

MICROFILM DIVIDER

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



ROLL NUMBER

DESCRIPTION

1334

2005 HOUSE APPROPRIATIONS

HB 1334

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1334

House Government Performance Division

☐ Conference Committee

Hearing Date January 19,2005

Tape Number	Side A	Side B	Meter #
1	X		1-End
		X	1-4579
Committee Clerk Signature <i>Deborah N. Thomas</i>			

Minutes:**Chair Carlson** opened hearing for HB1334, a bill for an act to establish a state employee compensation pool, and to provide for transfers of appropriation authority, subject to budget section approval.

Alan Knudson, Legislative Council: Review of section 1 and section 2. (SEE HB 1334)

Donna Thigpen, President Bismarck State College: On opposing side of HB1334.

(SEE WRITTEN TESTIMONY)

Rep. Skarphol: Could you give us a quick synopsis of what higher education's policy is? How does your system work?

Donna: We have an amount of money for salaries, but it's not tied to FTE positions in the way that some other agencies are.

Rep. Skarphol: Does your allocation, next biennium, or your salary line get increased so you no longer have to use those local funds?

Donna: No, we have to continue, unless we generate more tuition dollars. Or, unless we get a larger appropriations.

Chair Carlson: Where do you get the money?

Donna: So far we have been lucky to get the money, because we have worked so hard in our enrollment. We've discontinued programs, and used that money to start new programs. We also live by the amount of money we have.

Pam Sharp, OMB: OMB was specified in SB 2423 to implement the compensation pool. We can pull general funds, but we cannot with special and general funds. There was an Attorney General's opinion, and they defined a pool to be put in a common fund to be used by all. When we tried to get all this money pooled, we actually could not pool general funds, special funds, or federal funds. I think the concept will not work for this bill.

Chair Swedjan: With regard to special and federal funds, your saying you still can't make the transfer to a pool, if the pool is limited to use for salaries?

Pam: Correct, the money is for a very specific purpose.

Rep. Skarphol: Why could the money not be left in a pool, and build a USI for a market equity adjustment, and not move to another agency?

Pam: They could use that for themselves, but then it wouldn't be a pool.

Chair Swedjen: What do you do if you don't have the dollars?

Pam: My guess is they'd have to find it somewhere else in the budget, go to the Emergency Commissioner, and have a line item transfer from somewhere else.

Chair Swedjan: The definition of a pool, that was rendered by the Attorney General, would not the definition of a pool remain the same, even though that pool may reside in all of these agencies?

Pam: We actually looked at that concept too, but the Attorney General's opinion said no we could not do that.

Chair Swedjan: Why can't they be kept in each agency with an intended purpose?

Pam: I don't think there's a problem compiling those funds within an agency, but those special and federal funds could not go to another agency.

Chair Swedjan: Could you utilize those dollars, from those granting sources, that are really attributable to salaries, and could you pool them within either of those departments?

Pam: You always have to follow the purpose of grant.

Rep. Monson: Working Budgets in the past have said OK, we got this grant very specific for this purpose. Could we switch this money from this type of program, to this type of program, no we can't, because it's specific for that brand. Federal dollars between grants sometimes can't be switched is what we've been told in the past. Is that right?

Pam: Correct.

Rep. Skarphol: The bill that was utilized last session, and what were trying to discuss now could be multiple pools within each agency. We can find a pool and make it work within the special federal fund guidelines.

Pam: My only point was, as the bill is written now in terms of a compensation pool.

Chair Carlson: So you already have a pool, in your new bill half of this is special funds in you 5 million. So your already pooling special funds?

Pam: It's just special fund authority.

Rep. Glassheim: You said 2 ½ million is what is special and federal funds for your pool?

Pam: Correct, 2 ½ million of special and federal fund authority.

Chair Carlson: If your creating this 5 million dollar pool, and half of it special funds, where does the half come from?

Pam: It is in each agency.

Chair Carlson: What's backing up the promise?

Pam: It's whatever there source of there special or federal funds is.

Rep. Skarphol: Using DOT as an example, if they get 150,000 dollars in spending authority, and they choose to utilize that authority, will they have to take that 150,00 dollars from other areas within their budget for that?

Pam: Only if their available cash restricts them to do that. Their limited to their cash. When you give them authority throughout their budget, your identifying their cash from their special fund.

Rep. Skarphol: Revenues that exceed their appropriated dollar, they cannot do that?

Pam: That is correct, they would have to have cash beyond.

Rep. Skarphol: Now if there's a pool that accumulates in general fund dollars in state government, then they could in theory ask your office to access that pool, to utilize those dollars?

Pam: Correct.

Rep. Glassheim: The 500 million in DOT, they can only spend up to the money we appropriated, now you said they can spend more than we appropriated if they have it in cash.

Pam: If you give them additional authority.

Rep. Glassheim: How many positions are there like this, what kind of money are we talking about?

Alan: We are working on the vacancy report. Last one we did was in October, and there were 324 vacant positions, a total of 7.9 million dollars, and 2.3 million for the general fund.

Gordy Smith, Audit Manager: Opposing HB 1334. (SEE WRITTEN TESTIMONY)

Chair Carlson: Last season we funded a 0 and 0 raise, in your department there were a number of people that received raises. Where did the money come from for those positions, and what is your statutory authority to give those raises?

Bob Peterson: The funding came from salary dollars from turnover. My statutory authority is when you give me my appropriation, I can use it as I see fit.

Chair Carlson: So we fund FTE's, but you have the right to reallocate salary dollars by statute?

Bob: Once you give me the appropriation authority, I have the right to use it, as long as I don't exceed my line item salary appropriation within that authority.

Chair Carlson: As legislators and policy makers, you tell me you have the authority to transfer money, but then you come in and tell me you need more money that isn't in the recommendation. So where do we sit on this deal?

Bob: You have a decision to make. You can either fund those two positions, or not. If you choose not to fund them, then I will not hire.

Chair Carlson: You could have asked for salary equity. You could have asked for the positions to be funded for critical employee full time equivalent positions. This would have been a mechanism to help you with those two spots that now have been filled, that are unfilled, and you don't have any money for them, would it not?

Peterson: Yes, a general fund pool that I could go to get more salary dollars, definitely.

Irish Linnertz, Human Resource Director for the Department of Construction: In 01/03 we were authorized 93.25 FTE's, our budget was 9.4. In this biennium we were authorized 93.25 FTE's, but we were reduced 183,000 dollars from the previous biennium that paid for those same 93.25 FTE's.

Tom Freier, Deputy Director for Business Support. (SEE WRITTEN TESTIMONY)

Chair Carlson: Many different agencies have different policies on reallocating funds, merit pay, equity adjustments, signing bonuses. There's no uniform policy that spreads throughout all of state government, is there?

Lauri Sterioti, Human Resources: Statutory authority does give us the authority to give those bonuses.

Rep. Skarphol: How many positions in state government right now would you qualify as critical to us, positions unable to be filled?

Lauri: I could get those numbers for you.

Chair Carlson: Why isn't there a standard policy for equity, for reallocating funds? What can you reallocate, and what can you not?

Lauri: In the administrative rules we do have Definition of Equity, and guidelines. We tell them that they cannot give equity adjustment beyond a certain percentage.

Renee Gall, Human Resources: When we do equity, we often do the bonuses program. We have lost a lot of people to other agencies, a lot of agency hopping, because of money.

Arvy Smith, Health Department: We have some serious salary issues. We have at a minimum 20% below market equity.

Chair Carlson: When you said you just couldn't possibly deal with federal funds, if you have that many different sources, you couldn't take that federal fund and move it over here for salaries anyway.

Arvey: No we can't.

Rep. Monson: When your talking about the federal grants, do they ever send enough money with these federal funds to pay higher salaries?

Arvy: We have room in our federal grants to ask for more salary money.

Bob Evans, Department of Transportation: Only about 1/3 of our employees are eligible to be paid with federal funds, the rest are paid with special funds.

Hearing closed.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1334
State Employee Compensation Pool

House Appropriations Full Committee

☐ Conference Committee

Hearing Date February 15, 2005

Tape Number	Side A	Side B	Meter #
6	X		#33.4 - #45.9
Committee Clerk Signature <i>Chris Alexander</i>			

Minutes:

Rep. Ken Svedjan, Chairman opened the discussion on HB1334.

Rep. Al Carlson explains that this bill establishes a state employee compensation pool. This deals just with general funds. The Legislative Assembly may provide funding from the general fund for the state employee compensation pool from budget reductions made to state agency appropriations. Based on the information Legislative Assembly may determine the necessary amount to be appropriated to the pool by calculating up to 60% of the total general fund reductions identified relating to FTEs, Employee positions that have been vacant for 90 days or more, anticipated employee retirements, anticipated employee turnover. This pools money from employee positions that are not there and they can be redistributed for employee equity or market salary increases, performance increases, restoration of a critical employee FTE position. **Rep.**

Al Carlson moved to adopt amendment #0201 to HB1334.

Rep. Keith Kempenich seconded

Rep. Joe Kroeber asked about lines 19-20 and asked how long the process takes when you submit a request for a transfer.

Rep. Ken Svedjan, Chairman answered that the intent of this is not to be a roadblock but that this process would be handled quickly.

Rep. Al Carlson commented that there was already a process for filling empty positions

Rep. Joe Kroeber asked if this would remove the flexibility of the agency

Rep. Al Carlson commented that this was just for positions that have been open for 90 days or longer.

Rep. Ralph Metcalf commented that some of these positions are very specific and hard to fill and then what happens if we take the money away before they are filled.

Rep. Al Carlson commented that there is a compression problem when you fill new positions in that you have to pay the person who is just coming in as much as you pay the person who has been there a long time. The agency's have flexibility through this to give equitable raises.

(meter Tape #6, side A, #40.5)

Rep. Ken Svedjan, Chairman called for a voice vote on the motion to adopt amendment #0201 to HB1334. Vote was unclear so a roll call vote was called. Motion carries with a vote of 13 yeas, 9 neas, and 1 absence.

Rep. Al Carlson moved a Do Pass As Amended motion to HB1334.

Rep. Keith Kempenich seconded.

Rep. Eliot Glassheim commented that 90 days is a really short time to declare a position vacant because the process to advertise, interview and hire is much longer than this.

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House Appropriations Committee

Bill/Resolution Number HB1334

Hearing Date February 15, 2005

Rep. Ken Svedjan, Chairman called for a roll call vote on the Do Pass As Amended motion for HB1334. Motion carried with a vote of 13 yeas, 10 nays, and 0 absences. Rep Carlson will carry this bill to the house floor.

Rep. Ken Svedjan, Chairman closed the discussion on HB1334.

Rep. Ken Svedjan, Chairman adjourned the meeting. (meter Tape #6, side A, #45.9.)

