

**Jason Schuh, PC**

Certified Public Accountant

October 24, 2007

John Walstad, Legislative Council Staff
State Capitol
600 East Boulevard Ave.
Bismarck, ND 58505-0360

OCT 25 2007

Dear Mr. Walstad and Members of the Legislative Council:

As auditor/CPA of the North Dakota State Board of Dental Examiners, I am writing this letter to urge you to reconsider your objection to the fee increase the Board is seeking.

Currently, I am auditing the 2006-2007 biennium for the Board. At this time, the audit is only partially completed, but it does appear that the Board will have incurred an approximate decrease of \$83,000 in its cash balances. If these current expenditures of the Board were to stay consistent, it is probable the Board may only have enough reserves to operate through the 2010-2011 biennium. However, it may be premature to assume the expenditures will stay the same. The executive director position has seen an increase in the number of hours required to properly complete the responsibilities assigned to her, and accordingly, the compensation has increased as a result of this.

During the 2002-2003 and 2004-2005 bienniums, legal fees averaged approximately \$52,000 per biennium. During the current biennium under audit, it does appear that legal expenditures will exceed \$100,000. While no one can predict what the amount of legal expenditures will be in the future, I believe it is in the Board's best financial interest to create a reserve for future legal expenditures. Therefore, I am asking you to reconsider your objection to the fee increase. Thank you for your consideration in this matter.

Sincerely,

Jason Schuh
Certified Public Accountant