asked Sheila Peterson from OMB if it was true that we could either pay it now or pay it later.

**Sheila Peterson** from OMB answered yes.

**Rep. Ron Carlisle** asked for clarification by asking if it was true that this \$7 million was not in there original request and EM just came in here a week later and asked for an additional 1.2 million?

**Rep. Ken Svedjan, Chairman** clarified that this was correct that none of this was referenced in the original bill nor was it referenced when we had the hearing on HB1024.

**Rep. Keith Kempenich** commented that since this was a pay me now or pay me later situation, maybe we should.

**Rep. Bob Skarphol** commented that this is one of the things we wouldn't have to spend money on now but we would have to pay it in the next assembly with interest.

**Rep. Jeff Delzer** moved to accept the \$35,658.29 but not the \$1.2 million.

**Rep. Ron Carlisle** seconded.

**Rep. Al Carlson** asked why we wouldn't pay the full amount since it has already been spent.

**Rep. Ken Svedjan, Chairman** answered that it would delay the cost until the next assembly but that there would then be an interest attached to it.

**Rep. Jeff Delzer** commented that perhaps it hasn't already been spent and they won't borrow the full amount if we do not appropriate it this time.

**Rep. Bob Skarphol** commented that they would have to borrow the full amount because the money had already been spent. They have borrowing authority with the bank of North Dakota to

borrow whatever money they need to match whatever federal dollars they get in for emergency purposes and this clears up their current debit with the bank..

**Rep. Jeff Delzer** commented that all but \$500,000 or \$600,000 has been spent, but my recollection was that they had expected to spend this all by the end of the biennium, but that doesn't mean they have already done it..

**Rep. Ken Svedjan, Chairman** asked Legislative Council for clarity on the wording that allows for the spending in this case. Could EM spend up to the amount appropriated or only what bills they accumulate?

**Mr. Jim Smith** answered that if the amount needed is less than what is appropriated then they shouldn't be spending it.

**Rep. Bob Skarphol** asked if they could carry over the extra money if we appropriate the full amount and then don't use it.

**Ms Sheila Peterson** of OMB answered that yes, they could but it would mean that they would borrow less from the Bank of North Dakota in the next biennium. (meter Tape #3, side A, #27.7)

**Rep. Eliot Glassheim** moved a substitute motion to accept amendment #0102 including all the funds.

**Rep. Ole Aarsvold** seconded.

**Rep. Ken Svedjan, Chairman** called for a voice vote to adopt amendment #0102. Motion carried.

**Rep. Al Carlson** clarified that these dollars were coming from the ending fund balance and the amendments are taking more away from the balance.

**Rep. Ken Svedjan, Chairman** clarified that the original requested amount of \$10,880.00 was already taken off the ending fund balance and that we have added to the deficiency is the \$1.323 million and the \$418,000.00 so far.

**Rep. Ken Svedjan, Chairman** explained amendment #0103 regarding the appropriations request for North Dakota University System (NDUS). The delay in implementing the Connect ND program put added costs to the program that they are now asking to be covered in a deficiency appropriation. Chairman Svedjan commented that this was disconcerting because at the last Emergency Commission meeting, NDUS came in and requested \$150,000 from the contingency fund for a portion of the added costs of Connect ND because of the delay. At that time they got the \$150,00 from the contingency fund and \$400,000 from all of the institutions collectively and then the vendor, Maximus, participated in making this thing whole to that point. In other words all the costs were covered relating to the delays that had been experienced. So it was thereafter that the Board of Higher Education voted to retain outside consulting to a tune of \$617,520.00 to ensure that going live would remain live with regards to Connect ND.

**Rep. Bob Martinson** moved to accept amendment #0103.

**Rep. Joe Kroeber** seconded. (meter Tape #3, side A, #33.0)

**Rep. Ole Aarsvold** commented that this was a part of the agreement that was entered into at the Budget Section where there concessions made by the providers, that the campuses would provide for a portion and that the state would pick up the balance.

**Rep. Ken Svedjan, Chairman** answered that this request is in addition to that agreement and was encored after the agreement.

**Ms Laura Glatt** from NDUS spoke. During the Budget Section, NDUS decided it was best to delaying 4 campus starts for going live with Connect ND. The further deadline of January 1 came along and NDUS was still in need of additional training at the campus level. They agreed to go ahead and go live with the program if additional training was to be provided along the way. It is these additional costs that are reflected here.

**Rep. Ole Aarsvold** asked how NDUS would pay these costs if this is not appropriated.

**Ms Laura Glatt** answered that the obvious alternative would be to go back to the campuses and absorb the costs there with all 11 schools in the system sharing in the cost.

**Rep. Al Carlson** asked what the cost sharing percentage was for the overall cost of the project.

**Rep. Bob Skarphol** answered that it was 71% from Higher Education and 29% from the state.

**Rep. Ken Svedjan, Chairman** mentioned that what concerned him in this is that there was no mention made of this at the time we approved the \$150,000 at the Budget Section and another concern is that when the Board for Higher Education voted to do this did they view the deficiency appropriation as someplace where they could just go and get funding, because it appears that way to me.

**Ms Laura Glatt** answered that no decision had been made in time for the Budget Section meeting concerning the post production costs after January. And, the decision to further delay the implementation of Connect ND beyond January 1, 2005 would have cost an additional \$500,000 per month, which is much more than the extra consulting fees needed for continued training on the campus level. As to the comment concerning whether the department sees deficiency appropriation as a sort of "slush fund," we do not. The department has looked for other sources of revenue to cover this cost and have exhausted all other avenues with the other

unexpected costs of this project, so the department is looking for help from the legislature through deficiency appropriation.

**Rep. Ken Svedjan, Chairman** asked if the Board for Higher Education had any discussion regarding where the money might come from. when they voted to delay this project.

**Ms Laura Glatt** answered that they discussed having to send this cost back to the campuses and the last resort is to go back to the students. (meter Tape #3, side A, #45.5)

**Rep. Ken Svedjan, Chairman** asked if there were any internal funds from which they could borrow.

**Ms Laura Glatt** answered that this might solve the situation on a short term basis but that eventually the money would need to be repaid and through the bonding process of all this we have all the cash flow accounted for, for the next ten years.

**Rep. Ken Svedjan, Chairman** asked if the entire cost be within this biennium.

**Ms Laura Glatt** answered that the cost would run between January and the end of February of 2005. The student system part of the project will finish by June 30, 2005.

**Rep. Ken Svedjan, Chairman** asked if this request reflected the full cost of the contract.

**Ms Laura Glatt** answered yes.

**Rep. Bob Skarphol** mentioned that he was on the committee for Connect ND and it was NDUS that was a driving force behind this program, but that he was disappointed in how this was handled and thought it was unfair that all the campuses in the system would have to share in the cost for this. Rep Skarphol will not support this amendment.

**Ms Laura Glatt** clarified that all eleven presidents supported the shared cost of this decision.

**Rep. Francis J. Wald** asked what the cost per campus would be.

**Ms Laura Glatt** answered that it was a formula based on students, human resources and finance.

**Rep. Ken Svedjan, Chairman** asked if Ms Glatt remembered the % of the 2 major research schools.

**Ms Laura Glatt** answered that they are around 75-80%.

**Rep. Ken Svedjan, Chairman** called for a voice vote to adopt amendment # 0103. Vote was declared uncertain and Chairman Svedjan called for a roll call vote to adopt amendment #0103. Motion carried with a vote of 13 yeas, 8 nays, and 2 absent members.

**Rep. Bob Skarphol** moved a Do Pass as amended on HB1024.

**Rep. Ron Carlisle** seconded.

**Rep. Ken Svedjan, Chairman** summarized the bill as the amendments have changed the totals.

**Rep. Jeff Delzer** mentioned that he could not support this bill because of the portions including the appropriation for NDUS and ITD. (meter Tape #3, side B, #2.8)

**Rep. Ken Svedjan, Chairman** called for a roll call vote on the DO Pass As Amended motion for HB1024. The motion carried with a vote of 16 yeas, 5 nays, and 2 absent members.

**Rep. Ken Svedjan, Chairman** closed discussion on HB1024 and adjourned the committee meeting. (meter Tape #3, side B, #4.3).

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1024

Page 2, after line 17, insert:

"Subdivision 7.	
NORTH DAKOTA UNIVERSITY SYSTEM OFFICE	
ConnectND expenses	<u>\$617,520</u>
Total general fund appropriation	\$617,520"

Page 2, line 18, replace "7" with "8"

Page 2, line 20, replace "1,250,000" with "1,668,384"

Page 2, line 21, replace "1,250,000" with "1,668,384"

Page 2, line 22, replace "10,886,142" with "11,922,046"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

This amendment increases the 2003-05 deficiency appropriation for the Department of Corrections and Rehabilitation by \$418,384 from \$1,250,000 to \$1,668,384 and adds a 2003-05 deficiency appropriation of \$617,520 for the North Dakota University System office relating to ConnectND expenses.



PROPOSED AMENDMENTS TO HOUSE BILL NO. 1024

Page 2, line 3, replace "110,000" with "145,658"

Page 2, line 4, replace "6,275,000" with "7,472,145"

Page 2, line 5, replace "6,385,000" with "7,617,803"

Page 2, line 22, replace "10,886,142" with "12,118,945"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

This amendment increases the 2003-05 deficiency appropriation for the Division of Emergency Management as follows:

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
2004 fire expenditures	\$110,000	\$35,658	\$145,658
Operating expenses	<u>6,275,000</u>	<u>1,197,145</u>	<u>7,472,145</u>
Total	\$6,385,000	\$1,232,803	\$7,617,803

<sup>3</sup>  
Separate  
amendments  
that were  
drafted after  
the discussion  
on 1/25/05 regarding  
HB1024

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1024

Page 2, after line 17, insert:

"Subdivision 7.	
NORTH DAKOTA UNIVERSITY SYSTEM OFFICE	
ConnectND expenses	\$617,520
Total general fund appropriation	\$617,520"

Page 2, line 18, replace "7" with "8"

Page 2, line 22, replace "10,886,142" with "11,503,662"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

This amendment adds a 2003-05 deficiency appropriation of \$617,520 for the North Dakota University System office relating to ConnectND expenses.

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1024

Page 2, line 20, replace "1,250,000" with "1,668,384"

Page 2, line 21, replace "1,250,000" with "1,668,384"

Page 2, line 22, replace "10,886,142" with "11,304,526"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

This amendment increases the 2003-05 deficiency appropriation for the Department of Corrections and Rehabilitation by \$418,384 from \$1,250,000 to \$1,668,384.

Date: **February 1, 2005**  
Roll Call Vote #: **1**

**2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES**  
**BILL/RESOLUTION NO. HB1024**

**House Appropriations - Full Committee**

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken **DO PASS AS AMENDED**

Motion Made By **Rep. Skarphol** Seconded By **Rep. Carlisle**

<b>Representatives</b>	<b>Yes</b>	<b>No</b>	<b>Representatives</b>	<b>Yes</b>	<b>No</b>
Rep. Ken Svedjan, Chairman		X	Rep. Bob Skarphol	X	
Rep. Mike Timm, Vice Chairman	X		Rep. David Monson	X	
Rep. Bob Martinson	X		Rep. Eliot Glassheim	X	
Rep. Tom Brusegaard	X		Rep. Jeff Delzer		X
Rep. Earl Rennerfeldt	AB		Rep. Chet Pollert	X	
Rep. Francis J. Wald	X		Rep. Larry Bellew	X	
Rep. Ole Aarsvold	X		Rep. Alon C. Wieland	X	
Rep. Pam Guleson	X		Rep. James Kerzman	AB	
Rep. Ron Carlisle	X		Rep. Ralph Metcalf	X	
Rep. Keith Kempenich		X			
Rep. Blair Thoreson		X			
Rep. Joe Kroeber	X				
Rep. Clark Williams	X				
Rep. Al Carlson		X			
Total	Yes		No		
		<b><u>16</u></b>		<b>5</b>	
Absent					<b>2</b>

Floor Assignment **Rep. Skarphol**

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

**HB 1024: Appropriations Committee (Rep. Svedjan, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (16 YEAS, 5 NAYS, 2 ABSENT AND NOT VOTING). HB 1024 was placed on the Sixth order on the calendar.

Page 2, line 3, replace "110,000" with "145,658"

Page 2, line 4, replace "6,275,000" with "7,472,145"

Page 2, line 5, replace "6,385,000" with "7,617,803"

Page 2, after line 17, insert:

"Subdivision 7.

**NORTH DAKOTA UNIVERSITY SYSTEM OFFICE**

ConnectND expenses	<u>\$617,520</u>
Total general fund appropriation	\$617,520"

Page 2, line 18, replace "7" with "8"

Page 2, line 20, replace "1,250,000" with "1,668,384"

Page 2, line 21, replace "1,250,000" with "1,668,384"

Page 2, line 22, replace "10,886,142" with "13,154,849"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

This amendment:

- Increases the 2003-05 deficiency appropriation for the Division of Emergency Management as follows:

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
2004 fire expenditures	\$110,000	\$35,658	\$145,658
Operating expenses	<u>6,275,000</u>	<u>1,197,145</u>	<u>7,472,145</u>
Total	\$6,385,000	\$1,232,803	\$7,617,803

- Adds a 2003-05 deficiency appropriation of \$617,520 for the North Dakota University System office relating to ConnectND expenses.
- Increases the 2003-05 deficiency appropriation for the Department of Corrections and Rehabilitation by \$418,384 from \$1,250,000 to \$1,668,384.

As a result, the amendment increases total general fund deficiency appropriations for the 2003-05 biennium by \$2,268,707 from \$10,886,142 to \$13,154,849.

2005 SENATE APPROPRIATIONS

HB 1024

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1024

Senate Appropriations Committee

☐ Conference Committee

Hearing Date February 23, 2005

Tape Number

1

Side A

a

Side B

Meter #

847

Committee Clerk Signature



Minutes:

**Chairman Holmberg** opened the hearing on HB 1024.

**Mike Ressler, Deputy CIO, Information Technology Department (ITD)**, distributed written testimony, a copy of the legislature authorized general fund programs, and testified in support of HB 1024. The General Fund Programs shows what was authorized with each of seven programs, however, at the end of the session a lesser amount was authorized and a portion was to come from special funds. After attorney general's opinions some agencies could not transfer money which resulted in a shortage in ITD

Questions were raised about shortage, federal government monitoring the program, and the \$12.9 million turn back.

The request was made to get schedule by agencies as to where the turn back was from.

No further questions.

**Kathy Roll, Financial Administrator, Office of Attorney General**, provided written testimony and testified on behalf of HB 1024. She described what the deficiency requests were for; One affects operating and one is for arrest and return of fugitives. She indicated every biennium this department as to request deficiency appropriations that cannot be budgeted because the number of cases is unknown. The past year there have been increases in total cases handled.

**Douglas C. Friez, Director, ND Division of emergency Management**, distributed testimony and testified in support of HB 1024, describing what the divisions of the deficiency is. He indicated this is for the authority to repay to the Bank of North Dakota the amount due in principal and interest as calculated to June 30, 2005, for state disaster response and recovery loan.

**Ralph Mushik** responded to questions raised about salaries paid out of these funds. He indicated there are only temporary salaries and temporary expenses paid through this fund. Other questions raised were clarification of budget amounts, when estimates are made, events qualifying as disasters, the cost-share process, completion of projects, and borrowing process.

**Christin Lunnenberg, Accounting Manager, ND Veteran's Home**, provided written testimony and testified in favor of HB 1024. She read her testimony describing why there is a deficiency. In spite of attempts to compensate for expenses not included and changes in the ND Veteran's Home there is a shortage.

Questions were raised regarding the mandated building improvements, the pharmacy program, and the primary care appointments.

There was a request to provide the building improvements and dollar amounts attached.



**Alice Brekke, Budget Director, UND**, distributed testimony and testified on the deficiency appropriation request on behalf of HB 1024. She reviewed her written material describing the needs as a result of the 1997 flood.

**Senator Bowman** requested a copy of the actual requests, the amount paid by FEMA, what was paid by NDFT and with the \$229,000 why they wouldn't pay the amounts.

**Dick Rail, Vice President Business and Finance, NDSU**, provided written documentation and testified on behalf of HB 1024. He described the handout which was a summary of deficiency appropriation request, discussing the line items. He indicated FEMA looks at insurance policies and makes the determination if insurance should cover it. In one case with boiler machinery the insurance policy did not cover floods, FEMA says it is not a flood but rain event and the school needs to go to court to exhaust all possible options. The other situation also resulted in a lawsuit which is pending.

Questions were raised about the preventive measures being taken to prevent further damage, concerns about the attorney general helping with the lawsuits and court case.

**Lee Vickers, President, Dickinson State University, Chairman, NDUS Connect ND**

**Executive Steering Committee**, provided written testimony and testified in support of HB 1024. He discussed Connect ND and people needed for software support and additional costs involved. No questions were asked.

**Dave Krabbenhoft, Director of Finance and Administration, Department of Corrections and Rehabilitation**, distributed written testimony and testified in support of HB 1024. He described the needs based on increases in medical costs, department of corrections costs,

Page 4

Senate Appropriations Committee

Bill/Resolution Number 1024

Hearing Date February 23, 2005

increases in inmates, sex offender positions added and reviewed the budget summary resulting in a shortage.

Questions were raised regarding any additional growth and impact and whether their any rationale to take proposals from the next biennium to address the escalating numbers..

**Chairman Holmberg** closed the hearing on HB 1024.

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1024

Senate Appropriations Committee

☐ Conference Committee

Hearing Date March 24, 2005

Tape Number	Side A	Side B	Meter #
x	a		740-1045

Committee Clerk Signature



Minutes:

**Chairman Holmberg** opened the discussion on HB 1024.

**Senator Christmann** discussed amendments, which will be forthcoming, discussing what the changes are.

**Senator Christmann** moved to approve the amendments when they arrive, **Senator Krauter** seconded. A voice vote was taken. The motion carried.

**Senator Krauter** moved a DO PASS with AMENDMENTS, **Senator Christmann** seconded.

A roll call vote was taken resulting in 14 yes, 0 no and 1 absent. The motion carried.

**Chairman Holmberg** closed the discussion on HB 1024.

Date 3/24/05  
Roll Call Vote #: 1

**2005 SENATE STANDING COMMITTEE ROLL CALL VOTES**  
**BILL/RESOLUTION NO. SB 1024**

Senate **SENATE APPROPRIATIONS**

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken

Motion Made By

Krauter

Seconded By

Do Pass  
Christmann

Senators	Yes	No	Senators	Yes	No
CHAIRMAN HOLMBERG	✓		SENATOR KRAUTER	✓	
VICE CHAIRMAN BOWMAN	✓		SENATOR LINDAAS	✓	
VICE CHAIRMAN GRINDBERG	✓		SENATOR MATHERN	✓	
SENATOR ANDRIST	✓		SENATOR ROBINSON	✓	
SENATOR CHRISTMANN	✓		SEN. TALLACKSON	✓	
SENATOR FISCHER	✓				
SENATOR KILZER	✓				
SENATOR KRINGSTAD	✓				
SENATOR SCHOBINGER	✓				
SENATOR THANE	✓				

Total (Yes)

14

No

0

Absent

1

Floor Assignment

Christmann

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

HB 1024, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1024 was placed on the Sixth order on the calendar.

Page 2, line 3, replace "145,658" with "151,369"

Page 2, line 5, replace "7,617,803" with "7,623,514"

Page 2, line 24, replace "1,668,384" with "1,732,168"

Page 2, line 25, replace "1,668,384" with "1,732,168"

Page 2, line 26, replace "13,154,849" with "13,224,344"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

This amendment increases the 2003-05 biennium deficiency appropriation for the Division of Emergency Management by \$5,711, from \$7,617,803 to \$7,623,514, and for the Department of Corrections and Rehabilitation by \$63,784, from \$1,668,384 to \$1,732,168.

