State of North Dakota

Executive Budget
2013-2015 Biennium

Governor Jack Dalrymple

Pam Sharp, Director
Office of Management and Budget

Sheila Peterson, Director
Fiscal Management

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Photo: Partly cloudy Sunflower, by Karen Thomas, Karlsruhe

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2013-2015 Budget Address to the North Dakota Legislative Assembly

December 5, 2012

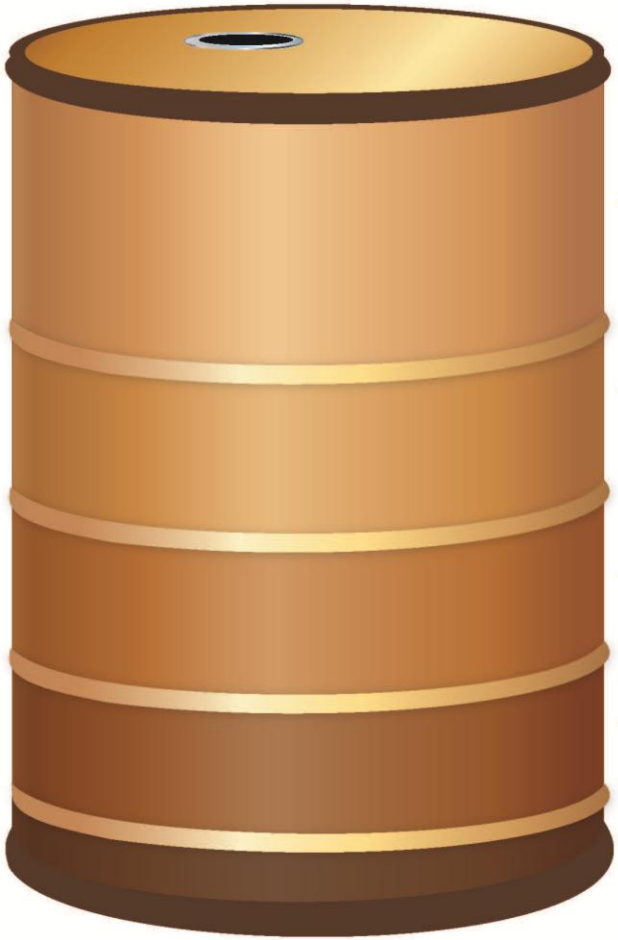
Governor Jack Dalrymple

Ongoing Revenues Exceed Ongoing Expenditures

2013-15 General Fund Ongoing Revenues	$4.798 Billion
2013-15 Recommended Ongoing Expenditures	$3.796 Billion
2013-15 Ongoing Revenues Exceeding Ongoing Expenditures	**$1.002 Billion**

Chart #1

OIL & GAS TAX ALLOCATION



Legacy Fund 33.5%

Statutory Funds 21.4%

Strategic Investments & Improvements Fund; Property Tax Relief Fund; State Disaster Fund; ND Outdoor Heritage Fund; Oil & Gas Research Fund

Constitutional Funds 21.2%

Resources Trust Fund; Common Schools Trust Fund; Foundation Aid Stabilization Fund

Political Subdivisions & Tribes 18%

Distributions to Cities & Counties; Oil & Gas Impact Grant Fund; Tribal Allocations

General Fund 5.9%

Chart #2

Constitutional and Statutory Reserves
(in millions)

	June 30, 2013	June 30, 2015
General Fund	$ 69	$ 81
Budget Stabilization Fund	$ 455	$ 455
Foundation Aid Stabil Fund	$ 333	$ 606
Strategic Investment and Improvement Fund	$ 709	$ 1346
TOTAL	**$ 1.566 B**	**$ 2.488 B**

More Tax Relief
(in millions)

	2009-11 and 2011-13	Cumulative Savings 2013-15	Cumulative Savings Since 2009
Property Tax	$ 637	$ 714	$1,351
Individual Income Tax	300	310	610
Homestead Tax Credit	20	20	40
Corporate Income Tax	45	60	105
Total	**$1,002**	**$1,104**	**$2,106**

State Highway Maintenance
(in millions)

County/Township Road Reconstruction	$ 142.0
Energy Impact Grant Program	$ 214.0
Oil/Gas Tax Distribution to Counties	$ 520.3
Extraordinary State Highway Maintenance	$ 390.1
Four-Lane Highway Projects	$ 300.0
Bypasses and Interchanges	$ 324.7
State/Federal Pooled Highway Funding	$ 598.0
Distrib to Non-Oil County/City/Twshps	$ 100.0
Carryover Projects	$ 146.8
Total	**$2,735.9**

Chart #5

Integrated K-12 Funding Plan

State Aid Cost to Continue	$ 27.7 Million
Cost of Projected Student Enrollment Growth	$ 53.5 Million
Increase in the Per Student Payment	$ 73.6 Million
Increase in Property Tax Relief	$372.4 Million
Rapid Enrollment Grants	$ 17.0 Million
Transportation	$ 5.0 Million
Total	**$549.2 Million**

State of
North Dakota
Office of the Governor
Jack Dalrymple
Governor

2013-2015 Executive Budget Address
The Honorable Jack Dalrymple
Governor of North Dakota
December 5, 2012

Good morning. I am pleased and honored this year to welcome the members of the 63rd North Dakota Legislative Assembly, Lt. Governor Drew and Kathleen Wrigley, elected officials, cabinet members, state employees, First Lady Betsy, and my fellow North Dakotans.

At the outset, I want to thank the staff of the Office of Management and Budget, our cabinet agencies, and our staff in the Governor's Office for the hard work and thoughtfulness they brought to the job of building our new budget.

Together, I believe we have produced a budget for the people of North Dakota that is appropriate for a very special time in our state's history, a time of incredible growth and expansion, but it is also a budget which is careful to recognize the risks of overexpansion.

In drafting our last budget, we were guided by three key objectives that have served us well in the current biennium. We have set those same objectives for our new budget as well. They include funding priorities with a special emphasis on infrastructure; setting aside adequate reserves for a rainy day; and providing additional tax relief for the hardworking men and women of North Dakota.

These themes remain familiar, but we have several new proposals that will open a new chapter in our state's history. We've worked hard for our prosperity and now it's time to put our prosperity to work for us.

Today, I am pleased to present the results of our efforts, the 2013-2015 Executive Budget—a budget that will make it possible for us to literally "create our future together."

The Big Picture

I'll begin with an overview of our budget plan.

Due to our growing economy, both our ongoing revenues and our reserves have shown gains since the beginning of the current biennium, and that growth is forecasted to continue into the next two-year cycle, as well.

As always, we have carefully examined our revenues and expenditures, and we have taken care to ensure that our ongoing revenues exceed ongoing expenditures, as you can see in Chart 1.

In the 2013-2015 biennium, our General Fund ongoing revenues will total about $4.8 billion. At the same time, ongoing expenditures will total $3.8 billion. This surplus in ongoing General Fund revenue makes possible our substantial one-time investments in infrastructure while still providing tax relief and building our reserves. Never before in our state's history have we had a structural balance to our General Fund budget as strong as what we are proposing today. What an extraordinary time for our state!

Our budget recommendations, compared to the total legislative appropriations for the current biennium, represent an increase of 9.4 percent per year. However, nearly half of this increase is due to the cost of continuing the programs we have today. Medicaid and increased school enrollments are the main sources of higher costs. Excluding the unavoidable costs of continuing programs, our discretionary increase in ongoing General Fund expenditures would be 5.2 percent per year.

Our strong revenues will allow us to set aside large amounts for urgent infrastructure needs, property tax relief, and transfers to the Budget Stabilization Fund in the current biennium. Even after those large transfers, our actual General Fund cash balance will be about $69 million on June 30, and will grow to $81 million by 2015.

It is important to remember that our budget for ongoing General Fund spending is limited to $300 million of oil and gas tax revenues as prescribed in law last session. The remainder of the oil tax revenues, as seen in Chart 2, is dedicated to a number of special purposes as required by the constitution and state statute. Constitutional funds include the Legacy Fund, the Resources Trust Fund, and two school trust funds. Statutory funds include the Strategic Investments and Improvements Fund and the Property Tax Relief Fund. Political subdivisions and tribes also receive oil revenues directly. None of these other funds are available for General Fund spending purposes.

One-time General Fund Expenditures

We also propose for the 2013-2015 biennium, $991 million in General Fund one-time expenditures, which we can fund from our revenues not needed for ongoing program expenditures.

Some of our one-time projects are investments in roads and highways statewide, bypasses, emergency equipment and public safety, and some are dedicated to educational infrastructure. They are investments that will further stimulate economic activity, make our state more competitive, and create more good jobs in the future. They are also investments that do not need to be repeated in the future if our economy should take an unexpected turn.

As with our current budget, we exercise sound fiscal management. Our budget neither borrows nor bonds. And it imposes no new taxes or fees.

Reserves

Now let's turn to a discussion of budget reserves as shown on Chart 3. As I said, our ending fund balance will be $81 million in 2015. The Budget Stabilization Fund will be $455 million. The Foundation Aid Stabilization Fund will reach $606 million.

On July 1, 2013, North Dakota will begin the biennium with a balance of about $709 million in the Strategic Investments and Improvements Fund which will grow to a balance of $1.3 billion by June 30, 2015, even after our commitment to provide $200 million in school construction loans. It is important to note that all of these reserve funds are mandated by our state constitution or by state statute.

The Legacy Fund balance on June 30, 2013 will be $1.2 billion and will grow to $3 billion by the end of the biennium. The people of North Dakota created the Legacy Fund through an Initiated Constitutional Amendment. These funds are absolutely unavailable until 2017.

As you can see, North Dakota state government will remain financially strong for many years to come.

Expanded Tax Relief

With our ongoing and one-time expenditures accounted for, and our reserves secured, our financial position still provides us with the resources necessary to provide additional tax relief for North Dakota citizens, as shown on Chart 4.

In the last biennium, we reduced property taxes by $342 million through a reduction of approximately 75 mills in school district levies, simultaneously raising the state's share of school funding. In this budget we are proposing that we increase the state's share of school funding again and provide even more tax relief to our citizens by lowering the property tax in an average school district by an additional 60 mills. Altogether our taxpayers will save $714 million in property taxes from both mill levy reductions. Furthermore, we are proposing that the total property tax relief for the upcoming biennium be made a permanent part of the state school funding formula and the local share of the cost of education be permanently reduced. This level of property tax relief is sustainable far into the future and is what the people of North Dakota want.

But we can and should do more. We also propose providing $100 million in individual income tax relief on top of the $210 million in relief provided in the two previous legislative sessions. Altogether we will reduce income taxes by nearly 40 percent from the rates paid in 2009.

In addition to individual income tax relief, we propose to expand the Homestead Tax Credit to help many more senior citizens and the disabled stay in their homes long after they retire. We can do this by increasing the allowable income threshold from $26,000 to $50,000, disregarding social security income, and by eliminating the asset test. People should not be penalized for doing a good job of saving. These changes are estimated to save qualifying property taxpayers an additional $20 million per biennium.

Finally, we are recommending that we provide an additional $25 million in corporate income tax relief to attract and retain job creators, in addition to the $35 million in tax relief provided in the two previous sessions.

It is important that the hard-working men and women of North Dakota see a substantial share of our economic gains reflected in their tax bills. By 2015, our taxpaying citizens will have received $2.1 billion in tax savings over three bienniums. And this is based on original fiscal notes that do not take into account rising income levels.

Now that we've reviewed the overall structure for our budget, let's take a closer look at the individual funding priorities within the budget that will help us to maintain and support our growth.

A good place to begin is with North Dakota's growing infrastructure needs.

Statewide Infrastructure Needs

New economic growth cannot be supported without robust investments in infrastructure, and our budget addresses infrastructure needs in every region of the state. Transportation investments alone come to $2.5 billion statewide. In addition, we are committed to flood prevention in Fargo, Valley City, Lisbon, and of course, Minot. We will continue to lower Devils Lake without harming downstream communities. We will push for water supply projects throughout the state, and make many other public and private sector infrastructure investments.

Let's review the statewide plan, beginning with western North Dakota.

Infrastructure Support for Western North Dakota

While jobs and population growth have been a significant benefit to our western counties, the extreme wear and tear on roads, and the need for housing and water, requires an even greater commitment to infrastructure investment. Chart 5 illustrates what we have in mind.

We propose once again dedicating $142 million in one-time funding for oil counties and townships that need assistance repairing roads damaged by extraordinary truck traffic.

These funds will be distributed to counties based on road conditions identified by the Upper Great Plains Transportation Institute and by DOT observations. Further, we recommend that the legislature approve these funds with an emergency clause to enable the affected communities to commence projects immediately.

We also propose increasing funding for the Oil and Gas Impact Grant Fund to $214 million. All entities experiencing impacts from oil and gas development can apply for funding to help mitigate those effects.

It's important to mention that this funding goes beyond roads and highways. It's also used to address the pressing need for housing infrastructure, including city streets, municipal water lines, sewer lines, and other infrastructure needed for residential construction.

These targeted funds will continue to provide great benefits to western North Dakota, but we also agree with local officials that they need a steady, reliable income stream from the oil and gas production tax to build two-year budgets and to better plan solutions to their overwhelming infrastructure needs. Therefore, we are proposing that the amount of funds available to political subdivisions through the oil tax formula be more than doubled from $247 million to $521 million. This will be accomplished by allowing every oil and gas producing county to receive 100 percent of the first $5 million in oil revenue each year. Then, instead of the counties' revenue share declining to 10 percent, we recommend they receive a constant 25 percent revenue share without any further caps or reductions. This arrangement should continue until the situation changes at some point in the future.

Special $1 Billion Fund for Infrastructure

Throughout North Dakota, our highways are carrying the weight of incredible growth in commercial transportation and other traffic flow. To adequately support large highway projects, we recommend providing more than $1 billion in one-time investments over and above our regular DOT funding.

This amount would include one-time investments in extraordinary state highway construction and maintenance totaling $390 million. It would also include an investment of $300 million to convert two-lane highways into four-lane highways beginning with US Highway 85 between Watford City and Williston. It also includes one-time investments of $325 million for truck bypass routes and interchanges.

Infrastructure Support for Non-Oil Counties

Although the infrastructure needs of western North Dakota are great, no less important are the critical needs for road improvements outside our oil-producing region. Because we have addressed western projects with targeted funding, the remainder of the Highway Fund totaling $598 million is essentially available to the rest of the state. In addition our budget provides $100 million for roads and highways in our non-oil counties, cities, and townships, and $147 million remains available to

complete projects statewide. In other words non-oil counties have not sacrificed their regular highway funding to western areas.

Altogether we are providing more than $2.5 billion for infrastructure improvements across the state. The source of this funding is primarily general fund revenues not needed for ongoing programs and all of the investments are one-time commitments that do not have to be repeated. They represent our continuing commitment to the expansion of our economy and to keeping up with the challenges of our rapid growth.

Investments in Water

Our commitment to statewide infrastructure upgrades includes continuing our important work to help meet the critical needs for flood control and water supply projects. Major flooding in the Devils Lake Basin and along all of our major rivers upended the lives of thousands of North Dakotans last year. While we move forward on flood protection projects, we must continue to provide flood recovery assistance as well.

During the last biennium the state assisted several communities impacted by 2011 flooding by providing more than $130 million for home acquisitions, flood impact grants and to fund the Rebuilders Loan Program.

The state also stepped up during the last Legislative Session to address chronic flooding in the Devils Lake Basin. We completed the Tolna Coulee control structure and built in record time a second water outlet from East Devils Lake. With two outlets operating, we can now discharge 600 cubic feet of water per second. This year alone Devils Lake dropped a total of three feet, with one foot of that drop attributed to the operation of the outlets. About 32,000 acres of farmland have been returned to landowners this year.

For flood protection in the Fargo area, we support an additional $102 million from the Resources Trust Fund while Fargo-area officials work to find a permanent solution to Red River flooding. While the Souris River Basin is studied for a permanent floodway, we support committing more than $60 million this biennium to assist with further protection and home acquisitions. In addition, we recommend extending the Rebuilders Loan Program for residents who lost their homes to flooding and still need financing to cover the costs of flood-repair work or to buy a new home.

Flooding along the Sheyenne River also has created significant hardships in the communities of Valley City, Fort Ransom, and Lisbon. We support committing $21 million to advance flood protection projects in those areas as well.

Moving forward, it is clear that we will need additional funding to continue helping communities with large water projects. Partnerships at the federal, state, and local levels will be more important than ever to advance these costly flood control projects statewide.

Water Supply Projects

Along with flood protection projects, the state remains committed to providing communities with quality water supplies. Due to the increased flows from the Devils Lake outlets, the state provided Valley City with more than $15 million this biennium for a state-of-the-art water treatment plant. In addition, the state will continue to support funding for Fargo's water treatment plant as well as regional and rural water supply projects like Western Area Water Supply, Northwest Area Water Supply, and the Southwest Pipeline Project.

Water control and water supply are vital to the future of our state. In all, we are requesting spending authority for more than $500 million - primarily from the Resources Trust Fund - for essential water projects throughout North Dakota. My thanks to the members of the Water Coalition who have worked very hard to help us put forward an outstanding water management plan.

Preparing our Youth for Tomorrow

Education

Over the past two years there has been a great deal of discussion about our state's natural resources. But we all know that the state's greatest resource is our own people. Educating and training our citizens is the key to lasting prosperity for everyone.

Much of this work was begun by the Governor's Commission on Education Improvement, which I had the honor of chairing for six years. Our work brought about the greatest reform of K-12 funding in our history, and now we must finish the task.

K-12 Education

After achieving a new foundation of equity in school funding in 2007, the commission continued its work on adequacy in 2009 and 2011 which means a guaranteed amount of funding to provide a quality education to each and every student.

Now, because of the great work done in the last three bienniums and because of the resources we have available, we can achieve a fully integrated formula for K-12 funding. This formula will continue the strong financial commitment to educating each North Dakota student regardless of where they live or how property poor their school district happens to be. It also ends the excessive dependence on local property tax which has become a heavy burden for our people.

We propose ending the mill levy buydown program even as we provide an additional 60 mills of property tax relief on top of the 75 mills we currently provide. This will eliminate the side effect of an automatic increase in state paid tax relief due to rising property valuations. We also propose that state aid grants have no connection whatsoever to historic school mill levies. This funding model is sustainable far into the future and will result in local districts needing to levy no more than 60 mills in most cases.

Our K-12 funding proposal, as shown in Chart 6, provides an increase of $549 million over the current biennium. Of the total increase, $372 million will provide for local property tax relief. Other funding increases include: $27 million to continue the current payment levels; $53 million to cover the added cost of increased student enrollment across the state; $74 million for increased per-student payments; $5 million for transportation; and $17 million for rapid enrollment grants.

This plan will ensure that our students get the education they need to be well prepared for college and careers.

Higher Education

Our strong revenues also give us the opportunity to invest more in our system of higher education. We know the payback from advanced education is outstanding, but our spending principles remain the same as in all of state government: ongoing spending must be sustainable in the event of an economic downturn.

Higher education in North Dakota has suffered in the last two years from a series of unfortunate distractions which diverted attention away from the great progress we are making. We have one of the most highly regarded systems of colleges and universities in the nation. A very large percentage of our high school graduates achieve an advanced degree in our state. And our institutions are consistently ranked among the best education values in America. In other words, the best education for the price.

We should be proud of our system of higher education, and yet many people seem not to be. Our progress has been overshadowed by growing concerns and mistrust about the transparency and fairness of our higher education funding. For many years, we have funded our eleven campuses on the basis of past appropriations and there has been criticism that our current funding is not based on the actual cost of educating students.

These issues can and must be solved. A group of campus business managers and V.P.s of finance have been working on a new model for distributing state funds to our eleven campuses. It is based on a fixed dollar amount per student credit hour completed. Credit hours are adjusted with cost factors based on actual spending in recent years that reflect the added costs of certain programs and the added costs of advanced levels of study. It pays only for courses completed, and not for enrollments leading to dropped classes. All campuses have been able to come to a consensus on the relative costs of each type of student.