Date: February 15, 2005
Roll Call Vote #: 2

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB1334

House Appropriations - Full Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 50250.0201

Action Taken DO PASS AS AMENDED

Motion Made By Rep Carlson Seconded By Rep Kempenich

Representatives	Yes	No	Representatives	Yes	No
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	X		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		X
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 13 No 10

Absent 0

Floor Assignment Rep Carlson

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

REPORT OF STANDING COMMITTEE

HB 1334: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 10 NAYS, 0 ABSENT AND NOT VOTING). HB 1334 was placed on the Sixth order on the calendar.

Page 1, line 7, remove ", special funds, and federal"

Page 1, line 8, remove "funds"

Page 1, line 15, replace "funding" with "general fund"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment removes reference to pooling federal or special funds. The compensation pool will consist of only funding from the general fund.

2005 SENATE APPROPRIATIONS

HB 1334

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1334

Senate Appropriations Committee

☐ Conference Committee

Hearing Date March 24, 2005

Tape Number	Side A	Side B	Meter #
1	a	b	2048-end
Committee Clerk Signature			

Minutes:

Vice Chairman Grindberg called the hearing to order on HB 1334.

Representative Alan Carlson, District 41, Fargo, distributed supporting documentation and testified in support of HB 1334. Handouts distributed included ND State Agency and institution vacant positions, ND State Agency off budget positions, and Statutory eligibility for retirement.

Representative Carlson indicated this bill establishes a state employee compensation pool for general funded FTE positions that have been vacated for 90 days or more. The individual departments could then put in requests for funding positions when they can be filled. There are exceptions to the rule.

Senator Andrist indicated there must be many employees partially funded with general fund money and federal money. The response was that all federal money must stay with the department and this would only include general fund money.

Senator Fischer asked if the University system is exempt and how are the positions that are

vacant for months and more difficult to fill addressed with this bill. The response was the

University system is exempt and the intent is to have difficult to fill positions in a category and set the money aside to be used for that position.

Senator Grindberg asked if Central Personnel of OMB could have control of the funds. The response was that concept could be looked at.

Senator Christmann asked if the hard to fill positions is in the concept or if that has to be added.

Pam Sharp, Director, Office of Management and Budget (OMB), testified in opposition to HB 1334 indicating she is opposed because it takes flexibility away from the individual agencies, it promotes bad hiring practices, and it creates more government bureaucracy. I believe the original intent of this bill was to give agencies flexibility, but certainly removes that. There is no language in this bill that excludes higher education. removes the original intent of the departments to manage their

Senator Bowman indicate when you follow the dollars of an FTE basically all this bill says is an accountability of those dollars. Why is that bad policy.

Pam Sharp indicated this bill would take away the position if it is not filled for 90 days and put it in a pool. There are very valid reasons that positions cannot be filled for 90 days and it doesn't mean the position is not needed.

Senator Grindberg, say the 90 day provision went away and the pool would have say \$1 million in it and OMB or Personnel were allowed to redistribute that money and report back to us. What are your thoughts.

Pam Sharp indicated that two years ago we tried to eliminate positions and agencies couldn't eliminate positions.

Senator Andrist Could you learn to love the bill if 90 days was extended to 120 or 150 days and what if all roll up money instead of 60% of it went into the pool to see how badly the positions are needed. How do we control the FTE money from going to other uses

Pam Sharp indicated could not love this bill. When appropriated money to agencies for positions and then take it away, I don't think I could be comfortable with that. If positions are not filled, the monies are returned to the general fund at the end of the biennium. We do not see misuse of the funds.

Commissioner Rick Clayburgh testified in opposition to HB 1334 indicating this bill takes flexibility away from state agencies. You a lot the money for salaries and wages and it is the department responsibility to do what they are required to do. He believes this bill is a solution looking for a problem.

Senator Bowman asked if during audits of the department does it indicated the number of FTE positions and the amount of money expended.

Representative Ken Svedjan, District 17, Grand Forks, appeared in support of HB 1334 and signed the list of testifiers.

Gordy Smith, audit manager, presented written testimony and testified in opposition to HB 1334. He indicated a typical audit does not include the number of FTE's nor the amount of money involved. The audit suggests better efficiencies to run the department. The turnover rate is at 33 percent, the private sector pays a lot more then state and it is hard to fill professional positions.

David Clark, Executive President, Bismarck State College, presented written testimony and testified in opposition to HB 1334 indicating that as higher education is to be exempt from this bill, he asked that the exemption be specifically stated as an amendment in the bill.

Laura Glatt, presented written testimony and testified in opposition to HB 1334. She indicated she requested an interpretation of the bill as it refers to Higher Ed and indicated the bill does not exempt higher education.

Ken Purdy, Office of Management and Budget, presented written testimony and testified in opposition to HB 1334 indicted he believed it is a false premise that positions are purposely left open. Agencies are just not getting applicants to fill positions. There is no specific criteria to identify hard to fill positions. Withholding funds to a pool creates an additional piece of bureaucracy requiring agencies to go through more red tape and puts general fund agencies at a disadvantage when compared to special fund agencies.

Senator Robinson asked how many FTE's there are totally including higher ed. Is there a breakdown of turnover rate by department. The response was about 14,000 state employees, classified in the executive branch are about 6400, higher ed is around 4000 and 2700 faculty and officials. There is no agency wide breakdown.

Senator Andrist asked to elaborate on off budget positions.

Sheila Peterson responded indicated when the legislature passes a continuing appropriation for a particular agency, those then do not run through the regular appropriation process, they are funded by a continuing appropriation and the term off budget is used because appropriation is set by statute.

Senator Bowman²⁴ when someone's position is vacated for six months can you use that allocated money for another type of bonus to attract someone or do you have no authority to do that. The response was there is legislative authority for agencies to give recruiting and retention bonuses and performance bonuses and that is what the funds are used for.

Dean Mattern, Director, Human Resources, Department of Human services, presented written testimony and testified in opposition to HB 1134 indicating most professional positions take more than 90 days to fill, funding from vacation positions is used for recruitment expenses, overtime or temporary hires, when employees retire they often require large payouts, there is a need for flexibility and creativity in workforce management.

Chris Runge, Executive Director, ND Public Employees association, testified in opposition to HB 1134. She responded to Senator Robinson's question as to the amount of the raises in the last biennium that were not legislatively given. There were approximately 3700 and the Legislative Council did prepare a spreadsheet of those agencies.

Col. Bryan Klipfel, ND Highway Patrol, testified in opposition to HB 1134 indicating the hiring process for highway patrolmen is a lengthy process as they need to wait for at least six vacancies before starting a process and the whole process takes about six months.

Questions were raised as to the qualifications of highway patrol, whether other law enforcement officers qualify if they don't have college degrees and whether there is the ability to waive the strict requirements.

Linda Houfek, Human Resources Director, ND Department of Corrections and

Rehabilitation, presented written testimony in opposition to HB 1134. She indicated some

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Senate Appropriations Committee

Bill/Resolution Number 1334

Hearing Date March 28, 2005

positions are vacant for many months and passing this bill could penalize department managers.

She indicated they now have 9.5 positions available.

Arty Path, Human Resource Manager, IT Department, testified in opposition to HB 1134

echoing what other testifiers stated. She indicated human resource managers are criticized for not filling positions, but the absolute soonest a position can be filled is 65 days.

Vice Chairman Grindberg closed the hearing on HB 1134.

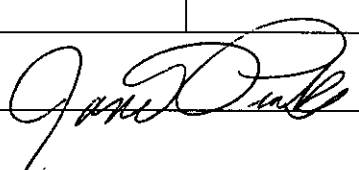
2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1334

Senate Appropriations Committee

☐ Conference Committee

Hearing Date April 14, 2005

Tape Number	Side A	Side B	Meter #
2	a		1246 - 1346
Committee Clerk Signature 			

Minutes:

Chairman Holmberg opened the hearing on HB 1334 indicating there was quite a bit of testimony and the Superintendent of Instruction expressed his concerns.

Senator Fischer moved a Do Not Pass, Senator Robinson seconded. A roll call vote was taken resulting in 13 yes 1 no and 1 absent. The motion carried and Senator Holmberg will carry the bill.

Chairman Holmberg closed the hearing on HB 1334.

Date 4/14
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 1334

Senate SENATE APPROPRIATIONS

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken _____

Motion Made By _____

Seconded By _____

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) 13 No 1

Absent _____

Floor Assignment Holmberg Tallackson

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

REPORT OF STANDING COMMITTEE (410)
April 14, 2005 11:21 a.m.

Module No: SR-69-8138
Carrier: Holmberg
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1334, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman)
recommends **DO NOT PASS** (13 YEAS, 1 NAY, 1 ABSENT AND NOT VOTING).
Engrossed HB 1334 was placed on the Fourteenth order on the calendar.

2005 TESTIMONY

HB 1334

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	Salary and Fringe Benefit Amounts Included in the 2005-07 Executive Budget		
					General Fund	Special Funds	Total
GENERAL GOVERNMENT							
101 - Governor's Office							
15 Policy advisor	7/03	18	Unknown	Funding was not provided for the 2003-05 biennium	\$131,312		\$131,312
108 - Secretary of State							
1588 Clerk III	7/03	18	Unknown	Election reform position not yet needed		\$57,285	\$57,285
110 - Office of Management and Budget							
72 Office assistant	5/04	7	ASAP	Filled with two interns through pilot internship program	\$28,280		\$28,280
156 Surplus property specialist	5/04	7	Unknown	Position filled based on workload fluctuations		\$61,439	\$61,439
118 Custodian	4/04	8	1/05	Position filled	52,219		52,219
122 Custodian	8/04	4	2/05	Position offered, pending acceptance	52,219		52,219
Total					\$132,698	\$61,439	\$194,137
112 - Information Technology Department							
0315 Accounting and budget specialist III	8/04	5	1/05	Interviewing		\$146,854	\$146,854
0288 Programmer	8/03	17	1/05	Re-advertising the position		100,487	100,487
0250 Programmer analyst I	12/04	1	1/05	Advertising		101,319	101,319
0412 Programmer analyst I	12/04	1	1/05	Advertising		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
0200 Technology service specialist III	11/04	2	1/05	Interviewing		143,859	143,859
428 Teacher II	8/04	5	7/05	Will advertise in July 2005		48,770	48,770
327 Teacher IV	10/04	3	7/05	Advertising		52,799	52,799
001-1 Teacher I	7/03	18	7/05	Advertising		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
Total						\$1,020,734	\$1,020,734
117 - State Auditor							
547 Auditor III	7/03	18	5/05	100% self-funded position - Only filled if needed		\$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
520 Auditor II	7/04	6	2/05	Auditor hired - Will begin 2/1/05	\$87,856		87,856
536 Information system auditor II	10/04	3	1/05	New auditor began 1/3/05	98,509		98,509
531 Auditor III	10/04	3	3/05	Advertising to fill position	100,577		100,577
543 Auditor I	11/04	2	3/05	Advertising to fill position	87,856		87,856
544 Auditor II	11/04	2	3/05	Advertising to fill position	92,887		92,887
525 Auditor I	12/04	1	3/05	Advertising to fill position	87,856		87,856
513 Auditor I	12/04	1	3/05	Advertising to fill position	90,813		90,813
Total					\$846,354	\$166,932	\$813,286
120 - State Treasurer							
No vacant positions							
125 - Attorney General							
693 Programmer analyst II	12/04	1	3/05	Interviewing		\$40,982	\$40,982
601 Assistant attorney general	10/04	4	3/05	Interviewing	\$58,974	81,310	139,284
608 Assistant attorney general	12/03	13	Unknown	To be filled based on workload	35,834	120,313	156,147
705 Assistant attorney general	12/02	25	Unknown	To be filled based on workload		117,438	117,438
598 Assistant attorney general	12/04	1	4/05	Filled	124,274		124,274
829 Grants and contracts officer I	2/01	47	Unknown	To be filled based on funding availability		88,686	88,686
631 Identification technician I	11/00	62	Unknown	To be filled based on funding availability		37,279	37,279
634 Criminal investigator III	7/99	66	Unknown	To be filled based on funding availability		80,551	80,551
10268 Criminal investigator I	7/03	18	3/05	Interviewing	79,783		79,783