2005 TESTIMONY

HB 1024

January 2005

NORTH DAKOTA STATE AGENCY AND INSTITUTION VACANT POSITIONS  
AS OF 12/31/04 INCLUDED IN THE 2005-07 EXECUTIVE BUDGET

Agency/Position No./Description	Date Vacated	Number of Months Vacant January 2005	Date Expected to Be Filled	Current Status/Agency Response	General Fund	Special Funds	Total	Salary and Fringe Benefit Amounts Included in the 2005-07 Executive Budget
<b>GENERAL GOVERNMENT</b>								
101 - Governor's Office								
15 - Policy advisor	7/03	18	Unknown	Funding was not provided for the 2003-05 biennium	\$131,312		\$131,312	
<b>108 - Secretary of State</b>								
1588 - Clerk III	7/03	18	Unknown	Election reform position not yet needed		\$57,285	\$57,285	
<b>110 - Office of Management and Budget</b>								
72 - Office assistant	5/04	7	ASAP	Filled with two interns through pilot internship program	\$28,260	\$61,439	\$89,699	\$28,260
156 - Surplus property specialist	5/04	7	Unknown	Position filled based on workload fluctuations				\$61,439
118 - Custodian	4/04	8	1/05	Position filled	52,219		52,219	\$52,219
122 - Custodian	8/04	4	2/05	Position offered, pending acceptance	52,219		52,219	\$52,219
					\$132,698	\$61,439	\$194,137	
<b>112 - Information Technology Department</b>								
0315 - Accounting and budget specialist III	8/04	5	1/05	Interviewing		\$146,854	\$146,854	\$146,854
0298 - Programmer	8/03	17	1/05	Re-advertising the position		100,487	100,487	\$100,487
0250 - Programmer analyst I	12/04	1	1/05	Advertising		101,319	101,319	\$101,319
0412 - Programmer analyst I	12/04	1	1/05	Advertising		100,164	100,164	\$100,164
0287 - Technology service specialist III	12/04	1	1/05	Job announcement closed on January 6, 2005		155,956	155,956	\$155,956
0200 - Technology service specialist III	11/04	2	1/05	Interviewing		143,859	143,859	\$143,859
428 - Teacher II	8/04	5	7/05	Will advertise in July 2005		48,770	48,770	\$48,770
327 - Teacher IV	8/04	5	7/05	Advertising		52,799	52,799	\$52,799
001-1 - Teacher I	10/04	3	7/05	Advertising		85,263	85,263	\$85,263
002-1 - Teacher I	7/03	18	7/05	Plan to fill during the 2005-07 biennium		85,263	85,263	\$85,263
	7/03	18	7/05			\$1,020,734	\$1,020,734	
<b>117 - State Auditor</b>								
547 - Auditor III	7/03	18	5/05	100% self-funded position - Only filled if needed		\$84,902	\$84,902	\$84,902
556 - Administrative assistant I	11/05	2	5/05	100% federally funded - Waiting on status of federal funds		82,030	82,030	\$82,030
520 - Auditor II	7/04	6	2/05	Auditor hired - Will begin 2/1/05	\$87,856		\$87,856	\$87,856
536 - Information system auditor II	10/04	3	1/05	New auditor began 1/3/05	98,509		98,509	\$98,509
531 - Auditor III	10/04	3	3/05	Advertising to fill position	100,577		100,577	\$100,577
543 - Auditor I	11/04	2	3/05	Advertising to fill position	87,856		87,856	\$87,856
544 - Auditor II	11/04	2	3/05	Advertising to fill position	92,887		92,887	\$92,887
525 - Auditor I	12/04	1	3/05	Advertising to fill position	87,856		87,856	\$87,856
513 - Auditor I	12/04	1	3/05	Advertising to fill position	90,813		90,813	\$90,813
					\$846,354	\$166,932	\$1,013,286	
<b>120 - State Treasurer</b>								
No vacant positions								
<b>125 - Attorney General</b>								
693 - Programmer analyst II	12/04	1	3/05	Interviewing	\$58,974	\$40,982	\$99,956	\$99,956
601 - Assistant attorney general	10/04	4	3/05	Interviewing	35,834	81,310	117,144	\$117,144
608 - Assistant attorney general	12/03	13	Unknown	To be filled based on workload		120,313	120,313	\$120,313
705 - Assistant attorney general	12/02	25	Unknown	To be filled based on workload		117,438	117,438	\$117,438
598 - Assistant attorney general	12/04	1	4/05	Filled				
629 - Grants and contracts officer I	12/04	47	Unknown	To be filled based on funding availability	124,274		124,274	\$124,274
631 - Identification technician I	2/01	62	Unknown	To be filled based on funding availability		88,686	88,686	\$88,686
634 - Criminal investigator II	11/00	82	Unknown	To be filled based on funding availability		37,279	37,279	\$37,279
10288 - Criminal investigator I	7/99	66	Unknown	To be filled based on funding availability		80,551	80,551	\$80,551
	7/03	18	3/05	Interviewing	79,783		79,783	\$79,783

Shirley  
Lange  
Vice

Salary and Fringe Benefits  
Amounts Included in the  
2005-07 Executive Budget

Agency/Position No./Description	Date Vacated	Number of Months Vacant January 2005	Date Expected to Be Filled	Current Status/Agency Response	General Fund	Special Funds	Total
679 1.00 Criminal Investigator I	10/04	4	3/05	Interviewing	94,750		94,750
686 1.00 Criminal Investigator III	11/04	3	3/05	Interviewing	28,333	95,328	124,661
10289 1.00 Telephone solicitation enforcement position	7/03	18	4/05	To be filled based on workload		138,267	138,267
694 1.00 Auditor IV	12/03	13	3/05	Interviewing	93,774		93,774
712 1.00 Racing Commission director	10/04	4	1/05	Filled		155,601	155,601
<b>Total</b>					<b>\$516,722</b>	<b>\$955,755</b>	<b>\$1,472,477</b>
<b>127 - Office of State Tax Commissioner</b>							
766 1.00 Auditor II	9/04	3	1/05	Position filled on 1/10/05	\$109,542		\$109,542
820 1.00 Auditor II	2/01	47	Unknown	Hold for employee on active duty	87,324		87,324
465 1.00 Auditor I	8/03	16	4/05	Positions 465, 807, 481, and 449 are being reviewed for use in compliance, streamlined sales tax implementation, and expansion of the Nexus program.	71,764		71,764
807 1.00 Auditor II	2/04	10	7/05		87,324		87,324
481 1.00 Auditor III	5/03	20	4/05		95,372		95,372
449 1.00 Office assistant II	12/03	12	7/05		51,370		51,370
<b>Total</b>					<b>\$502,696</b>		<b>\$502,696</b>
<b>140 - Office of Administrative Hearings</b>							
No vacant positions							
<b>160 - Legislative Council</b>							
0845 1.00 Information processing specialist	11/04	2	5/05	Will fill after 2005 legislative session, currently using temporary positions to provide services	\$73,449		\$73,449
0846 1.00 Information processing specialist	1/04	12	5/05	Will evaluate after 2005 legislative session, currently using temporary positions to provide services	65,463		65,463
<b>Total</b>					<b>\$138,912</b>		<b>\$138,912</b>
<b>180 - Judicial Branch</b>							
897 1.00 District judge	11/04	2	1/05	District judge retired - New judge started 1/1/05	\$261,506		\$261,506
887 1.00 District court administrator	11/04	2	3/05	Currently advertising for the position	185,777		185,777
881 1.00 Court reporter	10/04	3	8/05	Position converted to law clerk position - Individual accepted job offer and will start 8/01/05	132,290		132,290
921 1.00 Deputy clerk of district court II	5/03	20	N/A	Turned back in lieu of 1% salary increase given 1/1/04			
967 1.00 Deputy clerk of district court I	7/03	18	N/A	Turned back in lieu of 1% salary increase given 1/1/04			
1053 1.00 Deputy clerk of district court II	6/03	19	N/A	Turned back in lieu of 1% salary increase given 1/1/04			
494 1.00 Juvenile court officer II	5/03	20	N/A	Turned back in lieu of 1% salary increase given 1/1/04			
1011 1.00 Deputy clerk of district court II	10/04	3	3/05	Redesigning and evaluating position for reassignment	72,117		72,117
1107 1.00 Deputy clerk of district court II	8/04	5	4/05	Redesigning and evaluating position for reassignment	115,282		115,282
1138 1.00 Director of juvenile court and ed. services	6/04	7	4/05	Redesigning position - Recruitment will start soon	143,353		143,353
<b>Total</b>					<b>\$910,325</b>		<b>\$910,325</b>
<b>190 - Retirement and Investment Office</b>							
No vacant positions							
<b>192 - Public Employees Retirement System</b>							
No vacant positions							
<b>EDUCATION</b>							
<b>201 - Department of Public Instruction</b>							
1297 1.00 Project coordinator	7/04	6	2/05	Pending reclassification	\$104,189		\$104,189
1303 1.00 Assistant superintendent	5/04	8	7/05	Position will be open until 2005-07 biennium	95,903		147,542
1309 1.00 Administrative assistant I	10/04	3	2/05	Interviewing	80,668		80,668
<b>Total</b>					<b>\$51,639</b>	<b>\$280,760</b>	<b>\$332,399</b>
<b>226 - Land Department</b>							
1475 1.00 Auditor II	11/04	2	2/05	Job posting closes January 7, 2005	\$98,730		\$98,730

NOTE: The Institutions of higher education are not included in this report since the University System receives a "block grant" general fund appropriation.

250 - State Library  
No vacant positions



Salary and Fringe Benefit  
Amounts Included in the  
2005-07 Executive Budget

Agency/Position No./Description	Date Vacated	Number of Months Vacant January 2005	Date Expected to Be Filled	Current Status/Agency Response	General Fund	Special Funds	Total
<b>252 - School for the Deaf</b>							
1523 1.00 Custodian	9/04	4	2/05	Advertising to fill position	\$54,897		\$54,897
1537 0.75 Dormitory counselor II	7/04	6	Unknown	Will determine needs based on resources needed to fulfill new mission	59,905		59,905
<b>1539 0.75 Houseparent</b>	1/04	12	Unknown	Will determine needs based on resources needed to fulfill new mission	41,888		41,888
<b>1548 0.75 Licensed practical nurse</b>	6/04	7	1/05	Filled	59,020		59,020
1549 1.00 Assistant director	12/04	1	3/05	Advertising to fill position		\$123,427	123,427
1559 0.75 Faculty	6/03	19	Unknown	Advertising to fill position	76,749		76,749
1562 0.75 Faculty	6/03	19	Unknown	Advertising to fill position	76,749		76,749
<b>Total</b>					<b>\$369,206</b>	<b>\$123,427</b>	<b>\$492,635</b>
<b>253 - North Dakota Vision Services - School for the Blind</b>							
1607 0.50 Education program administrator	8/04	5	4/05	Evaluating current needs of the agency	\$25,211	\$25,211	\$50,422
<b>270 - State Board for Career and Technical Education</b>							
1632 1.00 Assistant Director	6/04	7	1/05	Position filled - Effective 1/10/05	\$115,039	\$40,911	\$155,950
1642 0.50 Trainee/Intern	8/02	31	Unknown	Not advertised	30,655		30,655
1637 0.50 Administrative assistant II	2/01	47	Unknown	Position being reevaluated to return to full-time due to assignment of additional duties	28,807	9,603	38,410
1619 1.00 Supervisor	2/02	35	Unknown	Not advertised - No federal funds available for position		129,874	129,874
<b>Total</b>					<b>\$174,501</b>	<b>\$180,388</b>	<b>\$354,889</b>
<b>HEALTH AND WELFARE</b>							
<b>301 - State Department of Health</b>							
1740 1.00 Office assistant II	10/04	3	4/05	Evaluating for reclassification		\$62,562	\$62,562
1766 1.00 Administrative assistant I	12/04	1	3/05	Advertising	\$3,403	64,662	68,065
1790 1.00 HSP administrator V	12/00	49	7/05	Requested in the 2005-07 budget as a new program		132,234	132,234
1802 1.00 HCF surveyor II	9/04	4	4/05	Continuously advertised since October until filled		94,511	94,511
1814 1.00 Public health nurse cons I	12/04	1	3/05	Beginning the interview process	8,202	87,170	95,372
1820 1.00 Public health nurse cons I	12/04	1	3/05	Beginning the interview process		94,216	94,216
1871 1.00 Environmental scientist I	9/04	4	3/05	Interviewing applicants	34,769	64,568	99,337
1874 1.00 HSP administrator VI	12/04	1	5/05	Evaluating for reclassification		137,556	137,556
1894 1.00 Chemist II	10/04	3	4/05	Evaluating for reclassification	57,229	46,824	104,053
1930 1.00 HCF surveyor II	7/04	6	4/05	Continuously advertised since October until filled	9,286	83,570	92,856
1931 1.00 HCG surveyor II	12/04	1	4/05	Continuously advertised "open until filled"		87,856	87,856
1960 1.00 Environmental scientist II	10/04	3	3/05	Interviewing applicants		88,450	88,450
<b>Total</b>					<b>\$112,689</b>	<b>\$1,044,179</b>	<b>\$1,157,068</b>
<b>313 - Veterans Home</b>							
3097 0.60 Cook I	12/04	1	2/05	Filled		\$38,903	\$38,903
3045 0.60 Food service assistant	11/04	1	1/05	Filled		39,001	39,001
3082 0.60 Health care orderly I	11/04	1	1/05	Filled		16,363	16,363
3085 1.00 Health care orderly II	11/04	1	2/05	Advertising to fill		54,254	54,254
<b>Total</b>					<b>\$0</b>	<b>\$148,521</b>	<b>\$148,521</b>
<b>316 - Indian Affairs Commission</b>							
No vacant positions							
<b>321 - Department of Veterans Affairs</b>							
No vacant positions							
<b>325 - Department of Human Services</b>							
Administration/Support							
3191 0.80 Human resource officer II	6/03	19	7/05	Will fill when temporary employee retires	\$49,674	\$69,837	\$119,511
3676 1.00 Accounting manager I	12/04	1	1/05	Filled	85,348	13,280	98,608
<b>Economic Assistance</b>							
3190 1.00 Research analyst III	4/04	9	2/05	Recruiting	36,413	72,153	108,566

## Salary and Fringe Benefits

Amounts Included in the  
2005-07 Executive Budget

Agency/Position No./Description	Date Vacated	Number of Months Vacant January 2005	Date Expected to Be Filled	Current Status/Agency Response	General Fund	Special Funds	Total
<b>Child Support</b>							
4151 1.00 Human service program administrator IV	11/04	2	2/05	Assessing need and restructuring duties	20,629	74,830	95,459
4338 1.00 Human service program administrator III	12/04	1	2/05	Recruiting	19,632	71,214	90,846
4380 1.00 Child support payment specialist	11/04	2	1/05	Filled	16,505	59,874	76,379
<b>Medical Services</b>							
3264 1.00 Human service program administrator III	5/04	8	2/05	Recruiting	63,276	63,277	126,553
3437 1.00 Medical claims processing specialist III	11/04	2	2/05	Will be recruiting	18,128	50,470	68,598
<b>Aging Services</b>							
4417 1.00 Human service program administrator III	9/04	4	1/05	Filled	43,085	61,872	104,957
<b>Mental Health and Substance Abuse Services</b>							
4399 1.00 Human service program administrator V	10/04	3	1/05	Filled	38,046	104,984	143,030
<b>Disability Services</b>							
3554 1.00 Disability claims analyst II	11/04	2	1/05	Filled		92,170	92,170
3617 1.00 Assistive technology coordinator	6/04	7	2/05	Recruiting		111,126	111,126
<b>North Central Human Service Center</b>							
3560 1.00 Vocational rehabilitation specialist	12/04	1	1/05	Filled	12,935		12,935
3612 0.50 Office assistant III	2/04	11	7/05	Assessing need	4,689		4,689
4128 1.00 Advanced clinical specialist	9/03	16	3/05	Recruiting	25,214	14,752	39,966
4145 1.00 Activity therapist II	11/04	2	2/05	Recruiting	22,847		22,847
4164 1.00 Human service program administrator IV	7/03	18	3/05	Recruiting	68,080	503	68,583
<b>Lake Region Human Service Center</b>							
3419 1.00 Licensed psychologist I	9/04	4	5/05	Recruiting - Difficult to fill	60,201	71,993	132,194
3473 1.00 Addiction counselor II	9/04	4	5/05	Recruiting - Difficult to fill	21,077	68,424	89,501
3990 1.00 Addiction counselor II	9/04	4	5/05	Recruiting - Difficult to fill	21,344	69,287	90,631
<b>Northeast Human Service Center</b>							
3510 1.00 Activity therapist II	8/04	5	1/05	Filled	39,325	45,978	85,303
4008 1.00 Licensed psychologist I	6/04	7	3/05	Recruiting	34,238	97,956	132,194
4027 1.00 Addiction counselor I	8/04	5	3/05	Recruiting	4,051	73,857	77,908
4096 1.00 DD case manager I	12/04	1	3/05	Recruiting	37,325	33,088	70,424
4270 1.00 Community home counselor II	10/04	3	3/05	Recruiting	19,314	41,813	60,927
4349 1.00 Licensed psychologist II	8/04	5	3/05	Filled - Will begin 3/1/05	42,942	122,857	165,799
4364 0.70 Activity therapist II	11/04	2	3/05	Filled - Will begin 3/1/05	36,758	42,977	79,735
4412 1.00 Community home counselor II	12/04	1	1/05	Filled	18,977	40,887	59,864
<b>Southeast Human Service Center</b>							
3451 1.00 Addiction counselor	7/03	18	7/05	Will be recruiting	40,994	5,207	46,201
3472 1.00 Case manager II - Mental health	10/04	3	2/05	Recruiting	75,027	4,997	80,024
3668 1.00 Registered nurse II	12/04	1	2/05	Recruiting	48,608	6,174	54,782
3687 1.00 Community home counselor II	2/03	23	1/05	Filled	30,800	3,978	34,778
3730 1.00 Licensed practical nurse II	5/04	8	2/05	Recruiting	56,635	3,772	60,407
3782 1.00 Administrative staff officer I	10/04	3	2/05	Recruiting	103,300	308	103,608
4163 0.20 Registered nurse II	5/03	20	Unknown	Funding used for other positions	6,376	809	7,185
<b>South Central Human Service Center</b>							
3377 1.00 Case manager II - Developmental disabilities	9/04	4	1/05	Filled	54,053	27,846	81,899
4005 1.00 Addiction counselor II	4/04	9	3/05	Recruiting	18,371	78,319	96,690
4304 1.00 Physician	9/03	16	Unknown	Will fill when contract expires		0	0
4308 1.00 Licensed psychologist II	7/04	6	3/05	Recruiting	92,094	69,475	161,569
<b>West Central Human Service Center</b>							
3645 1.00 Case manager II - Mental health	11/04	2	1/05	Filled	48,264	2,941	51,205
3646 1.00 Addition counselor II	12/04	1	2/05	Recruiting	37,054	5,885	42,939
3841 0.50 Early childhood care licensing specialist II	5/04	8	2/05	Recruiting	3,672		3,672
4324 1.00 Case manager II - Mental health	12/04	1	2/05	Recruiting	47,777	2,912	50,689

Agency/Position No./Description	Date Vacated	Number of Months Vacant January 2005	Date Expected to Be Filled	Current Status/Agency Response	Salary and Fringe Benefit Amounts Included in the 2005-07 Executive Budget		
					General Fund	Special Funds	Total
<b>Badlands Human Service Center</b>							
3562 1.00 Vocational rehabilitation counselor II	8/04	5	2/05	Assessing need	48,630	49,335	97,965
3743 0.60 Case manager II - Mental health	4/04	9	1/05	Filled	30,684	27,228	57,912
<b>State Hospital</b>							
2572 1.00 Safety officer	10/04	3	1/05	Recruiting	111,638		111,638
2628 1.00 Housekeeping	12/04	1	1/05	Filled	64,868		64,868
2655 1.00 Medical director	3/04	10	1/05	Recruiting	496,534		496,534
2662 1.00 Physician	11/04	2	1/05	Recruiting	422,105		422,105
2697 1.00 Nurse practitioner	10/04	3	1/05	Filled	92,290		92,290
2726 1.00 Mental health care specialist I	11/04	2	1/05	Filled	59,778		59,778
2739 1.00 Licensed psychologist II	11/04	2	1/05	Recruiting	176,571		176,571
2742 0.50 Registered nurse II	5/04	8	1/05	Recruiting	66,575		66,575
2746 1.00 Registered nurse II	12/04	1	1/05	Recruiting	129,240		129,240
2747 1.00 Registered nurse II	5/04	8	1/05	Filled	72,078		72,078
2811 1.00 Registered nurse II	9/04	4	1/05	Recruiting	102,968	30,890	102,968
2869 1.00 Mental health care specialist II	12/04	1	1/05	Filled	59,955		59,955
2878 1.00 Licensed practical nurse I	10/04	3	1/05	Recruiting	82,259		82,259
2671 1.00 Registered nurse II	12/04	1	1/05	Recruiting	110,070		110,070
2771 1.00 Registered nurse II	4/04	9	1/05	Recruiting	102,968		102,968
2871 1.00 Mental health care specialist II	12/04	1	1/05	Filled	59,778		59,778
2825 1.00 Registered nurse II	11/04	2	1/05	Recruiting	125,954		125,954
2971 1.00 Licensed practical nurse I	10/04	3	1/05	Recruiting	61,907		61,907
2999 1.00 Registered nurse II	4/04	9	1/05	Recruiting	102,968		102,968
<b>Developmental Center</b>							
2005 0.50 Medical lab technician II	9/03	18	3/05	Recruiting	11,628	32,798	44,426
2012 0.50 Direct training technician	9/04	4	2/05	Recruiting	9,050	25,571	34,621
2018 1.00 Direct training technician	11/04	2	2/05	Recruiting	19,565	55,062	74,627
2024 1.00 Direct training technician	12/04	1	2/05	Recruiting	14,908	42,005	56,913
2046 0.40 Direct training technician	11/04	2	2/05	Recruiting	4,025	11,285	15,310
2098 1.00 Cook I	10/04	3	2/05	Recruiting	14,568	41,049	55,617
2112 0.30 Custodian	1/04	12	Unknown	Reviewing	2,810	7,880	10,690
2158 1.00 Administrative assistant III	3/04	10	2/05	Recruiting	18,181	51,182	69,363
2177 1.00 Training officer II	9/04	4	Unknown	Reviewing	30,010	84,349	114,359
2316 0.50 Direct training technician	9/04	4	2/05	Recruiting	9,050	25,571	34,621
2319 1.00 Direct training technician	6/04	7	2/05	Recruiting	14,572	41,059	55,631
2325 1.00 Direct training technician	12/04	1	2/05	Recruiting	17,031	47,959	64,990
2329 0.50 Direct training technician	12/04	1	2/05	Recruiting	9,050	25,571	34,621
2348 1.00 Direct training technician II	4/04	9	2/05	Recruiting	14,572	41,059	55,631
2363 1.00 Direct training technician II	8/04	5	2/05	Recruiting	16,742	47,147	63,889
2370 1.00 Direct training technician II	12/04	1	2/05	Recruiting	16,952	47,737	64,689
2382 1.00 Direct training technician II	9/03	18	2/05	Recruiting	14,572	41,059	55,631
2394 0.50 Direct training technician II	12/04	1	2/05	Recruiting	9,050	25,571	34,621
2401 1.00 Assistant resident supervisor	11/04	2	2/05	Recruiting	17,870	50,310	68,180
2412 1.00 Direct training technician	9/04	4	2/05	Recruiting	14,627	41,216	55,843
2416 1.00 Direct training technician	12/04	1	2/05	Recruiting	14,572	41,059	55,631
2426 1.00 Direct training technician	12/04	1	2/05	Recruiting	14,572	41,059	55,631
2479 1.00 Vocational training technician	12/04	1	2/05	Recruiting	18,558	55,042	74,600
2487 0.20 Office assistant III	11/03	14	2/05	Will be recruiting	2,060	5,778	7,838
<b>Total Department of Human Services</b>					<u>\$4,432,491</u>	<u>\$2,817,704</u>	<u>\$7,250,195</u>
<b>360 - Protection and Advocacy Project</b>							
No vacant positions							
<b>380 - Job Service North Dakota</b>							
4622 1.00 Customer service specialist	9/04	4	4/05	Funding used to fund emergency status temporary position		\$93,683	\$93,683
4578 1.00 Customer service specialist	12/04	1	2/05	Selection process in progress		83,389	83,389
4671 1.00 Customer service specialist	12/04	1	2/05	Selection process in progress		76,732	76,732
4675 0.46 Custodian	11/03	14	Unknown	Selection process in progress		16,944	16,944
4697 1.00 Customer service consultant	12/04	1	2/05	Selection process in progress		85,668	85,668
4829 1.00 Administrative assistant I	12/04	1	Unknown	Funding used to fund emergency status temporary position		63,392	63,392