Because this formula is more transparent, because it is more easily understood, and because it is based on the actual costs of education, we are basing our budget recommendation for higher education on this improved method of distribution. The recommendation funds many of the requests for enhancements including expanded mental health services and improved campus security. The funding also includes the cost of transitioning to the new formula in such a way that no institution receives a decrease in funding from the current biennium, even before enhancements and salary increases are added. We are recommending an increase of $89 million in funding for higher education, but of that amount $12 million represents the cost to continue current operations. We have budgeted $21 million which is needed to transition to a new formula, and about $6 million is needed to expand our scholarship programs.

The merit-based scholarship program, which rewards students for good grades and ACT scores, has been very successful and is recommended at a level of $10,000 per student rather than today's limit of $6,000. We also

recommend a 10 percent funding increase for needs-based scholarships. By enhancing these scholarship programs, we will commit nearly $35 million to help students cover the costs of postsecondary education in North Dakota. We need to keep up our pattern of increasing aid to students who have no options other than incurring more debt.

The students at our institutions of higher learning need a high quality learning environment to achieve academic success. They deserve our support and our strong commitment to invest in their facilities. That is why we are recommending historic investments in capital improvements at our eleven institutions in 2013-2015.

We propose investing $68 million in the Option 2 plan for a new medical school building in Grand Forks. The medical school is highly acclaimed for its success in preparing quality doctors for family practice, and this project will help us serve all the healthcare needs of our growing population.

The same holds true for our budgeting of $6 million to expand the Erlandson Technical Center at Lake Region State College in Devils Lake. By expanding Lake Region's nursing program, we can help meet the growing demand for nurses in our rural hospitals and long-term care facilities. Eighty-eight percent of the nursing school students that have graduated from Lake Region in the past six years are working in the healthcare field – right here in North Dakota.

Additionally, our budget plan includes $12 million for a complete renovation of the UND law school. This project is overdue. It's needed to satisfy code requirements and to meet accreditation standards.

We also recommend $29 million for an academic building on the North Dakota State University campus which will be dedicated to the fields of science, technology, engineering and math. At a time when our state needs more professionals in the STEM fields, NDSU doesn't have enough labs and classrooms to meet the needs of these disciplines.

Our one-time investments include $13.3 million to replace the library at Bismarck State College. This new facility will not only house the college's library, but also include additional space for the college's communications department and arts department.

Other recommended, one-time capital improvements include: $5.8 million to renovate the gymnasium at Mayville State University; $8.5 million for the demolition of two buildings and the renovation of Old Main at the North Dakota State College of Science; $12.2 million for the renovation of Stevens Hall at Williston State College; and $3.6 million to renovate Vangstad Hall at Valley City State University.

These investments in our people will pay back again and again for decades to come.

Stimulating Philanthropy

The growing prosperity of our state has presented a new opportunity to help our colleges and universities in a significant way. Our robust economy is creating new wealth in North Dakota and we propose funding a matching grant program designed to stimulate the spirit of philanthropy for our colleges and universities.

We recommend providing $30 million in one-time funding to create Education Challenge, a matching grant fund for academic enhancements at our colleges and universities. Every $2 in private donations will be matched with $1 in state funding. Private gifts would have to reach certain thresholds before becoming eligible for matching grants. State funds would be allocated according to institution type. This matching grant program will provide a strong incentive to keep large charitable gifts coming to our North Dakota institutions rather than to other out-of-state causes.

Economic Development

Our efforts in economic development have evolved from a strict emphasis on job creation to an expanded mission that includes workforce development and quality-of-life considerations. To further pursue this expanded mission, we teamed up this past year with the North Dakota Chamber of Commerce on a strategic visioning exercise called 2020 and Beyond. We held nine open meetings across the state. From that process came 1,700 individual ideas and some common themes as well.

The results centered on three quality-of-life targets: people, places and opportunities. In discussions focused on investments in people, the overriding message was a need for more childcare services. We are recommending that the Department of Commerce administer a $5-million grant program to assist in the development of new and expanding childcare facilities statewide. This concept is being used today in cooperation with political subdivisions and private childcare providers in oil country.

Feedback regarding job opportunities confirmed our decision to recommend $12 million in matching grants for a new job creation initiative called Research ND. Unlike its predecessor, the Center of Excellence

program, these funds will be matched only with private sector cash investments. Businesses will cooperate with our research universities but will not be required to form new Centers.

Agriculture is North Dakota's largest industry and we must support its ongoing development so that our farmers and ranchers continue to be among the world's most efficient and successful producers. Our budget for agricultural research and development includes $4.3 million to build new agronomy laboratories at NDSU research centers in Hettinger and Carrington. We recommend additional funding of $4.8 million to enhance research capacity with an emphasis on crop development and protection. Research investments in agriculture continue to pay back to our state many times over.

Quality of Life and Taking Care of People

As we focus on competitiveness and the details of building a strong economy, we must not lose sight of the fact that our ultimate objective is a higher standard of living and a better quality of life for all North Dakotans.

Law Enforcement and Public Safety

As North Dakota grows, in both commercial activity and population, we are committed to keeping North Dakota one of the safest states in America.

That's why our budget includes significant funding enhancements for law enforcement and other public safety measures. Our budget includes $3.8 million for 15 additional Highway Patrol troopers and $6.6 million to complete the first phase of a new law enforcement training academy. These new troopers will patrol state highways across North Dakota and particularly roadways in our oil-producing region. They will support local law enforcement agencies and enhance our enforcement of motor carrier restrictions.

We are also recommending requests from the Attorney General's Office and the Judicial Branch to fund more positions that will strengthen the Bureau of Criminal Investigation and our district courts.

Additionally, our budget includes about $4 million for 23 new positions within the Industrial Commission's Oil & Gas Division. These additional positions include petroleum engineers and field inspectors to further ensure safety and environmental regulations are followed at drilling and well sites. Our budget also includes funding for additional staff within the Department of Health for greater protections against environmental hazards and public health threats.

Our commitment to providing the people of North Dakota with quality public safety includes additional funding to enhance state radio and to increase state grants for fire districts and emergency management services across the state.

In all, our budget recommends funding for 171 additional employees. Of these new positions, 153 are for law enforcement, public safety, and public health, most of which are made necessary by the rapid development in our oil-producing counties. These positions are necessary for the public's safety and to maintain the proper regulatory oversight that goes along with managing a growing economy.

Health and Human Services

It has been said that any society can ultimately be judged by how well it takes care of its people. Our budget also provides for the needs of our seniors, our veterans, our disabled citizens, and the less fortunate.

During the 2013-2015 biennium, the state will receive $93 million less in federal funding for Medicaid reimbursements and other medical assistance coverage. This reduction in federal funding is the result of North Dakota's continued growth in per capita income. We must make up the loss with state funds because cutting benefits to those in need of healthcare is not an option.

We also recommend providing an additional $1 million to enhance guardianship services that help ensure the protection and dignity of North Dakota's growing senior population and our most vulnerable citizens. Our budget also includes additional funding to offset increased costs at our rural health clinics and critical access hospitals; to meet increased needs for chemical dependency treatment and mental illness; and to enhance programs that deliver meals to senior citizens and allow them to remain in their homes.

Long-term Care and other Healthcare Providers

Our budget also provides a 4-percent inflationary increase for each year of the biennium to nursing homes, healthcare providers, and providers serving people with developmental disabilities and mental illness. Additionally, we funded a wage increase of 50 cents an hour for frontline caregivers. We must help our providers address rising costs and maintain a high standard of care.

Military and Veterans

For our veterans and our men and women in uniform our deepest gratitude is not enough. We must also show them our appreciation in tangible ways.

In past legislative sessions, we have established the Veterans' Bonus Program, including bonus pay for overseas and domestic deployments. We established a tuition waiver program and funding for counselors to assist our soldiers and their families, and we've built and enhanced funding for the North Dakota Veterans Home in Lisbon. Last year, we added a new outreach center for veterans and service men and women in Fargo, and we continue to support our veterans of all wars in their senior years.

Our budget maintains full funding for all of these programs and enhances veterans' support despite reductions in federal funding.

Whether fighting floods here in North Dakota or serving overseas, the North Dakota National Guard and all of our branches of military service make possible the way of life we enjoy today. Would all veterans in the audience who have served us so well please stand so that we may express our gratitude for your service.

Public Employee Salaries and Health Insurance

Sound fiscal management also allows us to provide our state employees the compensation they deserve.

As directed by the 62nd Legislature, our recommendation for state employee compensation is not presented as a statewide percentage increase, but rather is based on dollar amounts determined necessary for competitive compensation. The appropriation allocations are based on employees' performance and their relative position in the market.

Employees who meet set performance standards will be eligible for a performance increase of 3 percent each year and those employees exceeding performance standards are eligible for an increase of up to 5 percent. In addition, employees whose current compensation is farthest from market are eligible to receive an additional increase between 1 percent and 4 percent, depending on their position in the salary range. This compensation factor is intended to alleviate compression created by our new salary ranges. The general fund cost of this salary package is $50.8 million.

The compensation package continues full health insurance for state employees and their families, and recommends an increase in contributions to the retirement system of 2 percent each year of the biennium with the cost evenly split between employees and the state.

We have also funded a 4 percent annual salary increase with pension contributions and full health insurance for employees of the university system.

The men and women who serve in our agencies and institutions of higher learning are hard-working North Dakotans, and we appreciate their dedication.

Expanding Housing Development

One of the main challenges created by North Dakota's strong economy and population growth is the challenge of keeping pace with the state's housing needs, and in 2011 we enhanced substantially housing incentives that are producing results.

Our budget recommends increasing the state's Housing Incentive Fund to allow for $20 million in state income tax credits. Citizens and businesses that invest in the fund receive a state income tax break of equal value. Developers access this source of low-interest loans in exchange for providing housing for low- and moderate-income residents. We also propose transferring $30 million in one-time funding for a direct investment in the Housing Incentive Fund to accelerate the availability of funds for housing development.

We also recommend providing an additional $12 million in Flex PACE buydown funds to support residential construction. This investment is a strong incentive for builders, and it will generate an estimated $125

million in private housing development. A good supply of housing is an essential ingredient in our quality of life.

Preserving North Dakota's Outdoors

The outdoor experience and the tradition of hunting in North Dakota are also core elements in our quality of life.

The challenges created by a growing population and expanding commercial development include greater risks to our outdoors, and that's why we are including in our budget a proposal to establish a permanent conservation fund to enhance the opportunities for hunting and all outdoor recreation experiences.

Our budget calls for committing a portion of funds generated by oil production taxes to a newly created conservation fund, with an annual funding cap of $10 million. We propose creating an advisory committee made up of a diverse group of stakeholders to administer a grant program under the direction of the Industrial Commission. The committee will award grants to state agencies and non-profit groups to benefit statewide conservation practices, wildlife habitat, parks, and outdoor recreation. Our quality of life in North Dakota should not be compromised because of our rapid growth.

Creating our Future Together

Since presenting the budget message to you two years ago this week, we have made tremendous progress on all of our objectives. Our strategy for tax relief, funding our priorities with an emphasis on infrastructure, and setting aside adequate reserves has put us in a great position to manage the growth of our state for years to come.

I look forward to working with all of you, and the people of our state, to capitalize on our success and create our future together.

Thank you. May God bless you as you undertake this important work for the people of North Dakota.

COMPARISON OF 2011-2013 LEGISLATIVE APPROPRIATION AND 2013-2015 AGENCY BUDGET REQUEST AND EXECUTIVE RECOMMENDATION

Biennuium: 2013-2015

Category/Agency	2011-2013 Legislative Appropriation		2013-2015 Agency Budget Request		2013-2015 Executive Recommendation	
	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds
Executive Branch						
101 Office of the Governor	3,773,942	25,291,658	3,771,192	3,771,192	3,978,295	3,978,295
108 Secretary of State	9,326,160	16,113,144	5,844,684	11,679,776	6,691,408	12,537,257
110 Office of Management and Budget	403,892,699	414,407,160	29,104,802	36,895,411	724,774,940	734,364,335
112 Information Technology	19,252,204	164,328,887	17,475,180	157,224,633	20,763,061	171,053,947
117 Office of the State Auditor	7,143,808	9,571,330	7,274,551	9,963,733	8,186,230	11,259,905
120 Office of the State Treasurer	26,705,390	26,705,390	1,450,399	1,450,399	1,897,585	1,897,585
125 Office of the Attorney General	31,542,245	58,969,422	31,788,538	59,227,928	37,358,136	66,370,599
127 Office of State Tax Commissioner	39,238,449	39,248,449	43,315,028	43,440,028	67,640,129	67,765,129
140 Office of Administrative Hearings	0	1,827,199	0	2,746,849	0	2,824,295
188 Commission on Legal Counsel for Indigents	9,808,430	11,779,282	9,942,262	12,425,903	12,046,125	14,547,802
190 Retirement and Investment Office	0	4,232,954	0	4,383,163	0	4,648,730
192 Public Employees Retirement System	0	6,867,890	0	7,229,157	0	7,715,503
Total	**550,683,327**	**779,342,765**	**149,966,636**	**350,438,172**	**883,335,909**	**1,098,963,382**
Legislative and Judicial Branches						
150 Legislative Assembly	14,267,917	14,267,917	14,336,364	14,336,364	14,336,364	14,336,364
160 Legislative Council	11,561,158	11,631,158	11,671,030	11,741,030	12,150,457	12,220,456
180 Judicial Branch	83,482,362	85,664,636	93,478,285	95,653,876	97,417,252	99,592,841
Total	**109,311,437**	**111,563,711**	**119,485,679**	**121,731,270**	**123,904,073**	**126,149,661**
Elementary, Secondary & Other Education						
201 Dept of Public Instruction	1,243,980,651	1,700,184,074	1,040,243,624	2,190,527,028	1,043,309,862	2,194,721,295
226 Department of Trust Lands	0	105,465,189	0	106,642,268	0	221,504,286
250 State Library	5,263,975	7,398,585	5,340,335	7,709,662	6,221,585	8,622,432
252 School for the Deaf	6,718,772	8,806,779	7,204,678	9,666,287	7,771,990	10,347,658
253 ND Vision Services/School for the Blind	3,797,240	4,632,331	4,043,336	4,878,112	4,875,866	5,735,221
270 Career and Technical Education	27,981,679	38,748,567	27,981,679	38,193,676	30,833,972	41,124,457
Total	**1,287,742,317**	**1,865,235,525**	**1,084,813,652**	**2,357,617,033**	**1,093,013,275**	**2,482,055,349**
Higher Education						
215 ND University System	116,629,810	119,384,528	134,093,808	136,393,720	156,161,976	158,461,888
227 Bismarck State College	31,935,693	40,470,693	51,388,017	71,792,017	48,714,535	48,714,535
228 Lake Region State College	9,640,610	9,640,610	15,920,040	15,920,040	19,357,137	19,357,137
229 Williston State College	11,518,698	13,743,698	24,224,083	24,224,083	24,187,242	24,187,242
230 University of North Dakota	153,602,504	184,052,504	205,977,284	273,464,546	243,616,414	311,103,676
232 UND Medical Center	46,783,021	46,783,021	58,923,808	58,923,808	55,162,777	55,162,777
235 North Dakota State University	121,939,625	158,039,625	176,328,192	180,083,192	176,620,483	215,779,839
238 ND State College of Science	44,985,191	55,685,191	45,689,218	47,039,218	50,502,178	51,852,178

COMPARISON OF 2011-2013 LEGISLATIVE APPROPRIATION AND 2013-2015 AGENCY BUDGET REQUEST AND EXECUTIVE RECOMMENDATION

Biennuium: 2013-2015

Category/Agency	2011-2013 Legislative Appropriation		2013-2015 Agency Budget Request		2013-2015 Executive Recommendation	
	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds
239 Dickinson State University	23,215,454	23,215,454	25,215,105	25,215,105	28,082,814	28,082,814
240 Mayville State University	13,083,328	13,083,328	22,189,373	22,189,373	23,819,658	23,819,658
241 Minot State University	43,020,973	59,055,528	42,594,005	54,395,790	45,286,418	57,088,203
242 Valley City State University	28,162,473	29,177,473	22,919,145	27,625,982	26,655,607	31,462,444
243 Dakota College at Bottineau	7,055,942	7,055,942	7,973,768	15,574,557	8,887,496	16,488,285
244 North Dakota Forest Service	4,212,472	5,215,958	5,346,292	6,996,292	5,509,022	7,159,022
Total	**655,785,794**	**764,603,553**	**838,782,138**	**959,837,723**	**912,563,757**	**1,048,719,698**
Health and Human Services						
301 ND Department of Health	34,013,780	194,962,533	33,577,062	170,654,620	45,985,263	186,201,964
305 Tobacco Prevention and Control	0	12,922,614	0	12,937,606	0	13,016,197
313 Veterans Home	5,553,323	20,896,646	5,898,212	21,111,338	8,088,294	23,861,920
316 Indian Affairs Commission	822,878	822,878	759,243	759,243	1,033,482	1,033,482
321 Department of Veterans Affairs	1,417,219	1,417,219	1,114,138	1,114,138	1,343,167	1,343,167
325 Department of Human Services	932,025,219	2,605,426,051	1,073,137,201	2,613,686,051	1,176,869,527	2,790,519,257
360 Protection and Advocacy	1,985,365	5,104,253	2,144,057	5,377,669	2,652,735	5,886,347
380 Job Service North Dakota	1,879,892	71,996,698	1,883,913	80,306,554	1,915,990	80,395,593
Total	**977,697,676**	**2,913,548,892**	**1,118,513,826**	**2,905,947,219**	**1,237,888,458**	**3,102,257,927**
Regulatory						
401 Office of the Insurance Commissioner	0	18,401,730	0	17,530,329	0	18,958,734
405 Industrial Commission	17,075,613	63,842,369	14,867,258	55,635,529	22,419,118	63,356,975
406 Office of the Labor Commissioner	1,540,125	1,964,636	1,597,839	2,015,952	1,887,217	2,325,143
408 Public Service Commission	6,020,215	19,081,863	6,111,513	18,693,701	6,563,223	19,645,306
412 Aeronautics Commission	554,500	13,088,188	550,000	12,943,534	550,000	13,017,139
413 Dept of Financial Institutions	0	6,836,318	0	7,174,997	0	7,640,294
414 Securities Department	1,909,220	2,226,419	1,938,926	2,108,926	2,125,192	2,321,042
471 Bank of North Dakota	34,400,000	91,253,155	9,400,000	59,539,563	0	52,452,928
473 ND Housing Finance Agency	0	38,590,046	0	40,237,473	0	40,862,039
475 ND Mill and Elevator Association	0	47,071,877	0	51,188,518	0	52,255,124
485 Workforce Safety and Insurance	0	58,413,293	0	57,805,108	0	63,131,407
Total	**61,499,673**	**360,769,894**	**34,465,536**	**324,873,630**	**33,544,750**	**335,966,131**
Public Safety						
504 Highway Patrol	34,443,274	45,968,599	34,630,056	45,919,775	49,805,623	63,589,300
530 Dept of Corrections and Rehabilitation	159,565,919	191,172,069	162,474,868	192,284,262	179,983,725	210,657,080
540 Office of the Adjutant General	29,353,555	281,957,933	24,223,498	272,737,745	31,795,634	281,869,317
Total	**223,362,748**	**519,098,601**	**221,328,422**	**510,941,782**	**261,584,982**	**556,115,697**