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
679 1.00 Criminal Investigator I	10/04	4	3/05	Interviewing	94,750		94,750
688 1.00 Criminal Investigator III	11/04	3	3/05	Interviewing	29,333	95,328	124,661
10289 1.00 Telephone solicitation enforcement position	7/03	18	4/05	To be filled based on workload		138,287	138,287
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		155,801	155,801
<u>13.50</u> Total					<u>\$516,722</u>	<u>\$955,755</u>	<u>\$1,472,477</u>
127 - Office of State Tax Commissioner							
768 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
485 1.00 Auditor I	8/03	18	4/05	Positions 485, 807, 481, and 449 are being reviewed for	71,784		71,784
807 1.00 Auditor II	2/04	10	7/05	use in compliance, streamlined sales tax	87,324		87,324
481 1.00 Auditor III	5/03	20	4/05	implementation, and expansion of the Nexus program.	95,372		95,372
449 1.00 Office assistant II	12/03	12	7/05		51,370		51,370
<u>8.00</u> Total					<u>\$502,696</u>		<u>\$502,696</u>
140 - Office of Administrative Hearings							
No vacant positions							
160 - Legislative Council							
0845 1.00 Information processing specialist	11/04	2	5/05	Will fill after 2005 legislative session, currently using	\$73,449		\$73,449
0846 1.00 Information processing specialist	1/04	12	5/05	temporary positions to provide services	65,463		65,463
<u>2.00</u> Total				Will evaluate after 2005 legislative session, currently	<u>\$138,912</u>		<u>\$138,912</u>
180 - Judicial Branch							
897 1.00 District judge	11/04	2	1/05	District judge retired - New judge started 11/1/05	\$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	132,290		132,290
921 1.00 Deputy clerk of district court II	5/03	20	N/A	accepted job offer and will start 8/01/05			
867 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	8/04	7	4/05	Redesigning position - Recruitment will start soon	143,353		143,353
<u>10.00</u> Total					<u>\$910,325</u>		<u>\$910,325</u>
190 - Retirement and Investment Office							
No vacant positions							
192 - Public Employees Retirement System							
No vacant positions							
EDUCATION							
201 - Department of Public Instruction							
1297 1.00 Project coordinator	7/04	6	2/05	Pending reclassification	\$51,839	\$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
<u>3.00</u> Total					<u>\$51,839</u>	<u>\$280,760</u>	<u>\$332,399</u>
228 - Land Department							
1475 1.00 Auditor II	11/04	2	2/05	Job posting closes January 7, 2005		\$96,730	\$96,730

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

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
252 - School for the Deaf									
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
1539	0.75 Houseparent	1/04	12	Unknown	Will determine needs based on resources needed to fulfill new mission		41,888		41,888
1548	0.75 Licensed practical nurse	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
	<u>5.75</u> Total						<u>\$369,208</u>	<u>\$123,427</u>	<u>\$492,635</u>
253 - North Dakota Vision Services - School for the Blind									
1607	0.50 Education program administrator	8/04	5	4/05	Evaluating current needs of the agency		\$25,211	\$25,211	\$50,422
270 - State Board for Career and Technical Education									
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	6/02	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		28,607	9,603	38,410
1619	1.00 Supervisor	2/02	35	Unknown	Not advertised - No federal funds available for position			129,874	129,874
	<u>3.00</u> Total						<u>\$174,501</u>	<u>\$180,388</u>	<u>\$354,889</u>
HEALTH AND WELFARE									
301 - State Department of Health									
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. Continuously advertised since October until filled			132,234	132,234
1802	1.00 HCF surveyor II	9/04	4	4/05	Beginning the interview process		8,202	94,511	94,511
1814	1.00 Public health nurse cons I	12/04	1	3/05	Beginning the interview process			87,170	87,170
1820	1.00 Public health nurse cons I	12/04	1	3/05	Interviewing applicants			94,216	94,216
1871	1.00 Environmental scientist I	12/04	1	3/05	Evaluating for reclassification		34,769	64,568	99,337
1874	1.00 HSP administrator VI	9/04	4	3/05	Evaluating for reclassification			137,556	137,556
1894	1.00 Chemist II	12/04	1	5/05	Evaluating for reclassification		57,229	46,824	104,053
1930	1.00 HCF surveyor II	10/04	3	4/05	Continuously advertised since October until filled		9,286	83,570	92,856
1931	1.00 HCG surveyor II	7/04	6	4/05	Continuously advertised "open until filled"			87,856	87,856
1980	1.00 Environmental scientist II	12/04	1	4/05	Interviewing applicants			88,450	88,450
	<u>12.00</u> Total						<u>\$112,889</u>	<u>\$1,044,179</u>	<u>\$1,157,068</u>
313 - Veterans Home									
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
	<u>2.80</u> Total						<u>\$0</u>	<u>\$148,521</u>	<u>\$148,521</u>
316 - Indian Affairs Commission									
No vacant positions									
321 - Department of Veterans Affairs									
No vacant positions									
325 - Department of Human Services									
Administration/Support									
3191	0.80 Human resource officer II	6/03	19	7/05	Will fill when temporary employee retires		\$49,874	\$69,837	\$119,511
3676	1.00 Accounting manager I	12/04	1	1/05	Filled		85,348	13,280	98,608
Economic Assistance									
3190	1.00 Research analyst III	4/04	9	2/05	Recruiting		36,413	72,153	108,566

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
Child Support							
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
Medical Services							
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
Aging Services							
4417 1.00 Human service program administrator III	9/04	4	1/05	Filled	43,085	61,872	104,957
Mental Health and Substance Abuse Services							
4399 1.00 Human service program administrator V	10/04	3	1/05	Filled	38,048	104,984	143,030
Disability Services							
3554 1.00 Disability claims analyst II	11/04	2	1/05	Filled		92,170	92,170
3817 1.00 Assistive technology coordinator	6/04	7	2/05	Recruiting		111,128	111,128
North Central Human Service Center							
3560 1.00 Vocational rehabilitation specialist	12/04	1	1/05	Filled	12,935		12,935
3812 0.50 Office assistant III	2/04	11	7/05	Assessing need	4,689		4,689
4128 1.00 Advanced clinical specialist	8/03	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
Lake Region Human Service Center							
3419 1.00 Licensed psychologist I	9/04	4	5/05	Recruiting - Difficult to fill	60,201	71,993	132,194
3473 1.00 Addition counselor II	9/04	4	5/05	Recruiting - Difficult to fill	21,077	68,424	89,501
3980 1.00 Addition counselor II	9/04	4	5/05	Recruiting - Difficult to fill	21,344	69,287	90,631
Northeast Human Service Center							
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 Addition counselor I	8/04	5	3/05	Recruiting	4,051	73,857	77,908
4098 1.00 DD case manager II	12/04	1	3/05	Recruiting	37,325	33,099	70,424
4270 1.00 Community home counselor II	10/04	3	3/05	Recruiting	19,314	41,613	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
Southeast Human Service Center							
3451 1.00 Addition 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	48,808	6,174	54,982
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	58,635	3,772	62,407
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	6,378	809	7,185
South Central Human Service Center							
3377 1.00 Case manager II - Developmental disabilities	9/04	4	1/05	Filled	54,053	27,846	81,899
4005 1.00 Addition 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	0
4308 1.00 Licensed psychologist II	7/04	6	3/05	Recruiting	92,094	69,475	161,569
West Central Human Service Center							
3845 1.00 Case manager II - Mental health	11/04	2	1/05	Filled	48,264	2,941	51,205
3846 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	6	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
Badlands Human Service Center							
3562 1.00 Vocational rehabilitation counselor II	8/04	5	2/05	Assessing need	48,830	49,335	97,965
3743 0.60 Case manager II - Mental health	4/04	9	1/05	Filled	30,684	27,228	57,912
State Hospital							
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
2855 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		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	30,890	113,149
2871 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
2925 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
2989 1.00 Registered nurse II	4/04	9	1/05	Recruiting	102,968		102,968
Developmental Center							
2005 0.50 Medical lab technician II	9/03	16	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	18,952	47,737	66,689
2382 1.00 Direct training technician	9/03	16	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	14,827	41,216	56,043
2416 1.00 Direct training technician	12/04	1	2/05	Recruiting	14,572	41,059	55,631
2426 1.00 Vocational training technician	12/04	1	2/05	Recruiting	14,572	41,059	55,631
2479 1.00 Office assistant III	12/04	1	2/05	Recruiting	19,558	55,042	74,600
2487 0.20 Total Department of Human Services	11/03	14	2/05	Will be recruiting	2,060	5,778	7,838
					\$4,432,491	\$2,817,704	\$7,250,195
360 - Protection and Advocacy Project							
No vacant positions							
380 - Job Service North Dakota							
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 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
4724 1.00 Programmer analyst II	7/03	18	Unknown	Funding used to fund intern	104,216	104,216	104,216
4727 0.38 Customer support specialist II	7/03	18	Unknown	Funding used to fund intern	39,297	39,297	39,297
4770 1.00 Research analyst II	11/04	2	205	Selection process in progress	90,133	90,133	90,133
4755 1.00 Area director	10/04	3	305	Selection process in progress	169,182	169,182	169,182
4855 1.00 Program administrator III	11/04	2	405	Selection process in progress	131,997	131,997	131,997
Total					\$954,633	\$954,633	\$954,633
REGULATORY							
401 - Insurance Commissioner							
4879 1.00 Insurance company examiner	9/04	4	205	Advertising complete; hiring process in progress	\$101,911	\$101,911	\$101,911
4889 1.00 Insurance investigator	9/01	40	705	Assessing need to reclassify the position	87,116	87,116	87,116
4891 1.00 Market conduct examiner	12/04	1	305	Advertising	112,510	112,510	112,510
4894 1.00 Deputy boiler inspector	4/04	9	205	Advertising complete; hiring process in progress	115,337	115,337	115,337
4911 1.00 Insurance fraud investigator	7/05	6	705	Evaluating workload	96,522	96,522	96,522
Total					\$513,396	\$513,396	\$513,396
405 - Industrial Commission							
4825 1.00 Office assistant II	7/04	6	N/A	Will not be filling vacant position			
4867 1.00 Geologist III	7/04	6	N/A	Will not be filling vacant position			
4958 1.00 Appointed/Not classified	6/04	7	Unknown	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	\$87,856
Total					\$87,856	\$87,856	\$87,856
406 - Labor Commissioner							
4984 0.50 Administrative officer II	11/04	2	205	Interviews completed; expect to make offer by 1/21/05	\$50,704	\$50,704	\$50,704
4982 1.00 Compliance investigator	12/04	1	205	Position filled - Will start 2/1/05	70,883	70,883	70,883
Total					\$121,587	\$121,587	\$121,587
408 - Public Service Commission							
No vacant positions							
412 - Aeronautics Commission							
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	\$76,967
413 - Department of Financial Institutions							
5049 1.00 Financial examiner I	10/04	3	1/05	Position filled - Started 1/4/05	\$101,121	\$101,121	\$101,121
5052 1.00 Financial examiner I	12/04	1	205	Position filled - Will start 2/2/05	108,567	108,567	108,567
5055 1.00 Chief examiner	12/04	1	3/05	Interviewing - Expect to fill internally	178,678	178,678	178,678
Total					\$388,366	\$388,366	\$388,366
414 - Securities Commissioner							
No vacant positions							
471 - Bank of North Dakota							
10464 1.00 Auditor III	10/02	27		Reorganizing audit function - Reevaluating position	\$188,833	\$188,833	\$188,833
10466 1.00 Lending manager	9/01	40		Reevaluating position	161,590	161,590	161,590
10523 1.00 Account technician	5/02	32		Reorganizing accounting function - Reevaluating position	77,336	77,336	77,336
10368 1.00 Account/budget specialist II	2/04	11		Reorganizing banking services - Reevaluating position	108,222	108,222	108,222
10512 1.00 Commercial loan manager	1/04	12		Reevaluating position	146,798	146,798	146,798
10461 1.00 Bank operations proc. tech.	11/04	2	205	Analyzing operations and staffing needs	61,562	61,562	61,562
10455 0.50 Administrative assistant	10/02	27		Reevaluating position	38,230	38,230	38,230
10399 0.50 Administrative assistant	8/04	5		Analyzing student loan operations and staffing needs	41,748	41,748	41,748
Total					\$824,319	\$824,319	\$824,319
473 - Housing Finance Agency							
54 1.00 Account/budget specialist	New 1/04	12	7/05	Redefining position for 2005-07 biennium	\$83,211	\$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	139,420
56 1.00 Pending classification	New 7/03	18	7/05	Reevaluating position for 2005-07 biennium	139,420	139,420	139,420
Total					\$362,051	\$362,051	\$362,051