Salary and Fringe Benefits  
Amounts Included in the  
2005-07 Executive Budget

Agency/Position No./Description	Date Vacated	Number of Months Vacant	Expected to Be Filled	Current Status/Agency Response	General Fund	Special Funds	Total
4724 1.00 Programmer analyst II	7/03	18	Unknown	Funding used to fund intern	104,216		104,216
4727 0.38 Customer support specialist II	7/03	18	Unknown	Funding used to fund intern	39,297		39,297
4770 1.00 Research analyst II	11/04	2	2/05	Selection process in progress	90,133		90,133
4755 1.00 Area director	10/04	3	3/05	Selection process in progress	169,182		169,182
4855 1.00 Program administrator III	11/04	2	4/05	Selection process in progress	131,997		131,997
<b>Total</b>					<b>\$954,633</b>		<b>\$954,633</b>
<b>REGULATORY</b>							
<b>401 - Insurance Commissioner</b>							
4879 1.00 Insurance company examiner	9/04	4	2/05	Advertising complete; hiring process in progress	\$101,911		\$101,911
4889 1.00 Insurance investigator	9/01	40	7/05	Assessing need to reclassify the position	87,116		87,116
4891 1.00 Market conduct examiner	12/04	1	3/05	Advertising	112,510		112,510
4894 1.00 Deputy boiler inspector	4/04	9	2/05	Advertising complete; hiring process in progress	115,337		115,337
4911 1.00 Insurance fraud investigator	7/05	6	7/05	Evaluating workload	96,522		96,522
<b>Total</b>					<b>\$513,396</b>		<b>\$513,396</b>
<b>405 - Industrial Commission</b>							
4925 1.00 Office assistant II	7/04	6	N/A	Will not be filling vacant position			
4967 1.00 Geologist III	7/04	6	N/A	Will not be filling vacant position			
4958 1.00 Appointed/Not classified	6/04	7	Unfunded	Pursuant to 2003 HB 1015, this position was only funded for 1 year of the 2003-05 biennium			
4973 1.00 Geologic map technician II	8/04	5	N/A	Will not be filling vacant position			
4977 1.00 Loan officer I	7/03	18	Unknown	Currently vacant, however uncertain how new programs will affect the Municipal Bond Bank's staffing needs	\$87,856		\$87,856
<b>Total</b>					<b>\$87,856</b>		<b>\$87,856</b>
<b>406 - Labor Commissioner</b>							
4984 0.50 Administrative officer II	11/04	2	2/05	Interviews completed; expect to make offer by 1/21/05	\$50,704		\$50,704
4982 1.00 Compliance investigator	12/04	1	2/05	Position filled - Will start 2/1/05	70,883		70,883
<b>Total</b>					<b>\$121,587</b>		<b>\$121,587</b>
<b>408 - Public Service Commission</b>							
No vacant positions							
<b>412 - Aeronautics Commission</b>							
5041 1.00 Account budget specialist II	Never filled		Unknown	Position will be used as part of a plan for internships in the agency	\$76,967		\$76,967
<b>413 - Department of Financial Institutions</b>							
5049 1.00 Financial examiner I	10/04	3	1/05	Position filled - Started 1/4/05	\$101,121		\$101,121
5052 1.00 Financial examiner I	12/04	1	2/05	Position filled - Will start 2/2/05	108,567		108,567
5055 1.00 Chief examiner	12/04	1	3/05	Interviewing - Expect to fill internally	178,678		178,678
<b>Total</b>					<b>\$388,366</b>		<b>\$388,366</b>
<b>414 - Securities Commissioner</b>							
No vacant positions							
<b>471 - Bank of North Dakota</b>							
10464 1.00 Auditor III	10/02	27		Reorganizing audit function - Reevaluating position	\$186,833		\$186,833
10466 1.00 Lending manager	9/01	40		Reevaluating position	161,590		161,590
10523 1.00 Account technician	5/02	32		Reorganizing accounting function - Reevaluating position	77,336		77,336
10366 1.00 Account/budget specialist II	2/04	11		Reorganizing banking services - Reevaluating position	108,222		108,222
10512 1.00 Commercial loan manager	1/04	12		Reevaluating position	146,798		146,798
10461 1.00 Bank operations proc. tech.	11/04	2	2/05	Analyzing operations and staffing needs	61,562		61,562
10455 0.50 Administrative assistant	10/02	27		Reevaluating position	38,230		38,230
10399 0.50 Administrative assistant	8/04	5		Analyzing student loan operations and staffing needs	41,748		41,748
<b>Total</b>					<b>\$824,319</b>		<b>\$824,319</b>
<b>473 - Housing Finance Agency</b>							
54 1.00 Account/budget specialist	New 1/04	12	7/05	Redefining position for 2005-07 biennium	\$83,211		\$83,211
55 1.00 Pending classification	New 7/04	6	7/05	Redefining position for 2005-07 biennium	139,420		139,420
56 1.00 Pending classification	New 7/03	18	7/05	Redefining position for 2005-07 biennium	139,420		139,420
<b>Total</b>					<b>\$362,051</b>		<b>\$362,051</b>

Salary and Fringe Benefit Amounts Included In the 2005-07 Executive Budget					Current Status/Agency Response	General Fund		Special Funds	Total
Agency/Position No./Description	Date Vacated	Number of Months Vacant January 2005	Date Expected to Be Filled						
<b>475 - Mill and Elevator Association</b>									
0004 1.00 Utility worker	4/04	9	1/05	Advertising to fill position		\$84,022		\$84,022	\$84,022
4380 1.00 Utility worker	2/04	11	1/05	Advertising to fill position		80,192		80,192	80,192
0001 1.00 Packer	9/03	16		Remains open		82,280		82,280	82,280
0002 1.00 Packer	7/03	18		Remains open		82,280		82,280	82,280
0003 1.00 Packer	7/03	18		Remains open		82,280		82,280	82,280
0005 1.00 Computer analyst	7/03	18		Remains open		132,706		132,706	132,706
0006 1.00 Sales representative	7/03	18		Remains open		122,164		122,164	122,164
<b>Total</b>						<b>\$845,924</b>		<b>\$845,924</b>	<b>\$845,924</b>
<b>485 - Workforce Safety and Insurance</b>									
5087 1.00 Records management generalist	10/04	3	2/05	Position has been advertised		\$90,077		\$90,077	\$90,077
5291 1.00 Premium auditor	10/04	3	2/05	Position has been advertised		92,118		92,118	92,118
5295 0.65 Customer service	3/04	10	3/05	An offer has been extended; awaiting acceptance		29,647		29,647	29,647
5172 1.00 Internal audit manager	12/04	1	2/05	Position has been advertised		135,929		135,929	135,929
5199 1.00 Administrative assistant	12/04	1	3/05	Position has been advertised		80,756		80,756	80,756
<b>Total</b>						<b>\$428,527</b>		<b>\$428,527</b>	<b>\$428,527</b>
<b>PUBLIC SAFETY</b>									
<b>504 - Highway Patrol</b>									
5447 1.00 Highway Patrol officer I	12/04	1	8/05	Holding for next training class	\$70,969	\$28,987		\$99,956	\$99,956
5533 1.00 Highway Patrol officer II	8/04	5	8/05	Holding for next training class	89,928	36,731		126,659	126,659
5541 1.00 Highway Patrol officer II	10/04	3	8/05	Holding for next training class	76,222	31,133		107,355	107,355
5587 1.00 Highway Patrol officer II	10/04	3	8/05	Holding for next training class	86,145	35,186		121,331	121,331
5451 1.00 Data processing coordinator II	3/04	10	4/05	Reclassifying to research analyst	66,432	27,134		93,566	93,566
1.00 Commercial motor carrier inspector II	2/04	11	4/05	Reclassifying to new entrant program coordinator	89,072	89,072		89,072	89,072
5480 1.00 Commercial motor carrier inspector II	11/03	14	4/05	Reclassifying to mobile data support position	64,499	26,344		90,843	90,843
<b>Total</b>					<b>\$454,195</b>	<b>\$274,587</b>		<b>\$728,782</b>	<b>\$728,782</b>
<b>506 - State Radio Communications - Combined with Department 512 - Division of Emergency Management</b>									
<b>512 - Division of Emergency Management</b>									
No vacant positions									
<b>530 - Department of Corrections and Rehabilitation</b>									
<b>Youth Correctional Center</b>									
6051 0.50 Juvenile corrections specialist	9/03	16	1/05	Reorganization and FTE reassigned to other positions as of January 2005	\$51,166			\$51,166	\$51,166
<b>James River Correctional Center</b>									
2639 1.00 Training officer II	8/04	5	1/05	Reclassified and filling	78,700			78,700	78,700
5681 1.00 Addition counselor II	1/04	12	Unknown	Advertising - Difficult to fill position	104,189			104,189	104,189
5688 1.00 Licensed psychologist II	8/04	5	Unknown	Advertising - Difficult to fill position	173,611			173,611	173,611
5805 1.00 Corrections trainee	12/04	1	1/05	Filled January 2005	66,531			66,531	66,531
<b>Roughrider Industries</b>									
00368 1.00 Administrative assistant II	7/04	6	2/05	In the process of making a non-classified position		\$70,403		\$70,403	\$70,403
00355 1.00 Has not been classified	7/01	42	Unknown	As inmate job numbers grow, RRI will fill necessary FTE		78,384		78,384	78,384
00351 1.00 Has not been classified	7/01	42	Unknown	Position reclassified to Prisons Division physician 1/05		73,086		73,086	73,086
00370 1.00 Nonclassified position	12/99	61	6/05	PIQ is being completed for a market specialist		78,384		78,384	78,384
00375 1.00 Industrial production apprentice	7/99	68	6/05	PIQ is being completed to reclassify the position		73,208		73,208	73,208
<b>Total</b>					<b>\$474,197</b>	<b>\$373,465</b>		<b>\$847,662</b>	<b>\$847,662</b>
<b>540 - Adjutant General</b>									
6124 1.00 Custodial supervisor II	11/04	2	1/05	Conducting interviews	\$78,780			\$78,780	\$78,780
6128 1.00 Custodial supervisor II	10/04	3	1/05	Conducting interviews	18,371	\$55,114		73,485	73,485
6129 1.00 Manager - Veteran's Cemetery	7/04	6	2/05	Pending reclassification	105,632			105,632	105,632
6137 1.00 Systems mechanic III	4/04	9	3/05	Pending reclassification		97,096		97,096	97,096
6162 1.00 Budgeted - Pending classification	10/02	27	5/05	Awaiting federal funding		76,027		76,027	76,027
6166 1.00 Administrative staff officer II	10/04	3	1/05	Pending reclassification		99,366		99,366	99,366
6196 1.00 Security police - Nonclassified	6/02	31	5/05	Awaiting federal funding		74,959		74,959	74,959
10216 1.00 Protective service - Nonclassified	New	18	5/05	Awaiting federal funding		76,027		76,027	76,027

Salary and Fringe Benefit Amounts Included in the 2005-07 Executive Budget			
Agency/Position No./Description	General Fund	Special Funds	Total
10591 1.00 Budgeted - Pending classification	\$202,763	93,191	93,191
Total	\$202,763	\$571,780	\$774,563

### Current Status/Agency Response

Number of  
Months  
Vacant  
January 2005

Date  
Vacated  
New

Agency/Position No./Description	Date Vacated	Number of Months Vacant January 2005	Date Expected to Be Filled
10591 1.00 Budgeted - Pending classification	11/04	18	5/05
Total	11/04	2	2/05

### AGRICULTURE AND ECONOMIC DEVELOPMENT

#### 601 - Department of Commerce

6262 1.00 Travel counselor/administrative assistant	8/04	5	1/05
6281 1.00 Research analyst	12/04	1	3/05
Total	10/04	3	2/05

#### 602 - Agriculture Department

6330 1.00 Administrative officer II	8/04	5	1/05
6342 1.00 Ag program specialist II	12/04	1	3/05
6347 1.00 Agt mediation service negotiator	10/04	3	2/05
Total			

#### 616 - Seed Department

6402 1.00 Potato and grain inspector	5/04	8	9/08
6404 1.00 Potato and grain inspector	9/99	29	9/08
6406 1.00 Potato and grain inspector	6/04	7	12/05
6410 0.50 Potato and grain inspector	4/98	82	12/05
6411 1.00 Potato and grain supervisor I	9/04	5	7/05
6412 1.00 Potato and grain inspector	3/00	58	12/05
6413 1.00 Potato and grain inspector	9/99	64	12/05
Total			

#### 627 - Upper Great Plains Transportation Institute

4403 1.00 Associate research fellow	9/04	4	4/05
5296 0.50 Associate research fellow	6/04	7	Unknown
5749 1.00 Research assistant	10/04	3	7/05
Total			

#### 628 - Branch Research Stations

Dickinson Research Center	7/04	5	2/05
1607 0.43 Academic staff			

#### 630 - NDSU Extension Service

3859 0.25 Professor	7/04	6	7/06
4186 1.00 Extension specialist	1/04	12	Unknown
1845 1.00 Extension agent	5/04	7	3/05
3839 1.00 Extension agent	8/04	4	2/05
4702 1.00 Extension agent	10/04	3	2/05
4794 0.75 Extension agent	10/04	3	6/05
1719 0.35 Professor	7/04	6	7/08
1834 1.00 Extension specialist	7/04	2	2/05
3788 1.00 Extension agent	11/04	14	Unknown
4302 0.60 Extension agent	10/03	2	3/05
4189 0.57 Extension center specialist	11/04	2	3/05
1791 1.00 Extension center specialist	7/04	6	3/05
Total			

#### 638 - Northern Crops Institute

No vacant positions

#### 640 - Main Station

1070 0.55 Professor	7/04	6	3/05
5015 1.00 Professor	6/04	7	3/05
1165 0.60 Associate professor	6/03	12	2007
1463 1.00 Physical science teacher	10/04	2	Deleted
4401 1.00 International exchange science	10/04	2	7/05
4913 1.00 Professor	11/04	1	Deleted
5379 1.00 Professor	10/04	2	Deleted
4500 1.00 Research fellow	4/04	9	1/05

### Salary and Fringe Benefit

### Amounts Included in the

### 2005-07 Executive Budget

Agency/Position No./Description	General Fund	Special Funds	Total
10591 1.00 Budgeted - Pending classification	\$202,763	93,191	93,191
Total	\$202,763	\$571,780	\$774,563

6262 1.00 Travel counselor/administrative assistant	\$87,238		\$87,238
6281 1.00 Research analyst	99,337		99,337
Total	\$186,575		\$186,575

6330 1.00 Administrative officer II	\$127,412		\$127,412
6342 1.00 Ag program specialist II	90,846		90,846
6347 1.00 Agt mediation service negotiator	79,768		79,768
Total	\$17,510	\$298,024	\$315,534

6402 1.00 Potato and grain inspector	\$61,647		\$61,647
6404 1.00 Potato and grain inspector	66,412		66,412
6406 1.00 Potato and grain inspector	61,647		61,647
6410 0.50 Potato and grain inspector	40,034		40,034
6411 1.00 Potato and grain supervisor I	111,376		111,376
6412 1.00 Potato and grain inspector	66,412		66,412
6413 1.00 Potato and grain inspector	66,412		66,412
Total	\$473,940		\$473,940

4403 1.00 Associate research fellow	\$140,093		\$140,093
5296 0.50 Associate research fellow	26,428		26,428
5749 1.00 Research assistant	111,435		111,435
Total	\$277,956		\$277,956

Dickinson Research Center	\$84,404		\$84,404
1607 0.43 Academic staff			

3859 0.25 Professor	\$35,008		\$35,008
4186 1.00 Extension specialist	162,540		162,540
1845 1.00 Extension agent	84,741		84,741
3839 1.00 Extension agent	90,673		90,673
4702 1.00 Extension agent	82,627		82,627
4794 0.75 Extension agent	49,045		49,045
1719 0.35 Professor	27,561		27,561
1834 1.00 Extension specialist	20,864		20,864
3788 1.00 Extension agent	84,958		84,958
4302 0.60 Extension agent	85,623		85,623
4189 0.57 Extension center specialist	52,850		52,850
1791 1.00 Extension center specialist	89,936		89,936
Total	\$340,891	\$174,118	\$514,009

1070 0.55 Professor	\$102,489		\$102,489
5015 1.00 Professor	86,421		86,421
1165 0.60 Associate professor	117,581		117,581
1463 1.00 Physical science teacher	86,623		86,623
4401 1.00 International exchange science	72,075		72,075
4913 1.00 Professor	92,348		92,348
5379 1.00 Professor	72,563		72,563
4500 1.00 Research fellow	86,618		86,618

Salary and Fringe Benefit Amounts Included in the 2005-07 Executive Budget			
Agency/Position No./Description	Date Vacated	Number of Months Vacant January 2005	Date Expected to Be Filled
5470 1.00 Professor	6/04	1	Deleted
5756 1.00 Research fellow	5/04	8	1/05
1369 0.70 Physical science teacher	9/04	3	2/05
1522 0.39 Professor	7/04	5	6/05
2279 1.00 Research associate	10/04	2	1/05
5788 1.00 Professor	7/04	5	Deleted
5655 1.00 Professor	10/04	2	2/05
<u>13.24</u> Total			

649 - Agronomy Seed Farm  
No vacant positions

NATURAL RESOURCES AND HIGHWAYS  
701 - Historical Society  
No vacant positions

709 - Council on the Arts  
No vacant positions

720 - Game and Fish Department  
6552 1.00 Wildlife tech II  
6584 1.00 Chief, information and education division  
2.00 Total

750 - Parks and Recreation Department  
6676 1.00 Projects and maintenance coordinator  
6716 1.00 Park ranger/interpreter  
2.00 Total

770 - Water Commission  
6726 1.00 Water resource engineer manager I  
6782 1.00 Water resource engineer III  
6801 1.00 Water resource engineer III  
3.00 Total

801 - Department of Transportation  
7844 1.00 Transportation project manager  
8928 1.00 Office assistant III  
7688 1.00 Administrative transportation engineer I  
7410 1.00 Equipment operator I  
8974 1.00 Engineering technician IV  
7055 1.00 Engineering technician IV  
7036 1.00 Archaeologist  
7714 1.00 Engineering technician II  
7776 1.00 Transportation engineer II  
6982 1.00 Administrative transportation engineer I  
7718 1.00 Engineering technician II  
7542 1.00 Transportation engineer II  
7512 1.00 Auto service worker II  
7269 1.00 Equipment operator II  
7530 1.00 Transportation senior manager  
15.00 Total

294.83 Total all agencies

NOTE: This report does not include University System campuses since the University System receives a "block grant" general fund appropriation.

Reclassified to biologist II - Filled 1/01/05  
Reclassified to business manager II - Filled 1/1/05

Position has been filled - Begins 1/18/05  
Job announcement listed - Deadline 1/07/05

Advertising to fill position  
Request to fill position  
Just vacated

Will be advertising to fill  
Advertising to fill  
Advertising to fill  
Advertising to fill  
Filled  
Filled  
Holding for grant student  
Holding for grant student  
Employee on military leave  
Employee on military leave  
Employee on military leave  
Employee on military leave  
Employee on military leave

\$104,371 \$104,371  
169,477 169,477  
\$273,848 \$273,848

\$109,217 \$109,217  
80,739 80,739  
\$189,956 \$189,956

\$136,671 \$136,671  
109,159 109,159  
115,963 115,963  
\$361,793 \$361,793

\$109,839 \$109,839  
89,988 89,988  
91,630 91,630  
83,225 83,225  
96,198 96,198  
118,670 118,670  
113,743 113,743  
83,553 83,553  
111,658 111,658  
177,227 177,227  
74,681 74,681  
112,470 112,470  
71,221 71,221  
86,628 86,628  
126,462 126,462  
\$1,527,193 \$1,527,193

\$10,547,431 \$17,469,338  
\$28,016,769

DEFICIENCY APPROPRIATION INFORMATION  
2005 HOUSE BILL NO. 1024  
OFFICE OF ATTORNEY GENERAL  
KATHY ROLL, FINANCIAL ADMINISTRATOR

*same given  
to Senate*

#### PROSECUTION WITNESS FEES

- Prosecution witness fees and expenses are reimbursed for district court criminal and juvenile court cases.
- For the 2003-05 biennium \$100,000 was appropriated to the Office of Attorney General for this purpose which was depleted in December 2004.
- Based on average usage, an additional \$45,000 in general fund moneys is estimated to be needed to reimburse prosecution witness fees for the remainder of the 2003-05 biennium.
- The Office of Attorney General 2005-07 biennium appropriation bill contains \$100,000 for prosecution witness fees reimbursement.
- Previous biennia prosecution witness fees expenses totaled:
  - \$146,791 for the 2001-03 biennium
  - \$121,356 for the 1999-2001 biennium
  - \$166,501 for the 1997-99 biennium, and
  - \$175,422 for the 1995-97 biennium.

#### CRIME LABORATORY SUPPLIES

The total general fund expenses for Crime Laboratory testing supplies are anticipated to exceed the amount provided by \$60,000 this biennium. In addition to the 19% increase in the total cases handled by the Laboratory, the cost of the testing supplies has increased. The chart below reflects the 2001-03 lab supply expenditures and the 2003-05 appropriation for lab supplies.