COMPARISON OF 2011-2013 LEGISLATIVE APPROPRIATION AND 2013-2015 AGENCY BUDGET REQUEST AND EXECUTIVE RECOMMENDATION

Biennuium: 2013-2015

Category/Agency	2011-2013 Legislative Appropriation		2013-2015 Agency Budget Request		2013-2015 Executive Recommendation	
	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds
Agriculture and Economic Development						
601 Department of Commerce	41,759,865	130,394,802	29,299,367	80,322,200	56,325,031	124,566,065
602 Department of Agriculture	8,196,746	22,997,997	8,337,798	23,275,035	9,512,066	24,721,612
616 State Seed Department	0	6,894,011	0	0	0	0
627 Upper Great Plains Transportation Inst.	1,919,628	24,419,961	3,324,085	25,858,565	2,828,575	25,353,629
628 Branch Research Centers	14,945,208	29,942,789	18,301,574	34,101,312	17,725,012	33,746,878
630 NDSU Extension Service	24,885,644	48,014,454	28,686,172	52,160,236	28,650,644	54,088,058
638 Northern Crops Institute	1,692,582	3,347,307	1,959,226	3,864,457	2,074,344	3,874,651
640 NDSU Main Research Center	54,456,398	98,589,973	63,043,626	115,775,713	57,037,737	110,293,322
649 Agronomy Seed Farm	0	1,435,168	0	1,438,163	0	1,474,961
665 ND State Fair	730,000	730,000	520,000	520,000	4,046,000	4,046,000
670 ND Horse Racing Commission	317,501	447,501	323,398	489,804	397,560	563,967
Total	**148,903,572**	**367,213,963**	**153,795,246**	**337,805,485**	**178,596,969**	**382,729,143**
Natural Resources						
701 Historical Society	13,034,891	16,585,304	12,556,150	15,687,335	15,301,371	18,547,874
709 Council on the Arts	1,363,602	3,218,462	1,383,984	3,128,899	1,514,144	3,259,061
720 Game and Fish Department	0	65,687,742	0	65,701,859	0	68,091,737
750 Parks and Recreation Department	16,623,556	29,293,088	12,255,990	28,229,785	17,144,649	28,936,484
770 Water Commission	14,995,199	459,415,420	15,251,642	809,539,617	17,779,644	827,139,032
Total	**46,017,248**	**574,200,016**	**41,447,766**	**922,287,495**	**51,739,808**	**945,974,188**
Transportation						
801 Dept of Transportation	5,850,000	1,668,904,459	0	1,376,341,611	10,000,000	2,705,703,578
Total	**5,850,000**	**1,668,904,459**	**0**	**1,376,341,611**	**10,000,000**	**2,705,703,578**
Total All Categories	**4,066,853,792**	**9,924,481,379**	**3,762,598,901**	**10,167,821,420**	**4,786,171,981**	**12,784,634,754**

One-Time General Fund Appropriatons
2013-2015 Executive Recommendation

Agency		Description	Recommended General Fund Appropriation	
108	Secretary of State	Hosting Charges - AS400	84,000	
		Multi-Purpose Copier	10,000	
	Total Secretary of State			**94,000**
110	Office of Management and Budget	Capitol South Entrance Remodel	1,000,000	
		Exterior Restoration of Legislative & Judicial Wing	1,500,000	
		General Fund transfer to Highway Fund	683,600,000	
		Health Insurance Pool for Temporary Employees re: ACA	1,000,000	
		ND 125th Anniversary Coordinator	190,000	
		Parking Lot Remodel	4,000,000	
		Prairie Public Broadcasting	700,000	
		Repairing and cleaning flooring in Capitol and Judicial Wing	1,200,000	
	Total Office of Management and Budget			**693,190,000**
112	Information Technology	CJIS - Projects	200,000	
		ETC Grants	200,000	
		Electronic Records Archiving Study	100,000	
		GIS Projects	215,000	
	Total Information Technology			**715,000**
117	Office of the State Auditor	Vault Renovation	45,000	
	Total Office of the State Auditor			**45,000**
120	Office of the State Treasurer	Update to TDOC System	191,516	
	Total Office of the State Treasurer			**191,516**
125	Office of the Attorney General	Oil Impact Assistance	135,090	
		Undercover Vehicles	198,000	
	Total Office of the Attorney General			**333,090**

One-Time General Fund Appropriatons
2013-2015 Executive Recommendation

	Agency	Description	Recommended General Fund Appropriation	
127	Office of State Tax Commissioner	Oil Patch Housing and Compensation Adjustments	112,364	
		TAP Project	1,000,000	
	Total Office of the State Tax Commissioner			**1,112,364**
150	Legislative Assembly	2013-15 One-time Funding for Information Technology	439,000	
		2013-15 One-time Funding for Committee Room Renovation	500,000	
	Total Legislative Assembly			**939,000**
160	Legislative Council	Provide 2013-15 One-Time Funding	125,000	
	Total Legislative Council			**125,000**
180	Judicial Branch	Equipment over $5,000	848,026	
		One-time projects	324,850	
	Total Judicial Branch			**1,172,876**
215	ND University System	ND Higher Education Challenge Fund	30,000,000	
		New Program Start-up Pool	1,500,000	
		Systemwide Deferred Maintenance	10,000,000	
		Master Plan and Space Utilization Study	1,000,000	
	Total University System			**42,500,000**
227	Bismarck State College	Communication and Learning Commons	13,300,000	
	Total Bismarck State College			**13,300,000**
228	Lake Region State College	Erlandson Technical Center Addition/Renovation	5,947,562	
	Total Bismarck State College			**5,947,562**
229	Williston State College	Stevens Hall Renovation	12,242,478	
		Campus Drive	1,800,000	
	Total Williston State College			**14,042,478**

One-Time General Fund Appropriatons
2013-2015 Executive Recommendation

	Agency	Description	Recommended General Fund Appropriation	
230	University of North Dakota	School of Medicine and Health Sciences	68,300,000	
		Law School	12,000,000	
	Total University of North Dakota			**80,300,000**
232	UND Medical Center	Healthcare Workforce Initiative Start-Up Costs	7,414,806	
	Total UND Medical Center			**7,414,806**
235	North Dakota State University	STEM Classroom / Laboratory Building	29,600,000	
	Total North Dakota State University			**29,600,000**
238	ND State College of Science	Old Main Renovation	8,511,452	
	Total ND State College of Science			**8,511,452**
240	Mayville State University	Old Gymnasium Replacement & Improvements	5,800,000	
		Campus-wide Drainage Improvements	2,267,000	
	Total Mayville State University			**8,067,000**
241	Minot State University	Plant Services Building	1,821,905	
	Total Minot State University			**1,821,905**
242	Valley City State University	Hillside Slope Failure	505,800	
		Vangstad Hall Renovation	3,636,466	
	Total Valley City State University			**4,142,266**
243	Dakota College at Bottineau	Campus Backup Generator	395,600	
	Total Dakota College at Bottineau			**395,600**
244	North Dakota Forest Service	Nursery Freezer Conversion & Shop Facility	785,000	
	Total North Dakota Forest Service			**785,000**
250	State Library	Library Repair and Maintenance Grants	275,000	
	Total State Library			**275,000**

One-Time General Fund Appropriatons
2013-2015 Executive Recommendation

	Agency	Description	Recommended General Fund Appropriation	
253	ND Vision Services/School for the Blind	Elevator Installation	241,500	
		Window Replacements	189,000	
	Total ND Vision Services/School for the Blind			**430,500**
301	ND Department of Health	EPA Legal Fees	500,000	
		Food and Lodging Licensing Mgmt System	110,000	
	Total ND Department of Health			**610,000**
313	Veterans Home	Demolition of old Veterans Home	560,500	
	Total Veterans Home			**560,500**
321	Department of Veterans Affairs	Website Upgrade	15,000	
	Total Department of Veterans Affairs			**15,000**
325	Department of Human Services	Demolish Pleasant View Building - Dev Ctr	120,000	
		Demolish Refectory Building - Dev Ctr	240,000	
		IT - Field Services Electronic Health Records	5,000,000	
		Mainframe Migration	148,907	
		Oil Patch Add-On for Staff	3,253,008	
		Street Reconstruction - State Hospital	864,714	
	Total Department of Human Services			**9,626,629**
405	Industrial Commission	Architect Services for Core Library	25,000	
		Housing Allowance	400,000	
		Oil Bearing Rocks Study	80,000	
		Possible Litigation with Fed Agencies	1,000,000	
		Temperature Profiles Study	50,000	
		Wide Bed Plotter	5,800	
	Total Industrial Commission			**1,560,800**
408	Public Service Commission	Hydraulic Soil Probe	10,080	
	Total Public Service Commission			**10,080**

One-Time General Fund Appropriatons
2013-2015 Executive Recommendation

Agency		Description	Recommended General Fund Appropriation	
414	Securities Department	Retirement Leave Payouts	38,927	
	Total Securities Department			**38,927**
504	Highway Patrol	Emergency Lighting Equipment	585,000	
		Energy Impact Allowance	261,000	
		LETA Extraordinary Repairs	105,000	
		LETA Project	5,786,000	
		Taser Replacement	176,000	
		Two Trailer Scale Systems	131,000	
	Total Highway Patrol			**7,044,000**
530	Dept of Corrections and Rehabilitation	Capital Project	349,950	
		Equipment - One-Time	254,900	
		Extraordinary Repairs - One-Time	1,283,296	
		IT Upgrades	652,900	
		Oil Patch Housing and Salary Adjustments	266,352	
	Total Dept of Corrections and Rehabilitation			**2,807,398**
540	Office of the Adjutant General	Computer Aided Dispatch (CAD) Upgrade	340,000	
		State Radio Facility Expansion	1,201,240	
		State Radio Fire Suppression Project	210,000	
		State Radio Towers	1,500,000	
		State Radio Voice Incident Recorder	150,000	
		Statewide Seamless Basemap Completion	1,300,000	
		Veteran's Bonus Program	600,000	
	Total Office of the Adjutant General			**5,301,240**

One-Time General Fund Appropriatons
2013-2015 Executive Recommendation

	Agency	Description	Recommended General Fund Appropriation	
601	Department of Commerce	Base Realignment Grants	1,500,000	
		Childcare Facility Grants	5,000,000	
		Planning Initiative	1,000,000	
		Research ND	12,000,000	
		Tourism Large Infrastructure Grants	1,325,000	
		Transportation Infrastructure Study	350,000	
		Unmanned Aerial System Grant	1,000,000	
		Workforce Enhancement Program	2,000,000	
	Total Department of Commerce			**24,175,000**
630	NDSU Extension Service	Extension 4-H Camp Renovation	500,000	
		Video Conference Equipment	110,000	
	Total NDSU Extension Service			**610,000**
638	Northern Crops Institute	Update Feedmill Equipment	100,000	
	Total Northern Crops Institute			**100,000**
640	NDSU Main Research Center	Agronomy Laboratories	4,300,000	
		Vet Diagnostic Equipment	400,000	
	Total NDSU Main Research Center			**4,700,000**
665	ND State Fair	Flood Damage Repair	3,500,000	
	Total ND State Fair			**3,500,000**
701	Historical Society	8th Grade Curriculum - ND Studies	150,000	
		Historic Sites Exhibits	65,000	
		Oil Patch Housing Allowance	50,000	
		State's 125th Celebration	150,000	
		Traveling Exhibit Funding	250,000	
	Total Historical Society			**665,000**
709	Council on the Arts	Funding to Update Cultural Guide	10,000	
	Total Council on the Arts			**10,000**

One-Time General Fund Appropriatons
2013-2015 Executive Recommendation

Agency		Description	Recommended General Fund Appropriation	
750	Parks and Recreation Department	Capital Projects	2,930,000	
		Community Grant Program	400,000	
		Update Strategic Master Plans	100,000	
	Total Parks and Recreation Department			**3,430,000**
770	Water Commission	Reconfigure Office Space	45,000	
		Replace Excavator	243,200	
	Total Water Commission			**288,200**
801	Dept of Transportation	TIGER III Match	10,000,000	
	Total Dept of Transportation			**10,000,000**
Grand Total				**$ 990,504,189**

Introduction

The budget for the State of North Dakota's general governmental operations is prepared on a modified accrual basis. Revenues are recorded when available and measurable, and expenditures are recorded when the services or goods are received and the related liabilities are incurred.

The governor's message, statewide information, and budget detail have been consolidated in this single document. Additional detail for each agency request and recommendation, by reporting level and account code, is available online. Budget documents can be found on the Office of Management and Budget's Fiscal Management web site at http://ww.nd.gov/fiscal/.

How to Use the Executive Budget Document

The information in this document begins with the Governor's Message. This message includes an overview of his philosophies and policies used to prepare the executive budget recommendations. The statewide information includes the following divisions:

- State Financial Structure
- Financial Summary
- General Fund Status
- Special Funds Status
- Budget Highlights
- Authorized FTE
- Compensation Adjustment
- Leases
- Capital Assets
- Technology

The budget detail is organized numerically, with like agencies grouped together into major categories. The numbering of the budgets follows these categories:

- 100s General Government
- 200s Education
- 300s Health and Human Services
- 400s Regulatory
- 500s Public Safety
- 600s Agriculture, Economic Development, Extension and Research
- 700s Natural Resources
- 800s Transportation

Following the sections containing each agency's budget, are schedules of optional requests, requested and recommended federal and special funding sources, a glossary, and a list of analysts assigned to each agency from the Office of Management and Budget (OMB) and Legislative Council. The optional adjustment requests are requests for additional funding or positions, prepared by agencies whose base budget request was restricted to 100 percent of the current general fund appropriation. Information relating to the 3.0 percent optional savings packages, prepared by state agencies at the direction of the Governor, are included in the multi-volume publication.

Budget Publications

OMB prepares additional publications to supplement the information available in the executive budget document. The following publications are available on the OMB website http://www.nd.gov/fiscal/ or in paper format by calling 701-328-2680:

- Budget Detail
- Continuing Appropriations
- Special Fund Statements
- Legislative Appropriations (approved state budget)

The approved state budget document is published at the conclusion of the legislative session and reflects changes made by the legislature to the Governor's proposed executive budget.

Budget Process

The budget process in North Dakota covers a two-year period.

At the beginning of each even-numbered year (2012), the Office of Management and Budget's Fiscal Management Division releases instructions and guidelines for state agencies to use in preparing budget requests for the upcoming biennium (July 1, 2013 – June 30, 2015).

After budget instructions are provided to agencies, OMB budget staff visit their assigned agencies. This provides an opportunity for the budget staff to learn about the agency's programs, functions, and budgetary needs. It is also an opportunity for agencies to ask questions or clarify how budget requests should be presented.

In April, preliminary information on buildings and infrastructure is due from agencies. This information is entered into the building and infrastructure formulas, then recalculated and returned to the agencies to use in budget preparation.

In July, the preliminary revenue forecast for the upcoming biennium is completed. July 15 is the statutory deadline for agencies to submit the budget request. Extensions may be available upon written request to the Office of Management and Budget.

From July to October, budget meetings are held on agency budget requests. After the budget meeting, the budget analyst completes the recommendation for each agency. This is done in discussion with the director of the Office of Management and Budget and the Governor and his policy advisors.

In early November, the executive revenue forecast is completed and recommendations are finalized. Documentation and publications are prepared and printed.

During the first week of December, the Governor presents the budget recommendations to the legislature. Following the Governor, Fiscal Management staff present budget details for each agency and review with legislators how to use the budget publications and budget computer system.

In January of each odd-numbered year (2013), the legislature convenes for a maximum of 80 days. During this time, hearings on all appropriation requests are held by the legislative appropriation committees. Prior to adjourning, the legislature passes, and the Governor signs, the appropriation measures for the state of North Dakota.

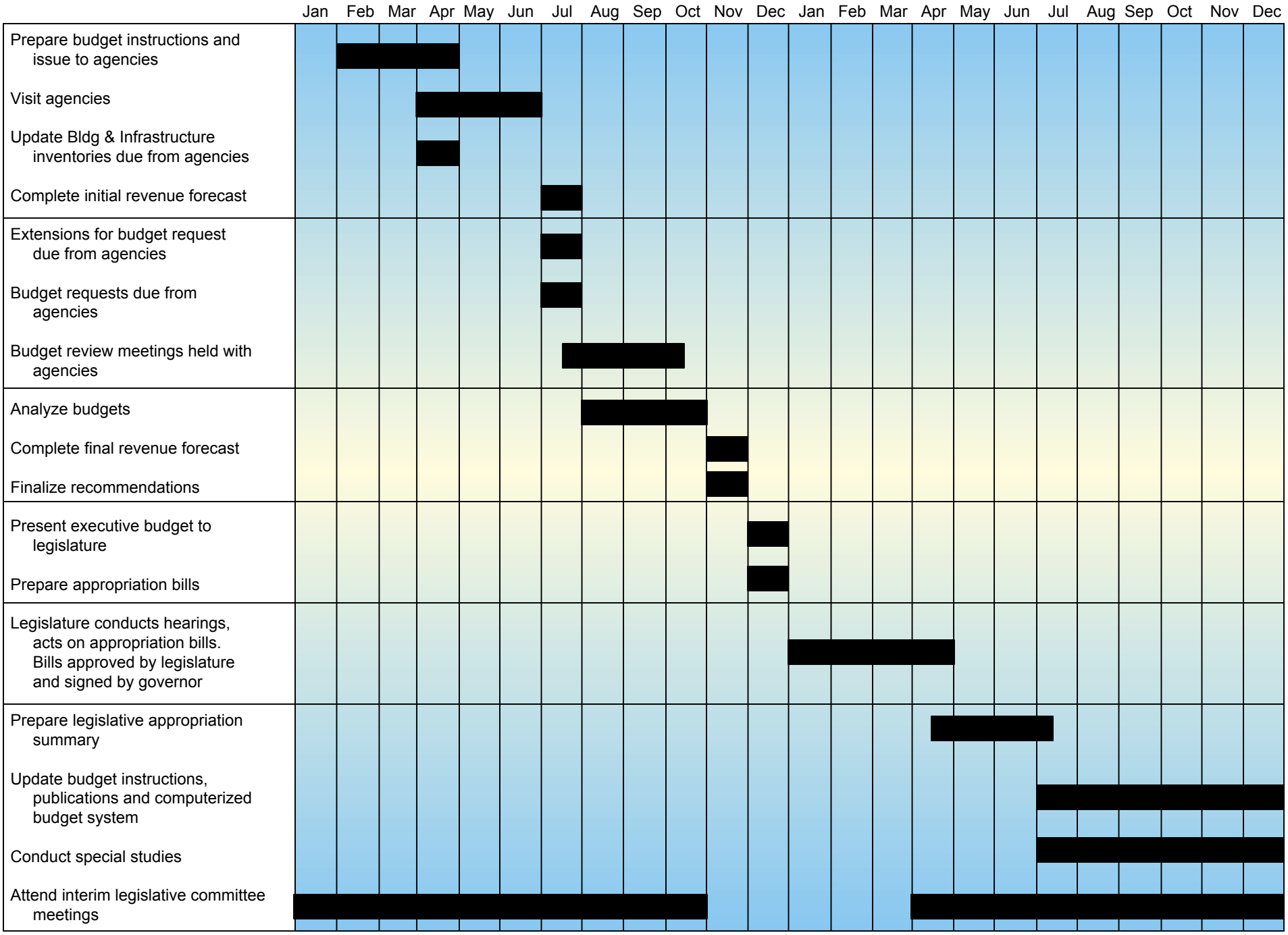
Following the legislative session, the Fiscal Management staff prepares and distributes a publication summarizing the state budget for the upcoming biennium.