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
475 - Mill and Elevator Association								
0004	1.00 Utility worker	4/04	9	1/05	Advertising to fill position		\$64,022	\$64,022
4380	1.00 Utility worker	2/04	11	1/05	Advertising to fill position		80,192	80,192
0001	1.00 Packer	9/03	16		Remains open		82,280	82,280
0002	1.00 Packer	7/03	18		Remains open		82,280	82,280
0003	1.00 Packer	7/03	18		Remains open		82,280	82,280
0005	1.00 Computer analyst	7/03	18		Remains open		132,706	132,706
0006	1.00 Sales representative	7/03	18		Remains open		122,164	122,164
Total							\$845,924	\$845,924
485 - Workforce Safety and Insurance								
5087	1.00 Records management generalist	10/04	3	2/05	Position has been advertised	\$90,077		\$90,077
5291	1.00 Premium auditor	10/04	3	2/05	Position has been advertised	92,118		92,118
5295	0.85 Customer service	3/04	10	3/05	An offer has been extended; awaiting acceptance	29,847		29,847
5172	1.00 Internal audit manager	12/04	1	2/05	Position has been advertised	135,929		135,929
5189	1.00 Administrative assistant	12/04	1	3/05	Position has been advertised	80,756		80,756
Total						\$428,527		\$428,527
PUBLIC SAFETY								
504 - Highway Patrol								
5447	1.00 Highway Patrol officer I	12/04	1	8/05	Holding for next training class	\$70,969	\$28,987	\$98,956
5533	1.00 Highway Patrol officer II	8/04	5	8/05	Holding for next training class	89,928	36,731	126,659
5541	1.00 Highway Patrol officer II	10/04	3	8/05	Holding for next training class	76,222	107,355	183,577
5587	1.00 Highway Patrol officer II	10/04	3	8/05	Holding for next training class	86,145	35,186	121,331
5451	1.00 Data processing coordinator II	3/04	10	4/05	Reclassifying to research analyst	66,432	27,134	93,566
5480	1.00 Commercial motor carrier inspector II	2/04	11	4/05	Reclassifying to new entrant program coordinator	64,499	89,072	153,571
5480	1.00 Commercial motor carrier inspector II	11/03	14	4/05	Reclassifying to mobile data support position	26,344	80,843	107,187
Total						\$454,195	\$274,587	\$728,782
506 - State Radio Communications - Combined with Department 512 - Division of Emergency Management								
512 - Division of Emergency Management								
No vacant positions								
530 - Department of Corrections and Rehabilitation								
Youth Correctional Center								
6051	0.50 Juvenile corrections specialist	9/03	18	1/05	Reorganization and FTE reassigned to other positions as of January 2005	\$51,166		\$51,166
James River Correctional Center								
2639	1.00 Training officer II	8/04	5	1/05	Reclassified and filling	78,700		78,700
5681	1.00 Addition counselor II	1/04	12	Unknown	Advertising - Difficult to fill position	104,189		104,189
5688	1.00 Licensed psychologist II	8/04	5	Unknown	Advertising - Difficult to fill position	173,611		173,611
5805	1.00 Corrections trainee	12/04	1	1/05	Filled January 2005	86,531		86,531
Roughrider Industries								
00368	1.00 Administrative assistant II	7/04	6	2/05	In the process of making a non-classified position		\$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
00351	1.00 Has not been classified	7/01	42	Unknown	Position reclassified to Prisons Division physician I/05		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
00375	1.00 Industrial production apprentice	7/99	66	6/05	PIQ is being completed to reclassify the position		73,208	73,208
Total						\$474,197	\$373,465	\$847,662
540 - Adjutant General								
6124	1.00 Custodial supervisor II	11/04	2	1/05	Conducting interviews	\$78,780		\$78,780
6128	1.00 Custodial supervisor II	10/04	3	1/05	Conducting interviews	18,371		18,371
6129	1.00 Manager - Veteran's Cemetery	7/04	6	2/05	Pending reclassification	105,632	\$55,114	160,746
6137	1.00 Systems mechanic III	4/04	9	3/05	Pending reclassification		97,086	97,086
6162	1.00 Budgeted - Pending classification	10/02	27	5/05	Awaiting federal funding		76,027	76,027
6188	1.00 Administrative staff officer II	10/04	3	1/05	Pending reclassification		99,366	99,366
6196	1.00 Security police - Nonclassified	6/02	31	5/05	Awaiting federal funding		74,959	74,959
10216	1.00 Protective service - Nonclassified	New	18	5/05	Awaiting federal funding		76,027	76,027

Agency/Position No./Description
Budgeted - Pending classification
Total

10591

1.00
9.00

AGRICULTURE AND ECONOMIC DEVELOPMENT

601 - Department of Commerce

6262 1.00 Travel counselor/administrative assistant

6281 1.00 Research analyst

2.00

602 - Agriculture Department

6330 1.00 Administrative officer II

6342 1.00 Ag program specialist II

6347 1.00 Agri mediation service negotiator

3.00

616 - Seed Department

6402 1.00 Potato and grain inspector

6404 1.00 Potato and grain inspector

6406 1.00 Potato and grain inspector

6410 0.50 Potato and grain inspector

6411 1.00 Potato and grain supervisor I

6412 1.00 Potato and grain inspector

6413 1.00 Potato and grain inspector

8.50

627 - Upper Great Plains Transportation Institute

4403 1.00 Associate research fellow

5296 0.50 Associate research fellow

5749 1.00 Research assistant

2.50

628 - Branch Research Stations

Dickinson Research Center

1607 0.43 Academic staff

0.43

630 - NDSU Extension Service

3659 0.25 Professor

4186 1.00 Extension specialist

1845 1.00 Extension agent

3639 1.00 Extension agent

4702 1.00 Extension agent

4794 0.75 Extension agent

1719 0.35 Professor

1834 1.00 Extension specialist

3788 1.00 Extension agent

4302 0.80 Extension agent

4189 0.57 Extension center specialist

1791 1.00 Extension center specialist

9.52

638 - Northern Crops Institute

No vacant positions

640 - Main Station

1070 0.55 Professor

5015 1.00 Professor

1165 0.60 Associate professor

1463 1.00 Physical science teacher

4401 1.00 International exchange science

4913 1.00 Professor

5379 1.00 Professor

4500 1.00 Research fellow

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

General Fund	Special Funds	Total
\$202,763	93,191	93,191
\$571,780		\$774,563

\$87,238	\$87,238
99,337	99,337
\$186,575	\$186,575

\$127,412	\$127,412
90,846	90,846
79,768	79,768
\$17,510	\$17,510
\$298,024	\$298,024
\$315,534	\$315,534

\$81,647	\$81,647
66,412	66,412
61,647	61,647
40,034	40,034
111,378	111,378
66,412	66,412
66,412	66,412
\$473,940	\$473,940

\$140,093	\$140,093
26,428	26,428
111,435	111,435
\$277,956	\$277,956

\$64,404	\$64,404
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\$35,008	\$35,008
162,540	162,540
84,741	84,741
90,673	90,673
82,627	82,627
48,045	48,045
27,561	27,561
89,704	89,704
85,623	85,623
52,850	52,850
89,936	89,936
51,465	51,465
95,579	95,579
\$784,118	\$784,118
\$1,105,009	\$1,105,009

\$102,489	\$102,489
88,421	88,421
117,581	117,581
86,623	86,623
72,075	72,075
92,348	92,348
72,563	72,563
86,618	86,618

Current Status/Agency Response
Awaiting federal funding

Date
Expected to
Be Filled

5/05

Number of
Months
Vacant
January 2005

18

Date
Vacated

New

Agency/Position No./Description
Budgeted - Pending classification
Total

10591

1.00
9.00

AGRICULTURE AND ECONOMIC DEVELOPMENT

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6262 1.00 Travel counselor/administrative assistant

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2.00

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6342 1.00 Ag program specialist II

