



# North Dakota Legislative Council

Prepared for the Budget Section  
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## NEW AND VACANT FTE FUNDING POOLS

This memorandum provides information regarding the new and vacant FTE funding pools approved by the Legislative Assembly for the 2023-25 and 2025-27 bienniums.

### 2023-25 BIENNIUM

#### Final FTE Funding Pool Status

Total salaries and wages savings from the new and vacant FTE funding pool budgeting process during the 2023-25 biennium is as follows:

	General Fund	Federal Funds	Special Funds	Total
<b>Savings realized during 2023 session</b>				
Executive branch	\$11,878,181	\$3,597,460	\$14,151,420	\$29,627,061
Legislative branch	128,202	0	0	128,202
Judicial branch	2,455,683	14,574	9,147	2,479,404
Total	\$14,462,066	\$3,612,034	\$14,160,567	\$32,234,667
<b>Funding remaining in FTE funding pool</b>				
Executive branch	\$707,035	\$6,061,419	\$13,395,371	\$20,163,825
Legislative branch	270,137	0	0	270,137
Judicial branch	495,175	5,829	8,662	509,666
Total	\$1,472,347	\$6,067,248	\$13,404,033	\$20,943,628
<b>Total savings</b>				
Executive branch	\$12,585,216	\$9,658,879	\$27,546,791	\$49,790,886
Legislative branch	398,339	0	0	398,339
Judicial branch	2,950,858	20,403	17,809	2,989,070
Total	\$15,934,413	\$9,679,282	\$27,564,600	\$53,178,295

**New and Vacant FTE Funding Pool - Budget**

The Legislative Assembly made the following budget adjustments relating to the new and vacant FTE funding pool for the 2023-25 biennium.

	<b>General Fund</b>	<b>Federal Funds</b>	<b>Special Funds</b>	<b>Total</b>
<b>Removed from budgets</b>				
Executive branch	\$51,955,676	\$14,196,343	\$61,638,784	\$127,790,803
Legislative branch	607,339	0	0	607,339
Judicial branch	11,098,102	91,023	30,492	11,219,617
Total	\$63,661,117	\$14,287,366	\$61,669,276	\$139,617,759
<b>Funding restored in funding pool</b>				
Executive branch	\$40,077,495	\$10,598,883	\$47,487,364	\$98,163,742
Legislative branch	479,137	0	0	479,137
Judicial branch	8,642,419	76,449	21,345	8,740,213
Total	\$49,199,051	\$10,675,332	\$47,508,709	\$107,383,092
<b>Budgeted savings</b>				
Executive branch	\$11,878,181	\$3,597,460	\$14,151,420	\$29,627,061
Legislative branch	128,202	0	0	128,202
Judicial branch	2,455,683	14,574	9,147	2,479,404
Total	\$14,462,066	\$3,612,034	\$14,160,567	\$32,234,667

**New and Vacant FTE Funding Pool - Final Status**

The Office of Management and Budget (OMB), Legislative Council, and Supreme Court reported the following related to funding spent and the final status of the 2023-25 biennium new and vacant FTE funding pool.

	<b>General Fund</b>	<b>Federal Funds</b>	<b>Special Funds</b>	<b>Total</b>
<b>Beginning FTE funding pool balance</b>				
Executive branch	\$40,077,495	\$10,598,883	\$47,487,364	\$98,163,742
Legislative branch	479,137	0	0	479,137
Judicial branch	8,642,419	76,449	21,345	8,740,213
Total	\$49,199,051	\$10,675,332	\$47,508,709	\$107,383,092
<b>Funding transferred from FTE funding pool</b>				
Executive branch	\$39,370,460	\$4,537,464	\$34,091,993	\$77,999,917
Legislative branch	209,000	0	0	209,000
Judicial branch	8,147,244	70,620	12,683	8,230,547
Total	\$47,726,704	\$4,608,084	\$34,104,676	\$86,439,464
<b>Funding remaining in FTE funding pool</b>				
Executive branch	\$707,035	\$6,061,419	\$13,395,371	\$20,163,825
Legislative branch	270,137	0	0	270,137
Judicial branch	495,175	5,829	8,662	509,666
Total <sup>1</sup>	\$1,472,347	\$6,067,248	\$13,404,033	\$20,943,628
<b>Percentage of funding pool remaining</b>				
Executive branch	1.8%	57.2%	28.2%	20.5%
Legislative branch	56.4%	N/A	N/A	56.4%
Judicial branch	5.7%	7.6%	40.6%	5.8%
Total	3.0%	56.8%	28.2%	19.5%