Amending the Budget

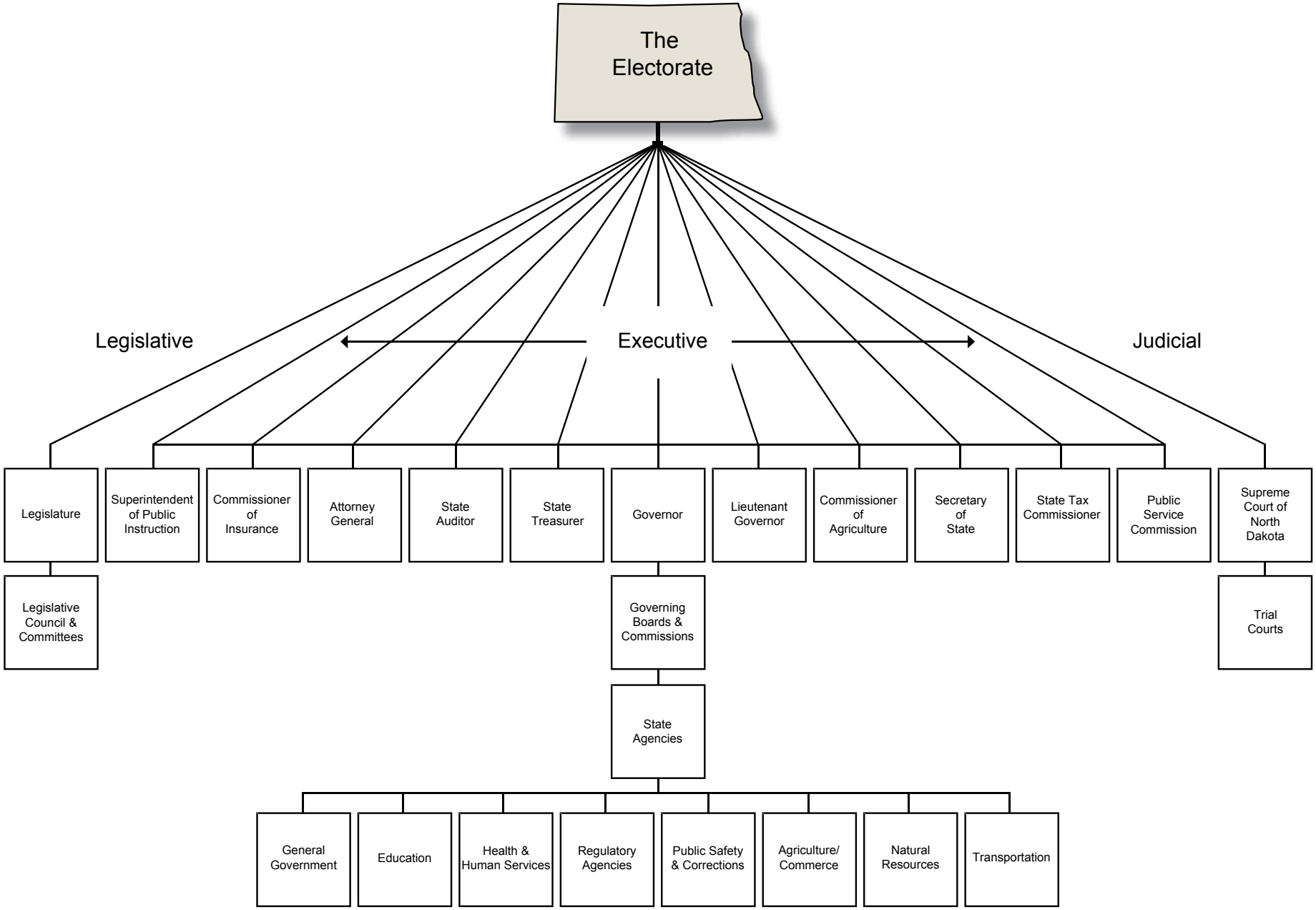
Once passed, the budget can be amended in one of four ways:

1. The legislature can be called into special session to adopt amendments to the budget.
2. If estimated revenues in a specific fund are insufficient to meet all legislative appropriations from the fund, the Governor can cut budgets of the departments that receive monies from that fund on a uniform percentage basis.
3. The Emergency Commission is authorized by statute to allow agencies to accept additional federal and special funds not anticipated during the budget process, and transfer funds between appropriated line items.
4. The legislature can include provisions in statute to modify appropriations should certain circumstances exist.

Budget Process Timeline



STATE OF NORTH DAKOTA ORGANIZATIONAL CHART



Demographics
North Dakota is a state of 684,000 people. Approximately 56.0 percent of the state's population lives in urban areas.

North Dakotans enjoy a high quality of life. Infant mortality rates are low; the state's violent crime rate is the lowest in the nation, and the number of fatalities from motor vehicle accidents is one of the lowest in the nation. North Dakota ranks high in the percent of public high school students who graduate.

About 60.0 percent of North Dakota's adults are married. Families comprised of married couples with children make up a larger percentage of North Dakota's families than the national average. North Dakota's percent of births to teenage mothers and percent of births to unmarried women are less than the national average.

North Dakota's unemployment rate is low and the number of jobs continues to grow. Major employers in the state include Sanford Health Systems, Altru Health System, Noridian Mutual Insurance Company, U.S. Bank Service Center, Minot Air Force Base, Wal-Mart Stores, Inc., Case New Holland Corp., Microsoft Business Solutions, MDU Resources Group, Inc., Aetna, Inc., and Phoenix International Corporation.

In 2011, per capita personal income was $47,236, which is now higher than the national per capita income.

Overall, the quality of life in North Dakota is superb. It is a great place to live, work, and raise families.

This budget reflects the priorities of the state to invest in its children's education, tend to infrastructure needs statewide, and balance ongoing spending with ongoing revenue while maintaining adequate reserves for the future.

Economic Analysis
North Dakota's economy has showed substantial growth during the 2011-13 biennium and the state's economy continues to expand. Areas of strength include rapid growth of energy exploration, being a major producer and exporter of agricultural commodities, having a stable state fiscal situation, and being located along key trade corridors. The state is on a sustainable pace of expansion.

Oil exploration activity continues to grow, providing increased oil tax collections for both the state and political subdivisions. Oil activity has also had a positive impact on income and sales tax collections. Oil production and drilling activity are at record levels. One hundred ninety eight rigs were operating in the state in August 2012, compared to 140 rigs in August of 2010. Each oil rig represents up to 40 direct jobs and 80 indirect jobs.

The state's unemployment rate continues at an exceptionally low rate. The North Dakota non-seasonally adjusted unemployment rate in October 2012 was 2.4 percent. Nationally, the non-seasonally adjusted unemployment rate was 7.5 percent in September 2012. The number of jobs continues to increase in the state and economic forecasters predict continued growth in the job market.

Fiscal Policies
The basis for the operating policies of the State of North Dakota are the North Dakota Century Code and Constitution. The Office of Management and Budget publishes its Fiscal and Administrative Policies as a guide for state agencies and institutions in order to achieve basic uniformity in the application of appropriation expenditures and management principles.

The Fiscal and Administrative Policies manual contains detailed procedures regarding:

- Payroll and miscellaneous fiscal policies
- Expenditure and revenue policies
- Purchasing policies
- Travel policies
- Fixed assets policies

The policy manual is available at http://www.nd.gov/fiscal/ or in a printed version by calling 701-328-2680.

Financial Organization
The budget is a financial planning document. It is organized according to the State of North Dakota's organizational, accounting and coding structures. Revenues are organized by type and source. Expenditures are organized by agency (business unit), account codes, classifications and positions.

Fund Structure
A fund is an accounting entity with assets, liabilities, equities, revenues, and expenditures, held separately in the budget for specific activities or to accomplish defined objectives. Most funds must be legislatively appropriated in order to be utilized by agencies, while certain funds are authorized on an ongoing basis.

Appropriated Funds
The State of North Dakota's appropriated funds are arranged by the fund's source of revenue and fall into three main categories: general, special, and federal.

The state's g*eneral fund* provides for basic governmental services and receives funding from general tax dollars, such as income, sales and oil and gas production.

Special funds are dedicated funds usually earmarked for specific purposes. Certain special funds can be accessed by multiple state agencies, while others are available to only one agency. More than 200 special funds exist throughout state government.

Federal funds are used to account for the funding received from the federal government in the annual appropriation process.

The Financial Summary section contains an analysis of projections of how each fund will be impacted during the upcoming biennium. Presentation of special fund status statements is limited to the special funds with the largest statewide impact. The "Federal/Special Funds" section of this publication describes in detail all the special funds expected to be received in the 2013-15 biennium. A summary, by state agency and institution, of each fund for which the legislature has provided special fund appropriation authority is available at http://www.nd.gov/omb/ or in paper format by calling 701-328-2680.

Non-Appropriated Funds (Continuing Appropriations)
Continuing appropriations are legislatively-authorized funds within which revenues received can be expended for the purposes defined by statute on an ongoing basis. These funds are separate from the normal state budgeting and appropriation process and are not included within the executive budget. A summary, by state agency and institution, of each fund for which the legislature has provided continuing appropriation authority is available at http://www.nd.gov/omb/ or in paper format by calling 701-328-2680.

General Fund Revenues and Economic Outlook

2011-13

Original Legislative Revenue Forecast

The 2011-13 biennium began with a general fund balance of $996.8 million, $336.6 million higher than the 2011 legislative projection. The legislative revenue forecast provided for general fund revenues of $3.46 billion; the original biennial general fund appropriation was $4.07 billion, including $534.0 million in one-time appropriations.

Revised Forecast

The November 2012 executive revenue forecast revises the original legislative forecast for the 2011-13 biennium based on actual collections to date and new economic assumptions for the remainder of the biennium. The 2012 executive forecast anticipates 2011-13 biennium revenues of $4.89 billion, an increase of $1.43 billion.

Estimated Oil Prices and Production

Despite recent declines in rig counts, the state has seen a continual increase in the number of producing oil wells as well as the amount of oil being produced. The number of producing wells has increased from 5,777 in July 2011 to 7,899 in September 2012, an increase of 36.7 percent. Oil production has increased from 425,100 barrels per day at the start of the biennium to 728,500 in September 2012. The result has been significant growth in oil and gas extraction and production tax collections.

The price of oil is anticipated to remain stable throughout fiscal year 2013, averaging $70 per barrel. Production is anticipated to continue increasing from the current level of around 730,000 barrels per day to 830,000 barrels per day by June 30, 2013.

Oil extraction and gross production tax collections are projected to total $3.82 billion during the 2011-13 biennium, allocated as reflected on the table at the end of this section.

2013-15

Executive Revenue Forecast

Comparing the 2013-15 biennium executive forecast to the 2011-13 revised forecast:

- Sales and use tax collections are expected to grow by $391.4 million, or 18.4 percent, reflecting a positive outlook for personal income and consumer spending in North Dakota.
- Motor vehicle excise tax collections are expected to grow by $56.0 million, or 21.9 percent.
- Individual income tax collections are expected to grow by $43.0 million, even after the effect of the Governor's proposed income tax relief measure which reduces income tax rates by 25 basis points in each tax bracket and reduces taxpayers' liability by an estimated $100.0 million during the 2013-15 biennium.
- Corporate income tax collections are anticipated to increase by $8.3 million after the Governor's proposed corporate income tax relief measure, which reduces corporate tax liability by an estimated $25.0 million during the 2013-15 biennium.
- Transfers from the property tax relief sustainability fund, which were $295.0 million during the 2011-13 biennium, are eliminated for the 2013-15 biennium. In lieu of a transfer to the general fund, moneys are appropriated directly from the property tax relief sustainability fund to provide for the property tax relief component of the proposed integrated school aid formula.
- Transfers from the strategic investment and improvements fund, which were $305.0 million during the 2011-13 biennium, are eliminated for the 2013-15 biennium.

Based on the executive revenue forecast and recommended appropriation levels, the projected June 30, 2015, ending balance is $80.5 million.

Estimated Oil Prices and Production

Oil prices are anticipated to remain stable, increasing only slightly throughout the biennium. The forecast assumes an average price of $75.00 per barrel in fiscal year 2014 and $80.00 per barrel during fiscal year 2015. Production is anticipated to continue increasing, from 830,000 barrels per day at the start of the biennium to 850,000 barrels per day by June 30, 2015.

Oil extraction and gross production tax collections are projected to total $5.13 billion during the 2013-15 biennium, allocated as shown on the table at the end of this section.

Federal Funds

Federal funds represent 24.9 percent of the recommended state budget. Agencies receiving significant federal funds include the Department of Transportation, Department of Human Services, Job Service North Dakota, and the Agricultural Research Centers throughout the state.

Congress sets the amount of federal funds received by states in annual appropriation sessions. The amounts that appear in the 2013-15 budget recommendations are the agencies' best estimates of what they may receive in the future. If anticipated federal funds are not forthcoming, the agencies cannot use all of their appropriation authority. If actual federal funds received exceed budget estimates, the agency can request from the Emergency Commission authority to accept and expend additional funds.

The "Federal/Special Funds" section of this publication describes in detail the funds estimated to be received from the federal government during the 2013-15 biennium.

Special Funds

Special funds represent 37.7 percent of the recommended state budget. Special funds are best described as dedicated funds usually earmarked for specific purposes. One example is the state gas tax, earmarked for Department of Transportation functions.

Agencies with significant amounts of dedicated funds include the Retirement and Investment Office, Public Employees Retirement System, and the Department of Trust Lands, which operate on interest from investments. The Bank of North Dakota and the North Dakota Mill and Elevator Association operate on their own profits. Agencies like the Information Technology Department and the Central Services Division of the Office of Management and Budget charge agencies for services provided. The Game and Fish Department spends funds received from hunting and fishing license sales.

These special, dedicated funds are estimated by state agencies in their individual budget requests. The "Federal/Special Funds" section of this publication describes in detail the special funds expected to be received during the 2013-15 biennium.

In North Dakota, appropriation measures passed by the legislature do not distinguish between federal and special funds. They are totaled together and designated as "other" funds or estimated income.

Tax Relief

For the 2013-15 biennium, the Governor's budget continues income and property tax relief measures approved by the 2011 legislature. The 2009 legislature enacted the mill levy reduction grant program, reducing school district levies, which for most districts are limited to 185 mills, by up to 75 mills. For the 2011-13 biennium, $341.8 million was transferred from the property tax relief sustainability fund to the general fund to fund the mill levy reduction grant program. In addition, $341.8 million was deposited into the property tax relief sustainability fund from oil taxes to be set aside for property tax relief during the 2013-15 biennium. For the 2013-15 biennium, the estimated cost of continuing the 75 mill levy reduction program is $395.6 million, an increase of $53.8 million attributable to increasing taxable valuations. In addition to continuing the 75 mill buy-down program, the Governor is proposing an additional 60 mills of property tax relief at an estimated cost of $318.6 million. The combined 135 mills of property tax relief will be distributed through a proposed integrated school aid formula which combines adequacy-based school funding and property tax relief.

In addition to $714.2 million for property tax relief, the Governor's budget proposes a $100.0 million reduction in individual income taxes. Current individual income tax rates range from 1.51 percent to 3.99 percent, depending on the level of North Dakota taxable income. The Governor's income tax relief proposal provides for a 25 basis point reduction in each tax bracket, lowering rates to 1.26 percent in the lowest bracket and 3.74 percent in the highest income bracket. The Governor also proposes a $25.0 million reduction in corporate income taxes.

In addition to income tax rate reduction, the Governor is proposing a significant expansion of the Homestead Tax Credit Program, benefiting low income seniors through targeted reductions in property taxes. The proposed expansion eliminates the asset test, excludes Social Security benefits from the calculation of income, and raises the income threshold to $50,000 per household.

Oil Tax Allocations

Oil taxes are allocated to counties, tribes, and various state funds. Estimated allocations for the 2011-13 and 2013-15 bienniums are reflected on the table below:

	2011-13 Biennium	2013-15 Biennium
Oil and gas impact grant fund	$100,000,000	$214,000,000
Oil and gas research fund	4,000,000	4,000,000
Counties and cities	250,680,338	520,335,000
Tribal allocations	162,107,274	191,400,000
ND outdoor heritage fund		20,000,000
Legacy fund	1,183,326,597	1,716,030,381
Foundation aid stabilization fund	192,392,853	273,476,675
Common schools trust fund	192,392,853	273,476,675
Resources trust fund	384,785,708	541,483,816
Renewable energy development fund		2,734,767
Energy conservation fund		2,734,767
General fund	300,000,000	300,000,000
Property tax relief sustainability fund	341,790,000	341,790,000
State disaster fund	22,000,000	22,000,000
Strategic investment & improvements fund	688,178,170	704,860,669
Total oil and gas taxes	**$3,821,653,793**	**$5,128,322,750**

General Fund
Status Statement

	2009-11 Actual[1]	2011-13 Legislative Appropriation	2011-13 Revised Estimate	2013-15 Executive Budget
Beginning Balance	$361,893,515	$660,231,525	$996,832,711 \2	$68,982,043
Revenue	$3,242,759,200	$3,457,746,225	$4,893,613,146 \3	$4,797,694,832 \3
Expenditures:				
Original appropriations - One time	($278,984,727)	($533,958,760)	($629,895,435)	($990,504,189)
Contingent appropriations - One time	(5,000,000)		(73,000,000)	
Original appropriations - Ongoing	(2,970,380,754)	(3,532,895,032)	(3,533,791,025)	(3,795,667,792)
Adjustments for emergency clauses	8,715,361		519,254	
Supplemental appropriations	(37,230,168)		(68,327,808)	
Transportation funding distributions			(100,000,000)	
Unspent authority/adjustments	46,753,449		30,000,000	
Total expenditures	($3,236,126,839)	($4,066,853,792)	($4,374,495,014)	($4,786,171,981)
Ending balance before transfers	$368,525,876	$51,123,958	$1,515,950,843	$80,504,894
Transfers and adjustments:				
Transfer from permanent oil tax fund	$689,935,590			
Transfer to highway fund			($620,000,000)	
Transfer to housing incentive fund			(30,000,000)	
Transfer to prop tax fund for 2013-15			(53,832,720)	
Transfer to prop tax fund for 2013-15			(318,551,118)	
Transfer to prop tax fund for 2015-17			(372,383,838)	
Transfer to budget stabilization fund	(61,414,562)		(52,201,124) \4	
Adjustments and cash certifications	(214,193)			
Total transfers and adjustments	$628,306,835	$0	($1,446,968,800)	$0
Ending Balance	$996,832,711	$51,123,958	$68,982,043	$80,504,894

\1 Final revenues and expenditures per state accounting system reports dated June 30, 2011.

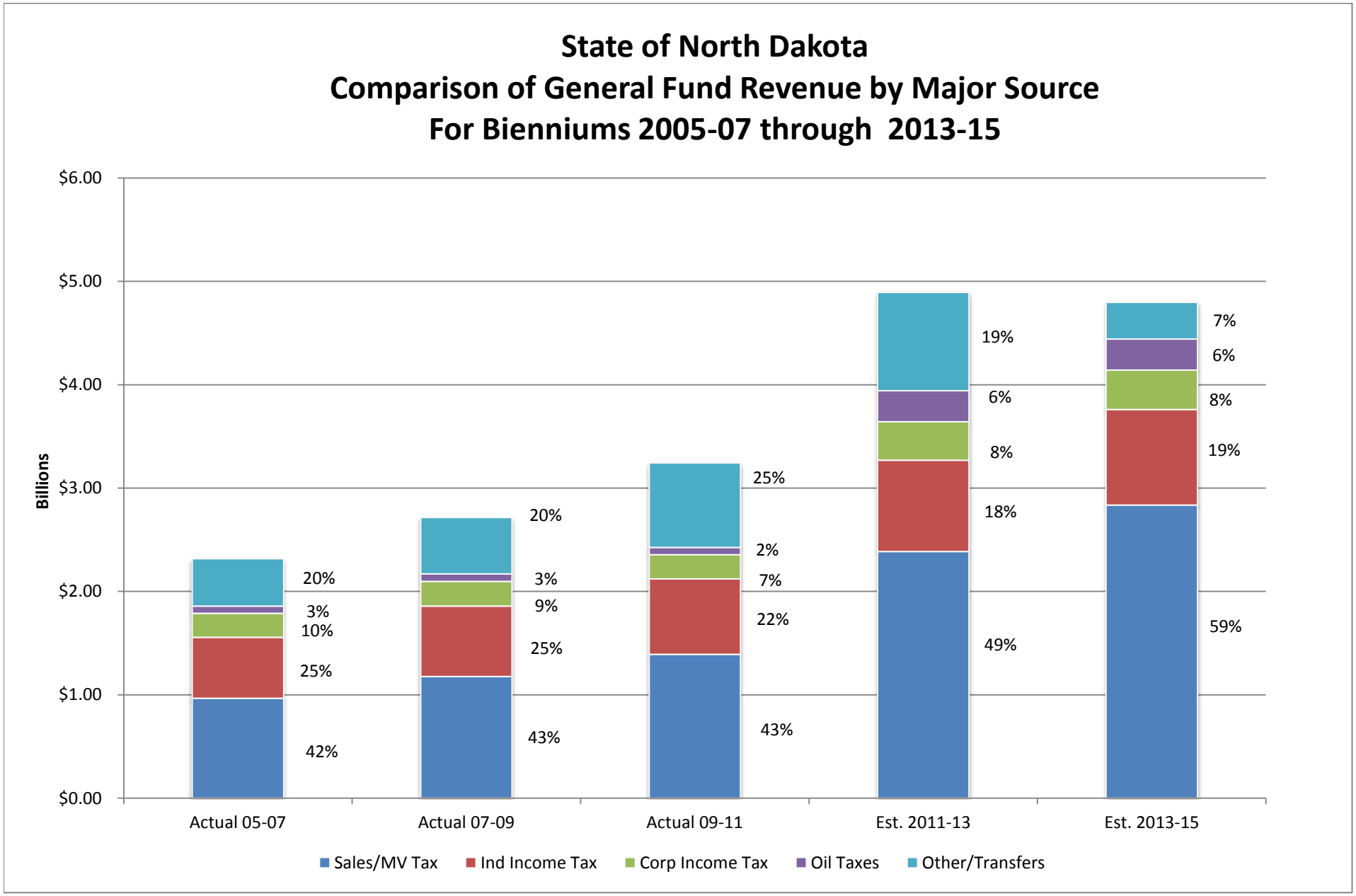
\2 Actual July 1, 2011 balance.