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3.00

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2.50

628 - Branch Research Stations

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0.43

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3659 0.25 Professor

4186 1.00 Extension specialist

1845 1.00 Extension agent

3639 1.00 Extension agent

4702 1.00 Extension agent

4794 0.75 Extension agent

1719 0.35 Professor

1834 1.00 Extension specialist

3788 1.00 Extension agent

4302 0.80 Extension agent

4189 0.57 Extension center specialist

1791 1.00 Extension center specialist

9.52

638 - Northern Crops Institute

No vacant positions

640 - Main Station

1070 0.55 Professor

5015 1.00 Professor

1165 0.60 Associate professor

1463 1.00 Physical science teacher

4401 1.00 International exchange science

4913 1.00 Professor

5379 1.00 Professor

4500 1.00 Research fellow

Current Status/Agency Response
Awaiting federal funding

Date
Expected to
Be Filled

5/05

Number of
Months
Vacant
January 2005

18

Date
Vacated

New

Agency/Position No./Description
Budgeted - Pending classification
Total

10591

1.00
9.00

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1165 0.60 Associate professor

1463 1.00 Physical science teacher

4401 1.00 International exchange science

4913 1.00 Professor

5379 1.00 Professor

4500 1.00 Research fellow

Current Status/Agency Response
Awaiting federal funding

Date
Expected to
Be Filled

5/05

Number of
Months
Vacant
January 2005

18

Date
Vacated

New

Agency/Position No./Description
Budgeted - Pending classification
Total

10591

1.00
9.00

AGRICULTURE AND ECONOMIC DEVELOPMENT

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638 - Northern Crops Institute

No vacant positions

640 - Main Station

1070 0.55 Professor

5015 1.00 Professor

1165 0.60 Associate professor

1463 1.00 Physical science teacher

4401 1.00 International exchange science

4913 1.00 Professor

5379 1.00 Professor

4500 1.00 Research fellow

Current Status/Agency Response
Awaiting federal funding

Date
Expected to
Be Filled

5/05

Number of
Months
Vacant
January 2005

18

Date
Vacated

New

Agency/Position No./Description
Budgeted - Pending classification
Total

10591

1.00
9.00

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	
		Vacated		January 2005		Deleted				General Fund Special Funds Total	
5470	1.00 Professor	6/04		1		1/05		Funding has expired		93,408	93,408
5756	1.00 Research fellow	5/04		8		2/05		Position offered - Awaiting answer		92,279	92,279
1369	0.70 Physical science teacher	9/04		3		6/05		Interviewing	50,742	12,686	63,428
1522	0.39 Professor	7/04		5		1/05		Recruiting	79,563	13,988	93,549
2279	1.00 Research associate	10/04		2		Deleted		Offered - Awaiting answer		99,532	99,532
5788	1.00 Professor	7/04		5		2/05		Special funding for position has ended		78,544	78,544
5655	1.00 Professor	10/04		2				Recruiting		93,495	93,495
	<u>Total</u>								<u>\$350,375</u>	<u>\$962,578</u>	<u>\$1,332,953</u>

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	7/04		6		1/05		Reclassified to biologist II - Filled 1/01/05		\$104,371	\$104,371
6584	1.00 Chief, Information and education division	10/04		3		1/05		Reclassified to business manager II - Filled 1/1/05		169,477	169,477
	<u>Total</u>									<u>\$273,848</u>	<u>\$273,848</u>

750 - Parks and Recreation Department

6676	1.00 Projects and maintenance coordinator	7/04		6		1/05		Position has been filled - Begins 1/18/05		\$109,217	\$109,217
6718	1.00 Park ranger/interpreter	12/04		1		2/05		Job announcement listed - Deadline 1/07/05		80,739	80,739
	<u>Total</u>									<u>\$189,956</u>	<u>\$189,956</u>

770 - Water Commission

6726	1.00 Water resource engineer manager I	7/03		18		2/05		Advertising to fill position	\$136,671	\$136,671
6782	1.00 Water resource engineer III	10/04		2		2/05		Request to fill position	109,159	109,159
6801	1.00 Water resource engineer II	1/05		0		2/05		Just vacated	115,963	115,963
	<u>Total</u>								<u>\$361,793</u>	<u>\$361,793</u>

801 - Department of Transportation

7644	1.00 Transportation project manager	12/04		2		2/05		Will be advertising to fill	\$109,839	\$109,839
6928	1.00 Office assistant III	11/04		2		2/05		Advertising to fill	69,888	69,888
7668	1.00 Administrative transportation engineer I	10/04		4		2/05		Advertising to fill	91,630	91,630
7410	1.00 Equipment operator I	12/04		1		2/05		Advertising to fill	83,225	83,225
6874	1.00 Engineering technician IV	9/04		4		1/05		Filled	96,198	96,198
7055	1.00 Engineering technician IV	9/04		5		1/05		Filled	118,670	118,670
7036	1.00 Archaeologist	10/04		3		1/05		Filled	113,743	113,743
7714	1.00 Engineering technician II	7/04		6		5/05		Holding for grant student	83,553	83,553
7776	1.00 Transportation engineer II	9/04		5		5/05		Holding for grant student	111,658	111,658
6962	1.00 Administrative transportation engineer I	2/04		11		Unknown		Employee on military leave	177,227	177,227
7718	1.00 Engineering technician II	1/04		12		Unknown		Employee on military leave	74,681	74,681
7542	1.00 Transportation engineer II	3/04		10		Unknown		Employee on military leave	112,470	112,470
7512	1.00 Auto service worker II	12/03		13		Unknown		Employee on military leave	71,221	71,221
7269	1.00 Equipment operator II	11/04		3		Unknown		Employee on military leave	86,628	86,628
7530	1.00 Transportation sanitor manager	11/04		3		Unknown		Employee on military leave	126,462	126,462
	<u>Total</u>								<u>\$1,527,193</u>	<u>\$1,527,193</u>

294.93 Total all agencies

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

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

October 2004

NORTH DAKOTA STATE AGENCY "OFF-BUDGET" POSITIONS FOR THE 2003-05 BIENNIUM

Each biennium, as part of agency budget requests, each agency requests a specific number of full-time equivalent (FTE) positions and funding for the positions. The Governor recommends the number of FTE positions and related funding for each agency to the Legislative Assembly. The Legislative Assembly appropriates funding for each agency's FTE positions in the agency's appropriations bill for each biennium. The legislatively authorized FTE positions associated with the funding appropriated are not referenced in the appropriations bill but are identified in supporting legislative budget documents. During each biennium the Office of Management and Budget (OMB) monitors the number of employees included in agency payroll reports to the legislatively authorized FTE positions for each agency.

Select state agencies are not included in the appropriations process; therefore, those agencies do not have legislative limits on the number of employees that may be hired. These agencies include the agriculture commodity groups and the State Fair Association. Higher education institutions receive a block grant appropriation of their general fund dollars and identify FTE positions related to the general fund appropriation. The institutions receive other funds such as tuition income, federal funds, and local funds, which are used to hire employees, but these funds are not specifically appropriated nor are the employees included as legislatively authorized FTE positions. These types of employees are considered "off-budget."

An "off-budget" position is defined for this memorandum as an employee that is either not filling a legislatively approved FTE position or one for which the funding for the position was not included in the agency's appropriations bill approved by the Legislative Assembly. Agencies hire these positions pursuant to other authority granted to the agency either in statute or the Session Laws. The schedule below lists, for agencies included in the appropriations process, employees considered "off-budget."

Agency/"Off-Budget" Position	Biennial Salary and Fringe	Benefit Total
125 - Attorney General		
Administrative assistant II	\$83,403	
"Do not call" assistant attorney general	89,926	
Lottery director	162,853	
Lottery security officer	105,284	
Lottery account/budget specialist III	99,821	
Lottery customer service representative	101,955	
Lottery administrative staff officer	71,074	
Lottery marketing specialist	120,660	

These two positions are "off-budget" because funding for the positions was not included in the agency's 2003-05 biennium appropriation. The positions were included in the legislatively authorized FTEs for the 2003-05 biennium; however, OMB has informed the Attorney General not to include the positions as FTEs in the 2005-07 biennium budget request. The positions are involved in the administration of North Dakota Century Code (NDCC) Chapter 51-28, the "do not call" statutes. Funding for the positions is spent pursuant to a continuing appropriation from the Attorney General's refund fund. The positions receive the same benefits as other state employees.

These positions are "off-budget" because funding for the positions was not included in the agency's 2003-05 biennium appropriation. The positions were included in the legislatively authorized FTEs for the 2003-05 biennium; however, OMB has informed the Attorney General not to include the positions as FTEs in the 2005-07 biennium budget request. The positions are involved in the administration of NDCC Chapter 53-12, the North Dakota Lottery. Funding for the positions is spent pursuant to a continuing appropriation from the lottery operating fund. The positions receive the same benefits as other state employees.

Biennial
Salary and
Fringe
Benefit Total

215 - North Dakota University System office Articulation and transfer coordinator	Explanation	109,486
	The position is "off-budget" because the position is not included in the agency's legislatively authorized FTE count. The position is funded from the agency's board initiative funds and is authorized pursuant to Section 10 of House Bill No. 1003 (2003). The position receives health and retirement benefits.	
Articulation and transfer secretary	The position is "off-budget" because the position is not included in the agency's legislatively authorized FTE count. The position is funded 37.5 percent from the agency's operations line item and 62.5 percent from the agency's board initiative funds and is authorized pursuant to Section 10 of House Bill No. 1003 (2003). The position receives health and retirement benefits.	30,459
244 - Forest Service Community forestry specialist (#3611)	The position is "off-budget" because the position is not included in the agency's legislatively authorized FTE count. The position is funded from the agency's consolidated forestry assistance federal block grant and is authorized pursuant to a continuing appropriation contained in Sections 7 and 34 of House Bill No. 1003 (2003). The position receives health and retirement benefits.	88,176
Forest stewardship specialist (#3756)	This position is three-fourths "off-budget" and one-fourth "on-budget" because the position is funded 75 percent from the agency's consolidated forestry assistance federal block grant, 16.8 percent from the general fund, and 8.2 percent from special funds generated from nursery tree sales. The funding from the consolidated forestry assistance federal block grant is authorized pursuant to a continuing appropriation contained in Sections 7 and 34 of House Bill No. 1003 (2003). The position receives health and retirement benefits.	60,801
Riparian forester (#4745)	The position is "off-budget" because the position is not included in the agency's legislatively authorized FTE count. The position is funded with funds received from the agency's agreement with the Red River Riparian Council and is authorized pursuant to a continuing appropriation contained in Sections 7 and 34 of House Bill No. 1003 (2003). The position receives health and retirement benefits.	77,023
Community forestry specialist (#4905)	The position is "off-budget" because the position is not included in the agency's legislatively authorized FTE count. The position is funded from the agency's consolidated forestry assistance federal block grant and is authorized pursuant to a continuing appropriation contained in Sections 7 and 34 of House Bill No. 1003 (2003). The position receives health and retirement benefits.	88,534
Community forestry assistant (#4899)	The position is "off-budget" because the position is not included in the agency's legislatively authorized FTE count. The position is funded from the agency's consolidated forestry assistance federal block grant and is authorized pursuant to a continuing appropriation contained in Sections 7 and 34 of House Bill No. 1003 (2003). The position receives health and retirement benefits.	62,420

Agency/"Off-Budget" Position
Federal excess personal property technician (#3589)

Explanation

The position is "off-budget" because the position is not included in the agency's legislatively authorized FTE count. The position is funded from the agency's consolidated forestry assistance federal block grant and is authorized pursuant to a continuing appropriation contained in Sections 7 and 34 of House Bill No. 1003 (2003). The position receives health and retirement benefits.