<sup>1</sup>In addition to funding approved by the 2023 Legislative Assembly included above, the 2025 Legislative Assembly appropriated \$3 million from the General Fund as a 2023-25 biennium deficiency appropriation to OMB to be transferred to executive branch agencies if additional funds are needed in excess of the funding approved for the 2023-25 biennium new and vacant FTE funding pool. This funding was not spent and was part of General Fund "turnback" at the end of the 2023-25 biennium.

**Vacancy Savings Detail**

State agencies reported the following regarding the use of vacant full-time equivalent (FTE) position savings during the 2023-25 biennium:

	Use of Vacant Position Savings	Total
Agency reported vacancy savings		\$143,080,250 <sup>1</sup>
Use of vacant position savings		
Accrued leave payments	\$8,607,890	
Extra salary increases	3,289,546	
Bonuses	6,502,401	
Incentive and location pay	8,975,988	
Reclassifications	1,386,527	
Extra temporary salary funding	7,058,670	
Extra overtime funding	18,880,506	
Other	24,553,471	
Subtotal: Use of vacant position savings	\$79,254,999	
Net estimated vacancy savings		\$63,825,251

<sup>1</sup>Executive branch vacancy savings includes actual vacancy savings reported from executive branch agencies to OMB from July 2023 through May 2025 and estimated vacancy savings for June 2025 based on the average monthly vacancy savings during the first 23 months of the biennium.

**2025-27 BIENNIUM**

For each executive branch agency with salaries and wages funding, excluding the Department of Health and Human Services and the North Dakota University System, the Legislative Assembly provided for a new and vacant FTE pool in the agency's 2025-27 biennium budget. A new and vacant FTE pool line item was added to each agency's budget bill in which funding was appropriated for new FTE positions for the 2025-27 biennium. In addition, salaries and wages funding was reduced in other existing line items in anticipation of vacancy savings from employee turnover during the biennium. A portion of this funding was restored in the new and vacant FTE pool line item. This process was also used for the Legislative Council and the Supreme Court.

The Office of Management and Budget is required to transfer funding from an agency's new and vacant FTE pool line item to other line items with salaries and wages funding as requested by the agency in accordance with guidelines provided in Section 18 of House Bill No. 1015 (2025).

The Legislative Council and the Supreme Court may transfer funds from the agency's new and vacant FTE pool line item to line items with salaries and wages funding as necessary to provide funding to fill a new FTE position from the date of hire through the end of the biennium and if salaries and wages savings from vacant positions and employee turnover is less than estimated.

An agency may request a deficiency appropriation from the 2027 Legislative Assembly if the funding in the agency's new and vacant FTE pool line item is insufficient to provide the necessary salaries and wages funding for the biennium.

Total salaries and wages funding for the 2025-27 biennium new and vacant FTE pool for all branches of state government is as follows:

	General Fund	Federal Funds	Special Funds	Total
New salaries funding removed	\$16,288,922	\$529,304	\$7,031,574	\$23,849,800
New salaries funding restored	14,660,030	476,373	6,328,417	21,464,820
Net estimated new salaries savings	\$1,628,892	\$52,931	\$703,157	\$2,384,980
Vacant salaries funding removed	\$52,658,555	\$11,474,616	\$50,577,339	\$114,710,510
Vacant salaries funding restored	36,860,992	8,032,234	35,404,201	80,297,427
Net estimated vacant salaries savings	\$15,797,563	\$3,442,382	\$15,173,138	\$34,413,083

	<b>General Fund</b>	<b>Federal Funds</b>	<b>Special Funds</b>	<b>Total</b>
Total salaries funding removed	\$68,947,477	\$12,003,920	\$57,608,913	\$138,560,310
Total salaries funding restored	51,521,022	8,508,607	41,732,618	101,762,247
Total estimated salaries savings	\$17,426,455	\$3,495,313	\$15,876,295	\$36,798,063