\3 Based on actual revenues through October 31, 2012, and estimated revenues for the remainder of the biennium using the November 2012 executive revenue forecast.

\4 Transfer based on recommended 2013-15 biennium general fund appropriations and the statutory cap of 9.5 percent of appropriations, as defined in NDCC Section 54-27.2-01.

State of North Dakota
Comparison of General Fund Revenue by Major Source
For Bienniums 2005-07 through 2013-15

Revenue Source	Actual 2005-07	Actual 2007-09	Actual 2009-11	Revised Forecast 2011-13	Executive Forecast 2013-15
Tax Revenue:					
Sales and use taxes	$841,930,866	$1,046,485,684	$1,267,211,331	$2,131,700,016	$2,523,121,000
Motor vehicle excise tax	125,722,268	130,151,534	124,425,401	255,579,505	311,544,000
Individual income tax	587,659,377	681,703,888	729,255,895	883,137,013	926,128,000
Corporate income tax	232,294,310	239,695,937	234,364,296	372,161,771	380,492,000
Financial instititions tax	9,702,362	10,486,495	6,748,753	7,283,160	7,300,000
Oil and gas production tax	45,970,447	39,309,315	32,718,333	179,259,416	133,834,000
Oil extraction tax	25,029,553	31,690,685	38,281,667	120,740,313	166,166,000
Cigarette and tobacco tax	44,683,370	45,230,771	46,253,470	54,485,013	57,953,000
Coal conversion tax	49,217,864	49,438,952	39,064,299	39,425,126	39,300,000
Insurance premium tax	52,873,010	64,388,601	63,150,948	78,642,395	81,019,362
Wholesale liquor tax	12,787,869	14,076,919	15,163,855	17,255,477	18,674,000
Gaming tax	17,986,019	20,042,392	16,189,991	11,309,769	11,174,696
Departmental collections	53,781,397	62,143,185	68,577,582	71,934,254	74,840,398
Interest income	36,507,217	49,506,190	43,684,825	14,166,716	32,666,716
Mineral leasing fees	13,960,279	25,306,589	17,521,635	34,781,711	19,000,000
Total tax revenue	$2,150,106,208	$2,509,657,137	$2,742,612,281	$4,271,861,655	$4,783,213,172
Transfers:					
Bank of North Dakota profits	$60,000,000	$60,000,000			
Student loan trust fund interest	9,000,000	3,100,000			
Transfers from State Mill profits	5,000,000		$13,902,268	$7,645,978	$1,704,300
Gas tax administration	1,400,000	1,274,056	1,288,000	1,485,000	1,777,360
Lottery	12,600,000	11,055,000	10,400,000	12,500,000	11,000,000
Strategic investment and improvements	6,800,000	15,000,000	35,000,000	305,000,000	
Property tax relief sustainability fund				295,000,000	
Permanent oil tax trust fund	55,300,000	115,000,000	435,000,000		
Health care trust fund	16,900,000				
Miscellaneous transfers	310,132	177,187	4,556,650	120,513	
Total transfers	$167,310,132	$205,606,243	$500,146,918	$621,751,491	$14,481,660
Total Revenues	**$2,317,416,340**	**$2,715,263,380**	**$3,242,759,199**	**$4,893,613,146**	**$4,797,694,832**


State of North Dakota
Comparison of General Fund Revenue by Major Source
For Bienniums 2005-07 through 2013-15
Billions
$6.00
$5.00
$4.00
$3.00
$2.00
$1.00
$0.00
Actual 05-07
Actual 07-09
Actual 09-11
Est. 2011-13
Est. 2013-15
20%
3%
10%
25%
42%
20%
3%
9%
25%
43%
25%
2%
7%
22%
43%
19%
6%
8%
18%
49%
7%
6%
8%
19%
59%
Sales/MV Tax
Ind Income Tax
Corp Income Tax
Oil Taxes
Other/Transfers

Bonding Fund
Status Statement

	2009-11 Actual	2011-13 Legislative Appropriation	2011-13 Revised Estimate	2013-15 Executive Budget
Beginning Balance	$2,515,053	$2,829,535	$2,802,006 \1	$2,968,921
Revenue:				
Premiums	\2	\2	\2	\2
Investment revenue	$360,789	$400,000	$300,000 \3	$300,000 \3
Claims restitution	49,415	50,000	55,000	50,000
Other revenue	6,172	7,000	6,400	7,000
Total revenue	$416,376	$457,000	$361,400	$357,000
Expenditures:				
Claim liabilities/payments/write-offs	($71,108) \4	($125,000)	($135,000)	($150,000)
Claims related expenses	(14,124)	(20,000)	(10,000)	(20,000)
Investment expense	(9,144)	(10,000)	(9,500)	(10,000)
Administration	(35,047)	(46,769)	(39,985)	(43,451)
Total expenditures	($129,423)	($201,769)	($194,485)	($223,451)
Ending Balance	$2,802,006 \1	$3,084,766	$2,968,921	$3,102,470

\1 From June 30, 2011, comprehensive annual financial report (CAFR).

\2 There have been no premiums assessed or payments received in this fund since 1953. Pursuant to NDCC Section 26.1-21.09, premiums must be assessed if the fund balance falls below $2.0 million.

\3 Investment revenue is based on Insurance Department projections.

\4 Claims liabilities reflect recorded liabilities for filed claims. Actual liability is determined after a review and audit of the loss. Adjustments are made to reflect claim liabilities written off and no longer carried as a potential liability.

Notes:

The bonding fund was created in 1915 and is maintained for bond coverage of public employees. The bonding fund is managed by the Insurance Commissioner. The amount of coverage provided to each state agency, department, industry, and institution is determined by the commissioner, based upon the amount of money and property handled and the opportunity for default. Section 26.1-21-09 provides that premiums for bond coverage are to be determined by the Insurance Commissioner but can be waived if the bonding fund balance is in excess of $2.0 million.

Budget Stabilization Fund
Status Statement

	2009-11 Actual[1]	2011-13 Legislative Appropriation	2011-13 Revised Estimate	2013-15 Executive Budget
Beginning Balance	$324,936,548	$386,351,110	$386,351,110 \2	$454,686,338
Revenue:				
Retention of earnings to increase balance	$0	$0	$16,134,104 \3	$0
Transfer from general fund	61,414,562	0	52,201,124 \4	0
Total revenue	$61,414,562	$0	$68,335,228	$0
Transfers:				
Transfers to general fund	$0	$0	$0 \5	$0 \5
Ending Balance	$386,351,110	$386,351,110	$454,686,338	$454,686,338

\1 Final revenues and expenditures per state accounting system reports dated June 30, 2011.

\2 Actual July 1, 2011 balance.

\3 The 2011 legislature, during the 2011 special session, increased general fund appropriations for the 2011-13 biennium, resulting in a $16.1 million increase in the maximum balance of the budget stabilization fund. As a result, interest and investment earnings of the fund which would otherwise be transferred to the general fund will be retained in the fund until the new cap is reached.

\4 Estimated transfer from the general fund based on appropriations recommended for the 2013-15 biennium and the provisions of NDCC Section 54-27.2-01 requiring a transfer sufficient to bring the balance of the fund to 9.5 percent of appropriations.

\5 No transfers from the budget stabilization fund to the general fund are anticipated during the 2011-13 or 2013-15 bienniums. Transfers will only take place if actual general fund collections fall short of revenue projections, as provided in Section 54-27.2-03.

Notes:

The budget stabilization fund is a statutory fund created in 1987. Section 54-27.2-02 provides that any end of biennium balance in the general fund in excess of $65.0 million be transferred to the budget stabilization fund, subject to the provisions of Section 54-27.2-01.

Pursuant to Section 54-27.2-01, the fund is limited to no more than 9.5 percent of current biennium appropriations. Any deposits or interest that would otherwise be deposited or retained in the fund must instead be deposited in the general fund once the maximum balance is reached.

Section 54-27.2-03 provides that if general fund revenues are projected to be at least 2.5 percent less than included in the legislative revenue forecast, the Governor may order a transfer from the budget stabilization fund to the general fund.

Community Health Trust Fund
Status Statement

	2009-11 Actual[1]	2011-13 Legislative Appropriation	2011-13 Revised Estimate	2013-15 Executive Budget
Beginning Balance	$1,299,379	$0	$0 \3	$0
Revenue:				
Transfers from the Tobacco Settlement Trust	$4,055,296	$3,947,220	$4,012,722	$4,000,000 \6
Refund of expenditures	$28,974			
Contingency Transfer from General Fund \2	884,256			
Total revenue	$4,968,526	$3,947,220	$4,012,722	$4,000,000
Expenditures:				
Dental loan program	($448,448)	($260,000)	($200,000) \4	($340,000)
Dental new practice grant	(10,000)	(10,000)	0 \4	(25,000)
Medical loan repayment program	(105,000)	(75,000)	0 \4	
Veterinarian loan repayment program	(242,776)	(310,000)	(300,000) \4	
Colorectal cancer screening	(338,233)			
EMS training grants	(300,000)			
Tobacco coordinator and operating expenses	(139,397)			
Tobacco quit line	(1,069,000)			
Tobacco prevention and control	(2,302,098)	(3,510,495) \5	(3,210,178) \4,5	(3,220,354) \5
Women's way program	(304,332)	(400,500)	(302,544) \4	(400,500)
Heart disease and stroke	(472,700)			
DHS breast & cervical cancer	(535,921)			
Total expenditures	($6,267,905)	($4,565,995)	($4,012,722)	($3,985,854)
Ending Balance	$0	($618,775)	$0	$14,146

\1 Final revenue and expenditures per state accounting system reports dated June 30, 2011.
\2 2009 Senate Bill 2004 provided a contingent appropriation to transfer $2,405,371 from the general fund to the community health trust fund in the event revenue is not sufficient to fund the appropriated programs.
\3 Actual July 1, 2011 balance.
\4 Estimated expenditures for the 2011-13 biennium projected by the Health Department.
\5 Approved by voters in 2008, Measure #3 provides that 80.0 percent of the tobacco settlement revenue allocated to the community health trust fund must be spent on tobacco related programs. Eighty percent of the projected revenue for 2011-13 equals $3,200,000.
\6 Estimated revenues based on average of fiscal year 2011 and 2012 actual amounts.

Notes:

The community health trust fund originated in 1999. The purpose of the fund is to provide for public health programs, including those emphasizing prevention or reduction of tobacco usage in this state. The revenue source for the community health trust fund is the tobacco settlement trust fund (North Dakota Century Code Section 54-27-25). All tobacco settlement monies received by the state are to be deposited in the tobacco settlement trust fund. Monies in the fund must be transferred, within 30 days of deposit in the fund as follows:

10.0 percent to the community health trust fund
45.0 percent to the common schools trust fund
45.0 percent to the water development trust fund

In November 2008, voters approved Measure No. 3, which creates a tobacco prevention and control trust fund that will receive all tobacco settlement strategic contribution fund payments to the state. Strategic contribution fund payments are estimated by OMB at $14.1 million per year through 2017. After 2017, no additional strategic contribution fund payments are anticipated.

The community health trust fund is administered by the Department of Health which may use monies in the fund subject to legislative appropriation.

Disaster Relief Fund
Status Statement

	2009-11 Actual[1]	2011-13 Legislative Appropriation	2011-13 Revised Estimate	2013-15 Executive Budget
Beginning Balance	$37,623,216	$35,514,480	$34,675,167 \2	$51,354,417
Revenue:				
Transfer from permanent oil tax trust fund	$22,000,000 \3			
Transfer from the general fund			$48,700,000 \4	
Transfers from oil and gas taxes			22,000,000 \5	$22,000,000 \5
Interest earnings	199,420	$250,000	92,000	92,000
Miscellaneous reimbursements	748,320		3,240,000	1,060,000
Total Revenue	$22,947,740	$250,000	$74,032,000	$23,152,000
Expenditures:				
State match for disasters prior to 2009	($513,321)	($860,000)	($859,850)	
2009 Flood disaster	(5,739,762)	(6,900,000)	(6,711,199)	
January 2010 winter storm	(1,506,693)	(270,000)	(507,540)	
2010 Flood	(3,390,192)	(1,600,000)	(2,263,526)	
April 2010 ice storm	(2,854,089)	(940,000)	(1,185,531)	
2011 Blizzard	(16,937)			
2011 Snow Removal Grants	(9,000,000)			
2011 Flood	(2,874,795)	(15,000,000)	(16,425,105)	($12,000,000)
Housing Rehab and Retention (2011 SB2371)			(10,000,000)	
Transfer to NDDOT for Road Grade Raising Projects (2011 SB2371)			(6,000,000)	
Volunteer Response Coordination		(400,000)	(400,000)	(400,000)
Road Grade Raising Projects		(4,800,000)	(4,800,000)	
Flood Mitigation in Incorporated Cities		(3,200,000)	(3,200,000)	
Disaster Coordination Contract				(1,500,000)
Contingent 2012 Disaster Exceeding $50.0 million (2011 SB2371)			(5,000,000)	
Total Expenditures	($25,895,789)	($33,970,000)	($57,352,750) \6	($13,900,000)
Ending Balance	$34,675,167	$1,794,480	$51,354,417	$60,606,417

\1 Final revenues and expenditures per state accounting system reports.
\2 Actual July 1, 2011 balance.
\3 2011 Senate Bill 2369 provided that $22.0 million be transferred from the permanent oil tax trust fund for costs associated with state disasters and flood mitigation efforts.
\4 2011 Senate Bill 2371 provided that $48.7 million be transferred from the general fund for disaster-related expenses ($32.7 million), flood-impacted housing assistance grant programs ($10.0 million), and road grade raising grants through the Department of Transportation ($6.0 million).
\5 2011 House Bill 1451 provided that $22.0 million be transferred to the state disaster relief fund if funds become available after making the required transfers to the general fund, property tax relief sustainability fund, and strategic investment and improvements fund.
\6 Based on actual expenditures through July 31, 2012 and agency estimated expenditures through June 30, 2013.

Notes:

North Dakota Century Code Section 37-17.1-27 establishes the state disaster relief fund. Money is available pursuant to legislative appropriation to defray expenses of state disasters, including providing funds required to match federal funds for expenses associated with presidential-declared disasters in the state. Expenditures from the fund also require approval by the Emergency Commission and Budget Section. Interest and other fund earnings must be deposited in the fund.

Fire and Tornado Fund
Status Statement

	2009-11 Actual	2011-13 Legislative Appropriation	2011-13 Revised Estimate	2013-15 Executive Budget
Beginning Balance	$21,504,828	$24,080,536	$22,306,709 \1	$24,971,709
Revenue:				
Premium revenue	$9,692,359	$6,600,000	$7,700,000 \2	$8,100,000 \2
Investment revenue (loss)	7,337,425	10,000,000	6,000,000	6,000,000
Claims recovery	139,027 \3	100,000 \3	700,000 \3	200,000 \3
Boiler inspection fee	397,470	370,000	550,000	625,000
Anhydrous ammonia inspection revenue	107,989 \4	0 \4	0 \4	0 \4
Total revenues	$17,674,270	$17,070,000	$14,950,000	$14,925,000
Expenditures:				
Insurance claims	($9,253,652)	($12,000,000)	($5,000,000)	($9,000,000)
Claims related payments	(5,768,749)	(5,513,660)	(5,500,000)	(5,700,000)
Administration/investment expenses	(1,302,878)	(1,441,575)	(1,465,000)	(1,656,507)
Fire Marshal inspection fees	(377,110)	(310,000)	(150,000)	(150,000)
ND Firefighter's Association	(170,000)	(170,000)	(170,000)	(170,000)
Total expenditures	($16,872,389)	($19,435,235)	($12,285,000)	($16,676,507)
Ending Balance	$22,306,709 \1	$21,715,301	$24,971,709	$23,220,202

\1 From June 30, 2011, Comprehensive Annual Financial Report (CAFR).
\2 The department has instructed agencies to budget assuming premiums will increase by 5.0 percent annually.
\3 Claims recovery reflects amounts recovered through re-insurance purchased to cover claims that exceed a specific amount per incident.
\4 Based on actual funds available from ND Department of Agriculture anhydrous ammonia storage facility inspection fund.

Notes:

The state fire and tornado fund originated in 1919. The fund is maintained to insure the state and its political subdivisions against loss to public buildings and fixtures. North Dakota Century Code Section 26.1-22-14 requires that if the fire and tornado fund balance is less than $12.0 million, the Insurance Commissioner must increase assessments.

Foundation Aid Stabilization Fund
Status Statement

	2009-11 Actual[1]	2011-13 Legislative Appropriation	2011-13 Revised Estimate	2013-15 Executive Budget
Beginning Balance	$65,750,547	$139,570,659	$140,193,764 \2	$332,586,617
Revenue:				
Oil extraction tax allocations	$74,443,217	$99,906,000	$192,392,853 \3	$273,476,675 \4
Transfers:				
Transfer to state school aid program	$0	$0	$0	$0
Ending Balance	$140,193,764	$239,476,659	$332,586,617	$606,063,292

\1 Final revenues and expenditures per state accounting system reports, dated June 30, 2011.
\2 Actual July 1, 2011 balance.
\3 Based on actual revenues through October 31, 2012, and estimated revenues for the remainder of the biennium using the November 2012 executive revenue forecast.
\4 Revenue estimates based on the November 2012 executive revenue forecast, which assumes oil prices averaging $75 to $80 per barrel and production increasing to 850,000 barrels per day by the end of the 2013-15 biennium.

Notes:

The foundation aid stabilization fund was created in 1994 upon voter approval of Article X, Section 24 of the Constitution of North Dakota. Section 24 provides that 20% of oil extraction taxes are to be allocated as follows:

50% to the common schools trust fund
50% to the foundation aid stabilization fund

Section 24 also provides that interest from the foundation aid stabilization fund must be transferred to the general fund; the principal can only be spent upon order of the Governor to offset foundation aid reductions made by executive action due to a revenue shortfall. North Dakota Century Code Section 54-44.1-12 provides that in the case of an allotment, all agencies that receive monies from a fund must be allotted on a uniform basis. The exception is that appropriations for foundation aid, transportation aid, and special education aid may only be allotted to the extent that the allotment can be offset by transfers from the foundation aid stabilization fund.

Health Care Trust Fund
Status Statement

	2009-11 Actual	2011-13 Legislative Appropriation	2011-13 Revised Estimate	2013-15 Executive Budget
Beginning Balance	$3,484,946	$438,644	$420,036 \1	$396,784
Revenue:				
Investment earnings	$23,429	$7,498	$7,633	$2,334
Principal and interest repayments	1,086,167	1,107,844	1,070,901	1,026,297
Total revenue	$1,109,596	$1,115,342	$1,078,534	$1,028,631
Expenditures:				
Nursing home grants	($3,000,000)			
Nursing home & basic care salary increase	(800,000)			
Increase nursing home bed limit	(324,506)			
Grant for Dunseith nursing facility		($200,000)	($200,000)	
Grant for McVille hospital		(200,000)	(200,000)	
Bed layaway program - DHS		(546,786)	(546,786)	
Nurse aid registry		(155,000)	(155,000)	
Quick response unit pilot project - Health Dept.	(50,000)			
Total expenditures	($4,174,506)	($1,101,786)	($1,101,786)	$0
Ending Balance	$420,036	$452,200	$396,784	$1,425,415

\1 Actual July 1, 2011 balance.

Notes:

The health care trust fund was established by the 1999 legislative assembly to provide grants and loans to nursing facilities. Additional uses of moneys have been approved in subsequent bienniums. Revenue for the fund was originally generated through nursing facilities funding pool payments to government nursing facilities based on the difference between Medicare and Medicaid rates for nursing care. This funding stream was known as the Intergovernmental Transfer Program (IGT). The federal government passed regulations phasing out the IGT program and the final pool payment was made to the state in July 2004. Current revenues to the fund consist of loan repayments and investment earnings.