#### CRIME LAB TESTING SUPPLIES

	2001-03 EXPENSES	2003-05 APPROPRIATION	DIFFERENCE
GENERAL FUND	\$ 133,162	\$ 62,309	\$ (70,853)
FEDERAL FUNDS	\$ 85,435	\$ 216,076	\$ 130,641
TOTAL	\$ 218,597	\$ 278,385	\$ 59,788



## ARREST AND RETURN OF FUGITIVES

The Arrest and Return of Fugitives appropriation of \$10,000 was depleted in October 2004. The Emergency Commission approved \$5,000 from its contingency fund for these expenses. An additional \$5,000 in general fund expenses, incurred by cities and counties to extradite suspected felons upon approval by the Governor, (in addition to the amount provided by the Emergency Commission) is anticipated to be spent this biennium, for a total of \$20,000 in expenditures.

**HOUSE BILL 1024****House Appropriations – Representative Ken Svedjan, Chairman****Department of Corrections and Rehabilitation****Requested Deficiency Appropriation****Dave Krabbenhoft, Director of Finance and Administration**

- Current Estimated 2003-05 General Fund Deficiency - \$1.67 million
  - Increase of \$418,000 from original estimate of \$1.25 million
    - Inmate population appeared to level out when original estimate made (July 03 – September 04 data used)
    - Significant inmate population increase
      - September 2004 – 1,296 (1,167 male; 129 female)
      - October 2004 – 1,312 (1,181 male; 131 female)
      - November 2004 – 1,337 (1,196 male; 141 female)
      - December 2004 – 1,326 (1,191 male; 135 female)
- Factors Contributing to Estimated 2003-05 General Fund Deficiency
  - Significantly higher than estimated inmate populations
    - 12/31/04 average to date
      - 120 more male inmates than originally estimated
      - 5 more female inmates than originally estimated
  - Medical costs (increased costs and increased inmate numbers)
  - Sex offender positions – hired at direction of the Governor in response to tragic incident in Grand Forks
  - TRCC rate increase
    - NDSH requesting additional \$846,295
    - Location change
    - House females
    - Cost effective to pay
      - Close ward – contract house inmates
      - Loss of treatment component
      - Negative effect on parole numbers
  - DWCRC delay
    - Positive effect on deficiency
      - Able to house male inmates at lower rate
  - DOCR initiatives
    - Positive effect on deficiency
      - Budget reductions
      - Increase operating bed capacity from 971 to 991

**2003-05 DOCR Estimated Budget Status**  
**Projections Based on 12/31/04 PeopleSoft Reports & Actual BTB (12/31/04) Inmate Population Growth Rate**

<u>Description</u>	2003-05 Appropriation	<u>Adjustment</u>	2003-05 <u>Adj. Approp</u>	03-05 Est. BTB Expend	Remaining <u>Approp</u>	Percent <u>Remaining</u>
<b>Juvenile Services</b>						
Youth Correctional Center	11,577,679	36,215	11,613,894	11,572,695	41,199	0.35%
Juvenile Community Services	9,629,163	820,779	10,449,942	10,328,736	121,206	1.16%
<b>Total Juvenile Services</b>	<b>21,206,842</b>	<b>856,994</b>	<b>22,063,836</b>	<b>21,901,431</b>	<b>162,404</b>	<b>0.74%</b>
<b>Adult Services</b>						
Field Services Division	21,087,058	-	21,087,058	20,670,414	416,644	1.98%
Prisons Division V1	72,022,798	143,975	72,166,773	72,914,323	(747,550)	-1.04%
<b>Total Adult Services</b>	<b>93,109,856</b>	<b>143,975</b>	<b>93,253,831</b>	<b>93,584,737</b>	<b>(330,906)</b>	<b>-0.35%</b>
<b>Total DOCR</b>	<b>114,316,698</b>	<b>1,000,969</b>	<b>115,317,667</b>	<b>115,486,168</b>	<b>(168,502)</b>	<b>-0.15%</b>
General	81,736,611	56,213	81,792,824	83,461,208	(1,668,384)	-2.04%
Other	32,580,087	944,756	33,524,843	32,024,961	1,499,882	4.47%
V1 Prisons Division includes Rough Rider Industries						
<b>Adjustments</b>				(60,867)	(60,867 of)	
Reduce authority by amount spent in 01-03 bien (HB1023 emergency clause) - PD				204,842	[50,343 of; 154,499 of]	
Increase authority capital carryover - PD				36,215	[5,870 of; 30,345 of]	
Increase authority capital carryover - YCC				820,779	[820,779 of]	
Increase authority Juvenile Re-entry - JCS - Emergency Commission						

2.4%

**DEPARTMENT OF CORRECTIONS AND REHABILITATION**  
**Estimated 03-05 General Fund Deficiency Summary - Prisons Division**  
Based on 12/04 Accounting Reports & 12/04 LTD Inmate Population Growth Rate

<b>Female Contract Housing - 03-05 Approp.</b>		<b>\$</b>	<b>6,154,483</b>
03-05 Current Cost Estimates			
DWCRC	\$	3,181,325	
NDSH (TRCC) 11		618,677	
Meals (Female Housing Delay)		70,434	
Meals (TRCC)		44,302	
Transition Program (GF Match)		108,558	
Total Est. 03-05 Cost - Female Contract Housing		\$	4,023,297
Est. Remaining 03-05 Approp. - Female Contract Housing		\$	2,131,186
<b>Female Medical - 03-05 Approp.</b>		<b>\$</b>	<b>492,495</b>
03-05 Current Cost Estimates			
DWCRC	\$	759,901	
DWCRC Medical Deficiency 12		301,874	
NDSH (TRCC)		59,675	
Medical (Female Housing Delay)		94,875	
Transition Program		33,695	
Total Est. 03-05 Cost - Female Medical		\$	1,250,020
Est. Remaining 03-05 Approp. - Female Medical		\$	(757,525)
<b>Total Est. Remaining 03-05 Appropriation - Female Inmates</b>		<b>\$</b>	<b>1,373,661</b>
<b>Estimated 03-05 Increased Costs</b>			
Meals - (Higher Male Population)	\$	82,539	
Medical - (Higher Male Population / Increased Costs)		772,458	
Contract Housing - (Higher Male Population)		2,301,764	
NDSH (TRCC) 13		846,295	
Sex Offender Positions		205,337	
Total Est. 03-05 Increased Costs		\$	4,208,393
<b>Estimated 03-05 Budget Reductions / Adjustments</b>			
Elimination of Inmate Special Events	\$	(15,000)	
Inmate Pay Reduction		(42,000)	
Staff Early Retirement		(19,700)	
Reduce Meals - Hold Per Meal Cost at \$1.14		(53,000)	
Reduce Administration		(12,000)	
Reduce Utilities		(96,000)	
Reduce Equipment / Extraordinary Repairs		(250,000)	
TRCC - Female Inmates 11		(618,677)	
Total Est. 03-05 Budget Reductions		\$	(1,106,377)
<b>Est. 03-05 Inc. Cost Exceed Est. 03-05 Budget Reductions</b>		<b>\$</b>	<b>3,102,016</b>
<b>Net Budget Effect</b>		<b>\$</b>	<b>(1,728,355)</b>
<b>Estimated Unspent General Fund Authority 14</b>			<b>59,971</b>
<b>Estimated General Fund Deficiency</b>		<b>\$</b>	<b>(1,668,384)</b>
<b>Est. 03-05 Cost Savings</b>			
Operate Above Budgeted Bed Capacity 15		<b>\$</b>	<b>594,426</b>

**DEPARTMENT OF CORRECTIONS AND REHABILITATION**  
**Estimated 03-05 General Fund Deficiency Summary - Prisons Division**  
**Based on 12/04 Accounting Reports & 12/04 BTM Inmate Population Growth Rate**

**Notes**

- 11 - Amount represents the portion of the NDSH billing for the TRCC program applicable to female inmates. The NDSH TRCC amount was originally budgeted and funded in Field Services line. As a result of paying this expenditure from the female inmate appropriation in the Prisons Division line, a corresponding reduction results in the Field Services line.
- 12 - Based DWCR reported and estimated medical expenses. Amount is dependent on the cost of medical care and the usage of medical services accessed by female inmates.
- 13 - NDSH requested increase for the TRCC program
- 14 - Estimated unspent general fund authority from other DOCR divisions
- 15 - 2003-05 budget provided for a operating bed capacity of 971. In response to the anticipated budget shortfall the operating bed capacity was increased to 991 by utilizing beds formerly classified as temporary / restricted beds as permanent beds. The average occupancy rate for DOCR facilities for the period 7/1/03 through 12/31/04 is 101.7% (based on a operating bed capacity of 991).

**Department of Corrections and Rehabilitation**  
**Actual Male Inmate Population by Facility**  
**July 2003 - December 2004**

Month	NDSP \1	JRCC \2	MRCC \3	TRCC \4	BTC \5	CPP \6	County Jail	Appleton	Interstate Compact \7	(a) Total Population	(b) 03-05 Est. Population	(a) - (b)
July-03	534	283	130	41	46	6	27	-	19	1,087	1,013	74
August-03	542	283	127	40	46	5	19	-	19	1,082	1,017	65
September-03	539	281	127	42	50	2	36	-	19	1,095	1,020	75
October-03	544	282	130	45	54	1	54	-	19	1,129	1,023	106
November-03	538	282	143	44	55	1	57	-	19	1,138	1,027	111
December-03	536	305	134	48	49	1	51	-	19	1,143	1,030	113
January-04	529	332	130	47	49	2	40	-	19	1,148	1,034	114
February-04	523	331	141	49	47	2	48	-	19	1,160	1,037	123
March-04	515	328	144	49	53	2	54	4	19	1,168	1,040	128
April-04	507	328	143	44	57	2	51	24	19	1,173	1,044	129
May-04	503	326	134	46	58	1	52	35	19	1,173	1,047	126
June-04	489	320	140	49	59	-	42	47	19	1,166	1,051	115
July-04	500	321	142	47	59	-	37	47	19	1,171	1,054	117
August-04	499	335	134	47	58	-	40	47	19	1,178	1,058	120
September-04	487	348	130	48	53	-	37	45	19	1,167	1,061	106
October-04	498	359	129	50	55	-	30	41	19	1,181	1,064	117
November-04	497	360	139	50	53	-	38	41	19	1,196	1,068	128
December-04	500	359	141	47	52	-	37	36	19	1,191	1,071	120
<b>Average to Date</b>	<b>515</b>	<b>320</b>	<b>135</b>	<b>46</b>	<b>53</b>	<b>1</b>	<b>42</b>	<b>20</b>	<b>19</b>	<b>1,153</b>	<b>1,042</b>	<b>110</b>

- \1 - North Dakota State Penitentiary (count includes inmates on temporary leave status)  
 \2 - James River Correctional Center (count includes inmates on temporary leave status)  
 \3 - Missouri River Correctional Center  
 \4 - Tompkins Rehabilitative Correctional Center  
 \5 - Bismarck Transition Center  
 \6 - Community Placement Program  
 \7 - Inmates housed out-of-state on an even exchange basis with the Bureau of Prisons

**Department of Corrections and Rehabilitation  
Actual Female Inmate Population by Facility  
July 2003 - December 2004**

Month	JRCC 11	MRCC 12	DWCRC 13	TRCC 14	Female Transition 15	CPP 16	County Jail	Interstate Compact 17	(a) Total Population	(b) 03-05 Est. Population	(a) - (b)
July-03	77	14	-	9	-	4	-	2	106	104	2
August-03	74	14	-	16	-	2	1	2	109	105	4
September-03	72	12	-	18	-	3	1	2	107	106	1
October-03	74	13	-	20	-	2	1	1	111	107	4
November-03	65	8	19	16	-	0	1	1	110	109	1
December-03	31	-	64	13	1	-	-	1	110	111	(1)
January-04	32	-	61	14	6	-	-	1	114	112	2
February-04	30	-	57	16	11	-	-	2	115	113	2
March-04	28	-	59	18	12	-	-	2	118	114	4
April-04	29	-	62	16	12	-	-	2	121	116	5
May-04	31	-	60	18	14	-	-	2	125	117	8
June-04	28	-	65	18	13	-	-	2	126	119	7
July-04	29	-	64	18	14	-	-	2	127	120	7
August-04	11	-	88	15	11	-	-	2	127	122	5
September-04	-	-	96	18	12	-	-	3	129	123	6
October-04	-	-	92	21	14	-	-	3	131	124	7
November-04	-	-	102	21	15	-	-	3	141	125	16
December-04	-	-	99	17	16	-	-	3	135	126	9
<b>Average to Date</b>	<b>34</b>	<b>3</b>	<b>55</b>	<b>17</b>	<b>8</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>120</b>	<b>115</b>	<b>5</b>

11 - James River Correctional Center (count includes inmates on temporary leave status)

12 - Missouri River Correctional Center

13 - Dakota Women's Correction and Rehabilitation Center

14 - Tompkins Rehabilitative Correctional Center

15 - Operated by Center Inc. located in Fargo and Bismarck

16 - Community Placement Program

17 - Inmates housed out-of-state on an even exchange basis with the Bureau of Prisons

**North Dakota Department of Corrections and Rehabilitation**  
**Inmate Housing by DOCR Facility**  
**July 1, 2003 through December 31, 2004**

Male and Female		NDSP				JRCC				MRCC				Total DOCR Facilities			
		DOCR Available Beds	Inmates Housed \1	Difference	% Capacity	DOCR Available Beds	Inmates Housed \1	Difference	% Capacity	DOCR Available Beds	Inmates Housed	Difference	% Capacity	DOCR Available Beds	Inmates Housed \1	Difference	% Capacity
Month																	
Jul-03	491	534	43	108.7%	353	360	7	102.1%	147	144	-3	98.0%	991	1,038	47	104.8%	
Aug-03	491	542	51	110.4%	353	358	5	101.3%	147	141	-6	95.8%	991	1,040	49	105.0%	
Sep-03	491	539	48	109.7%	353	353	(0)	100.0%	147	139	-8	94.4%	991	1,030	39	104.0%	
Oct-03	491	544	53	110.7%	353	357	4	101.1%	147	143	-4	97.2%	991	1,043	52	105.3%	
Nov-03	491	537	46	109.3%	353	348	(5)	98.6%	147	145	-2	98.5%	991	1,029	38	103.9%	
Dec-03	491	536	45	109.2%	353	336	(17)	95.2%	147	134	-13	91.2%	991	1,006	15	101.5%	
Jan-04	491	529	38	107.7%	353	364	11	103.0%	147	130	-17	88.2%	991	1,022	31	103.1%	
Feb-04	491	523	32	106.6%	353	360	7	102.1%	147	141	-6	96.0%	991	1,025	34	103.4%	
Mar-04	491	515	24	104.9%	353	356	3	100.8%	147	144	-3	97.8%	991	1,015	24	102.4%	
Apr-04	491	507	16	103.2%	353	356	3	100.9%	147	143	-4	97.0%	991	1,005	14	101.4%	
May-04	491	503	12	102.4%	353	357	4	101.2%	147	134	-13	91.4%	991	995	4	100.4%	
Jun-04	491	489	(2)	99.7%	353	348	(5)	98.7%	147	140	-7	95.3%	991	978	(13)	98.7%	
Jul-04	491	500	9	101.7%	353	350	(3)	99.2%	147	142	-5	96.4%	991	991	0	100.0%	
Aug-04	491	499	8	101.6%	353	346	(7)	97.9%	147	134	-13	91.1%	991	978	(13)	98.7%	
Sep-04	491	487	(4)	99.1%	353	348	(5)	98.7%	147	130	-17	88.2%	991	965	(26)	97.3%	
Oct-04	491	498	7	101.5%	353	359	6	101.6%	147	129	-18	87.7%	991	986	(5)	99.5%	
Nov-04	491	497	6	101.2%	353	360	7	101.9%	147	139	-8	94.3%	991	995	4	100.4%	
Dec-04	491	500	9	101.8%	353	359	6	101.8%	147	141	-6	95.6%	991	1,000	9	100.9%	
Jan-05																	
Feb-05																	
Mar-05																	
Apr-05																	
May-05																	
Jun-05																	
Average Total	491	515	24	105.0%	353	354	1	100.3%	147	138	(9)	94.1%	991	1,008	17	101.7%	

\1 - Includes the number inmates on temporary leave status less an average of 21 inmates housed on an even exchange basis (interstate compact)



*with exception  
of  
Hawthorne  
same  
testing  
to  
given*

Department of Corrections and Rehabilitation  
Actual Male Inmate Population by Facility  
July 2003 - January 2005

Month	NDSP 11	JRCC 12	MRCC 13	TRCC 14	BTC 15	CPP 16	County Jail	Appleton	Interstate Compact 17	(a) Total Population	(b) 03-05 Est. Population	(a) - (b)
July-03	534	283	130	41	46	6	27	-	19	1,087	1,013	74
August-03	542	283	127	40	46	5	19	-	19	1,082	1,017	65
September-03	539	281	127	42	50	2	36	-	19	1,095	1,020	75
October-03	544	282	130	45	54	1	54	-	19	1,129	1,023	106
November-03	538	282	143	44	55	1	57	-	19	1,138	1,027	111
December-03	536	305	134	48	49	1	51	-	19	1,143	1,030	113
January-04	529	332	130	47	49	2	40	-	19	1,148	1,034	114
February-04	523	331	141	49	47	2	48	-	19	1,160	1,037	123
March-04	515	328	144	49	53	2	54	4	19	1,168	1,040	128
April-04	507	328	143	44	57	2	51	24	19	1,173	1,044	129
May-04	503	326	134	46	58	1	52	35	19	1,173	1,047	126
June-04	489	320	140	49	59	-	42	47	19	1,166	1,051	115
July-04	500	321	142	47	59	-	37	47	19	1,171	1,054	117
August-04	499	335	134	47	58	-	40	47	19	1,178	1,058	120
September-04	487	348	130	48	53	-	37	45	19	1,167	1,061	106
October-04	498	359	129	50	55	-	30	41	19	1,181	1,064	117
November-04	497	360	139	50	53	-	38	41	19	1,196	1,068	128
December-04	500	359	141	47	52	-	37	36	19	1,191	1,071	120
January-05	510	360	143	46	53	-	41	34	19	1,205	1,075	130
Average to Date	515	322	136	46	53	1	42	21	19	1,155	1,044	111

- 11 - North Dakota State Penitentiary (count includes inmates on temporary leave status)
- 12 - James River Correctional Center (count includes inmates on temporary leave status)
- 13 - Missouri River Correctional Center
- 14 - Tompkins Rehabilitative Correctional Center
- 15 - Bismarck Transition Center
- 16 - Community Placement Program
- 17 - Est. Inmates housed out-of-state on an even exchange basis with the Bureau of Prisons

**Department of Corrections and Rehabilitation**  
**Actual Female Inmate Population by Facility**  
**July 2003 - January 2005**

Month	JRCC 11	MRCC 12	DWCRC 13	TRCC 14	Female Transition 15	CPP 16	County Jail	Interstate Compact 17	(a) Total Population	(b) 03-05 Est. Population	(a) - (b)
July-03	77	14	-	9	-	4	-	2	106	104	2
August-03	74	14	-	16	-	2	1	2	109	105	4
September-03	72	12	-	18	-	3	1	2	107	106	1
October-03	74	13	-	20	-	2	1	1	111	107	4
November-03	65	8	19	16	-	0	1	1	110	109	1
December-03	31	-	64	13	1	-	-	1	110	111	(1)
January-04	32	-	61	14	6	-	-	1	114	112	2
February-04	30	-	57	16	11	-	-	2	115	113	2
March-04	28	-	59	18	12	-	-	2	118	114	4
April-04	29	-	62	16	12	-	-	2	121	116	5
May-04	31	-	60	18	14	-	-	2	125	117	8
June-04	28	-	65	18	13	-	-	2	126	119	7
July-04	29	-	64	18	14	-	-	2	127	120	7
August-04	11	-	88	15	11	-	-	2	127	122	5
September-04	-	-	96	18	12	-	-	3	129	123	6
October-04	-	-	92	21	14	-	-	3	131	124	7
November-04	-	-	102	21	15	-	-	3	141	125	16
December-04	-	-	99	17	16	-	-	3	135	126	9
January-05	-	-	95	18	14	-	1	3	131	128	3
<b>Average to Date</b>	<b>32</b>	<b>3</b>	<b>57</b>	<b>17</b>	<b>9</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>121</b>	<b>116</b>	<b>5</b>

11 - James River Correctional Center (count includes inmates on temporary leave status)

12 - Missouri River Correctional Center

13 - Dakota Women's Correction and Rehabilitation Center

14 - Tompkins Rehabilitative Correctional Center

15 - Operated by Center Inc. located in Fargo and Bismarck

16 - Community Placement Program

17 - Inmates housed out-of-state on an even exchange basis with the Bureau of Prisons

**North Dakota Department of Corrections and Rehabilitation**  
**Inmate Housing by DOCR Facility**  
**July 1, 2003 through January 31, 2005**

Male and Female	NDSP			JRCC			MRCC			Total DOCR Facilities		
Month	DOCR Available Beds	Inmates Housed V1	Difference	% Capacity	DOCR Available Beds	Inmates Housed V1	Difference	% Capacity	DOCR Available Beds	Inmates Housed V1	Difference	% Capacity
Jul-03	491	534	43	108.7%	353	360	7	102.1%	147	144	-3	98.0%
Aug-03	491	542	51	110.4%	353	358	5	101.3%	147	141	-6	95.8%
Sep-03	491	539	48	109.7%	353	353	(0)	100.0%	147	139	-8	94.4%
Oct-03	491	544	53	110.7%	353	357	4	101.1%	147	143	-4	97.2%
Nov-03	491	537	46	109.3%	353	348	(5)	98.6%	147	145	-2	98.5%
Dec-03	491	536	45	109.2%	353	336	(17)	95.2%	147	134	-13	91.2%
Jan-04	491	529	38	107.7%	353	364	11	103.0%	147	130	-17	88.2%
Feb-04	491	523	32	106.6%	353	360	7	102.1%	147	141	-6	96.0%
Mar-04	491	515	24	104.9%	353	356	3	100.8%	147	144	-3	97.8%
Apr-04	491	507	16	103.2%	353	356	3	100.9%	147	143	-4	97.0%
May-04	491	503	12	102.4%	353	357	4	101.2%	147	134	-13	91.4%
Jun-04	491	489	(2)	99.7%	353	348	(5)	98.7%	147	140	-7	95.3%
Jul-04	491	500	9	101.7%	353	350	(3)	99.2%	147	142	-5	96.4%
Aug-04	491	499	8	101.6%	353	346	(7)	97.9%	147	134	-13	91.1%
Sep-04	491	487	(4)	99.1%	353	348	(5)	98.7%	147	130	-17	88.2%
Oct-04	491	498	7	101.5%	353	359	6	101.6%	147	129	-18	87.7%
Nov-04	491	497	6	101.2%	353	360	7	101.9%	147	139	-8	94.3%
Dec-04	491	500	9	101.8%	353	359	6	101.8%	147	141	-6	95.6%
Jan-05	491	510	19	103.8%	353	360	7	102.1%	147	143	-4	97.4%
Feb-05												
Mar-05												
Apr-05												
May-05												
Jun-05												
Average Total	491	515	24	104.9%	353	355	2	100.4%	147	139	(8)	94.3%
										1,008	17	101.7%

V1 - Includes the number inmates on temporary leave status less an average of 21 inmates housed on an even exchange basis (interstate compact)

## ISSUES REGARDING THE INFORMATION TECHNOLOGY DEPARTMENT 2003-05 BIENNIUM DEFICIENCY REQUEST

### Question

Have there been any cases in the past where an appropriation was not upheld by an Attorney General's opinion?