Biennial
Salary and
Fringe
Benefit Total
80,956

Forestry technician (#3591)

The position is "off-budget" because the position is not included in the agency's legislatively authorized FTE count. The position is funded from the agency's consolidated forestry assistance federal block grant and is authorized pursuant to a continuing appropriation contained in Sections 7 and 34 of House Bill No. 1003 (2003). The position receives health and retirement benefits.

79,463

Fire management coordinator (#3585)

This position is 28 percent "off-budget" and 72 percent "on-budget" because the position is funded 48.4 percent from the general fund, 23.6 percent from special funds generated from nursery tree sales, and 28 percent from the agency's consolidated forestry assistance federal block grant. The funding from the consolidated forestry assistance block grant is authorized pursuant to a continuing appropriation contained in Sections 7 and 34 of House Bill No. 1003 (2003). The position receives health and retirement benefits.

28,724

Fire management specialist (#5175)

The position is "off-budget" because the position is not included in the agency's legislatively authorized FTE count. The position is funded from the agency's consolidated forestry assistance federal block grant and is authorized pursuant to a continuing appropriation contained in Sections 7 and 34 of House Bill No. 1003 (2003). The position receives health and retirement benefits.

83,800

Forest stewardship specialist (#5176)

The position is "off-budget" because the position is not included in the agency's legislatively authorized FTE count. The position is funded from the agency's consolidated forestry assistance federal block grant and is authorized pursuant to a continuing appropriation contained in Sections 7 and 34 of House Bill No. 1003 (2003). The position receives health and retirement benefits.

86,052

Forest health specialist (#5177)

The position is "off-budget" because the position is not included in the agency's legislatively authorized FTE count. The position is funded from the agency's consolidated forestry assistance federal block grant and is authorized pursuant to a continuing appropriation contained in Sections 7 and 34 of House Bill No. 1003 (2003). The position receives health and retirement benefits.

92,047

Fire planning and prevention specialist (#5578)

The position is "off-budget" because the position is not included in the agency's legislatively authorized FTE count. The position is funded from the agency's rural development forestry and community grant program and is authorized pursuant to a continuing appropriation contained in Sections 7 and 34 of House Bill No. 1003 (2003). The position receives health and retirement benefits.

80,442

Agency/"Off-Budget" Position
Community planning specialist (#5559)

Explanation

The position is "off-budget" because the position is not included in the agency's legislatively authorized FTE count. The position is funded from the agency's rural development forestry and community grant program and is authorized pursuant to a continuing appropriation contained in Sections 7 and 34 of House Bill No. 1003 (2003). The position receives health and retirement benefits.

Administrative secretary (#5609)

The position is "off-budget" because the position is not included in the agency's legislatively authorized FTE count. The position is funded from the agency's consolidated forestry assistance federal block grant and is authorized pursuant to a continuing appropriation contained in Sections 7 and 34 of House Bill No. 1003 (2003). The position receives health and retirement benefits.

321 - Department of Veterans Affairs
Account technician I

One-half of this position is "off-budget" because it is funded from the veterans' postwar trust fund and is not included in the agency's legislatively authorized FTE count. The investment earnings of the veterans' postwar trust fund is appropriated on a continuing basis to the Administrative Committee on Veterans Affairs, pursuant to NDCC Section 37-14-14. One-half of the position is funded from the veterans' aid fund. Half of the position relating to the veterans' aid fund is "on-budget" and the half relating to the veterans' postwar trust fund is "off-budget." This position receives full benefits.

Office assistant II

One-half of this position is "off-budget" because it is funded on a continuing basis from the veterans' postwar trust fund and is not included in the agency's legislatively authorized FTE count. Three-fourths of the funding for this position is from the veterans' postwar trust fund and one-fourth of the position is funded from the general fund. One-half of the position is "on-budget" and one-half is "off-budget." This position receives full benefits.

701 - State Historical Society
Store manager

This position is "off-budget" because the position is not included in the agency's legislatively authorized FTE count. The position is authorized pursuant to a continuing appropriation contained in NDCC Section 55-02-04 which also authorizes the museum store funds to be used in the normal course of business to support the operation from which the funds are derived. Benefits are provided since this is a full-time position and the only full-time position for the store.

Biennial
Salary and
Fringe

Benefit Total
78,951

59,667

51,857

31,990

73,200

\$2,179,024

NOTE: This report does not include University System campuses since the University System receives a "block grant" general fund appropriation, the agriculture commodity groups, or the State Fair Association because the agencies are not included in the appropriations process.

HOUSE GOVERNMENT PERFORMANCE COMMITTEE

January 19, 2005

**North Dakota Department of Transportation
Tom D. Freler, Deputy Director for Business Support**

HB 1334

Before I share some comments in regard to HB1334, on behalf of the NDDOT, thank you to the legislature for providing some very helpful employee compensation tools. In the absence of a general legislative salary increase, these tools have been invaluable. The ability to utilize recruitment bonuses, performance bonuses, and scholarship program enhancements has been much appreciated.

Our concern with HB1334 is how it may affect our ability to hire the scholarship students we have been able to bring on board during recent years. With scholarship students graduating in May and December, we attempt to hold positions for them. Obviously, the opening of positions due to retirements does not necessarily align with the graduation dates. Therefore, the flexibility to hold a position for more than three months is necessary.

Because the department has military people on duty, there is a need to hold positions as well. In addition, qualified applicants are occasionally unavailable, and it is difficult to fill those positions in 90 days.

Overall, it is a challenge to fill positions. I am sure that you will agree that it is imperative that we fill our positions with these highly qualified graduates, most of whom are North Dakota grown.

###

STATE AUDITOR
ROBERT R. PETERSON



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BISMARCK, ND 58505

**TESTIMONY BEFORE THE HOUSE
APPROPRIATIONS COMMITTEE-GOVERNMENT PERFORMANCE DIVISION**
January 19, 2005

House Bill No. 1334

Testimony - Presented by Gordy Smith
Audit Manager

Chairman Carlson, members of the committee, my name is Gordy Smith and I'm an audit manager for the State Auditor's Office. I am here to testify in opposition to House Bill No. 1334 in its current form.

My first concern with the current form of the bill deals with positions that have been open for 90 days or longer. There are many legitimate reasons why a position may be open for more than 90 days that have nothing to do with "rolling up salary dollars" which is what I believe this bill is trying to address. I have two excellent examples of this involving our office. We are experiencing a turnover problem and during the past few months we advertised for several position openings. We received the applications, reviewed them, and interviewed a number of candidates. In December, we offered jobs to 5 individuals and only 2 accepted our offer. Therefore we have advertised the remaining open positions again and will go through the process to try to hire good candidates. This means these positions will have been open for more than 90 days. It doesn't seem reasonable or fair that the State Auditor's Office would be punished in this instance through a loss of salary moneys and/or FTE positions since we had no control over these circumstances.

My second example involves our performance audit division. Months ago we advertised an open position. We went through the hiring process and selected an individual for the position and offered her a job. She formally accepted the job offer, but since she wouldn't graduate until late December we agreed on an early January starting date. We were informed approximately 4 weeks ago that she decided to accept a better offer from her current employer. We have now re-advertised the position and we will go through the hiring process again. Once again this means the position will have been open for more than 90 days. We had no control over this situation and yet under this legislation we may lose salary moneys and/or the FTE position.

There was never an attempt by our office to delay filling any of these positions in order to "roll up salary dollars". It would not be prudent management or good government for agencies to simply hire individuals that they had little or no confidence in just to make sure the positions were filled within 90 days. That is what will most likely happen if this legislation passes in its current form. It is a practice that will only hurt state government and result in a loss of efficiency and effectiveness.

I would like to point out there are problems hiring individuals with professional degrees to work for state government. State government cannot compete with the starting salaries offered by private industry. For instance, we are aware that the larger CPA firms in Bismarck are paying at least \$400 more per month as a starting salary than what we can offer. The CPA firms also advance the salaries of their new hires at a faster rate than we can. In some instances, the process to hire highly qualified people with professional degrees takes time, however we feel it is time that is well spent.

My next concern with the current wording of this legislation is that it does not distinguish between FTE positions funded with state general funds, special funds, and federal funds. I do not believe the process set forth would be legal for positions funded by federal funds as they are usually restricted for a specific purpose. For instance, I do not believe you can legally use Child Support Enforcement Program federal funds to provide raises to Foster Care employees or to hire a Department of Transportation employee. These actions would result in federal findings and questioned costs in our statewide Single Audit and the state would have to repay the funds (most likely with interest) to the federal government. If these funds were deposited and held in a separate account and not expended, the state would ultimately risk losing them as federal funds generally have a period of availability attached to them. Based on these factors I'm not sure this process could be applied to FTE positions funded with federal funds.

Positions funded with special funds would also present a hurdle for this legislation. This is because many special funds have restrictions attached either in law or based on opinions from the Attorney General's Office. Even if it were determined to be legal, it would be interesting to see the public reaction if for instance Game and Fish Department moneys for unfilled positions were used to provide raises to Bank of North Dakota employees. Maybe this isn't the intent of the legislation, however that isn't clearly spelled out in the current bill.

In summary, I think this bill would have some negative, unintended consequences including punishing state agencies for something they had no control over and influencing state agencies and institutions to adopt unsound hiring practices if it appears they will not fill an open position within the 90 day requirement. In addition, the present legislation may be risking the improper use of federal and special funds.

The first amendment I would suggest would be to lengthen the 90 day requirement significantly (perhaps to 180 days). An additional amendment should also clarify how exactly the process will work. For example, will an agency/institution have an avenue to appeal prior to losing funding or an FTE position? Finally, I believe a decision would need to be made on how to address how positions funded by federal or special funds will be handled. I don't believe that it would be legal to include these types of funds in this process. We need to ensure the legislation doesn't violate the laws, rules, and regulations surrounding these types of funding.

Mr. Chairman this concludes my testimony. I would be happy to address any questions you may have.

House Bill 1334
House Appropriations Committee
Government Performance Division

Donna Thigpen
President, Bismarck State College
January 19, 2005

Chairman Carlson and members of the Government Performance Division of the House Appropriations Committee my name is Donna Thigpen, President of Bismarck State College.

I appear before you today to oppose House Bill 1334. I do support the intent of the legislation to provide equity salary increases, and to provide salary increases on the basis of performance.

I do not support the process described in this bill that would be used to establish the state employee compensation pool or the method that would be used to redistribute the funds.