Highway Tax Distribution Fund
Status Statement

	2009-11 Actual\1	2011-13 Legislative Appropriation	2011-13 Revised Estimate	2013-15 Executive Budget
Beginning Balance	$0	$0	$0 \2	$0
Revenue:				
Motor vehicle fuel tax	$170,458,973	$170,100,000	$211,925,762	$196,300,000
Special fuel taxes	144,630,373	127,000,000	159,400,000	245,100,000
Motor vehicle registration fees	146,708,244	130,200,000	159,000,000	169,000,000
Total revenue	$461,797,590	$427,300,000 \3	$530,325,762 \3	$610,400,000 \3
Transfers:				
State highway fund allocation	($274,083,698)	($252,900,000)	($314,600,000)	($363,500,000)
Counties allocation	(98,352,854)	(90,800,000)	(112,900,000)	(130,400,000)
Cities allocation	(55,902,760)	(51,500,000)	(64,100,000)	(74,100,000)
Townships allocation	(12,072,202)	(11,100,000)	(13,900,000)	(16,000,000)
Transit allocation	(6,706,779)	(6,200,000)	(7,700,000)	(8,900,000)
Highway Patrol	(4,550,725)	(5,000,000)	(5,025,762)	(7,200,000)
Motorboat safety account	(237,673)	(200,000)	(200,000)	(200,000)
State snowmobile fund	(168,933)	(200,000)	(200,000)	(200,000)
Administrative assistance to transferees	(5,500,000)	(5,500,000)	(5,500,000)	(5,500,000)
Ethanol production incentive	(4,221,966)	(3,900,000)	(6,200,000)	(4,400,000)
Total transfers	($461,797,590)	($427,300,000)	($530,325,762)	($610,400,000)
Ending Balance	$0	$0	$0	$0

\1 Final revenues and expenditures per Department of Transportation.

\2 Actual July 1, 2011 balance.

\3 Revenue notes:

- Motor fuel tax amounts are net of amounts withheld for the refund reserve and the motor fuels operating fund. Motor fuel tax amounts include amounts collected for penalties and interest, and license and permit fees (57-43.1-28).
- Special fuel taxes include amounts collected for penalties and interest, and license and permit fees (57-43.2-19).
- Motor vehicle registrations are net of amounts withheld to pay fuel tax refunds for the International Fuel Tax Agreement (IFTA) member states, and the motor vehicle operating fund. Motor vehicle registrations exclude the fees collected by the Motor Vehicle Division but paid to other funds, such as the motor vehicle excise tax and the state aid distribution, the motorcycle safety education fund (39-28-05), abandoned motor vehicle disposal fund (39-26-12), veterans' cemetery maintenance fund (39-04-10.10), all-terrain vehicle fund (39-29-01.1), the employment of people with disabilities fund (39-01-15), and the unsatisfied judgment fund (39-24-03).

- On July first of each year, the State Treasurer transfers from the highway tax distribution fund to the motorboat program and safety account an amount equal to $2.50 multiplied by the number of motorboats licensed with the Game and Fish Department (20.1-02-16.6).

- Annually, an amount equal to the tax collected on 30 gallons of motor vehicle fuel multiplied by the number of snowmobiles registered must be transferred from the highway distribution fund to the state snowmobile fund (39-24-05).

- The State Treasurer transfers annually from the highway tax distribution fund to the ethanol incentive fund an amount equal to 40.0 percent of all sums collected for the registration of farm vehicles (39-04-39).

Notes:

The highway tax distribution fund is a statutory fund established by NDCC Section 54-27-19. The fund receives moneys from motor vehicle registrations and fees, fuels taxes, special fuels taxes, use taxes, and special fuels excise taxes. The first $5.5 million deposited in the fund is transferred to the highway fund to provide administrative assistance to transferees. Appropriations for the Highway Patrol, ethanol production incentives, motorboat safety, and state snowmobile fund are deducted before remaining moneys are allocated pursuant to the the following formula:

- 61.3 percent to the highway fund for use by the state DOT.
- 2.7 percent to township highway fund for allocation to townships pursuant to Section 54-27-19.1.
- 1.5 percent to the public transportation fund to be allocated pursuant to Section 39-04.2-04.
- 34.5 percent to cities and counties, allocated pursuant to the distribution formula provided in Section 54-27-19.

Legacy Fund
Status Statement

	2009-11 Actual	2011-13 Legislative Appropriation	2011-13 Revised Estimate	2013-15 Executive Budget
Beginning Balance	$0	$0	$0 \1	$1,201,004,677
Revenue:				
Transfers from oil and gas taxes		$612,468,000	$1,186,063,144 \2	$1,716,030,381 \2
Transfer from SII fund			9,141,533 \3	47,395,163 \3
Interest on investment		6,090,000	5,800,000	18,800,000
Total revenue	$0	$618,558,000	$1,201,004,677	$1,782,225,544
Expenditures:				
Legislative appropriations	$0	$0	$0	$0 \4
Ending Balance	$0	$618,558,000	$1,201,004,677	$2,983,230,221

\1 Actual July 1, 2011 balance. The fund was created pursuant to voter passage of Measure No. 1 on the November 2010 ballot.

\2 Revenue estimate based on actual collections through October 2012 and the November 2012 executive revenue forecast for oil price and production.

\3 Pursuant to HB1451 (2011), once the unobligated balance in the strategic investment and improvements (SII) fund reaches $300.0 million, 25.0 percent of fund revenues must be deposited into the legacy fund. Oil and gas taxes amounts reflected on this schedule include the legacy fund's estimated 25.0 percent share starting in February 2013 and continuing through the end of the 2013-15 biennium. The amount shown as the anticipated transfer from the SII fund represents 25.0 percent of SII fund revenues other than oil and gas taxes estimated to be received after the unobligated fund balance exceeds the $300.0 million threshold.

\4 Based on ND Constitution Article X, Section 26, no expenditures of principal or interest may be made from the fund until after June 30, 2017.

Notes:

House Concurrent Resolution No. 3054 was adopted by the 2009 legislature and approved by the voters in November 2010. This measure establishes the North Dakota legacy fund as a constitutional trust fund. Thirty percent of all revenue collected by the state from oil and gas production and extraction taxes is transferred to the fund. Interest and investment earnings are retained in the fund until June 30, 2017, after which time they will be transferred to the general fund once each biennium. For the 2011-13 through 2015-17 bienniums, interest earnings will be added to the fund principal.

Property Tax Relief Sustainability Fund
Status Statement

	2009-11 Actual[1]	2011-13 Legislative Appropriation	2011-13 Revised Estimate	2013-15 Executive Budget
Beginning Balance	$0	$295,000,000	$295,000,000 \2	$1,086,557,676
Revenue:				
Transfers from permanent oil tax trust fund	$299,233,000 \3			
Transfer from June 30, 2013 general fund balance - Continuation of 75 mill buy-down through integrated school aid formula for 2013-15			$53,832,720 \4	
Transfer from June 30, 2013 general fund balance - Proposed additional 60 mill buy-down through integrated school aid for 2013-15			318,551,118 \5	
Transfer from June 30, 2013 general fund balance - 2015-17 property tax relief - Continuation of 135 mill buy-down			372,383,838	
Allocation of oil tax revenue		341,790,000	341,790,000	341,790,000
Total revenue	$299,233,000	$341,790,000	$1,086,557,676	$341,790,000
Expenditures:				
Appropriations for property tax relief component of integrated school aid formula				(714,173,838)
Appropriations for mill levy reduction program	(4,233,000)	(295,000,000)	(295,000,000)	
Total expenditures	($4,233,000)	($295,000,000)	($295,000,000)	($714,173,838)
Ending Balance	$295,000,000	$341,790,000	$1,086,557,676	$714,173,838

\1 Final revenues and expenditures per state accounting system reports dated June 30, 2011.

\2 Actual July 1, 2011 balance.

\3 Transfers from the permanent oil tax trust fund consist of $295.0 million transferred on July 1, 2010, pursuant to 2009 SB2199 and an additional $4.2 million for a supplemental appropriation required for the 2009-11 biennium.

\4 Due to increased taxable property valuations, the estimated cost to continue the current 75 mill buy-down program is $395.6 million, $53.8 million more than the 2011-13 appropriation.

\5 As part of a proposed integrated school aid and property tax relief formula recommended by the Governor, funding is provided for an additional 60 mills of property tax relief, at an estimated cost of $318.6 million for the 2013-15 biennium.

Notes:

The property tax relief sustainability fund was created by the 2009 Legislative Assembly to set aside funding for the continuation of the property tax relief initiative enacted during the 2009 legislative session.

Resources Trust Fund
Status Statement

	2009-11 Actual[1]	2011-13 Legislative Appropriation	2011-13 Revised Estimate	2013-15 Executive Budget
Beginning Balance	$87,378,167	$128,447,646	$155,940,058 \2	$265,172,286
Revenue:				
Repayments and reimbursements	$3,422,107	$3,509,000	$6,138,120	$8,614,000
Oil extraction tax collections	148,886,433	199,812,353	384,785,707	546,953,350 \7
Interest	2,253,351	1,101,820	1,410,000	1,359,000
Total revenue	$154,561,891	$204,423,173	$392,333,827 \4	$556,926,350
Expenditures and Transfers:				
Water Commission expenditures	($86,000,000)	($322,870,819)	($273,101,599) \5	($700,875,000)
Bank of North Dakota		(10,000,000)	(10,000,000) \6	
Transfer to renewable energy development fund				(2,734,767) \8
Transfer to energy conservation grant fund				(2,734,767) \8
Total expenditures and transfers	($86,000,000)	($332,870,819) \3	($283,101,599)	($706,344,534)
Ending Balance	$155,940,058	$0	$265,172,286	$115,754,102

\1 Final revenues and expenditures per state accounting system reports.
\2 Actual July 1, 2011 balance.
\3 Legislatively authorized expenditures are $333.1 million for Water Commission expenditures and $10.0 million for Bank of North Dakota, but actual expenditures cannot exceed available funding. For this schedule, Water Commission expenditures have been reduced by $10.3 million to match anticipated available funding.
\4 Actual revenues through October 31, 2012 plus estimated receipts for the remainder of the biennium, based on the November 2012 executive revenue forecast.
\5 Estimated agency expenditures for the 2011-13 biennium.
\6 House Bill No. 1206, approved by the 2011 Legislative Assembly, appropriated $10.0 million to the Bank of North Dakota for a 5.0 percent loan to the Western Area Water Supply Authority.
\7 Executive forecast assumes average price of $75 per barrel and 844,167 barrels of oil per day (BOPD) for FY 2014; and average price of $80 per barrel and 850,000 BOPD for FY 2015.
\8 The executive budget proposes allocating one-half of one percent of the revenue credited to the resources trust fund to the renewable energy development fund and one-half of one percent to the energy conservation grant fund, which is a new fund created for the purpose of providing energy conservation and efficiency grants to political subdivisions.

Notes:

The resources trust fund was created pursuant to passage of Measure No. 6 in the November 1980 general election. Measure No. 6 established a 6.5 percent oil extraction tax, 10.0 percent of which was distributed to the resources trust fund. Measure No. 2, a constitutional amendment approved in the June 1990 primary election, establishes the resources trust fund as a constitutional trust fund and provides that the principal and income of the fund may be spent pursuant to legislative appropriations for constructing water related projects, including rural water systems, and funding energy conservation programs.

North Dakota Century Code Section 57-51.1-07 provides that the resources trust fund is available for legislative appropriation to the State Water Commission for planning and constructing water-related projects and to the Industrial Commission for energy conversion and waste products utilization programs and studies. The 1995 Legislative Assembly amended Section 57-51.1-07 to provide that 20.0 percent of oil extraction tax collections will be deposited in the resources trust fund.

State Aid Distribution Fund
Status Statement

	2009-11 Actual\1	2011-13 Legislative Appropriation	2011-13 Revised Estimate	2013-15 Executive Budget
Beginning Balance	$0	$0	$0 \2	$0
Revenue:				
Sales tax revenue	$110,430,669	$120,194,318	$185,365,219	$219,401,826
Motor vehicle excise tax revenue	14,421,732	15,916,449	22,224,305	27,090,783
Total revenue	$124,852,401	$136,110,767	$207,589,524 \3	$246,492,609 \4
Expenditures:				
Distributions to cities and counties	($124,852,401)	($136,110,767)	($207,589,524)	($246,492,609)
Ending Balance	$0	$0	$0	$0

\1 Final revenues and expenditures per state accounting system reports dated June 30, 2011.
\2 Actual July 1, 2011 balance.
\3 Based on actual revenues through October 31, 2012, and estimated receipts for the remainder of the biennium using the November 2012 executive revenue forecast.
\4 Estimated revenues based on the November 2012 executive revenue forecast.

Notes:

North Dakota Century Code Section 57-39.2-26.1 provides for the deposit of a portion of sales, use, and motor vehicle excise tax collections into the state aid distribution fund. The amount deposited into the state aid distribution fund is equal to 40% of an amount determined by multiplying 1%, divided by the general sales tax rate, times the net sales, use, and motor vehicle excise tax collections. The calculation results in 8% of all sales and motor vehicle excise taxes being distributed through the state aid distribution fund to cities and counties. Revenues deposited in the state aid distribution fund are allocated to political subdivisions pursuant to the formula provided in Section 57-39.2-26.1.

Strategic Investment and Improvements Fund
Status Statement

	2009-11 Actual	2011-13 Legislative Appropriation	2011-13 Revised Estimate	2013-15 Executive Budget
Beginning Balance	$0	$0	$0	$825,054,871
Revenue:				
Transfer from lands and minerals trust		$243,500,000	$249,074,431 \1	
Mineral royalties		71,832,000	115,342,374	$158,160,750
Mineral rents		694,412	421,325	400,000
Mineral bonus		32,000,000	85,634,745	32,000,000
Oil and gas taxes		36,481,039	688,178,170 \2	704,860,669 \2
Investment income		2,906,500	1,951,361	3,133,795
Total Revenues	$0	$387,413,951	$1,140,602,406	$898,555,214
Expenditures:				
Transfer to general fund		($305,000,000)	($305,000,000)	
Transfer to legacy fund			(9,141,533) \3	($47,395,163) \3
Expanded school construction loan program				(200,000,000) \4
Unmanned Aerial System (UAS) site operations				(4,000,000) \5
Administrative expenses		(800,000)	(1,406,002)	(1,740,000)
Total expenditures and transfers	$0	($305,800,000)	($315,547,535)	($253,135,163)
Ending Balance	$0	$81,613,951	$825,054,871	$1,470,474,922
Less Assigned Fund Balance	0	(80,684,840) \6	(115,843,447) \6	(123,843,447) \6
Unassigned Fund Balance	$0	$929,111	$709,211,424	$1,346,631,475

\1 Pursuant to HB1451 (2011), the unobligated balance of the lands and minerals trust fund was transferred to the strategic investment and improvements fund.

\2 Pursuant to HB1451 (2011), a portion of oil and gas tax revenues is allocated to the strategic investment and improvements fund. Based on the most current forecast for oil and gas taxes and actual deposits through October 2012, $688.2 million is anticipated to be deposited into the strategic investment and improvements fund during the 2011-13 biennium; $704.9 million during the 2013-15 biennium.

\3 Pursuant to HB1451 (2011), once the unobligated balance in this fund reaches $300.0 million, 25.0 percent of fund revenues must be deposited into the legacy fund. Oil and gas taxes are shown net of amounts deposited into the legacy fund. The amount shown as the anticipated transfer to the legacy fund represents 25.0 percent of fund revenues other than oil and gas taxes estimated to be received after the unobligated fund balance exceeds the $300.0 million threshold.

\4 The executive budget includes a recommendation to utilize up to $200.0 million of the fund to expand the school construction loan program, providing low interest loans to school districts.

\5 Contingent appropriation to the Department of Commerce, available if North Dakota receives designation as an UAS Airspace Integration Test Site.

\6 The assigned fund balance includes $6.3 million relating to the bio-fuels loan guarantee program (2011 SB2306) and an amount determined by the Board of University and School Lands relating to potential mineral ownership disputes over certain riverbed leases.

Notes:

The strategic investment and improvements fund was created by the 2011 legislature to replace the lands and minerals trust fund. In addition to income from the sale, lease, and management of certain state owned lands and mineral interests previously allocated to the lands and minerals trust fund, the strategic investment and improvements fund receives a portion of state oil and gas taxes.

Tobacco Prevention and Control Trust Fund
Status Statement

	2009-11 Actual[1]	2011-13 Legislative Appropriation	2011-13 Revised Estimate	2013-15 Executive Budget
Beginning Balance	$14,107,486	$29,501,819	$29,556,426 [2]	$39,381,797
Revenue:				
Fiscal year 1 payments	$12,274,393	$11,186,238	$11,392,521 [3]	$11,289,380 [4]
Fiscal year 2 payments	$11,186,239	11,186,238	11,289,380 [4]	11,289,380 [4]
Investment income	106,910	629,000	66,084	112,894
Total revenue	$23,567,542	$23,001,476	$22,747,985	$22,691,654
Expenditures:				
Appropriated expenditures	($8,118,602)	($12,922,614)	($12,922,614)	($13,016,197)
Total expenditures	($8,118,602)	($12,922,614)	($12,922,614)	($13,016,197)
Ending Balance	$29,556,426	$39,580,681	$39,381,797	$49,057,254

\1 Final revenue and expenditures per state accounting system reports dated June 30, 2011.
\2 Actual July 1, 2011 balance.
\3 Actual revenue received during fiscal year 2012.
\4 Estimated revenues based on average of fiscal year 2011 and 2012 actual amounts.

Notes:

In November 2008, voters approved Measure No. 3, which created a tobacco prevention and control trust fund. All tobacco settlement strategic contribution fund payments received by the state will be deposited in the fund. After 2017, no additional strategic contribution fund payments are anticipated.

2009 House Bill 1015, based on the intent of Measure No. 3, creates the Tobacco Prevention and Control Committee as a state agency. Section 35, appropriates funding for the 2009-11 biennium. Section 36, provides retroactive funding for expenditures that occurred during the period of January 1, 2009, through June 30, 2009. Section 39 changes language in the measure concerning the ability to spend funding from the water development trust fund. The legislature required that water development trust fund moneys may only be spent pursuant to legislative appropriation.

Tobacco Settlement Trust Fund
Status Statement

	2009-11 Actual\1	2011-13 Legislative Appropriation	2011-13 Revised Estimate	2013-15 Executive Budget
Beginning Balance	$0	$0	$0 \2	$0
Revenue:				
Fiscal year 1 payments	$20,816,865	$19,736,099	$20,127,217 \3	$20,000,000 \4
Fiscal year 2 payments	19,736,098	19,736,099	20,000,000 \4	20,000,000 \4
Total revenue	$40,552,963	$39,472,198	$40,127,217	$40,000,000
Transfers:				
Transfer to community health trust fund	($4,055,296)	($3,947,220)	($4,012,722)	($4,000,000)
Transfer to water development trust fund	(18,248,833)	(17,762,489)	(18,057,248)	(18,000,000)
Transfer to common schools trust fund	(18,248,833)	(17,762,489)	(18,057,248)	(18,000,000)
Total expenditures and transfers	($40,552,963)	($39,472,198)	($40,127,217)	($40,000,000)
Ending Balance	$0	$0	$0	$0

\1 Final revenues and expenditures per state accounting system reports dated June 30, 2011.
\2 Actual July 1, 2011 balance.
\3 Actual revenues received during fiscal year 2012.
\4 Estimated revenues based on average of fiscal year 2011 and 2012 actual amounts.

Notes:

North Dakota Century Code Section 54-27-25, enacted in 1999, establishes the tobacco settlement trust fund. The fund is to be used for the deposit of tobacco settlement dollars obtained by the state under the master settlement agreement and consent agreement adopted by the east central judicial district court. All moneys received by the state pursuant to the judgment and for enforcement of the judgment, except amounts relating to the strategic contribution fund, must be deposited in the tobacco settlement trust fund. Strategic contribution fund moneys received by the state are deposited directly into the tobacco prevention and control trust fund. The principal of the tobacco settlement trust fund must be allocated as follows:

10% to the community health trust fund
45% to the common schools trust fund
45% to the water development trust fund

All transfers out of the fund must be made within 30 days of receipt of the tobacco settlement moneys.