### Answer

The Legislative Council staff is not aware of any other Attorney General's opinions that overturned a legislative appropriation.

### Question

What is the background regarding the transfer of special funds to the Information Technology Department required by Section 2 of House Bill No. 1505 (2003)?

### Answer

The 2003 Legislative Assembly reduced funding for state agencies' information technology costs by approximately 5 percent. For those agencies whose information technology costs were funded from special funds, the amount of the 5 percent reduction was to be transferred to the Information Technology Department pursuant to Section 2 of House Bill No. 1505 (2003). Therefore, the Information Technology Department legislative appropriation for the 2003-05 biennium included \$862,059 of special funds made available from the following state agencies resulting from information technology reductions:

State Department of Health	\$11,108
Aeronautics Commission	6,942
Veterans Home	6,046
Department of Financial Institutions	7,881
Highway Patrol	9,450
Department of Transportation	350,000
Industrial Commission	4,034
Bank of North Dakota	300,000
Housing Finance Agency	24,080
Mill and Elevator	23,230
Department of Corrections and Rehabilitation	24,567
Office of Administrative Hearings	4,311
Secretary of State	19,550
Attorney General	12,929
State Auditor	1,465
Department of Agriculture	1,329
Insurance Commissioner	37,368
North Dakota Vision Services - School for the Blind	2,725
State Seed Department	10,050
Parks and Recreation Department	4,994
<b>Total</b>	<b>\$862,059</b>

The Office of Management and Budget, pursuant to an opinion issued by the Attorney General in November 2003, determined \$791,917 of the \$862,059 could be transferred to the Information

Technology Department. The remaining funds of \$70,142, including the funds from the Aeronautics Commission (\$6,942), Department of Financial Institutions (\$7,881), Highway Patrol (\$9,450), Office of Administrative Hearings (\$4,311), State Auditor's office (\$1,465), Insurance Commissioner (\$37,368), and North Dakota Vision Services - School for the Blind (\$2,725), were not transferred to the department because of restrictions on the use of those funds.

Because each agency's 2003-05 appropriation was decreased for the information technology reduction, the funds relating to the seven agencies not required to complete the transfer to the Information Technology Department will remain in the corresponding special funds to be appropriated for other purposes.

### Question

How did the Information Technology Department handle the \$1 million general fund budget reduction included in the agency's legislative appropriation for the 2003-05 biennium?

### Answer

The following is a summary of the actions surrounding the Information Technology Department \$1 million general fund budget reduction included in the agency's legislative appropriation for the 2003-05 biennium:

- To address the budget adjustment, the department proposed implementing a one-time miscellaneous billing adjustment for telephone and data processing services to recover \$500,000 and \$250,000, respectively, and reducing funding for the statewide wide area network by \$250,000. Agency information technology budgets were not to be affected by the one-time adjustment because the Information Technology Department lowered telephone and data processing rates for the remainder of the 2003-05 biennium due to savings realized by the department in the negotiation of new contracts for long distance, IBM equipment maintenance, and Micro-soft software.
- In January 2004 the Attorney General issued an opinion stating the department does not have the authority to assess a one-time miscellaneous charge to state agencies.
- The department did not reduce funding for the statewide wide area network by \$250,000.

- Agencies realized savings relating to the rate reductions implemented by the department of approximately \$750,000. Potentially, agencies will use the savings to reduce the impact of the 5 percent reduction in information technology budgets enacted by the 2003 Legislative Assembly (which totaled approximately

\$3.7 million, of which \$2.3 million was from the general fund), use the savings for other operating costs, or include the savings in agency turnback for the 2003-05 biennium. The Legislative Council staff would need to survey all agencies to quantify the use of the savings.

1st 3 pages  
are same  
as given to the  
House

**HB 1024 TESTIMONY**  
**SENATE APPROPRIATIONS COMMITTEE**  
**BY: MIKE J. RESSLER, DEPUTY CIO**  
**INFORMATION TECHNOLOGY DEPARTMENT**  
**FEBRUARY 23, 2005**

Mr. Chairman and members of the committee, my name is Mike Ressler and I am the Deputy CIO with the Information Technology Department (ITD).

ITD is requesting a deficiency appropriation in the amount of \$1,070,142.

During the 2003 Legislative Session, ITD was authorized to provide funding of \$10,056,862 for the following programs:

- ITD Operations – 3 positions (security, E-government and planner)
- K-12 Circuits - used for data and video services
- Division of Independent Study – develops home schooling curriculum
- Education Technology Council (ETC) – grants dollars to K-12 schools for video equipment
- EduTech – technical support for K-12 schools
- Geographic Information System – maintains a central data repository
- Prairie Public Broadcasting – operation of a network and broadcast programming

However, the Legislature short funded these programs by \$1,862,059 of general funds and requested the department use special funds from two sources to pay for these initiatives. The first transfer required ITD collect \$862,059 from 20 agencies with special funds. These moneys were to be collected and then used to pay the expenses of the general funded programs. An attorney general opinion stated seven of the agencies could not legally transfer the money to ITD, resulting in a shortfall of the amount transferred by \$70,142.

HB 1022, ITD's budget bill, required all executive branch agencies purchasing IT equipment and supplies pay a 10% purchasing fee to ITD. The department was to use these dollars to fund the \$1,000,000 of general fund money that was withheld from ITD's budget. This bill was vetoed by Governor Hoeven and HB 1505 removed the purchasing fee. However, the \$1,000,000 was still withheld and ITD was instructed to find savings in procuring internal IT equipment and supplies. These savings were to be used to make-up the shortfall and the money was to be acquired by keeping the ITD service rates the same. An attorney general's opinion stated: ITD could not charge agencies in excess of the cost of the service (even though the agencies had budgeted for the higher amount) and use it for the general funded programs. ITD did reduce the service rates and the agencies did receive the savings during the 2003-05 biennium. This resulted in a \$1,000,000 shortfall for ITD.

As a result, ITD is short \$1,070,142 of general funds needed to fund the programs identified above and will need the deficiency appropriation to make them whole.

If the dollars are not received, the impact to the programs will be as follows:

**The ITD Operations program** would be reduced \$51,420. This program funds three FTE positions (E-Government software developer, ITD planner providing large project oversight, and the Criminal Justice Information Sharing Coordinator). If the funding is not restored, a reduction in force of two of these individuals would need to occur for the remainder of the 2003-2005 biennium.

**The K-12 Circuits program** would be reduced by \$359,878. The reduction would delay upgrading the core router infrastructure needed to address increased bandwidth needs. Internet activity and video traffic in the K-12 schools has increased dramatically over the last two years. ITD did not budget for these upgrades in the 2005-2007 budget and would need to adjust the request if these funds were not received this biennium.

**The Division of Independent Study** would be reduced by \$89,592. The Division has a plan to be self-sufficient, not requesting general funds, by 2010. For the 2005-2007 budget they have reduced their general fund request by \$81,262.

In order to achieve self-sufficiency by 2010, the Division plans to increase tuition fees by 12.5% in the upcoming 2005-2007 biennium. In the event the general fund appropriation of \$89,592 would not be restored this biennium, the tuition fees would need to increase by 18% during 2005-2007. In the event sales would drop because of the tuition increase, services and staff would need to be reduced and/or the self-sufficiency plan would be delayed.

**The Education Technology Council (ETC)** would be reduced by \$84,469. If the funds are not restored the impact will be to withhold three grant awards to schools that applied for video classroom grants in 2003. These schools were planning to build their classrooms in time to begin high school classes in September 2005. In addition the ETC would be unable to fund a planned professional development activity for K-12 video teachers and the ETC office software/hardware will not be able to be upgraded as planned.

**EduTech** would be reduced by \$270,316. The impact would prompt the lay off of fourteen individuals for the remainder of the biennium. They include:

- ( 9 ) Regional Information Technology Specialists
- ( 1 ) Web Developer
- ( 1 ) Help Desk Consultant
- ( 1 ) Training Program Coordinator
- ( 1 ) Application Developer
- ( 1 ) Administrative Assistant

The reduction would also include travel and communication costs for the above individuals. This reduction of staff would result in a loss of all regional services such as PowerSchool support, professional development and video support services. Web development, user support and application development would be significantly reduced for customers.

**The Geographic Information System (GIS) program** would be reduced by \$72,182. The GIS Technical Committee (GISTC) has plans to enter into a funding arrangement with the U.S. Geological Survey to construct a high-resolution statewide layer of hydrologic (surface water) data that will be used to create the North Dakota portion of the National Hydrologic Dataset (NHD). The hydrologic data and the NHD are important datasets that will be used by multiple state agencies. If the funds are not restored, the ability to merge existing hydrologic data with the new, matched-funding hydrologic data would not be possible.

**Prairie Public Broadcasting (PPB)** would be reduced by \$142,284. The impact would affect two areas:

**Digital conversion:**

PPB is required to convert from analog to digital transmission facilities. The cost of operating the digital system is significantly higher than operating the analog system. For example, power costs alone could increase \$100,000 per year. Decreased funding of any sort will delay this process as a portion of state dollars are allocated for the digital conversion.

**Education and Training:**

Prairie Public provides a number of educational training and outreach projects, each of which is minimally funded from various grants. However, each project also requires additional financial support from PPB for operations, staffing and outreach.

Some of these educational programs include:

*Ready To Learn:* PPB provides 80 workshops for nearly 800 parents and caregivers throughout North Dakota and distributes free books for children in their care.

*TeacherLine:* Is a highly regarded online professional development program for teachers to update their skills and credentials. The courses are established, promoted and maintained -- and cooperating partnerships established with all North Dakota education agencies -- by Prairie Public staff.

*Reading and Literary Summit:* This event is aimed at assisting teachers in the No Child Left Behind requirements.

While Prairie Public provides many more education and outreach programs, the aforementioned programs are the ones that would be impacted the most.

This is a quick overview of the programs and the impact to them if the funding is not restored. Thank you for your consideration.

I would be happy to answer any questions you may have.



# Information Technology Department 2003 - 2005 Budget

## Legislature Authorized General Fund Programs

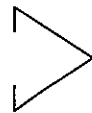
ITD Operations	\$ 483,230
Div of Independent Study	\$ 841,962
Education Tech Council	\$ 793,818
Edutech	\$ 2,540,348
K-12 WAN	\$ 3,382,023
Geographic Information System	\$ 678,343
Prairie Public Broadcasting	\$ 1,337,138

Total	\$ 10,056,862
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ITD  
Special  
Funds  
(Authority)

\$ 98,117,301

\$ 1,862,059



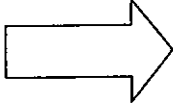
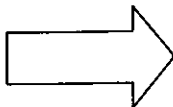
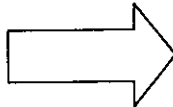
ITD  
General  
Funds  
(Dollars)


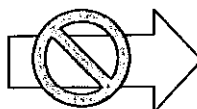
\$ 8,194,803

The direction from the Legislature was for ITD to use \$ 1,862,059 from its special fund operations to pay for the intentional shortfall in the general funded programs.

Because there are no dollars specifically given by the Legislature for ITD's special fund operations (only authority to receive and spend), ITD was to receive the money from the agencies through two different activities.

# **ITD Funding Source # 1 - Collect \$ 862,059**

<b>Agriculture</b> \$ 1,329	<b>Attorney General</b> \$ 12,929			<b>ITD Special Funds</b>
<b>Dept. of Corrections</b> \$ 24,567	<b>Dept. of Transportation</b> \$ 350,000	<b>Bank of ND</b> \$ 300,000		<b>Legislation</b>  <b>Requested 20</b>  <b>Agencies Transfer</b>
<b>Housing Finance</b> \$ 24,080	<b>Industrial Comm.</b> \$ 4,034	<b>Health Dept.</b> \$ 11,108		<b>\$ 862,059</b>
<b>Mill &amp; Elevator</b> \$ 23,230	<b>Parks &amp; Recreation</b> \$ 4,994			<b>Only 13 Agencies</b>  <b>Could Transfer</b>
<b>Sec of State</b> \$ 19,550	<b>Seed Dept.</b> \$ 10,050	<b>Veteran's Home</b> \$ 6,046		<b>Money Totalling</b>  <b>\$ 791,917</b>

<b>Admn Hearings</b> \$ 4,311	<b>Aeronautics</b> \$ 6,942			<b>An Attorney</b>  <b>General's Opinion</b>  <b>Stated 7 Agencies</b>  <b>Could Not Transfer</b>
<b>Auditors</b> \$ 1,465	<b>Finance Inst.</b> \$ 7,881			<b>Money Totalling</b>  <b>\$ 70,142</b>
<b>Highway Patrol</b> \$ 9,450	<b>Insurance Comm.</b> \$ 37,368			<b>Shortfall</b>

**School for Blind**  
**\$ 2,725**

## **ITD Funding Source # 2 - Collect \$ 1,000,000**

HB 1022 required ITD collect a 10% surcharge from all executive branch agencies when procuring information technology equipment and supplies. ITD was to take \$ 1,000,000 of this money and fund the 7 general funded programs.

Governor Hoeven vetoed HB 1022 and in the special session HB 1505 (the new ITD budget bill) the surcharge requirement was removed. However, the \$ 1,000,000 was not restored.

ITD was requested to find savings in its internal procurement of equipment and supplies and transfer the dollars over to the general funded programs.

In July of 2003, ITD negotiated new contracts for long distance (\$ 759,000), IBM equipment maintenance (\$ 160,000) and Microsoft software (\$ 100,000). These contracts resulted in a savings to state government of approximately \$ 1,019,000 for the 2003-05 biennium. The savings is based on the premise that the usage in the current biennium will replicate the previous biennium.

ITD operates as an internal service fund. The department receives authority from the legislature and receives dollars from the agencies when a service is provided. Because the cost of providing services was reduced as a result of the new contracts, ITD planned to keep its billing rates the same and collect the "excess" and use this money to offset the \$ 1,000,000 shortfall.

An attorney general opinion was requested by an agency, and the opinion stated ITD could not collect the excess money to use for this purpose.

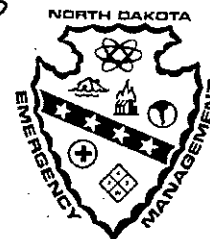
ITD did lower the rates in these services and passed the savings back to the agencies.

Because ITD is an internal service fund responsible for providing services to agencies receiving federal funds, ITD must comply with the regulations outlined in the Federal Circular A-87 – Cost Principles for State and Local Governments.

ITD tracks revenue and expense for all services provided on a monthly basis. We are not allowed to accumulate a reserve (excess) of more than 2 times the average monthly expenditure for that service. If we do, the Federal Government will request a refund from the state agency in which they contribute funding (Ex. Human Service's MMIS program).

The State Auditor reviews these amounts annually when they conduct our financial audit. OMB has had a long-term contract with Maximus, formerly David Griffith and Associates, who maintains the State's federal cost allocation program. They work directly with the Federal auditors and assist the State in complying with the regulations. If the Federal auditors need more information, they will contact ITD directly. The last two years they have been requesting additional information from ITD. The good news is they have been satisfied with the administration of the billing system we have in place.

North Dakota

JOHN HOEVEN  
GOVERNORMaj Gen MICHAEL J. HAUGEN  
ADJUTANT GENERALDOUGLAS C. FRIEZ  
STATE DIRECTOR

**To:** Representative Ken Svedjan  
Chairman, House Appropriations Committee

**From:** *D* Douglas C. Friez, Director  
North Dakota Division of Emergency Management

**Subject:** Division of Emergency Management's Request for a Deficiency  
Appropriation HB 1024.

**Date:** January 17, 2005

Following are comments on behalf of HB 1024, the deficiency appropriation for the Division of Emergency Management.

#### I. Introduction

The Division's request is for authority to repay the amount due (principal and interest) for the State disaster response and recovery loan with the Bank of North Dakota, as provided under Chapter 37-17. 1-23 of the North Dakota Century Code, at June 30, 2005. Estimated costs of the deficiency appropriation are \$6,275,000.00.

Additionally, \$110,000.00 is required to be paid to the United States Forest Service for the State's share of the Deep Creek and Magpie fires in the Badlands this past summer.

Our current loan authority is \$14,417,767.00. As of January 5, 2005 we have borrowed \$5,975,000.00, which includes the unpaid \$3,925,000.00 from the previous biennium, to meet the state obligation for cost share from flooding disasters of 1993 through 2004 and the snow disasters of 1997, 2000, and 2004.

In previous biennia, the total loan repayments through the deficiency appropriation process have totaled about \$29.5 million.

## II. Background

During the 93-95 through 03-05 biennia, North Dakota was impacted by serious flood disasters. As well, we experienced an extremely difficult winter in 1996-97, 2000, and 2004. These major events resulted in fifteen presidential disaster declarations that began during the summer of 1993 and continued on through the summer of 2004.

The Division of Emergency Management, with approval by the Emergency Commission and Budget Section, received authority from the Bank of North Dakota to cover the state's share of the costs.

Along with Presidential Disaster Declarations comes the implementation of various FEMA disaster programs requiring non-federal cost sharing. These programs include the Individual and Family Grant (IFG) Program, Public Assistance (PA) Program and Hazard Mitigation Grant (HMGP) Program, all of which, are cost sharing programs with state participation. The cost share for these programs is as follows:

IFG – 75% federal share – 25% state share

PA – 75% federal share – 15% local share – 10% state share

HMGP – 75% federal share – 15% local share – 10% state share

Due to the magnitude of the 1993, 1997, 1999, and 2000 flood disasters, the federal government changed the cost share for the Public Assistance Program to a 90% federal and 10% non-federal (5% state & 5% local). Additionally, in response to the 1997 flood, the federal government changed the cost share on emergency work performed by federal agencies to 100%.

Since this string of disasters began in 1993, North Dakota has received about one billion dollars in federal disaster assistance through the FEMA Presidential Disaster Declaration process. Of this amount, we have identified \$462.9 million from FEMA's Individual and Family Grant (IFG), Public Assistance (PA) and Hazard Mitigation Grant Program (HMGP) on the attached worksheets.

Federal assistance sources from these disaster declarations include SBA loans to businesses and individuals, direct federal agency response and recovery expenditures to help communities and individuals, and agricultural assistance programs through Farm Service Agency (FSA) administered directly by FSA and the user.

### III. Conclusion

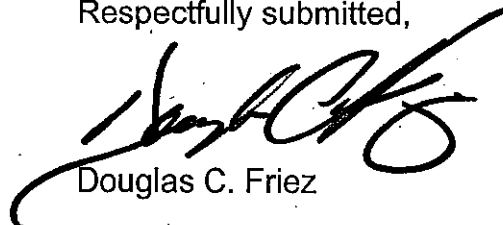
This deficiency appropriation will allow the State, through the Division of Emergency Management, to repay the Bank of North Dakota for funds used as of the end of the 03-05 biennium. As previously indicated, these funds were used to cover portions of the state's share of the 1993 through 2004 floods and the 1997, 2000, and 2004 snow Presidential Disaster Declarations.

Disaster closeouts often take several years to complete because of the complexity of repair projects which are dependent on seasonal construction limitations, additional flooding, national environmental assessment requirements, as well as availability of contractors, materials and supplies. As well, litigation in regard to sorting out responsibilities of insurance providers versus government assistance programs often takes considerable time to settle.

Currently, closeout activities have not been completed for federal disasters declared in 1997 and 1999-2004.

In the future we expect the state costs for final closeout of all existing disasters to be an additional \$2.370 million.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Douglas C. Friez', is written over the printed name.