The North Dakota University System has been charged by the Higher Education Roundtable to be flexible with accountability. I believe that this bill would be a step backwards because it would hamper our ability to be flexible when filling positions on our campus.

Let me give you a concrete example of what I mean. We have received several grants from the National Science Foundation to develop and expand our energy technology program. This program provides the ND energy industry with the highly trained work force it needs to be competitive. The positions funded by these grants require that the faculty who are hired are individuals from the energy industry who possess unique sets of skills.

One of the positions - system operations - (These are the people who operate the electrical grids and do the power dispatching) remained open for two years because we had no one apply who was qualified until we raised the salary to a level that was competitive with the industry. And we still have not been able to fill it with the type of individual we need. We are advertising again and raising the salary again.

The money for this position can not be transferred to a state pool because it was specifically allocated by the National Science Foundation for this particular position. If we do not use it, it reverts to that Federal Agency.

This year we are losing eight senior faculty members- Four of them in the science area. I need the flexibility to move quickly to adjust salaries to attract the individuals needed to fill these positions. Due to the academic calendar, some positions may be temporarily filled with part-time adjunct until we can recruit a qualified individual.

We have advertised some positions and had one or no applicants. We need to maintain the flexibility to manage this problem and not be forced to hire unqualified faculty for fear of losing the position.

The flexibility with accountability promoted through the Higher Education Roundtable has worked for the betterment of Bismarck State College and the North Dakota University System. I believe the process established with this bill would hinder our ability to get the biggest bang for our bucks. We have worked hard to provide competitive wages and to develop and increase our external funding sources that allow us a greater ability to keep up with industry wages for key staff and faculty positions.

In conclusion while we have not always been successful utilizing our internal salary administration policy to fill vacant positions we have made significant progress as a result of the Higher Education roundtable flexibility. Please do not put in place additional administrative burden that would hinder our progress.

Subject: RE: HB1334
Date: Mon, 7 Mar 2005 11:11:40 -0600
X-MS-Has-Attach:
X-MS-TNEF-Correlator:
Thread-Topic: HB1334
Thread-Index: AcUjHrz1W2R230KPR3q6GwKkmGI8YAAGX2cw
From: "Smith, Jim W." <jsmith@state.nd.us>
To: "Glatt, Laura J." <laura.glatt@ndus.nodak.edu>
Cc: "Knudson, Allen H." <aknudson@state.nd.us>
X-OriginalArrivalTime: 07 Mar 2005 17:11:42.0487 (UTC) FILETIME=[BBBE2A70:01C52338]
X-NDUS-MailScanner-Information: Please contact the ISP for more information
X-NDUS-MailScanner: Found to be clean
X-NDUS-MailScanner-SpamCheck:
X-MailScanner-From: jsmith@state.nd.us

*to be made Approp
per committee request*

The bill refers to Executive Branch agencies and institutions, which our legal staff has indicated includes higher education. If the intent is to exclude higher education I think that language should be added. This would avoid any misunderstanding down the road. Look at section 54-59-02.1 for a reference as to higher education is excluded.

Jim W. Smith
Legislative Budget Analyst and Auditor
ND Legislative Council
Bismarck ND 58505
701.328.2916

From: Laura Glatt [mailto:laura.glatt@ndus.nodak.edu]
Sent: Monday, March 07, 2005 8:05 AM
To: Smith, Jim W.
Subject: Fw: HB1334

Jim: I need your help with interpretation of HB1334. When the bill was originally heard on the House side, Donna Thigpen appeared and testified on the bill. Following her testimony, Rep. Al Carlson told her that the bill was never intended to include higher education. Since that time there has been some ongoing confusion about whether higher education is included or not. Please see Rep. Ken Svedjan's email below suggesting HE is exempt. Is that your understanding? It does not appear to be clear in the bill; however, perhaps their intent is adequate to stand the test of time. Please let me know your understanding and how we should proceed, if at all, on this bill. We, of course, want to be exempt.
Laura

X-Sender: robert.potts@imap.ndsu.nodak.edu
X-Mailer: QUALCOMM Windows Eudora Version 6.1.2.0
Date: Fri, 04 Mar 2005 16:50:52 -0600
To: Laura Glatt <laura.glatt@ndus.nodak.edu>
From: Robert Potts <robert.potts@ndus.nodak.edu>
Subject: Fw: HB1334
X-NDUS-MailScanner-Information: Please contact the ISP for more information
X-NDUS-MailScanner: Found to be clean
X-NDUS-MailScanner-SpamCheck:
X-MailScanner-From: robert.potts@ndus.nodak.edu

Reply-To: "Bev" <bevclayburgh@undalumni.org>
From: "Bev" <bevclayburgh@undalumni.org>
To: "Bruce Christianson" <bruce.christianson@ndus.nodak.edu>,
"Robert Potts" <robert.potts@ndus.nodak.edu>
Subject: Fw: HB1334
Date: Mon, 28 Feb 2005 12:50:12 -0600
X-Mailer: Microsoft Outlook Express 6.00.2900.2180
X-NDUS-MailScanner-Information: Please contact the ISP for more information
X-NDUS-MailScanner: Found to be clean
X-MailScanner-From: bevclayburgh@undalumni.org

FYI

----- Original Message -----

From: Svedjan, Ken D.

To: Bev

Sent: Monday, February 28, 2005 12:46 PM

Subject: RE: HB1334

Bev,

Higher Education is exempt from HB 1334. Furthermore, it is very likely that the length of time for position vacancies will be extended from 3 months to 6 or 9 months. Best wishes.

Ken

From: Bev [mailto:bevclayburgh@undalumni.org]

Sent: Monday, February 28, 2005 8:48 AM

To: Svedjan, Ken D.

Cc: bjc

Subject: HB1334

Is Higher Ed exempt from HB 1334? When I think how long it takes to search and find even a Dean, let alone a Provost or President, Higher Ed would have much trouble with 1334. Can you clarify? Thanks.

Robert L. Potts
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Laura Glatt
Vice Chancellor for Administrative Affairs
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House Bill 1334
Senate Appropriations Committee

Dave Clark
Executive Vice President, Bismarck State College
March 28, 2005

Chairman Holmberg and members of the Senate Appropriations Committee, my name is Dave Clark, Executive President of Bismarck State College.

I appear before you today to oppose House Bill 1334. I do support the intent of the legislation to provide equity salary increases, and to provide salary increases on the basis of performance.

I do not support the process described in this bill that would be used to establish the state employee compensation pool or the method that would be used to redistribute the funds.

The North Dakota University System has been charged by the Higher Education Roundtable to be flexible with accountability. I believe that this bill would be a step backwards because it would hamper our ability to be flexible when filling positions on our campus.

Let me give you a concrete example of what I mean. We have received several grants from the National Science Foundation to develop and expand our energy technology program. This program provides the ND energy industry with the highly trained work force it needs to be competitive. The positions funded by these grants require that the faculty who are hired are individuals from the energy industry who possess unique sets of skills.

One of the positions - system operations - (These are the people who operate the electrical grids and do the power dispatching) remained open for two years because we had no one apply who was qualified until we

raised the salary to a level that was competitive with the industry. And we still have not been able to fill it with the type of individual we need. We are advertising again and raising the salary again.

The money for this position can not be transferred to a state pool because it was specifically allocated by the National Science Foundation for this particular position. If we do not use it, it reverts to that Federal Agency.

This year we are losing eight senior faculty members- Four of them in the science area. I need the flexibility to move quickly to adjust salaries to attract the individuals needed to fill these positions. Due to the academic calendar, some positions may be temporarily filled with part-time adjunct until we can recruit a qualified individual.

We have advertised some positions and had one or no applicants. We need to maintain the flexibility to manage this problem and not be forced to hire unqualified faculty for fear of losing the position.

The flexibility with accountability promoted through the Higher Education Roundtable has worked for the betterment of Bismarck State College and the North Dakota University System. I believe the process established with this bill would hinder our ability to get the biggest bang for our bucks. We have worked hard to provide competitive wages and to develop and increase our external funding sources that allow us a greater ability to keep up with industry wages for key staff and faculty positions.

In conclusion while we have not always been successful utilizing our internal salary administration policy to fill vacant positions we have made significant progress as a result of the Higher Education roundtable flexibility. Please do not put in place additional administrative burden that would hinder our progress.

Testimony
HB 1334 – DEPARTMENT OF HUMAN SERVICES
SENATE APPROPRIATIONS
Senator Holmberg, Chairman
March 28, 2005

Chairman Holmberg, members of the Senate Appropriations Committee, I am Dean Mattern, Director of Human Resources for the Department of Human Services. I am here to provide comments regarding the impact of HB 1334 on the Department of Human Services.

Section 1 of this bill creates a state employee compensation pool to provide funding for state employee market and equity salary adjustments. The Department of Human Services recognizes and supports the need to address the employee salary issues of market competitiveness and equity. However, the use of vacancies, anticipated turnover, and anticipated retirements to fund the pool, as outlined in Section 2 of the bill, is of concern for several reasons:

- In the experience of the Department of Human Services, most professional positions take more than 90 days to fill. The recruitment time for certain hard-to-fill positions, such as physicians, psychologists, registered nurses, direct care staff and addiction counselors, regularly exceeds six months. For example, during this biennium, West Central Human Service Center had two clinical psychologist vacancies this biennium, and each remained vacant for approximately six months despite concerted recruitment efforts. Recruitment in the less populated regions of the state can be even more difficult. In another instance, the State Hospital has been recruiting for a Medical Director for the past year. Two candidates have turned down offers, so recruitment continues.

- Funding from vacant positions is often used for recruitment expenses, overtime or temporary hires or expenses associated with work realignment to get the work done. By removing 60% of the general funds associated with vacancies, Department managers will be unable to manage these workforce variables effectively.
- Another funding issue which would arise is the maintenance of effort for block grants would be put in jeopardy with the removal of 60% of the general funds for a position left open for 90 days.
- When employees retire they often require a large payout of vacation and sick leave. Since we usually have not been able to budget for these occurrences, we have no choice but to keep a position open long enough to cover this expense or to use other vacancy funds. Again, moving the general funds to a compensation pool hampers the Department's ability to manage the workforce while seeing that the service responsibilities continue to be carried out.
- There is a danger in this bill that managers will be hesitant to leave positions open while they examine alternatives, such as re-balancing workloads or out-sourcing certain duties. The 90-day deadline on filling vacancies encourages managers to do things the same old way in order to avoid losing the funding for a necessary function. We will certainly need flexibility and creativity in workforce management as workforce shortages increase and predicted demographics change in the state and nationally workforce.

Section 3 of HB 1334 sets forth a procedure to request OMB and Budget Section approval to restore positions, provide market or equity adjustments, or provide performance based increases. The Department of Human Services has comprehensive policies and procedures in place governing salary adjustments, over and above the requirements contained in North Dakota Administrative Code. Through these policies and procedures, fair, orderly, and timely decisions regarding salary adjustments are made.