In November 2008, voters approved Measure No. 3, which created a tobacco prevention and control trust fund. All tobacco settlement strategic contribution fund payments received by the state will be deposited directly into that fund and are not reflected on this statement.

Tuition Apportionment Fund
Status Statement

	2009-11 Actual\1	2011-13 Legislative Appropriation	2011-13 Revised Estimate	2013-15 Executive Budget
Beginning Balance	$1,149,701	$829,342	$1,262,358 \2	$1,262,358
Revenue:				
Fines for violation of state laws	$9,557,016	$9,124,000	$10,000,000 \3	$10,000,000
Transfers from common schools	77,178,000	92,514,000	92,514,000 \4	130,326,000 \4
Total revenue	$86,735,016	$101,638,000	$102,514,000	$140,326,000
Expenditures:				
Tuition fund distributions to schools	($86,622,359)	($101,638,000)	($102,514,000) \5	($140,326,000)
Ending Balance	$1,262,358	$829,342	$1,262,358	$1,262,358

\1 Final revenues and expenditures per state accounting system reports, dated June 30, 2011.
\2 Actual July 1, 2011 balance.
\3 Actual revenues through October 31, 2012 and estimated revenues for the remainder of the biennium.
\4 Common schools trust fund distribution estimates provided by Department of Trust Lands.
\5 Section 7 of 2011 SB2013 appropriates additional funds, if they become available. Fiscal year 2012 fine and forfeiture revenue totaled $5.3 million and will likely result in additional moneys available for distribution through the state tuition fund.

Notes:

The common schools trust fund is a constitutional trust fund established in 1889. Article IX, Section 2, of the Constitution of North Dakota provides that state distributions to schools shall include the interest and income of the common schools trust fund, as well as all fines for violation of state laws. These amounts are deposited in the state tuition fund, pursuant to North Dakota Century Code Section 15.1-28-01. Beginning with the 2007-2009 biennium, tuition apportionment payments have been included in state school aid distributions to school districts.

Water Development Trust Fund
Status Statement

	2009-11 Actual\1	2011-13 Legislative Appropriation	2011-13 Revised Estimate	2013-15 Executive Budget
Beginning Balance	$21,010,583	$25,209,356	$25,209,356 \2	$26,326,870
Revenue:				
Transfers from the tobacco settlement trust	$18,248,834	$17,762,489	$18,057,248 \3	$18,000,000 \5
Expenditures:				
Water Commission expenditures	($14,050,061)	($37,189,734)	($16,939,734) \4	($44,250,000)
Ending Balance	$25,209,356	$5,782,111	$26,326,870	$76,870

\1 Final revenues and expenditures per state accounting system reports.
\2 Actual July 1, 2011 balance.
\3 Actual revenues received during fiscal year 2012 and estimated revenues for fiscal year 2013 based on average of fiscal year 2011 and 2012 actual amounts.
\4 Estimated expenditures for the 2011-13 biennium, as projected by the State Water Commission.
\5 Estimated revenues based on average of fiscal year 2011 and 2012 actual amounts.

Notes:

The water development trust fund was established by the Legislative Assembly in 1999, upon enactment of North Dakota Century Code Section 54-27-25. North Dakota Century Code Section 54-27-25 established the tobacco settlement trust fund, in which is deposited state proceeds received pursuant to the tobacco master settlement agreement. Monies in the tobacco settlement trust fund are allocated 45.0 percent to the water development trust fund, 45.0 percent to the common schools trust fund, and 10.0 percent to the community health trust fund. Monies in the water development trust fund are to be used for the long-term water development and management needs of the state.

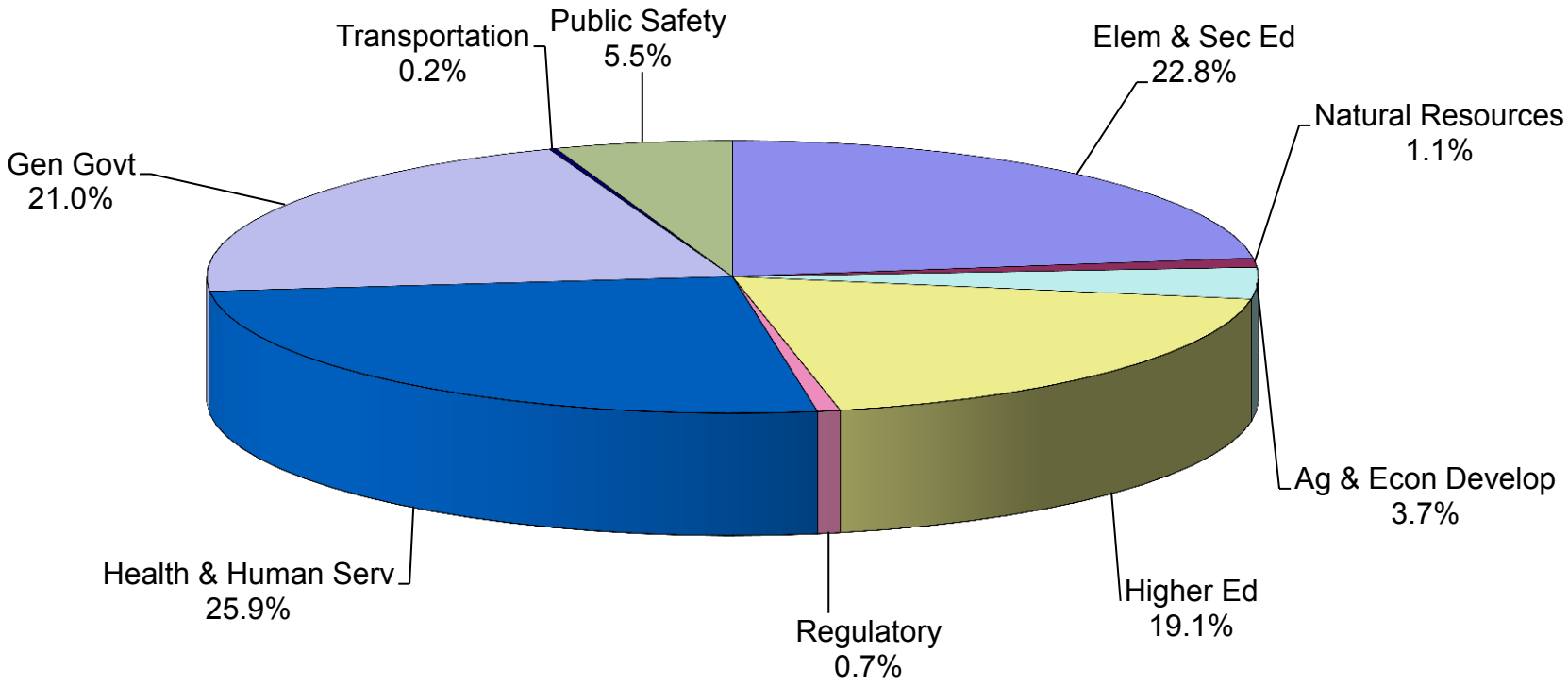
In November 2008, voters approved Measure No. 3, which created a tobacco prevention and control trust fund to receive all tobacco settlement strategic contribution fund moneys received by the state. Provisions of the measure were in effect prior to receipt of the 2009 strategic contribution fund payment in April 2009, resulting in a reduction of water development trust fund revenue for the 2007-09 and subsequent bienniums due to amounts deposited in the tobacco prevention and control trust fund that would have otherwise been deposited in the water development trust fund.

The initiated measure also established that if the tobacco prevention and control trust fund does not have adequate money to fund a comprehensive statewide tobacco prevention and control program, money will be transferred from the water development trust fund to the tobacco prevention and control trust fund in an amount determined necessary by the Tobacco Prevention and Control Executive Committee. The 2009 Legislative Assembly clarified that any money deposited in the water development trust fund may only be spent if legislatively appropriated.

State of North Dakota
Recommended General Fund Appropriations by Function for the 2013-15 Biennium

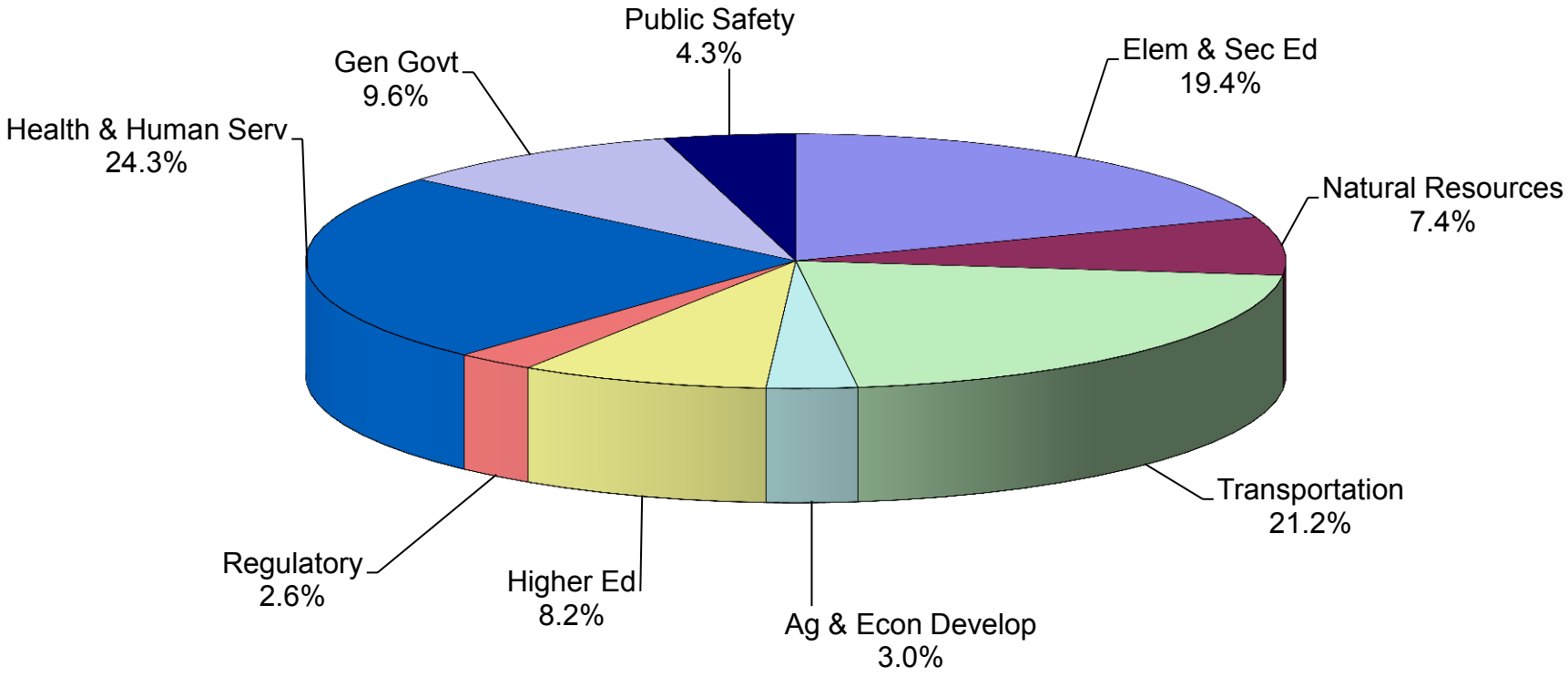
$4.786 Billion *

* $3.798 Billion On-Going Expenditures
$0.991 Billion One-Time Investments



State of North Dakota
Recommended Total Fund Appropriations by Function
for the 2013-15 Biennium

$12.785 Billion



Budget Highlights

General Government

Office of Management and Budget
The executive recommendation provides $50.8 million to the Office of Management and Budget to provide services to agencies and $683.6 million from the general fund for a transfer to the highway fund for the county and township road reconstruction program and the enhanced state highway investment program included in the Department of Transportation budget.

The Governor's budget includes $7.7 million for Facility Management projects such as a remodel of the south entrance to the Capitol, continuation of the limestone restoration and cleaning project for the Legislative and Judicial wings, maintenance of flooring, and the second phase of parking lot projects.

Information Technology
The Governor's recommendation for the Information Technology Department includes funding to the Center for Distance Education to provide improved parity to the educational opportunities afforded all high school students. The $1.4 million general fund dollars will supplement the costs for small schools, those with 500 or fewer students, to provide scholarship qualifying and credit recovery courses to students. In an effort to continue the 2010 Education Commission recommendation, this funding will provide approximately 4,500 additional enrollments. In addition, $200,000 is provided to the Educational Technology Council as grants to schools for upgrades of equipment and technical requirements. Grant recipients are required to provide a 50.0 percent local match.

Included in the $171.1 million budget is $20.8 million from the general fund. The department continues to build the Health Information Exchange (HIE) with $9.3 million, including $4.5 million of remaining federal stimulus grant funds. A revolving loan program is available to providers to assist with efforts in converting to electronic health records, ultimately connecting to the Health Information Exchange so medical information is accessible when treating patients.

In addition, the increase of 4.00 FTE is a transfer of information technology staff from Workforce Safety and Insurance (WSI) for the continuing application development support of WSI systems.

Secretary of State
The executive recommendation continues 3.00 FTE and $283,754 from the general fund for three positions that were approved by the Emergency Commission and Budget Section during the 2011-13 biennium. Two of the positions are for the business registration unit, and the remaining position is for the business information unit. The need for the additional staff is a result of the dramatic increase in business registrations due to the economic growth in the state.

Office of Attorney General
The executive recommendation for the Office of the Attorney General is a $66.4 million budget, including $37.4 million from the general fund, to continue to provide quality law enforcement, regulatory, investigatory, legal and informational services for the benefit of North Dakota's citizens. The dramatic increase in state-wide economic activity and the resulting population growth has taxed law enforcement agencies at all levels of government. To address these impacts, the executive budget includes the continuation of 8.50 FTE previously funded with federal funds that are no longer available and an additional increase of 7.50 FTE. With the exception of one attorney position to review mineral leases and other energy development legal information, all of these positions are law enforcement or criminal investigation related and include: four Bureau of Criminal Investigation (BCI) agents, five administrative assistants to support law enforcement activities, two criminal intelligence analysts, three Crime Lab forensic scientists, and one organized crime investigator. In addition the executive budget includes:

- $2.3 million from special funds for a criminal history rewrite information technology project.
- $859,225, of which $650,825 is from federal funds and $208,400 is from special funds, for capital asset purchases including a BCI mobile command post vehicle and crime lab equipment.
- $198,000 from one-time general fund dollars to replace eleven undercover vehicles.
- $576,100, of which $500,000 is from the general fund, for information technology contractual services to address the demand for more sophisticated information technology applications to support law enforcement across the state.

Office of Tax Commissioner
The executive budget recommendation for the Office of the Tax Commissioner includes $30.7 million for the Homestead Tax Credit Program, an increase of $21.9 million. Of this increase, $1.9 million is based on Tax Department estimates to fully fund the program with no changes to current law. An additional $20.0 million is recommended to significantly expand the program through eliminating the asset test, raising the income threshold to $50,000 per household, and excluding Social Security benefits from the calculation of income.

The recommended 2013-15 budget also includes $7.2 million for the Disabled Veterans' Credit Program, an increase of $2.9 million.

The department's GenTax software application has proven to be a valuable tool for the department in administering taxes and collecting tax revenues. The executive budget adds $1.0 million to continue a one-time 2011-13 biennium appropriation to allow for a comprehensive service contract for the upgrade, maintenance, and support of this critical application. In addition, $1.0 million is added to implement the taxpayer access point (TAP) module of GenTax to improve online filing options for taxpayers.

Commission on Legal Counsel for Indigents
The Commission on Legal Counsel for Indigents is responsible for delivery of

constitutionally-adequate services to criminal defendants and respondents in the state who financially qualify for indigent services in accordance with eligibility requirements. The agency has experienced a dramatic increase in caseloads, particularly in western North Dakota. To address the need to meet the constitutionally mandated services, the executive budget recommends an additional 3.00 FTE, which include: an attorney position to be located in either the northwest or southwest units; a legal assistant to be located in Dickinson; and a legal assistant to be located in Williston. In addition, the executive budget includes a $1.6 million increase for contract attorneys, of which $1.1 million is from the general fund. The contract attorneys are used, in addition to full-time public defenders, in cases where there are conflicts for the public defenders offices or if the caseload requires additional attorneys.

Elementary and Secondary Education

Department of Public Instruction

The Governor's recommendation for elementary and secondary education proposes a new integrated formula to deliver both expanded property tax relief and adequacy-based education funding. For the 2013-15 biennium, the Governor's budget includes $1.787 billion for the integrated formula, a total increase of $527.2 million when compared to the 2011-13 appropriations for mill levy reduction grants and state school aid. The integrated formula is funded with appropriations of $932.9 million from the general fund, $140.3 million from the state tuition fund, and $714.2 million from the property tax relief sustainability fund. The appropriation from the property tax relief sustainability fund provides for the expansion of property tax relief from the current 75 mill buy-down program to 135 mills, as part of the integrated formula.

The 2011 legislature appropriated $5.0 million from the oil and gas impact grant fund to provide grants to districts experiencing exceptional enrollment growth, defined as an increase of at least 7.0 percent annually. For the 2013-15 biennium, the Governor recommends a $17.0 million general fund appropriation to provide grants to districts experiencing rapid enrollment. For the 2013-15 biennium a supplemental payment of $3,900 is recommended for districts experiencing enrollment growth of 7.0 percent or more. For districts experiencing growth of between 4.0 and 7.0 percent, a payment of $1,950 is provided.

Transportation funding is increased by $5.0 million, to provide a total of $53.5 million for the 2013-15 biennium. Other increases include $500,000 for special education contracts, $400,000 to implement a statewide teacher and principal evaluation system, and $500,000 to facilitate the statewide implementation of common core standards

Higher Education

The executive recommendation for the North Dakota University System includes a $912.6 million state-funded budget for the 2013-15 biennium. One-time investments make up $216.8 million of the budget and include $177.9 million in capital projects. The ongoing portion of the budget contains an $89.2 million, or 14.7 percent, increase above the 2011-13 biennium. Additionally, the Department of Trust Lands is appropriated $4.0 million for energy impact grants to qualifying higher education institutions.

The executive budget moves the higher education institutions to a cost-based, fixed amount per completed student credit hour (SCH) funding model. Proposed formula payments to the eleven campuses total $76.1 million. Of the total, $21.0 million is provided to equalize the current funding levels to the highest existing per SCH within each institutional tier. The remaining $55.1 million provides an inflationary factor to adjust for salary and benefit increases, as well as operating expense and utility inflation. The amount also includes funding to provide on-campus student mental health services; to ensure that all campuses have an adequate number of security officers; and to fund the statewide nursing consortium.

Governor Dalrymple also recommends $30.0 million to create a North Dakota Higher Education Challenge matching grant fund. This pilot program will incentivize philanthropic gifts to the colleges and universities for academic enhancements. Funds would be available to match gifts over $50,000 at research universities and $10,000 at two and four-year schools. For every two private dollars donated, one state dollar will be matched.

In an effort to improve the medical services available to all North Dakotans, the executive budget directs $7.4 million to expand class sizes and provides $68.3 million to construct a new medical school at the UND School of Medicine and Health Sciences.

The Governor focuses on students by providing a total of $45.2 million for student financial assistance programs. The academic and technical education scholarship is funded at $13.7 million, an enhancement of $3.7 million, which will increase the per student lifetime cap to $10,000. Additionally, funding for the needs-based state grant program is increased by $2.2 million, for a total of $21.2 million, which will increase the cap to $1,650 per student.

Department of Trust Lands

The executive recommendation provides authorization for an additional 6.25 FTE to address the rapidly expanding workload as the agency manages surface and mineral acres on behalf of the state. Two of the positions relate to the department's responsibilities administering the oil and gas impact grant program. During the 2009-11 biennium, the agency operated an $8.0 million grant program. For the 2011-13 biennium, the original appropriation for oil and gas impact grants was $100.0 million. For the 2013-15 biennium, the Governor recommends increasing the oil and gas gross production tax allocation to the impact fund from $100.0 million to $150.0 million. In addition, the Governor recommends an additional one-time $64.0 million allocation of gross production taxes to the impact fund to provide $60.0 million for grants to oil-impacted airports and $4.0 million to oil-impacted institutions of higher education.