Douglas C. Friez

ND Division of Emergency Management

Disaster Closeout Information

Year		Federal Obligated	Federal Paid	State Paid	Total Paid	Federal to be Paid	State to be paid	Total to be Paid
1997(1174)	HM	\$ 48,343,887.00	\$ 36,721,211.00	\$ 4,805,429.00	\$ 41,526,640.00	\$ 11,622,676.00	\$ 1,132,301.00	\$ 12,754,977.00
	PA	\$ 221,008,799.04	\$ 211,104,508.22	\$ 9,904,290.82	\$ 221,008,799.04	\$ 3,159,909.00	\$ 22,475.00	\$ 3,182,384.00
1998(1220)	HM	\$ 2,157,147.00	\$ 2,140,081.00	\$ 257,505.00	\$ 2,397,586.00	\$ 17,066.00	\$ 450.00	\$ 17,516.00
	PA	\$ 9,540,215.00	\$ 9,540,215.00	\$ 1,312,556.90	\$ 10,852,771.90	\$ -	\$ -	\$ -
1999 (1279)	HM	\$ 13,175,046.00	\$ 11,666,920.00	\$ 1,352,754.00	\$ 13,019,674.00	\$ 1,508,126.00	\$ 201,083.00	\$ 1,709,209.00
	PA	\$ 50,076,530.03	\$ 47,679,024.21	\$ 2,397,505.82	\$ 50,076,530.03	\$ 135,608.00	\$ 64,711.00	\$ 200,319.00
2000(1334)	HM	\$ 8,018,360.00	\$ 7,968,774.00	\$ 1,019,907.00	\$ 8,988,681.00	\$ 49,586.00	\$ 6,611.00	\$ 56,197.00
	PA	\$ 35,316,585.53	\$ 34,163,768.86	\$ 1,152,816.67	\$ 35,316,585.53	\$ 11,043,877.00	\$ 186,951.00	\$ 11,230,828.00
2001(1353)	HM	\$ 80,657.00	\$ 80,657.00	\$ 10,040.00	\$ 90,697.00	\$ -	\$ -	\$ -
	PA	\$ 817,522.69	\$ 817,522.69	\$ 103,644.87	\$ 921,167.56	\$ -	\$ -	\$ -
2001(1376)	HM	\$ 3,721,535.00	\$ 2,962,454.00	\$ 396,758.00	\$ 3,359,212.00	\$ 759,081.00	\$ 81,725.00	\$ 840,806.00
	PA	\$ 26,760,455.63	\$ 23,903,384.72	\$ 2,857,070.91	\$ 26,760,455.63	\$ 610,961.00	\$ 129,721.00	\$ 740,682.00
2002(1431)	HM	\$ 157,311.00	\$ 142,561.00	\$ 18,235.00	\$ 160,796.00	\$ 14,750.00	\$ 1,412.00	\$ 16,162.00
	PA	\$ 1,232,795.17	\$ 1,106,647.03	\$ 126,148.14	\$ 1,232,795.17	\$ 133,173.00	\$ 31,827.00	\$ 165,000.00
2003(1483)	HM	\$ 78,581.00	\$ -	\$ -	\$ -	\$ 78,581.00	\$ 9,663.00	\$ 88,244.00
	PA	\$ 1,011,058.39	\$ 1,011,058.39	\$ 101,105.84	\$ 1,112,164.23	\$ -	\$ -	\$ -
2004(1515)	HM	\$ 740,000.00	\$ -	\$ -	\$ -	\$ 740,000.00	\$ 98,667.00	\$ 838,667.00
	PA	\$ 6,719,704.84	\$ 6,078,792.56	\$ 640,912.28	\$ 6,719,704.84	\$ 4,028,967.50	\$ 403,354.75	\$ 4,432,322.25
Grand Totals		\$ 428,956,190.32	\$ 397,087,579.68	\$ 26,456,680.25	\$ 423,544,259.93	\$ 33,902,361.50	\$ 2,370,951.75	\$ 36,273,313.25

## ND Division of Emergency Management

## Inception to date disaster expenditures

## Report on Deficiency Appropriations

Disaster	Grant #	Year	Expenditures as of 05/31/04 Inception to Date
1334	2000	Total Disaster	
		General	\$ 42,378.37
		Federal	\$ 43,896,668.37
		Special	\$ 2,817,967.23
		TOTAL	\$ 46,757,013.97
1353	2000	Total Disaster	
		General	\$ 33,989.75
		Federal	\$ 922,031.69
		Special	\$ 84,211.12
		TOTAL	\$ 1,040,232.56
1376	2001	Total Disaster	
		General	\$ 1,777,820.50
		Federal	\$ 26,672,229.22
		Special	\$ 1,425,635.65
		TOTAL	\$ 29,875,685.37
1431	2002	Total Disaster	
		General	\$ -
		Federal	\$ 1,093,912.61
		Special	\$ 121,442.54
		TOTAL	\$ 1,215,355.15
1483	2003	Public Assistance	
		General	\$ -
		Federal	\$ 870,126.62
		Special	\$ 360.37
		TOTAL	\$ 870,486.99
1515	2004	Total Disaster	
		General	\$ -
		Federal	\$ 236.50
		Special	\$ -
		TOTAL	\$ 236.50
3196	2004	Total Disaster	
		General	\$ -
		Federal	\$ 48,525.80
		Special	\$ 5,984.74
		TOTAL	\$ 54,510.54
1001	1993	Total Disaster	
		General	\$ 2,546.60
		Federal	\$ 13,175,731.24
		Special	\$ 879,785.61
		TOTAL	\$ 14,058,063.45



## ND Division of Emergency Management

Inception to date disaster expenditures

## Report on Deficiency Appropriations

Disaster	Grant # Year		Expenditures as of 05/31/04 Inception to Date
1032	1994	Total Disaster	
		General	\$ 23,364.63
		Federal	\$ 3,945,267.30
		Special	\$ 482,546.45
		TOTAL	\$ 4,451,178.38
1050	1995	Total Disaster	
		General	\$ 1,040.28
		Federal	\$ 11,533,312.00
		Special	\$ 1,438,843.73
		TOTAL	\$ 12,973,196.01
1118	1996	Total Disaster	
		General	\$ 12,285.05
		Federal	\$ 11,220,996.60
		Special	\$ 1,409,734.91
		TOTAL	\$ 12,643,016.56
1157	1997	Public Assistance	
		General	\$ -
		Federal	\$ 14,684,096.75
		Special	\$ 1,383,446.01
		TOTAL	\$ 16,067,542.76
1174	1997	Total Disaster	
		General	\$ 2,456,400.97
		Federal	\$ 262,151,365.45
		Special	\$ 16,201,682.79
		TOTAL	\$ 280,809,449.21
1220	1998	Total Disaster	
		General	\$ 58,915.00
		Federal	\$ 12,089,683.29
		Special	\$ 1,626,274.92
		TOTAL	\$ 13,774,873.21
1279	1999	Total Disaster	
		General	\$ 121,339.35
		Federal	\$ 60,599,379.92
		Special	\$ 3,997,500.69
		TOTAL	\$ 64,718,219.96
		TOTAL Disasters	
		General	\$ 4,530,080.50
		Federal	\$ 462,921,604.36
		Special	\$ 31,875,782.56
		TOTAL	\$ 499,309,060.62

General Fund authorized by 2003 Legislature	\$	437,800.00	
Payments of interest to Bank of ND	\$	67,059.95	7/24/2003
	\$	18,213.94	7/24/2003
	\$	85,273.89	
Remaining General Fund authority	\$	352,526.11	

Principal not paid by 2003 Legislature	\$	2,650,000.00
	\$	1,275,000.00
	\$	3,925,000.00

Bank of ND info as of 01/05/2005

Current Principal	\$ 5,975,000.00	- this amount includes the \$3,925,000.00 from above.
Current Interest	\$ 153,315.99	- this interest is from 07/24/2003 forward on total amount outstanding
	\$ 6,128,315.99	

Projection of expenditures for the 2005-2007 budget for open disasters:

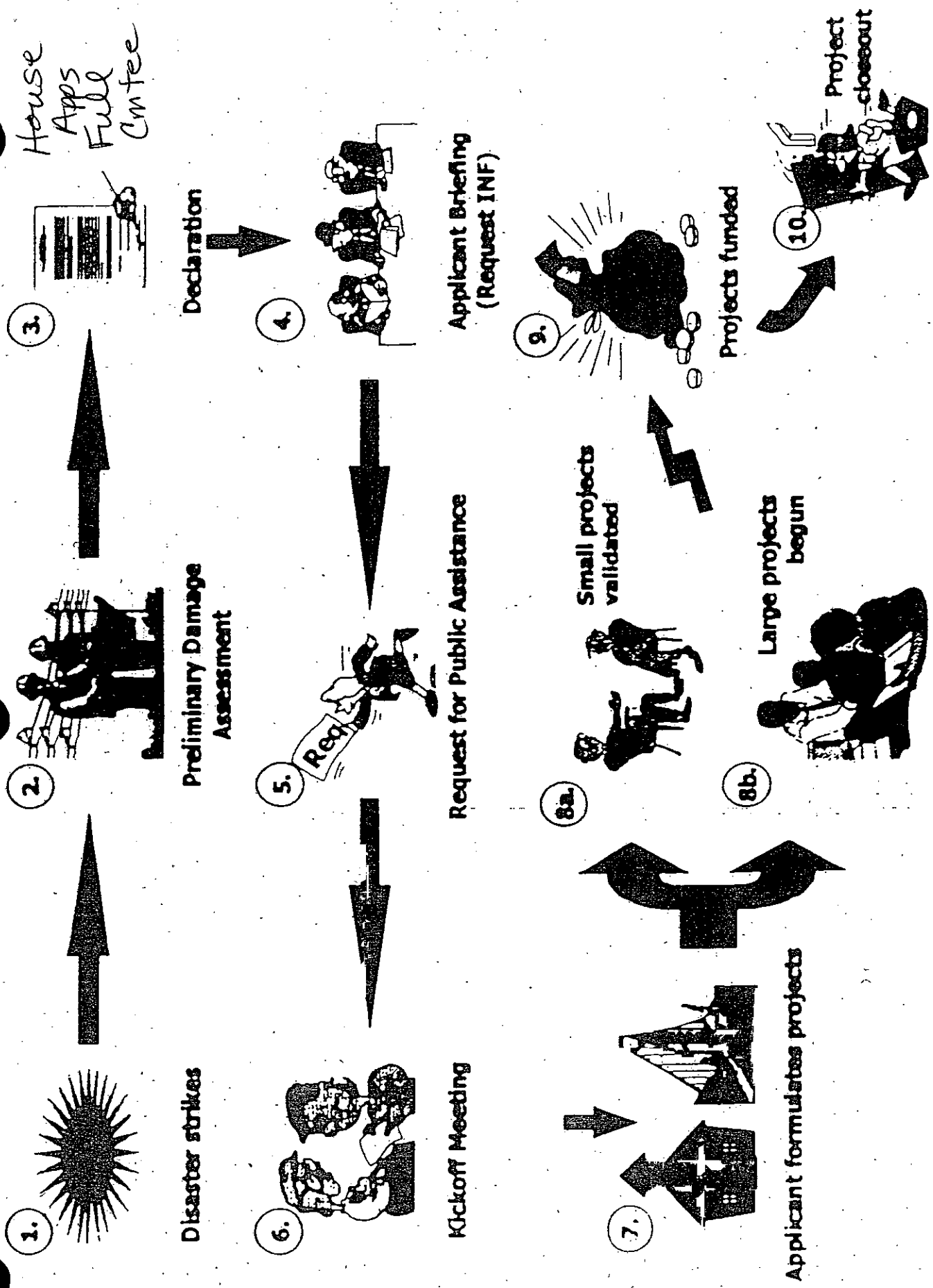
Public Assistance & Hazard Mitigation	
Federal Share	\$ 13,970,404.50
State Share	\$ 1,603,226.50
Total	\$ 15,573,631.00

Projection of expenditures beyond 2005-2007 budget for open disasters:

Public Assistance & Hazard Mitigation	
Federal Share	\$ 19,931,957.00
State Share	\$ 767,725.25
Total	\$ 20,699,682.25

ND Division of Emergency Management

	Bank of ND Repayments		
	Interest Paid	Principal paid	Principal not paid
7/24/2003	\$ 67,059.95		\$ 2,650,000.00
7/24/2003	\$ 18,213.94		\$ 1,275,000.00
	\$ 85,273.89		\$ 3,925,000.00
6/27/2001	\$ 1,405.48	\$ 250,000.00	
5/8/2001	\$ 475,295.54	\$ 5,684,311.00	
5/8/2001	\$ 293,050.53	\$ 3,012,500.00	
5/8/2001	\$ 53,513.34	\$ 1,550,000.00	
6/29/1999	\$ 335.62	\$ 250,000.00	
6/16/1999	\$ 1,209,234.10	\$ 11,500,000.00	
6/16/1999	\$ 42,753.51	\$ 1,096,400.00	
4/29/1997	\$ -	\$ 3,500,000.00	
3/18/1996		\$ 14,748.80	
3/8/1996		\$ 38,965.88	
7/3/1995		\$ 400,000.00	
12/14/1993		\$ 101,000.00	
	\$ 2,075,588.12	\$ 27,397,925.68	
	\$ 2,160,862.01	\$ 27,397,925.68	\$ 3,925,000.00 \$ 33,483,787.69



House  
Apps  
Full  
Cmtee

Biennium	Estimate of Deficiency Appropriation	Approved Deficiency Appropriation	DEM actions	Repayments to Bank of ND Principal	Interest	Total Payments	Unpaid principal	Difference from Deficiency to Bank of ND repayments
Bill #								
		Taiwan	12/14/93 Principal	\$ 100,000.00	\$ -	\$ 100,000.00		
		Cargill	12/14/93 Principal	\$ 500.00	\$ -	\$ 500.00		
		Alchem	12/14/93 Principal	\$ 500.00	\$ -	\$ 500.00		
			3/11/96 Principal	\$ 14,748.80	\$ -	\$ 14,748.80		
			3/18/96 Principal	\$ 38,965.88	\$ -	\$ 38,965.88		
1995	\$ 400,000.00	\$ 400,000.00	7/3/95 Principal	\$ 400,000.00	\$ -	\$ 400,000.00		
1997	\$ 3,500,000.00	\$ 3,500,000.00	4/29/1997 Principal	\$ 3,500,000.00	\$ -	\$ 3,500,000.00		
1999								
SB2026	\$ 15,100,000.00	\$ 15,100,000.00	6/16/99 Principal	\$ 11,500,000.00	\$ 1,209,234.10			
			6/16/99 Interest	\$ 1,096,400.00	\$ -			
			6/16/99 Principal	\$ 1,096,400.00	\$ -			
			6/16/99 Interest	\$ 42,753.51	\$ -			
			6/29/99 Principal	\$ 250,000.00	\$ -			
			6/29/99 Interest	\$ 335.62	\$ -			
2001				\$ 12,846,400.00	\$ 1,262,323.23	\$ 14,098,723.23		Excess Deficiency Approp. continued to 1999-2001 \$ 1,001,276.77
HB1026	\$ 14,000,000.00	\$ 14,000,000.00	05/08/01 Principal	\$ 1,550,000.00	\$ -			
			05/08/01 Interest	\$ 53,513.34	\$ -			
			05/08/01 Principal	\$ 3,012,500.00	\$ -			
			05/08/01 Interest	\$ 293,050.53	\$ -			
			05/08/01 Principal	\$ 5,684,311.00	\$ -			
			05/08/01 Interest	\$ 475,295.54	\$ -			
			6/27/01 Principal	\$ 250,000.00	\$ -			
			6/27/01 Interest	\$ 1,405.48	\$ -			
2003				\$ 10,496,811.00	\$ 823,264.89	\$ 11,320,075.89		Excess Deficiency Approp. continued to 2001-2003 \$ 2,679,924.11
SB 2016	\$ 8,900,000.00	\$ 437,800.00	7/24/03 Principal not paid		\$ 18,213.94	\$ 1,275,000.00		
			7/24/03 Interest		\$ -	\$ 2,650,000.00		
			7/24/03 Principal not paid		\$ 67,059.95			
			7/24/03 Interest		\$ 85,273.89	\$ 85,273.89		
1995/1997				\$ 27,397,925.68	\$ 2,160,862.01	\$ 29,558,787.69		Excess Deficiency Approp. continued to 2003-2005 \$ 352,526.11
1999/2001/2003				\$ 27,397,925.68	\$ 2,160,862.01	\$ 29,558,787.69		
SUB- TOTALS	\$ 41,900,000.00	\$ 33,437,800.00				\$ 3,925,000.00		\$ 4,033,726.99
2005								
HB1024	\$ 6,275,000.00		Disasters (principal and interest) estimate					
	\$ 1,200,000.00		Increase of disaster costs to HB 1024					
	\$ 110,000.00		Fire Costs to be paid to US Forest Service					
	\$ 35,658.00		Amendment to HB 1024 increase to fire costs					
	\$ 7,620,658.00		(waiting for approval)	\$ -	\$ -	\$ -		
TOTALS	\$ 49,520,658.00	\$ 33,437,800.00		\$ 27,397,925.68	\$ 2,160,862.01	\$ 29,558,787.69	\$ 5,975,000.00	
2005								
SUB-TOTAL	\$ 3,925,000.00	from 2003					\$ 2,050,000.00	
	\$ 2,050,000.00	borrowed since 7/1/2003						
	\$ 5,975,000.00	Current disaster principal						
		3.25 % as of 01/01/2005						
		\$153,315.99 interest due as of 01/05/05						

DEPT. 512-DIV OF EMERGENCY MANAGEMENT  
LEVEL 512-600  
DISASTER DECLARATION COST

60#	DESCRIPTION	CURRENT MONTH ACTIVITY	B I E N I U M			I O D E A I E		
			GENERAL FUND	FEDERAL FUND	SPECIAL FUNDS	TOTAL		
8400	REVENUE FROM FED GOVERNMENT	8,844,060.07	.00	143,120,850.45	.00	143,120,850.45		
	INTERGOVERNMENTAL REVENUE	8,844,060.07	.00	143,120,850.45	.00	143,120,850.45		
9002	TRANSF. FM FEDERAL FUND	.00	.00	8,685.20	.00	8,685.20		
8822	REVENUE OF PRIOR BIENN EXPEN	.00	.00	3,177.89	.00	3,177.89		
8842	LOANS	.00	.00	.00	.00	.00		
8850	MISC. UNCLASSIFIED REV.	884.00	.00	3,310.00	.00	3,310.00		
	MISCELLANEOUS REVENUE	884.00	.00	15,173.09	.00	15,173.09		
	TOTAL R E V E N U E	8,844,944.07	.00	143,136,023.54	10,496,988.85	153,633,012.39		
	E X P E N D I T U R E S							
1100	SALARIES, FULL TIME	.00	.00	33,647.60	10,247.17	43,894.77		
1200	TEMPORARY SALARIES	31,700.20	1,687.17	660,521.21	127,948.79	786,787.83		
1300	OVERTIME	2,842.29	.00	44,335.08	267.48	44,602.56		
1840	STATE RETIREMENT CONTRIBUTION	.00	.00	3,036.85	927.21	3,964.06		
1860	HOSPITAL INSURANCE	.00	.00	6,425.22	1,975.13	8,400.35		
1865	EMPLOYEE ASSIST. PROGRAM	.00	.00	23.05	6.90	29.95		
1870	SOCIAL SECURITY	2,658.35	141.87	56,482.02	10,572.92	66,913.07		
1871	SECTION 125 ADM FEE	.00	.00	93.45	25.97	119.42		
1895	WORKERS COMP PREMIUM	.00	.00	3,126.65	302.17	3,428.82		
	SALARIES AND BENEFITS	37,200.84	1,829.04	807,691.13	152,273.74	958,135.83		
2000	DATA PROCESSING SERVICE	2,450.62	232.04	23,639.51	3,010.51	26,882.06		
2008	TELEPHONE LTD	1,792.07	182.17	32,184.93	2,340.47	34,707.57		
2260	TELEPHONE & TELEGRAPH - NON IT	394.17	.00	2,414.22	337.39	2,751.61		
2050	MOTOR VEHIC. CAR. MAINTENANCE	4,283.62	.00	31,213.34	222.94	31,436.28		
2110	IN STATE MEALS	1,024.00	.00	10,119.60	80.40	10,200.00		
2111	OUT OF STATE MEALS	487.20	.00	4,010.40	.00	4,010.40		
2115	IN STATE LODGING	1,846.21	.00	16,515.69	140.25	16,655.94		
2116	OUT OF STATE LODGING	.00	.00	5,037.70	.00	5,037.70		
2120	IN STATE MILEAGE	548.08	.00	2,777.23	1.49	2,778.72		

OFFICE OF MANAGEMENT AND BUDGET  
 UNITED STATES GOVERNMENT  
 WASHINGTON, D. C. 20503

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DEPT. 512-DIV OF EMERGENCY MANAGEMENT  
LEVEL 512-000  
DISASTER DECLARATION COST  
EXPENSES

CURRENT MONTH ACTIVITY		GENERAL FUND		FEDERAL FUND		SPECIAL FUNDS		TOTAL	
DESCRIPTION		GENERAL FUND		FEDERAL FUND		SPECIAL FUNDS		TOTAL	
3111	CENTRAL SUPPLY	158.13			994.57	149.35		1,143.92	
3150	CENTRAL DUP - PRINTING		27.37		722.91	64.72		815.00	
3151	COPIES (COPY MACHINE)				4.00			4.00	
3155	COPYER SUPPLIES	508.20			3,402.24	451.57		3,854.51	
3160	PAPER PRODUCTS				1,423.28	195.22		1,618.50	
3165	PRINTING FROM OTHERS (NON CTRL)				346.50	70.50		417.00	
3245	VIDEO AUDIO CASSETTES/TAPES				24.00			24.00	
3300	CLOTHING				884.95			884.95	
3315	FOOD SUPPLIES				27.99	3.11		31.10	
3458	ELECTRICAL SUPPLIES				37.20			37.20	
3470	NON-VEHICLE REPAIR PARTS				8.17			8.17	
3485	REPAIR PARTS - RADIOS				834.03	15.98		850.01	
3800	AIRCRAFT FUEL & OIL				564.34			564.34	
3750	EQUIP UNDER \$750	20,056.00			20,071.24	5,060.78		25,203.62	
4010	OPERATING EXPENSES	60,293.81			333,682.97	124,104.97		358,656.80	
4025	OFFICE MACHINES	4,496.00			3,370.50	1,123.50		4,494.00	
4025	FURNITURE & FURNISHINGS	5,205.00			3,903.75	1,372.85		5,205.00	
4015	COMPUTERS	30,677.25			55,522.94	2,782.31		58,305.25	
4016	IT - EQUIPMENT OVER \$5000	15,258.00			45,258.00			45,258.00	
4200	RADIO EQUIPMENT				13,743.00			13,743.00	
6701	EQUIPMENT	105,634.25			109,798.19	5,278.66		115,005.25	
6701	GRANTS TO INDIVIDUALS				3,801,688.91	1,267,283.62		5,068,918.53	
6705	GRANTS TO ASSOCIATIONS	495,358.83			17,317,311.69	697,780.32		18,322,356.01	
6709	GRANTS TO STATE COLLEGES	3,037,944.45			27,427,269.50	395.70		27,427,325.20	
6710	GRANTS TO SCHOOL DISTRICT	37.50			3,567,033.67	2,809,868.69		6,863,467.37	
6712	GRANTS TO WATER RESOURCE DISTR	95,742.09			2,279,434.32	139,066.22		2,418,500.54	
6713	TRIBAL GRANT	125,457.79			2,426,013.97	57,223.81		2,483,237.78	
6720	GRANTS TO CITIES	640,982.50			41,999,892.34	3,159,260.67		45,309,000.23	
6730	GRANTS TO COUNTIES	1,686,147.09			36,735,091.91	2,136,861.94		38,930,222.78	