In the past few years, the Department has fallen behind the market in salaries for several professional positions. Because of this, in order to maintain continuity of care and sustain critical functions within the department, we need the flexibility to respond in a timely fashion to retain key staff. Two situations from this biennium illustrate this need:

- The Department has adjusted salaries for licensed addiction counselors and clinical psychologists in order to maintain an adequate workforce. The human service centers staff were being "hired away" at salaries ranging from \$15,000 to \$40,000 more annually. Had this bill been in place, we would not have been able to respond to marketplace pressures in a timely fashion, and would likely have lost more critical staff positions. The effect on services to vulnerable populations is of real concern.
- A pharmacist in a critical position was being recruited by another employer. Without the ability to make an equity salary adjustment in a timely manner, we would have lost this employee. The cost of recruitment for this hard-to-fill position would have been significant, not to mention the lost productivity while the position was vacant. Had this bill been in place, we would have lost the employee because we would not have had the time to seek approval. More than likely it would have taken at least six to nine months to fill the vacancy, so we would have been required to give up the position and associated funding, and request permission from OMB and the Budget Section to fill the vacancy. Depending upon the timing of the Budget Section meetings, we may have lost viable candidates due to delays.

In summary, the Department of Human Services supports the concept of a state compensation pool to attempt to address market and equity issues. We however are very concerned about the negative effect that the funding of the pool through agency salary dollars and the procedures proposed to access the fund will have on the Department's ability to effectively manage our workforce.

I would be happy to answer any questions that the committee may have.

HB 1334
Testimony of Human Resource Management Services
Senate Appropriations Committee
March 28, 2005

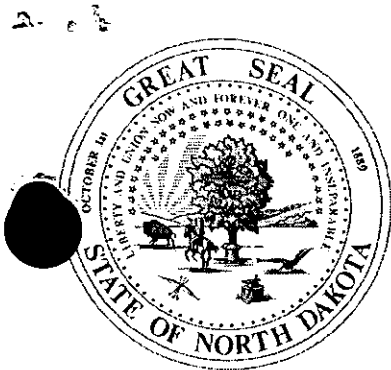
At the present time, there isn't readily available information on the number of positions vacant for more than 90 days or the dollars that would be withheld to the pool.

- We currently have 78 classified job openings on our web site job board; 25 of those jobs are 'open until filled.' Agencies do that in lieu of an application deadline because they simply aren't getting applicants for those openings.
- In late 2004 a survey of agencies identified 'Hard-to-fill' positions.
 - 18 agencies responded
 - 87 job classes were identified as 'Hard-to-fill' by the agencies
 - 2,614 positions are in the classes identified as 'Hard-to-fill'
 - Medical occupations such as Psychologists, Addiction Counselors, Nurses are 'Hard-to-fill'
 - DOCR experiences problems maintaining staffing in Correctional Officer positions
- Highway Patrol must replace troopers through a class at the Law Enforcement Academy. To initiate an academy class they need 8 vacancies and it takes about 6 months to complete recruitment, testing, background checks, & medical evaluations.
- Recruiting high level professionals often takes 90 days or more just to make a thorough search and a careful screening.

When positions become vacant, managers routinely spend some time evaluating their operations and looking for better ways to organize and accomplish the work. This means filling positions may take longer but it results in more efficiency and effectiveness. If we make filling positions a 'race' to beat a deadline, it will not result in better hiring or more effective operations.

The Governor's Hiring Council is in place to review the need to fill vacancies and to encourage agencies to look for efficiencies. Withholding funds to a pool creates an additional piece of bureaucracy requiring agencies to work through red tape to accomplish their work. By applying the salary pool only to general funds, the bill places general fund agencies at a disadvantage when compared to special fund agencies. In some agencies this pool may apply to some positions and not to others.

Ken Purdy
HR Management Services
328-4739



DEPARTMENT OF CORRECTIONS AND REHABILITATION

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Senate Appropriations Committee

House Bill 1334

Mr. Chairman and members of the committee, I am Linda Houfek, the Human Resources Director for the ND Department of Corrections and Rehabilitation. I am here today to tell you how this bill would affect the DOCR.

To address this matter, I reviewed the positions that have been left vacant for any period of time over 90 days in this biennium and the reasons. I found that we leave positions vacant for four major reasons.

Positions are left vacant because our agency, as many other state agencies, is unable to attract qualified individuals who want to work in a corrections setting and/or for the state. I noticed that last week there were over 20 positions listed as "open until filled" on the HRMS website. On average, over the last couple of years, it has taken the DOCR over five months to fill vacant Registered Nurse positions, particularly in Jamestown where competition with Eastern ND and Minnesota is keen. With Addiction Counselors the average time is five months and for Social Workers it is 5.6 months. We have just recently filled all but one of our treatment positions within the Prisons Division. In order to recruit qualified candidates, it has sometimes been necessary to provide recruiting bonuses for the positions, which is done by utilizing salary dollars that have resulted from the vacancies.

When an employee with tenure leaves unexpectedly, the agency pays out their cumulative annual leave balance, 10% of the sick leave balance and compensatory time if there is any. When you look at the cost to pay for this (dollars that are not budgeted for), this becomes a factor of when a position can be filled. If the position is one that cannot be left vacant, then that option does not exist. Early retirement incentives can be used by an agency to allow for more efficient and effective use of positions and may necessitate leaving a position or a portion of a position vacant for a time. The plan with this is that the money expended will be gained back plus more over the rest of the biennium.

When an employee leaves, the supervisor and the HR contact in that division determines if the position should be filled "as is" or if there is a need to reorganize the unit or the duties done by the position. This could happen because of a change in or additional services or programs required of the department or division. If there is a reason to consider either action, there is an internal review and data is gathered from staff and supervisors to assess the best plan for the position. These decisions are not made in a vacuum, thus it takes time to evaluate what will work best, what is needed the most and how it will fit into the needs of the division and the organization. Once the decision is made there may be a need to reclassify the position. Reclassifications may take up to 60 days, during which time the position remains vacant.

Another variation of this is when a position is vacated and evaluation must be made as to where best to assign the FTE attached to the position. Often a decision will be made based on the caseload needs

and/or service needs and mandates. As these numbers and needs fluctuate, there may be a desire to evaluate the numbers/ways to best provide services over a period of time, to make the best use of staff and staff time. Again, while this process takes place the position remains vacant.

During some of these processes the duties of the vacated position still have to be done and we may use some of the savings from the vacated position to compensate the staff that have been assigned the additional duties. HRMS has proved managers with the salary administration tools to address these needs and we use them within our department to the extent possible.

It appears that this bill could penalize managers for doing what managers are expected to do and that is to determine the best use of staff and dollars to get the job done. If we carry the intent of the bill forward, this could result in the need for managers to fill positions, as soon as they can, with whomever they can, so that they do not chance losing the FTE or the dollars attached to the position.

While it may appear that pooling money may assist the DOCR in achieving salary equity, we believe it would come at a cost to all agencies, including ours, by losing the flexibility we need to manage the salary administration issues that present themselves throughout the biennium.

I also have a couple of questions regarding the bill:

- How does an agency plan for this loss of budget dollars when we won't know which positions will be vacant more than 90 days at any particular time, such as the twenty-third day of each regular session of the legislature?
- If the dollars are removed from an agency's budget in the nineteenth or twentieth month of the biennium what impact does that have on the ability of the agency to compensate staff for the remaining five months of the biennium and to make up the lost dollars?
- When an agency has hard to fill positions, we must find a viable candidate as soon as possible. That means we need to make an immediate offer so that we don't loose the person-- how can that be done if we now have to submit a request to OMB for their review and approval and then if they approve the transfer, it is then subject to budget section approval before any transfer is made?

STATE AUDITOR
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STATE CAPITOL
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BISMARCK, ND 58505

**TESTIMONY BEFORE THE SENATE
APPROPRIATIONS COMMITTEE**

March 28, 2005

Engrossed House Bill No. 1334

Testimony - Presented by Gordy Smith
Audit Manager

Chairman Holmberg and members of the committee, my name is Gordy Smith. I am here to testify in opposition to Engrossed House Bill No. 1334.

My first concern with this bill is the issue surrounding FTE positions and related general funds for positions that have been vacant for ninety days or more. I believe ninety days is an unreasonable and arbitrary time period. It essentially forces state agencies and institutions to hire someone in that period of time, or risk losing the general funds and FTE position.

There are legitimate reasons why a particular position remains open for 90 days or more that state agencies or institutions have little or no control over. The most obvious example would be professional positions that have traditionally been difficult to fill. Among other positions, this would include medical professionals as well as engineers. Another example would include positions that are paid significantly less than their counterparts in private industry.

Our office has been experiencing significant turnover in our agency division in Bismarck. Our turnover rate for 2004 was 33% which is almost 4 times the average in state government. During the past year we advertised vacant positions in November, 2004 and we interviewed candidates in December and offered 5 individuals jobs with our office. Only 2 candidates accepted our offer. We again advertised the positions and had only two applicants who we felt were qualified to be interviewed for our 4 open positions (another position became vacant since the prior interviews). We offered both applicants positions with our office and we will once again advertise for the remaining two positions hoping to attract some May 2005 graduates. Obviously, some of these positions have been vacant for more than 90 days. What exactly has our office done to deserve removing those FTE positions and a portion of their funding? What reasonable

alternatives did management of the State Auditor's Office have? Why should we delay the hiring process further by going through a bureaucratic process to convince OMB to restore the FTE positions and related funding prior to trying to fill them?

We are aware that the two largest local CPA firms are paying a starting salary of \$400-\$500 per month higher than that which we start new employees. As a result, it is difficult for us to attract qualified candidates. In addition, the national CPA organization has adopted rules that require CPA candidates to have at least 150 credit hours prior to taking the CPA exam. This has resulted in fewer students going into accounting and has created a smaller pool of individuals with accounting degrees. I would assume other state agencies or institutions may have similar stories for positions requiring professional degrees.

Agencies and institutions could ensure they fill all of their positions prior to the 90 day deadline, regardless of whether the hired individuals are sufficiently qualified or whether management has any faith in the individual's ability to fulfill their responsibilities. Is this good government or sound management? The agencies or institutions would have 6 months (standard probationary period) to dismiss some or all of these individuals and start the hiring process all over again. This is not an efficient use of our time and it is not good government. This would be one unintended consequence of this bill. If this bill were to pass I would strongly recommend the 90 day requirement be extended to at least 180 days.

The next issue the State Auditor's Office would like to address regarding this bill is the requirement that agencies and institutions appeal their case for retention of FTE positions and general funding to OMB. While we have a positive relationship with OMB, the fact is we audit that organization and if they have the power to remove funding and FTE positions from us, with no avenue of appeal available, it creates an independence problem. We would like to see the bill amended to provide an appeal process to state agencies and institutions. The logical place for the appeal would be a legislative body such as the Budget Section.

In summary, I believe this bill should be defeated or changed significantly. In its present form, the bill will have unintended negative consequences that will do more harm than good.

Mr. Chairman that concludes my testimony and I would be happy to answer any questions the committee may have.