DEPT. LEVEL 512-DIV OF EMERGENCY MANAGEMENT  
512-600  
DISASTER DECLARATION COST

60#	DESCRIPTION	CURRENT MONTH ACTIVITY	GENERAL FUND	B I E N N I U M FEDERAL FUND	T O D A Y SPECIAL FUNDS	TOTAL
6790	GRANTS TO FIRE DISTRICTS	1,520.40	.00	16,586.54	891.75	17,478.29
6791	GRANTS TO PARK DISTRICTS	33,633.04	703.39	1,157,194.00	48,778.67	1,206,676.06
6910	MISC. GRANTS	.00	.00	296,328.04	.00	296,328.04
	GRANT EXPENDITURES	6,116,823.69	1,002,254.55	137,023,844.89	10,317,411.49	149,343,510.83
7002	TSFR TO FEDERAL FUND	590,239.81	.00	2,846,882.01	.00	2,846,882.01
7200	TSFR TO HIGHWAY FUND	.00	.00	29,354.61	.00	29,354.61
7214	TSFR TO NAT. GUARD EMERG. FUND	50,924.68	.00	1,652,108.65	.00	1,652,108.65
7222	TSFR TO GAME & FISH FUND (222)	.00	.00	60,491.21	.00	60,491.21
7397	TSFR TO WATER COMM FUND	158,200.00	.00	158,200.00	.00	158,200.00
7398	TSFR TO PARKS & REC. FUND	.00	.00	200,988.10	.00	200,988.10
	REFUNDS AND TRANSFERS	799,364.49	.00	4,948,024.58	.00	4,948,024.58
	TOTAL EXPENDITURES	7,119,317.08	1,001,222.77	143,223,041.76	10,499,068.76	154,723,333.29

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1	FEDERAL FUND INCOME	57,366,466.00	181,827,884.80	145,028,291.65	36,799,593.15		
2	SPECIAL FUND INCOME	7,864,481.00	19,636,704.00	10,715,538.85	8,921,165.15		
3	TOTAL ESTIMATED INCOME COLL	65,230,947.00	201,464,588.80	155,743,830.50	45,720,758.30		
4	EXPENDITURES BY LINE ITEM						
5	10 SALARIES AND WAGES	2,298,200.00	3,527,502.80	2,611,390.91	916,111.89	26 %	
6	30 OPERATING EXPENSES	931,852.00	16,220,282.77	13,248,399.14	2,971,883.63	18 %	
7	40 EQUIPMENT	186,653.00	16,243,808.09	163,478.25	80,559.75	39 %	
8	60 GRANTS	62,738,332.00	197,599,642.00	154,200,300.23	43,199,341.77	22 %	
9	TOTAL EXPENDITURES	66,155,037.00	217,391,235.57	170,223,538.53	47,167,697.04	22 %	
10	EXPENDITURES BY SOURCE						
11	GENL FUND EXP AUTHORITY	924,090.00	15,926,646.77	13,142,227.25	2,784,419.52	17 %	
12	FEDL FUND EXP AUTHORITY	57,366,466.00	181,827,884.80	146,385,237.19	35,442,647.61	19 %	
13	SPEC FUND EXP AUTHORITY	7,864,481.00	19,636,704.00	10,696,074.09	8,940,629.91	46 %	
14	TOTAL EXPENDITURES BY SOURCE	66,155,037.00	217,391,235.57	170,223,538.53	47,167,697.04	22 %	
15	UNRESTRICTED GENERAL FUND AUTHORITY	924,090.00	15,926,646.77	13,210,251.39	2,716,495.38		
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6-30-2001

DATED 7/27/2001 WITH APPLBACKS

DATE 06/30/03

OFFICE OF MANAGEMENT AND BUDGET  
STATUS REPORT BY DETAIL OBJECT AND SOURCE  
FOR MONTH ENDING 06/30/03

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DEPT.	512-DIV-OF-EMERGENCY-MANAGEMENT	GENERAL FUND	FEDERAL FUND	SPECIAL FUNDS	TOTAL
LEVEL	512-600				
DISASTER DEGRADATION COST					
DESCRIPTION	CURRENT MONTH ACTIVITY				
8400	REVENUE FROM FED GOVERNMENT	895,102.76	.00	64,557,284.35	64,557,284.35
8842	INTERGOVERNMENTAL REVENUE	895,102.76	.00	64,557,284.35	64,557,284.35
8859	RESALE SPECIAL ORDERS	.00	.00	2,519.50	2,519.50
9002	CHARGES FOR SERVICES	.00	.00	2,519.50	2,519.50
9842	TSR FM FEDERAL FUND	18,292.78	.00	.00	18,292.78
	LOANS	400,000.00	.00	3,925,000.00	3,925,000.00
	MISCELLANEOUS REVENUE	418,292.78	.00	3,925,000.00	3,943,292.78
	TOTAL R E V E N U E	1,313,395.54	.00	64,575,577.13	68,503,096.63
1100	EXPENSE AND INTRUPE S	.00	.00	8.50	8.50
1200	SALARIES-FULL TIME	.00	.00	606,393.42	606,393.42
1300	TEMPORARY SALARIES	.00	.00	54,867.63	54,867.63
1840	OVERTIME	.00	.00	4.74	4.74
1870	STATE RETIREMENT CONTRIBUTION	.00	.00	13,502.71	13,502.71
1895	SOCIAL SECURITY	.00	.00	657.66	657.66
2000	WORKERS COMP PREMIUM	.00	.00	715,209.57	715,209.57
2008	SALARIES AND BENEFITS	.00	.00	24,901.92	24,901.92
2260	DATAPROCESSING SERVICE	745.41	.00	18,101.78	18,847.19
2500	TELEPHONE LTD	.00	.00	360.56	360.56
2500	TELEPHONE & TELEGRAPH - NON IT	.00	.00	31,523.47	31,523.47
2110	MOTOR-POOL CAR MILEAGE	856.17	.00	17.60	873.77
2111	IN STATE MEALS	336.00	.00	17.60	353.60
2111	OUT OF STATE MEALS	105.00	.00	17.25	122.25
2115	IN STATE LODGING	688.65	.00	34.54	723.19
2116	OUT OF STATE LODGING	.00	.00	18.90	18.90
2120	IN STATE MILEAGE	205.84	.00	28.64	234.48
2122	AIR TRANSPORTATION IN STATE	.00	.00	.00	.00
2123	AIR TRANSPORTATION OUT OF STATE	.00	.00	.00	.00
2124	OTHER COMM TRANSPORT IN STATE	.00	.00	64.65	64.65



DATE 06/30/03

OFFICE OF MANAGEMENT AND BUDGET  
STATUS REPORT BY DETAIL OBJECT AND SOURCE  
FOR MONTH ENDING 06/30/03

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DEPT.	512-DIV-OF-EMERGENCY-MANAGEMENT	GENERAL-FUND	FEDERAL-FUND	SPECIAL-FUNDS	TOTAL
LEVEL	512-600				
DISASTER-DECLARATION-COST					
DESCRIPTION	CURRENT MONTH ACTIVITY				
2125	OTHER COMM-TRANS-OUT-OF-STATE	.00	882-92	.00	882-92
2140	IRS MEALS-TAXABLE	.00	1762-40	1-50	765-00
2142	IRS MEALS-TAXABLE	16-00	116-50	1-50	118-00
2150	MISCELLANEOUS TRAVEL	.00	117-30	.00	117-30
2160	TRAVEL-NON-EMPLOYEES	.00	2,167-66	.00	2,167-66
2171	SOFTWARE/LICENSES UNDER \$5,000	.00	1,191-40	.00	1,191-40
2255	POSTAGE-AND-P.O.-BOX-RENTAL	.00	3,775-00	725-00	4,500-00
2320	COPIER RENTAL	342-46	9,718-18	468-27	10,186-45
2340	BOOTH-S-ROOM-RENTAL	.00	15-00	.00	15-00
2344	RENT-OF-BUILDING SPACE	.00	14,630-74	3,909-34	18,540-08
2360	CONFERENCE-EXPENSES	.00	1,157-18	.00	1,157-18
2362	DUES & MEMBERSHIPS	.00	1,600-00	.00	1,600-00
2366	PROFESSIONAL-DEVELOPMENT	.00	801-25	158-75	960-00
2442	RADIO-TV-NEWSPAPER-SERV	.00	609-03	203-00	812-03
2465	FREIGHT-E-EXPRESS	.00	154-47	18-12	172-59
2910	AWARDS, REWARDS, PRIZES	.00	103-80	12-50	116-30
2525	REPAIR-EQUIPMENT-OFFICE	.00	144-00	.00	144-00
2640	MANAGEMENT/CONSULTING SERVICE	2,239-37	59,740-00	7,927-62	67,667-62
2645	MEDICAL-INCLUDING-HOSPITAL	.00	58-50	19-50	78-00
2660	PROFESSIONALS NOT CLASSIFIED	1,450-40	21,517-15	83-30	21,600-45
3010	OFFICE-SUPPLIES	.00	2,273-38	341-97	2,615-35
3110	CENTRAL SUPPLY	.00	974-55	237-52	1,212-07
3150	CENTRAL-DUP-PRINTING	.00	7,773-13	1,121-20	8,894-33
3155	COPIER SUPPLIES	.00	3,524-92	881-55	4,406-47
3160	PAPER-PRODUCTS	.00	2,192-47	619-13	2,811-60
3165	PRINTING FROM OTHERS (NON-CTRL)	810-80	1,389-68	28-12	1,417-80
3300	CLOTHING	.00	2,110-00	.00	2,110-00
3315	FOOD SUPPLIES	5-37	5-37	.00	5-37
3490	EQUIPMENT-REPAIR-PARTS	.00	49-72	.00	49-72

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SAWIS ORGANIZATION  
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## EXPENDITURES

DEPT.	512-DIV. OF EMERGENCY-MANAGEMENT	512-6000-	DISASTER DECLARATION COST	DEPARTMENT OF MANAGEMENT AND BUDGET	STATUS REPORT	FOR MONTH ENDING 06/30/03	MB4-925-AA	BIENNIIUM 01
DESCRIPTION	CURRENT MONTH	GENERAL FUND	FEDERAL FUND	SPECIAL FUNDS	TOTAL			
3750 EQUIP. UNDER \$750	.00	.00	1,005.00	.00	1,005.00			
OPERATING EXPENSES	10,005.28	.00	274,423.46	25,437.62	299,861.08			
4025 FURNITURE & FURNISHINGS	.00	.00	2,023.36	254.35	2,277.71			
EQUIPMENT	.00	.00	2,023.36	254.35	2,277.71			
6701 GRANTS TO INDIVIDUALS	.00	.00	131.25	43.75	175.00			
6705 GRANTS TO ASSOCIATIONS	1,635.04	302,960.35	8,859,294.36	1,235,584.77	9,397,939.50			
6709 GRANTS TO STATE COLLEGES	171,730.00	.00	8,346,004.82	.00	8,517,734.82			
6710 GRANTS TO SCHOOL DISTRICT	.00	25,572.26	530,136.69	83,272.44	587,836.87			
6712 GRANTS TO WATER-RESOURCE-DISTR	.00	124,530.06	2,087,827.28	48,432.31	2,260,789.65			
6713 TRIBAL GRANT	.00	31,724.88	826,036.42	50,778.82	908,059.12			
6720 GRANTS TO CITIES	86,774.15	632,428.69	20,876,161.32	2,217,649.93	23,726,239.94			
6730 GRANTS TO COUNTIES	107,030.32	1,520,269.37	18,159,379.30	1,205,133.84	20,884,782.51			
6791 GRANTS TO PARK-DISTRICTS	.00	44,565.21	619,687.37	35,688.33	700,146.91			
6910 MISC. GRANTS	.00	249.25	50,411.02	.00	50,660.27			
GRANT EXPENDITURES	363,915.43	2,683,810.07	59,294,733.97	3,770,051.81	65,686,604.85			
7002 TSFR TO FEDERAL FUND	423,056.34	.00	3,498,860.36	.00	3,498,860.36			
7214 TSFR TO NAT. GUARD-EMERG. FUND	.00	.00	438,706.73	.00	438,706.73			
7222 TSFR TO GAME & FISH FUND (222)	.00	.00	7,090.00	.00	7,090.00			
7397 TSFR TO WATER COMM FUND	.00	.00	6,801.00	.00	6,801.00			
REFUNDS AND TRANSFERS	423,056.34	.00	3,951,458.09	.00	3,951,458.09			
TOTAL EXPENSES	796,977.05	2,683,810.07	64,237,840.45	3,899,815.34	70,819,482.86			

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**51200 - Emergency Management**  
**Level: 512-600**  
**Disaster Declaration Cost**

**Organizational Status By Detail Account and Source  
For the Month Ending December 31, 2004**

**NDS4925AA 2005B**

Current Month		Biennium to Date		
		General Fund	Federal Fund	Special Funds
Activity				Total
Revenues				
430040	Revenue From Fed Government	0.00	18,552,090.48	0.00
432005	Reimbursement From Other State	0.00	979.07	0.00
476010	Loans	0.00	0.00	2,050,000.00
Total	Revenues	0.00	18,553,069.55	2,050,000.00
Expenditures				
511005	Salaries Full Time	0.00	23,254.44	7,506.81
513005	Temporary Salaries	21,215.14	320,752.16	91,912.18
516015	Employee Assist Program	0.00	14.04	4.56
516055	Health Insurance	0.00	5,130.86	1,658.16
516075	Basic Life Insurance	0.00	2.97	0.91
516165	Section 125 Adm Fee	0.00	50.39	16.16
516170	Social Security	1,624.95	26,282.43	7,617.28
516175	State Retirement	0.00	2,118.57	687.45
516205	Unemployment Insurance	68.81	556.37	169.06
516210	Workers Comp Premium	0.00	2,306.69	768.88
510000	Salaries and Benefits	22,908.90	380,468.92	110,341.45
521010	In State - Air Transportation	0.00	4,958.93	0.00
521015	In State - Lodging	148.73	5,231.39	37.18
521020	In State - Meals	82.00	2,854.50	7.50
521030	In State - Vehicle Mileage	0.00	2,063.80	0.00
521035	Meals Taxable	26.00	504.50	7.50
521045	Motor/Aircraft Pool	512.98	11,988.50	482.67
521060	Non-State Employee Travel	6,591.63	15,529.08	0.00
521065	Other Transportation & Misc Ex	0.00	189.60	0.00
521070	Out of State-Air Transportatio	0.00	4,927.76	0.00
521075	Out of State - Lodging	0.00	4,421.82	0.00
521080	Out of State - Meals	0.00	2,915.22	64.75
521085	Out of State-Other Comm Transp	0.00	1,422.54	0.00
534035	Equipment Repair Parts	809.00	740.40	68.60
535015	Equip Under \$750	0.00	1,429.94	0.00
536005	Central Supply	0.00	322.35	0.00
536015	Office Supplies	0.00	3,993.64	0.00
541015	Postage And P.O. Box Rental	0.00	750.00	250.00
542005	Central Duplicating - Printing	0.00	411.35	0.00

	Current Month Activity	Biennium to Date			Total
		General Fund	Federal Fund	Special Funds	
542010	Copier Supplies	0.00	1,741.11	199.17	1,940.28
542020	Paper Products	0.00	904.93	78.87	983.80
571025	Property Insurance	0.00	521.09	0.00	521.09
581010	Copier Rental	0.00	6,044.78	216.64	6,261.42
582060	Rent Of Building Space	0.00	24,145.00	0.00	24,145.00
591060	Repair Equipment-Office	0.00	1,116.40	0.00	1,116.40
601005	Data Processing Service	0.00	17,789.73	1,071.78	18,861.51
602005	Cellular Phones	0.00	34.98	0.00	34.98
602060	Telephone & Telegraph - Non IT	590.33	5,901.27	0.00	5,901.27
602065	Telephone ITD	0.00	9,508.84	805.77	10,314.61
611005	Conference Expenses	35.00	2,142.40	0.00	2,142.40
611010	Dues & Memberships	0.00	335.00	0.00	335.00
611020	Professional Development	0.00	342.50	57.50	400.00
621060	Awards, Rewards, Prizes	0.00	768.64	0.00	768.64
621150	Freight & Express	83.05	1,274.67	51.41	1,326.08
621325	Other Operating Fees	0.00	100.50	0.00	100.50
623130	Management/Consulting Service	1,202.15	30,391.74	0.00	30,391.74
623175	Professionals Not Classified	0.00	16,850.13	0.00	16,850.13
520000	Operating Expenses	10,080.87	184,569.03	3,399.34	187,968.37
					0.00
712050	Grants To Associations	110,930.46	2,853,355.75	349,148.31	3,202,504.06
712070	Grants To State Colleges	223,985.46	927,513.54	0.00	927,513.54
712075	Grants To School District	0.00	39,981.76	7,700.24	47,682.00
712085	Grants To Water Resource Distr	87,129.63	598,252.53	94,940.67	693,193.20
712090	Tribal Grant	0.00	353,794.79	44,197.47	397,992.26
712105	Grants To Cities	0.00	4,667,635.43	849,667.97	5,517,303.40
712115	Grants To Counties	378,991.62	9,946,737.91	1,323,913.45	11,270,651.36
712150	Grants To Park Districts	0.00	104,968.04	14,757.01	119,725.05
712000	Grants, Benefits & Claims	801,037.17	19,492,239.75	2,684,325.12	22,176,564.87
					0.00
722002	Tsfr To Federal Fund	12,097.80	295,492.22	0.00	295,492.22
722214	Tsfr To Nat. Guard Emerg. Fund	0.00	28,218.75	0.00	28,218.75
722000	Transfers Out	12,097.80	323,710.97	0.00	323,710.97
Total	Expenditures	846,124.74	20,380,988.67	2,798,065.91	23,179,054.58

11

Disaster Costs at 06/30/2003

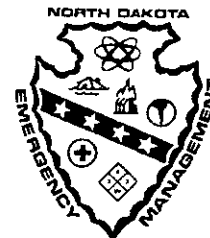
\$ 35,199,523.13

Previous biennium	\$ 3,925,000.00
12/31/2004 PS dis exp	\$ 2,798,065.91
Total	\$ 6,723,065.91
Projection thru 06/30/05	\$ 500,000.00
Interest at 01/05/05	\$ 153,315.00
Interest at \$532.02*163	\$ 95,763.60
	\$ 749,078.60
Revised Def Appr.	\$ 7,472,144.51
Current estimate	\$ 6,275,000.00
Change to Def Appr.	\$ 1,197,144.51



North Dakota

## Division of Emergency Management



JOHN HOEVEN  
GOVERNOR

Maj Gen MICHAEL J. HAUGEN  
ADJUTANT GENERAL

DOUGLAS C. FRIEZ  
STATE DIRECTOR

January 20, 2005

Representative Ken Svedjan  
Chairman, House Appropriations Committee  
State Capitol Building  
Bismarck, ND 58505

Dear Representative Svedjan:

The Division of Emergency Management (DEM) has now received a billing from the United States Department of Agriculture (USDA) via the North Dakota State Forester for the State's share of Deep Creek, Whitetail, and Magpie Camp fires in the Badlands this past summer.

The Division of Emergency Management received approval from the Emergency Commission on December 1, 2004 to pay the initial costs of \$91,125.00 of the fire from State Contingency funds. At that time, the costs from the Interagency Cooperative Fire Protection Agreement had not been finalized but a projection of costs in the amount of \$110,000.00 had been estimated for a deficiency appropriation and that amount was included in HB 1024.

On January 19, 2005 the State Forester received the Forest Service CY 2004 Emergency Fire Suppression Preliminary Bill in the amount of \$236,783.29. The Division of Emergency Management is prepared to pay to the USDA the initial amount authorized of \$91,125.00. This payment of \$91,125.00 and the proposed deficiency appropriation of \$110,000 will total \$201,125.00, a shortfall of \$35,658.29.

The Division of Emergency Management requests an amendment to increase HB 1024 from \$110,000.00 to \$145,658.00 for the payment of the State's share of the fire costs.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Douglas C. Friez", is written over a horizontal line.

Douglas C. Friez  
N.D. State Emergency Management Director  
Governor's Homeland Security Advisor

DCF:RM/as

Cc: Sheila Peterson, OMB  
Larry Kotchman, State Forester

*With exception of these  
pages same testimony  
given to House*

North Dakota

## Division of Emergency Management



**To:** Senator Ray Holmberg  
Chairman, Senate Appropriations Committee

**From:** *Dr. C.* Douglas C. Friez, Director  
North Dakota Division of Emergency Management

**Subject:** Division of Emergency Management's Request for a Deficiency  
Appropriation Engrossed HB 1024.

JOHN HOEVEN  
GOVERNOR

Maj Gen MICHAEL J. HAUGEN  
ADJUTANT GENERAL

DOUGLAS C. FRIEZ  
STATE DIRECTOR

**Date:** February 23, 2005

Following are comments on behalf of Engrossed HB 1024, the deficiency appropriation for the Division of Emergency Management.

### I. Introduction

The Division's request is for authority to repay the amount due (principal and interest) for the State disaster response and recovery loan from the Bank of North Dakota, as provided under Chapter 37-17.1-23 of the North Dakota Century Code, on June 30, 2005. Estimated costs of the deficiency appropriation at the initial budget request on May 31, 2004, were \$6,275,000.00. The estimate as of December 31, 2004, is \$7,472,145. This change is due to an increase in the pace of the re-payment of disaster costs incurred at local levels covering the portions of the state's share of the 1993-2004 floods, as well as the 1997, 2000, and 2004 snow Presidential Disaster Declarations.

Additionally, \$110,000 was the estimated amount due to the United States Forest Service for the State's share of the Deep Creek and Magpie fires in the Badlands this past summer. The final billing received from the United States Forest Service was \$145,658.

Our current loan authority is \$14,417,767.00. As of January 5, 2005 we have borrowed \$5,975,000.00, which includes the unpaid \$3,925,000.00 from the previous biennium, to meet the state obligation for cost share from flooding disasters occurring in 1993 through 2004 and the snow disasters of 1997, 2000, and 2004.

In previous biennia, the total loan repayments through the deficiency appropriation process have totaled about \$29.5 million.

**DEFICIENCY APPROPRIATION BILL**

**TUESDAY, JANUARY 18<sup>th</sup>, 2005**

**NORTH DAKOTA VETERANS HOME**

*Same  
given to  
the Senate*

Testimony written by Kristin Lunneborg, Accounting Manager at the North Dakota Veterans Home.

The 2003-2005 budget appropriation for the Veterans Home was \$11,017,195, which included revenues and expenditures for an 8 bed skilled addition. The 8 bed skilled addition was put on hold after a task force determined that the only available space for the placement of the beds was on the 2<sup>nd</sup> floor, which would require major renovations to meet code, making it cost prohibitive. The budgeted expenses for the 8 bed skilled addition were \$650,614 and budgeted revenues were \$900,868, leaving a net gain in revenue of \$250,256. In the final hours before budget approval, general fund authority was cut \$250,000 in anticipation of the increased revenues from the 8 beds.

We have been working hard to absorb the \$250,000 into our current budget by cutting expenses and finding cost effective ways to provide the necessary services for our residents. Some examples of this include a Reduction in Force which eliminated three full-time positions and one part-time position, the purchasing of supplies through Central Supply and Central Duplicating, the use of state term contracts for purchasing of products, and the renegotiation of several contracts for substantially lower rates.

We have also incurred many additional expenses that were not included in our budget. These include over \$50,000 for professional services rendered by Novus Inc. for work on the Veterans Home strategic plan and Eide Bailly for management and consulting fees, \$11,700 for healthcare software conversion and training fees due to bankruptcy of Horizon Technologies and some building improvements mandated by a Life Safety Code Survey.

Besides having to find ways to cut back on our budget due to the 8 bed addition being put on hold, the VA Medical Center in Fargo notified us that effective January 1, 2005, they will no longer provide medications or primary care appointments for the residents at the Veterans Home. Federal law states that the per diem the VA pays to the Veterans Home is to cover costs of medications and primary care appointments. Although the enforcement of this law has a huge impact on our budget, we are fortunate that North Dakota is one of the last states to enforce this law.

After researching the options available, we met with the emergency commission on June 16, 2004, to request \$208,000 in state contingency funding to build a pharmacy at the Veterans Home. We selected this option as we would be able to operate a pharmacy for less money than we could purchase the medications for. Under Federal Supply Schedule (FSS) pricing we can purchase the meds for approximately 40% of the retail purchase price.

We are unable to determine exactly what the VA Medical Center's change regarding primary care appointments will cost the Veterans Home. Due to a contract change, we will only see a moderate increase in the cost of providing physician care for our residents. What we cannot determine yet is the cost of services such as lab work and x-rays that will result from the primary care appointments. We contacted the VA Medical Center to see if there was any way to estimate the cost of labs and x-rays that will result from primary care appointments but they said it would be impossible to determine a number.

We have been working very hard at making wise choices in spending to cut our expenditures but we cannot absorb the full impact of the cut in our general fund authority and the VA Medical Center's decision to end all primary care appointments for the residents. We are requesting a deficiency appropriation of \$200,000 to get us to the end of this biennium; \$150,000 of this is to be used for operating expenses and \$50,000 for expenses relating to primary care appointments. The Veterans Home urges you to approve this request for deficiency funding so we can continue to provide the best, quality care for the residents of the North Dakota Veterans Home.

# **North Dakota University System**

## **Testimony to House Appropriations Committee on HB1024**

**Robert L. Potts, Chancellor**

*JANUARY 18, 2005*

On January 5, 2004 the four remaining NDUS campuses (UND, NDSU, MiSU and MiSU-BC) went live as scheduled with the implementation of PeopleSoft finance and human resources, parts of the overall ConnectND project. Student administration implementation started last fall at these four sites and will continue until the end of June, as planned. This last step brought the NDUS to full implementation status at all eleven campus and System Office sites.

In order to go live on this date, to ensure a successful implementation and to prevent another delay which would cost approximately \$500,000 per month, it was necessary to engage additional consulting assistance to: 1) provide on-the-job training in the grants and contracts function; and, 2) extend post-production support from 30 days to a full 90 days after go-live, through the end of March, in the finance, human resource, student administration and technical areas. Ninety days post-production support is a typical industry standard and provides the time needed to complete the knowledge transfer from the project staff and consultants to the campus end-users. On-the-job training assistance was also critical since very little pre-live training had been provided to the grants and contracts staff. This is due to the fact that staff were busy up until the go-live date configuring and testing the software to be sure it worked properly. Failure of proper processing and reporting on grants and contracts could have resulted in the loss of several hundreds of millions of dollars to the University System and damaged the state economy—a risk we were not willing to take. We believe that an emergency existed and that the additional cost was well worth the investment to minimize the risk and further costs to the State and University System.

The additional cost for training and extended post-production support is \$767,520 in calendar year 2005. The ConnectND budget has committed \$150,000 to help offset this cost. The North Dakota University System respectfully requests a deficiency appropriation for the remaining unfunded balance of \$617,520.

The System and campuses have self-funded almost one hundred percent of the cost of this project, totaling nearly \$25.0 million to date, through student fees and internal reallocation. The Emergency Commission and Budget Section generously provided \$150,000 late last year to assist with some unexpected project costs incurred in the 2004 calendar year. The campuses internally reallocated \$480,000, the remaining balance of the CY2004 costs. Campus costs will continue to increase in support of the project as they add staff to support new functions that must

be supported in ConnectND. For example, the NDUS did not previously have a human resource system, only payroll, thus additional staff resources are needed to maintain and support this new functionality. Likewise, the new software provides degree-audit functionality, a much needed and demanded function by students; however, once more staff resources will be required to support this new activity. Campuses are already reallocating funds to address these unplanned needs within existing resources, stretching their resources to the limit. We do not know where we can find these additional resources within the NDUS and therefore ask you to approve a deficiency appropriation of \$617,520 to cover the unanticipated expenses.

The proposed resources contained in SB2003, the NDUS appropriation bill, for the next biennium will be needed to support an aggressive education and research agenda. Furthermore, these resources are not available to the NDUS this biennium to pay this immediate expense.

Thank you for your thoughtful consideration of our request. I will be happy to answer any questions.

**NORTH DAKOTA UNIVERSITY SYSTEM  
PROPOSED AMENDMENTS TO HOUSE BILL NO. 1024  
Presented to House Appropriations**

Page 2, after line 21, insert:

**NORTH DAKOTA UNIVERSITY SYSTEM**

ConnectND project expenses	<u>\$617,520</u>
Total general fund appropriation	\$617,520

Page 2, line 22, replace "\$10,886,142" with "\$11,503,662"

Renumber accordingly

# **North Dakota University System**

## **Testimony to House Appropriations Committee on HB1024**

**Lee Vickers, President Dickinson State University  
Chair, NDUS ConnectND Executive Steering Committee**

*FEBRUARY 23, 2005*

On January 5, 2005 the four remaining NDUS campuses (UND, NDSU, MiSU and MiSU-BC) went live as scheduled with the implementation of PeopleSoft finance and human resources, parts of the overall ConnectND project. Student administration implementation started last fall at these four sites and will continue until the end of June, as planned. This last step brought the NDUS to full implementation status at all eleven campus and System Office sites.

In order to go live on this date, to ensure a successful implementation and to prevent another delay which would cost approximately \$500,000 per month, it was necessary to engage additional consulting assistance to: 1) provide on-the-job training in the grants and contracts function; and, 2) extend post-production support from 30 days to a full 90 days after go-live, through the end of March, in the finance, human resource, student administration and technical areas. Ninety days post-production support is a typical industry standard and provides the time needed to complete the knowledge transfer from the project staff and consultants to the campus end-users. On-the-job training assistance was also critical since very little pre-live training had been provided to the grants and contracts staff. This is due to the fact that staff were busy up until the go-live date configuring and testing the software to be sure it worked properly. Failure of proper processing and reporting on grants and contracts could have resulted in the loss of several hundreds of millions of dollars to the University System and damaged the state economy—a risk we were not willing to take. We believe that an emergency existed and that the additional cost was well worth the investment to minimize the risk and further costs to the State and University System.

The additional cost for training and extended post-production support is \$767,520 in calendar year 2005. The ConnectND budget has committed \$150,000 to help offset this cost. The North Dakota University System respectfully requests a deficiency appropriation for the remaining unfunded balance of \$617,520.

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continue to increase in support of the project as they add staff to support new functions that must be supported in ConnectND. For example, the NDUS did not previously have a human resource system, only payroll, thus additional staff resources are needed to maintain and support this new functionality. Likewise, the new software provides degree-audit functionality, a much needed and demanded function by students; however, more staff resources will be required to support this important new activity. There are significant staffing needs at both the campus and project level. Campuses are already reallocating funds to address these unplanned needs within existing resources, to the extent possible, stretching their resources to the limit. Students are covering the majority of the project costs through a special student fee. We do not know where we can find these additional resources within the NDUS and therefore ask you to concur in the House's approval of this deficiency appropriation (on a vote of 75 to 11 on February 8, 2005). We will be faced with continuing funding and staffing challenges as campus personnel, assigned to the project configuration and design, return home to campus, campus and project staff take well deserved vacations, and simultaneously the number of users and modules that need to be serviced increase. The NDUS will evaluate these needs as we plan the fiscal year 2006 budget.

As you well know, the proposed resources contained in SB2003, the NDUS appropriation bill, for the next biennium will be needed to support an aggressive education and research agenda. Furthermore, these resources are not available to the NDUS this biennium to pay this immediate expense.

Thank you for your thoughtful consideration of our request. I will be happy to answer any questions.

University of North Dakota  
January 18, 2005

Handout 11-5  
1-18-05  
Alice Brekke

2003-05 Deficiency Appropriation Request-1997 Flood

Deficiency Appropriation Summary (Cumulative):

• 10% Cost Share	\$4,448,287
• Interest on Bank Loan	1,976,681
• Labor Charges not reimbursed by FEMA	845,080
• Service and Supply Charges not reimbursed by FEMA	37,776
• Disaster Grants Management Consultant (DMG Maximus)	707,147
• Simulated Flood Insurance Deductions	6,335
• Sewer Line Videotaping	176,996
• Other FEMA Ineligible	419,969
• Other FEMA Ineligible-Insurance	<u>229,941</u>

1997 Flood Expenditures-Total Estimated Deficiency \$8,848,211

Amount Funded in 1997-99; 1999-2001; 2003-05 (See Note) 8,476,957

Net Estimated 2003-05 Deficiency \$371,254

Note: The funding provided in response to the request for a deficiency appropriation for 2001-03 was included in HB1003 as part of the contingency fund to the State Board of Higher Education for the 2003-05 biennium. Although an emergency clause was included in Section 39 of HB1003, it was determined by Legislative Council staff and legal counsel that the section did not include the language that would allow it to be treated as an emergency clause. We request that an emergency clause be included for the 2003-05 deficiency appropriation.

*This same  
sheet given to  
Senak*

**University of North Dakota**  
**January 18, 2005**

**University of North Dakota - Flood Recovery Update**  
**2003-05 Deficiency Appropriation Request**

**Deficiency Appropriation**

The net estimated 2003-05 deficiency appropriation request as of January 18, 2005 is \$371,254. All flood related projects have been completed and efforts are now focused on the FEMA close out and payment process. The close out process for the steam line project and project management costs is in process and may result in identification of other FEMA ineligible costs (see below).

**Bank of North Dakota Loan**

The current loan balance is \$2,610,854. The interest cost through 9/21/04 is included in the deficiency request at \$62,343.68, and an additional \$31,330 is estimated through 6/30/05. An additional \$47,639 remained unpaid as of 6/30/03. Interest costs on the loan will continue to accrue until final payments are received from FEMA. The timing and amount of payments to be received from FEMA is not known. Thus, it is not possible to estimate the total interest cost that may accrue over the life of the loan.

Interest costs beyond those funded in the 2003-05 deficiency funding would be requested as a future deficiency appropriation.

**Flood Insurance**

**Flood Insurance Summary:**

The total insurance received from all sources to date is \$6,325,230.

**North Dakota Fire and Tornado:**

Both FEMA and North Dakota Fire and Tornado have made final decisions regarding insurance coverage issues (interpretation of coverage as it relates to ordinance of law, extra expense). These decisions have resulted in \$229,941 which FEMA has disallowed and NDFT will not cover.

**Arbitration**

**Luneth Plumbing and Heating Co. v. North Dakota State Board of Higher Education:**  
On or about May 29, 2002, pursuant to a contract between the North Dakota State Board of Higher Education (on behalf of the University of North Dakota) and Luneth Plumbing and Heating, Luneth commenced an arbitration seeking payment for work performed as part of Phase I of UND's steam distribution system restoration project. Luneth claims an unpaid balance in excess of \$4,339,000. Luneth has since included Phase II of the project.

## **University of North Dakota - Flood Recovery Update 2003-05 Deficiency Appropriation Request**

### **Deficiency Appropriation**

The net estimated 2003-05 deficiency appropriation request as of February 23, 2005 is \$371,254. All flood related projects have been completed and efforts are now focused on the FEMA close out and payment process. The close out process for the steam line project and project management costs is in process and may result in identification of other FEMA ineligible costs (see below).

### **Bank of North Dakota Loan**

The current loan balance is \$2,610,854. The interest cost through 9/21/04 is included in the deficiency request at \$62,343.68, and an additional \$31,330 is estimated through 6/30/05. An additional \$47,639 remained unpaid as of 6/30/03. Interest costs on the loan will continue to accrue until final payments are received from FEMA. The timing and amount of payments to be received from FEMA is not known. Thus, it is not possible to estimate the total interest cost that may accrue over the life of the loan.

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On June 19, 2002, UND filed a response and asserted counterclaims based on untimely and defective work performed by Luneth. UND also brought a motion to dismiss based on lack of jurisdiction.

On June 19, 2002, UND filed a response and asserted counterclaims based on untimely and defective work performed by Lunseth. UND also brought a motion to dismiss based on lack of jurisdiction.

Arbitrators have been appointed. The parties agreed to put the arbitration on hold pending Lunseth's submission of its final claims to UND on September 30, 2002, and the ultimate response by the Federal Emergency Management Agency (FEMA). UND has agreed to submit these claims to the State of North Dakota's Emergency Management Division and FEMA without comment. It is hoped that some of the issues can be resolved in this manner.

The normal procedure for paying such claims is for UND to pay the contractor; for the State to reimburse UND at 90 percent of the claimed amount; and for a review by the State and FEMA to occur. If all documentation is appropriate and the claim is accepted, no adjustment is made to UND's payout from the State. If the claim is rejected, the money the State provided to UND for the claim is withdrawn.

In this case, UND and Lunseth have agreed that instead of paying the disputed sum directly to Lunseth, UND can hold the money in the form of a check until the review has been completed. The rest of the procedures are being followed. If the claim is accepted, UND will then release the money to Lunseth. Review by the State of North Dakota has occurred and FEMA is reviewing now.

In addition to these claims, Lunseth has alleged negligence on the part of UND, its Architect, EAPC, and its Construction Manager, Barton Malow, and has demanded damages.

The arbitration has commenced by briefing the jurisdictional issues. A hearing date of January 19, 2005 has been set for argument on UND's Motion to Dismiss. UND's exposure has not yet been determined although it is not believed to be close to the alleged amount. After the hearing panel determines the jurisdictional issue, discovery will commence.

After discovery, UND will have a better understanding of the issue of liability in this case. The hearing, for any issues that remain after the Motion to Dismiss has been handled, has been set for June 13, 2005.

### **Other FEMA Ineligible**

Through the process of damage assessment, repairs, costing, insurance claims, litigation and final close out of each DSR, decisions have been made by FEMA to assign costs to UND as ineligible for FEMA funding. In all instances UND has made a good faith effort to comply with FEMA regulations, pursue reasonable avenues of appeal and maximize cost recovery from other applicable sources. Project close out and audit of the federal funds may result in additional unreimbursed costs. Variations between actual costs incurred and original cost estimates may also result in over or under recovery to be resolved as part of final close out.

At this time, the steam line project and project management are being reviewed by FEMA. The total steam line expenditures are \$29,310,968 and project management expenditures are \$1,655,950. To date, FEMA has raised questions regarding about \$2.8 million of costs and UND has provided additional documentation for consideration. The close out process is not yet complete.

Arbitrators have been appointed. The parties agreed to put the arbitration on hold pending Lunseth's submission of its final claims to UND on September 30, 2002, and the ultimate response by the Federal Emergency Management Agency (FEMA). UND has agreed to submit these claims to the State of North Dakota's Emergency Management Division and FEMA without comment. It is hoped that some of the issues can be resolved in this manner.

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In addition to these claims, Lunseth has alleged negligence on the part of UND, its Architect, EAPC, and its Construction Manager, Barton Malow, and has demanded damages.

The arbitration has commenced by briefing the jurisdictional issues. A hearing date of January 19, 2005 was set for argument on UND's Motion to Dismiss. The Motion to Dismiss was denied. Expedited discovery is occurring. The hearing has been set for June 13, 2005.

### **Other FEMA Ineligible**

Through the process of damage assessment, repairs, costing, insurance claims, litigation and final close out of each DSR, decisions have been made by FEMA to assign costs to UND as ineligible for FEMA funding. In all instances UND has made a good faith effort to comply with FEMA regulations, pursue reasonable avenues of appeal and maximize cost recovery from other applicable sources. Project close out and audit of the federal funds may result in additional unreimbursed costs. Variations between actual costs incurred and original cost estimates may also result in over or under recovery to be resolved as part of final close out.

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*This sheet given to Senate  
pages 1-2  
same as those  
given to House*

January 19, 2005

Chairman Ken Svedjan  
House Appropriations Committee  
N.D. 59<sup>th</sup> Legislative Assembly  
Bismarck, North Dakota

Re: NDSU lawsuits-attorney's fees

Dear Chairman Svedjan:

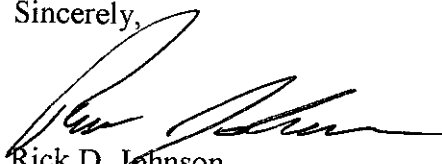
Vice President Rayl said you had a question about whether NDSU could possibly recover Attorney's fees in our two lawsuits arising out of the June 2000 rain damage at NDSU.

In NDSU v. City of Fargo, a case based on the indemnity agreement in the lease to the FargoDome land, we cannot because it is a contract case primarily (also a tort-negligence issue), and each party must therefore bear it's own attorney's fees under what is known as the American Rule (you pay your own unless a law or rule provides otherwise).

In North Dakota State Fire and Tornado Fund v. NDSU v. Hartford Steam Boiler Ins. Co., it is possible if we win the case because NDSF&T brought the action against NDSU. However, much of the case was dismissed by the trial court, but that decision was appealed and we are waiting on the N.D. Supreme Court decision now.

If you need further information, don't hesitate to call me at the number above.

Sincerely,



Rick D. Johnson  
General Counsel

cc: President Chapman  
VP Rayl  
VP Bjerke



**North Dakota State University**  
**State Deficiency Appropriation Request**  
**Biennium Ended June 30, 2005**  
*as of January 13, 2005*

*same given to senate*

**Summary of deficiency appropriation request:**

**State Expenses (Project life-to-date):**

10% State Share of FEMA eligible cost estimates (see below)	\$1,769,651
Interest on Line of Credit at the Bank of North Dakota	776,734
Contractor's Interest (caused by FEMA delay of damage approvals)	218,429
Other necessary costs not FEMA eligible-approved in 2003 def. approp.	53,526
Legal expenses (see below)	<u>553,788</u>
Subtotal: Needs from state deficiency appropriation (Project life-to-date)	<u>\$3,372,128</u>

**Less, Past Deficiency Appropriations:**

2001 Deficiency appropriation for 2001-03 biennium	\$1,609,200
2003 Additional Deficiency appropriation for 2001-03 biennium	<u>\$ 262,928</u>
Subtotal: Previous Deficiency Appropriations (Project life-to-date)	<u>\$1,872,128</u>

**Additional deficiency appropriation needed for 2003-05** **\$1,500,000**

**Calculation of 10% state share (see above):**

FEMA Eligible Restoration Cost Estimates through 6/30/05	\$18,597,929
Contractor Costs Payable (waiting for determination of allowability)	435,087
Less: FEMA Insurance Deductions	\$( 7,578,235)
Plus: FEMA Insurance Deduction restored due to lawsuit-tentative	6,241,731
Subtotal: FEMA Eligible Cost Estimates less Insurance Deductions	\$17,696,512
10% state share (10% of above figure)	\$ 1,769,651

**Legal Expenses:**

Fiscal Year 2001	Actual	\$ 4,168
Fiscal Year 2002	Actual	49,964
Fiscal Year 2003	Actual	176,507
Fiscal Year 2004	Actual	171,497
Fiscal Year 2005	Estimate	<u>151,642</u>
Total		<u>\$553,778</u>