School for the Deaf/Resource Center for Deaf and Hard of Hearing

The executive recommendation for the School for the Deaf includes $200,000 from

the general fund to continue the higher education interpreter grant program authorized by the 2009 legislature. The executive budget also provides nearly $1.2 million for critical repairs to the kitchen, dormitory building, and campus infrastructure -- the second phase of an extensive maintenance and repair project authorized by the 2011 legislature.

School for the Blind/ND Vision Services
Pursuant to a recently completed facility master plan, the executive budget provides $241,500 for installation of an elevator to provide access to the second floor of the South Wing of the building. In addition, $189,000 is provided for window replacements in the building's west wing, which is currently occupied by the Grand Forks Public School.

State Library
The executive recommendation for the State Library includes $1.8 million for state aid to public libraries, an increase of $266,500. State aid provides an important source of funding for the state's public libraries; funds are distributed on the basis of population and area served. In addition, $275,000 is recommended as a one-time appropriation for a pilot program to provide matching grants for critical library repair and maintenance projects.

Career and Technical Education
The 2013-15 biennium executive recommendation for the Department of Career and Technical Education (CTE) provides a total general fund appropriation of $22.2 million for grants to support CTE programs. The recommended budget includes an increase of $500,000 to maintain reimbursement rates at the current level, $1.0 million to support new and expanded program offerings across the state, and another $1.0 million for establishment of a new virtual center to expand course offerings through the cooperative delivery of programs.

Workforce training grants are continued at $3.0 million for the 2011-13 biennium, and grants to support adult farm management programs are continued at $669,802.

Health and Human Services

ND Department of Health
The executive recommendation includes $186.2 million, with $46.0 million from the general fund, for the Department of Health. The oil impact on health programs is being supported with $3.3 million and 9.00 additional FTE.

Grants of $1.2 million to health districts in oil producing counties will aid with the additional need for inspections, monitoring and enforcement activities to protect the public from environmental hazards. Health districts also provide nursing services such as child health and nutrition, STD (sexually transmitted diseases) and AIDS/ HIV testing, family planning, and child and adult immunizations.

FTE increases are necessary in the air quality, laboratory services, municipal facilities, waste management and water quality divisions. The increased need for environmental services has resulted from the increasing oil activity. The department has been facing many challenges, from a significant increase in licensing and permitting in air, water and waste areas to inspection needs of crude oil storage tanks, gas plants, public water systems, septic tanks, gas stations, truck stops, landfills, oil spills, RV parks, campgrounds and man camps. As a result of these issues, the department is also facing challenges of retaining staff due to wages and workload.

Funding for the cost of the universal vaccine program is increased by $1.0 million from the general fund as a result of the growing population, additional federally required vaccines and the reduction of 317 federally funded vaccines. In order to continue the medical, dental and veterinary loan repayment programs, $585,000 from the general fund is included in the recommendation.

A pilot community paramedic/healthcare worker project is funded with $276,600, in an attempt to help with the shortage of volunteers to ambulance services. This program will employ paramedics to assist community health services during their downtime between ambulance runs and transports, ultimately reducing the number of ER visits and ambulance calls.

The Governor has included an additional $2.4 million for grants to Emergency Medical Services, to continue the grant program and increase funding to $3.3 million per year. Local Public Health state aid is included with an increase of $750,000 to be distributed to non-oil producing counties.

Veterans Home
The Governor recommends $23.9 million, with $8.0 million from the general fund, to provide care for veterans in a basic and skilled care facility. The $1.1 million increase includes funding for demolition of the old Veterans Home building.

Department of Veterans Affairs
The executive recommendation includes 1.00 additional FTE as a national service officer position to assist veterans in securing benefits. With declining memberships at the veterans' organizations, some are unable to continue funding the needed veteran service officers to act as power of attorney for veterans. The total executive budget for the department is $1.3 million from the general fund.

ND Department of Human Services
The Governor's recommendation for the Department of Human Services provides $2.791 billion, including $1.177 billion from the general fund. As a result of the growing economy and rising personal income in North Dakota, along with the struggling economy in other states causing their average income to drop, the Federal Medical Assistance Percentages (FMAP) has again decreased federal support for medical programs in North Dakota from the 55.4 percent budgeted in the 2011-2013 biennium to 50.0 percent beginning in federal fiscal year 2014. This decrease has resulted in the need for additional state general fund dollars of $93.4 million. The cost to maintain other program services authorized by the 2011 legislature is $48.9 million from the general fund.

Other significant changes included in the Governor's recommendation are providing $1.4 million to rebase rural health clinics to Medicare rates, and the continuation of the cost-based reimbursement to critical access hospitals for outpatient laboratory and care provided by certified registered nurse anesthetists. The budget also includes $2.1 million from the general fund for additional bed capacity for the transitional living program, short-term crisis stabilization, and long-term residential program for individuals with mental illness, and/or chemical dependency issues. These additions will help reduce the admissions and lengths of stay at the State Hospital.

The executive recommendation provides inflationary increases to providers of 4.0 percent each year of the biennium at a cost of $81.3 million, including $40.9 million from the general fund. The budget provides a $0.50 wage pass-through to staff of nursing homes, basic care facilities, and developmentally disabled service providers and to qualified service providers (QSPs), totaling $27.6 million, with $14.9 million from the general fund. The budget also includes $2.3 million, with $1.7 from the general fund, for a mileage differential to QSPs for round trips in excess of 20 miles.

The executive budget includes $800,000 to increase the funding available for congregate meals in order to help seniors remain in their homes longer. The budget continues funding for home and community based services and adds $345,847, of which $266,125 is from the general fund, to provide home delivered meals 7 days a week to SPED and ExSPED clients under 60 years old; to extend personal care services for the SPED program, by allowing them to administer medications and do other medical tasks; and to allow individuals with a primary diagnosis of dementia or traumatic brain injury (TBI) to receive 24 hour supervision within the daily rate. The budget also provides $1.2 million from the general fund for the increased demand for Developmental Disability Corporate Guardianships and to expand the Aging Services Guardianships. In addition the budget includes $3.8 million, of which $3.3 million is from the general fund, to pay an oil patch add-on to staff living in the Williston, Minot and Dickinson areas due to the increases in housing costs and the overall cost of living.

Regulatory

Insurance Commissioner

The executive recommendation for the Insurance Department increases grants to fire districts from $6.2 million to $7.0 million. Grants to the North Dakota Firefighters Association are continued at $840,000, with $670,000 coming from the insurance tax distribution fund and $170,000 from the fire and tornado fund.

Industrial Commission

The dramatic increase in energy development activity in the state has significantly impacted the operations of this agency. As a result, the executive recommendation includes $4.3 million to fund an additional 23.69 FTE and related operating expenses to meet the demands of regulating the state's booming energy development activity. The new positions include:

- 8.00 FTE engineering technician field inspector positions to perform routine producing well, injection well and facility inspections. Three of these positions would be contingent upon the total number of wells in the state capable of production and injection exceeding 15,000.
- 4.00 FTE engineering technician positions to timely process data to ensure compliance with regulations.
- 2.00 FTE geology analyst positions to inspect log data to ensure safety and environmental considerations are not compromised and to conduct pre-application waste disposal site reviews.
- 1.00 FTE accounting position to meet the demands of daily accounting and payroll functions.
- 3.00 FTE petroleum engineer positions to inspect drilling rigs, witness well plugging, and address future unit activities in order to ensure compliance with regulations.
- 1.00 FTE engineering technician position to pull core samples in the core library and to conduct field inspections of geothermal facilities.
- 1.00 FTE petroleum engineer production supervisor to ensure timely and accurate filing and auditing of production data.
- 1.00 FTE engineering technician measurement analyst position to ensure that oil and gas produced in North Dakota is accurately measured to proper standards.
- 2.00 FTE administrative assistants to assist with production audits, processing legal documents, and performing receptionist duties.
- .69 FTE administrative assistant position to make the .31 FTE position currently authorized in the agency administrative office into a full-time position.

Other significant items included in the Governor's recommendation are $1.0 million in one-time general fund dollars for possible litigation and other administrative proceedings involving the federal government's efforts to regulate hydraulic fracturing. Finally, the executive recommendation allocates one-half of one percent of the revenue credited to the resources trust fund to the renewable energy development fund. According to the executive revenue forecast, this is anticipated to provide $2.7 million for renewable energy research, development and education during the 2013-15 biennium.

Public Service Commission

The executive budget repurposes 2.00 FTE from the Weights and Measures program to 1.00 FTE pipeline safety inspector position and 1.00 FTE public utility analyst to address the needs of increased energy development in the state. The program activities of the Weights and Measures program would change from testing and enforcement to enforcement only. All weighing and measuring devices would be tested by third-party registered service persons. The agency would continue monitoring to ensure that all commercial weighing and measuring devices used in North Dakota and all registered service persons are in compliance with state law and PSC rules.

Bank of North Dakota

The Governor's budget provides for a $38.0 million transfer from the Bank of North

Dakota's retained earnings to the Partnership in Assisting Community Expansion (PACE) and Beginning Farmer programs. Support for these programs is allocated as follows:

- $12.0 million for affordable housing projects from the Flex PACE program.
- $16.0 million for PACE/Flex PACE
- $2.0 million directed to agriculture PACE
- $6.0 million to enhance the beginning farmer revolving loan program.
- $2.0 million allocated to biofuels PACE.

The executive budget recommends 3.00 new FTE, including: a compliance officer to address the increased regulatory demands; a collection officer position to keep student loan delinquency rates at manageable levels; and an additional loan officer to meet the demands of the Bank's growing loan portfolio. Finally, the Governor's budget continues $3.0 million in federal fund authority from the college access grant for education and outreach services to those pursuing a higher education.

North Dakota Housing Finance Agency
The executive recommendation provides for a $30.0 million general fund transfer to the housing incentive fund for the biennium ending June 30, 2013 to promote affordable housing projects in North Dakota. In addition, the Governor's budget includes an increase of the allowable tax credits per biennium from $15.0 million to $20.0 million for contributions to the housing incentive fund.

North Dakota Mill and Elevator Association
The executive budget recommends 4.00 new FTE, including: a warehouse shift supervisor, a sales representative, a car checker position, and an IT systems analyst, to meet the demands of increased production. These positions are funded entirely from mill profits.

Workforce Safety and Insurance
The executive recommendation provides $1.3 million in special fund authority for 7.00 FTE and related operating expenses to address the increased workload as a result of energy development and construction activity in the state. The new positions include: claims adjuster, claims supervisor, vocational rehabilitation supervisor, medical case manager supervisor, underwriter, compliance officer, and loss control specialist. In addition, the budget authorizes the transfer of 4.00 FTE information technology positions and $753,275 in special fund authority to the Information Technology Department, which results in a net increase of 3.00 FTE for Workforce Safety and Insurance. Finally, the executive budget provides an additional $1.2 million in special fund authority for a policy information system replacement project.

Public Safety

Highway Patrol
The executive budget provides one-time funding of $6.7 million, of which $5.8 million is from the general fund, for the construction of an emergency vehicle operations course and an indoor weapons training range for the Law Enforcement Training Academy. Also included is one-time funding of $1.0 million, of which $892,000 is from the general fund, to replace obsolete emergency lighting equipment on patrol vehicles, to replace Taser equipment, and to purchase two additional trailer scale systems to address the increase in truck traffic in the state.

The Governor's budget also includes 15.00 new FTE sworn officer positions. Six of the additional positions are motor carrier troopers to focus on enforcing size and weight limitations. Nine of the additional positions are traffic troopers to provide enhanced coverage across the state, backfilling locations that have been vacated as resources have been moved west, as well as augmenting current staffing levels in the western area of the state. Finally, the budget includes $1.8 million, of which $1.5 million is from the general fund, for increased travel costs associated with motor pool rate increases and additional monthly patrol miles per trooper.

Department of Corrections and Rehabilitation
The prison expansion project, authorized by the 2009 legislature, will be completed during the 2011-13 biennium. The budget recommendation includes 14.00 FTE positions to staff the new facility and another 6.00 FTE parole officers to address the growing number of inmates under supervision. The budget recommendation includes $21.2 million to contract with private entities, county jails, and the State Hospital for treatment and transition programming. Contract amounts are based on projections that the number of inmates will continue to grow at the rate experienced during the past five years; contract rates are increased 3.0 percent per year for most programs. Despite increases in daily rates and the number of inmates, the total budget for contracted housing is decreased for the 2013-15 biennium due to the elimination of the need to contract with county jails for general housing beds once the new prison is fully operational.

Because the expanded prison will continue to house only male inmates, female inmates will continue to be housed through the department's contract with the Dakota Women's Correctional Rehab Center (DWCRC). Funding for the contract with the DWCRC is increased by 6.0 percent, or $507,521, to $9.0 million for the 2013-15 biennium. The department's contract with the DWCRC provides for the secure housing of all state female inmates.

The budget recommendation also includes $2.3 million for extraordinary repair projects, $349,950 for a flood mitigation project at the Missouri River Correctional Center, and $552,900 for equipment purchases.

Adjutant General
The Office of the Adjutant General consists of the North Dakota National Guard and the Department of Emergency Services, which includes both the homeland security and state radio divisions. The Governor has recommended a two year total budget of $281.9 million, of which $31.8 million, or 11.3 percent, is from the general fund. The budget supports a staff of 246.00 FTE.

The executive budget invests $5.4 million from the general fund in statewide public safety. This investment includes $1.6 million to expand the State Radio Communications Center and add 4.00 FTE communications specialists to handle

the increased volume of 911 calls and other law enforcement activity in western North Dakota. Another $700,000 will be used to upgrade the computer aided dispatcher system and purchase other necessary equipment to ensure consistent and accurate response from State Radio. Purchasing, installing and maintaining state radio tower equipment to close the remaining gaps in the state radio tower communication infrastructure requires an investment of $1.9 million. Finally, $1.3 million from the general fund will be used to complete the statewide seamless base map project that was initiated in the 2009-11 biennium.

The Veteran's Bonus program provides a monetary payment to National Guard veterans for domestic and foreign active duty service. Governor Dalrymple included $600,000 from the general fund to continue this program in the 2013-15 biennium. Additionally, a total of $1.8 million, an increase of $110,000, is appropriated from the general fund to continue providing 100 percent tuition reimbursement to North Dakota National Guard airmen and soldiers. In addition to payments for costs related to presidentially-declared disasters, the executive budget includes a $1.5 million appropriation from the disaster relief fund for contracted disaster recovery planning and technical services.

Agriculture and Economic Development

Department of Commerce

The Department of Commerce budget encompasses the divisions of Community Services, Economic Development and Finance, Tourism, Workforce Development, Innovation and Entrepreneurship, as well as Administration. The divisions work together to expand the economy of North Dakota, support community development, and provide services to people with low incomes. For the 2013-15 biennium, the Governor is recommending an overall biennial budget of $124.6 million, of which $56.3 million is from the general fund, to support a staffing level of 69.25 FTE.

2020 & Beyond, working with multiple steering groups, advisory committees and a series of public input meetings, has created a plan that will build upon the success of ND's current strategic plan and advance the State's opportunities well into the future. The executive budget for the Commerce Department includes $16.0 million in one-time general fund dollars for programs that arose from the 2020 & Beyond discussions, including the following items:

- $12.0 million for Research North Dakota, which will supply one-to-one matching funds for businesses partnering with research universities for the development and commercialization of a products.
- $1.0 million for the North Dakota Planning Initiative, which will provide statewide technical assistance to communities for enhancing their main streets and for overall growth planning.
- $5.0 million for grants to political subdivisions for new or expanded licensed childcare facilities.

The Governor's budget includes $1.0 million from the general fund to continue pursuing Federal Aviation Administration designation as an Unmanned Aerial System (UAS) Airspace Integration Test Site. If the official national test site designation is received, the budget reserves $4.0 million from the strategic investment and improvement fund for UAS site operations.

Additionally, as part of a larger conservation initiative, the budget directs one-half of one percent of oil extraction revenues deposited into the resources trust fund be transferred into a new, energy conservation grant fund at the Commerce Department. A continuing appropriation is provided to award energy conservation grants to political subdivisions for renovations to non-federal public buildings.

Other significant one-time general fund items within the budget include:

- $2.0 million to award workforce enhancement grants to two-year colleges to help create or enhance training programs that address workforce needs of North Dakota employers.
- $1.5 million for matching grants to assist in base retention efforts in communities with air force bases.
- $1.3 million for large tourism infrastructure grants to attract and retain North Dakota citizens and visitors to the state.
- $350,000 to contract with the Upper Great Plains Transportation Institute for updating and maintaining reports for the transportation infrastructure needs of the state.

During the 2011-13 biennium, the North Dakota Census Office (formerly State Data Center) was transferred to the department from NDSU because of the unexpected resignation of the center's director. Governor Dalrymple has included $498,852 from the general fund for 1.00 FTE and related operating expenses for the North Dakota Census Office. The NDSU Main Research Center budget was reduced by $142,836 and 0.52 FTE, resulting in a net increase of 0.48 FTE and $356,016.

Other ongoing general fund budget changes include:

- $1.5 million to enhance tourism-related marketing and research for the state.
- $600,000 for Operation Intern operating expenses and internship matching funds.
- $193,215 for HOME program administrative expenses.
- $100,000 to increase services provided to the participants in the Innovate ND program.

Agriculture Department

The Department of Agriculture consists of six divisions: administrative services; plant industries; livestock development; marketing and information; pesticide and fertilizer; and state veterinarian. For the 2013-15 biennium, the Governor recommends a budget of $24.7 million to support a staff of 77.00 full-time employees. The state general fund portion of the budget is $9.5 million, which is a 15.1 percent increase over the previous biennium.

The Agriculture Commissioner has broad regulatory authority and oversight over many programs intended to protect human and livestock health, as well as the environment. Additionally, the department has experienced an increasing workload

to directly participate in emergency programs and incidents across the state. The Governor's budget approves $114,656 from the general fund to hire an emergency program specialist to allow for disaster response planning, more effective mobilization of agency resources, and enhanced coordination with federal, state, and local emergency organizations. An existing vacant FTE will be utilized for the position. The budget also includes $30,000 from the general fund for operating costs to enhance the state veterinarian's ability to proactively detect and monitor animal disease occurrences and to prevent disease introductions.

North Dakota Verified Livestock is a voluntary marketing program created to add value to North Dakota livestock through age and source verification, which play a vital role in accessing export opportunities for foreign markets. The executive recommendation provides $24,574 from the general fund for the existing livestock pollution prevention coordinator's work on this critical program.

House Bill 1462 (2011) required the department to provide mediation services for energy development issues, such as surface damages, property access, mineral rights and royalties, which are non-allowable under the federal mediation grants. The 2013-15 recommended budget includes $50,000 to cover the costs of these services.

Other priorities addressed within the budget recommendation include:

- $146,632 from the general fund in lieu of increased funding from the game & fish fund for Wildlife Services and the State Board of Animal Health.
- $64,596 to fund half of an existing marketing specialist position to support the increasing needs of state-sponsored programs.
- $80,000 for a Centennial Farm Program grant.
- $112,975 from the environmental and rangeland protection fund for a livestock development administrative assistant, utilizing a vacant FTE.

Agricultural Research and Extension, Upper Great Plains Transportation Institute, and Northern Crops Institute
The 2013-15 executive budget appropriates $228.8 million for the Main and Branch Research Centers, Extension Service, Agronomy Seed Farm, Upper Great Plains Transportation Institute, and the Northern Crops Institute, of which $108.3 million is from the general fund. Within this amount, the Governor recommends a funding increase of $4.8 million for the following items ranked highest by the State Board for Agricultural Research and Extension:

- $800,000 to replace declining oil revenues at the Dickinson Research and Extension Center.
- $2.2 million for enhancing crop development and protection efforts.
- $1.2 million to enhance research capacities at all research extension centers (RECs).
- $250,000 for Extension summer internship programs.
- $370,000 for livestock extension efforts.

Due to the transfer of the North Dakota Census Office (formerly State Data Center) to the Commerce Department, the Main Research Center budget is reduced by $142,837 and .52 FTE.

Construction of agronomy laboratories at the Hettinger and Carrington RECs are recommended at a cost of $4.3 million. An Extension Service 4-H Camp renovation project is included at $1.9 million, of which $500,000 is from the general fund.

The budget also includes $750,000 from the general fund to match new federal grants received by the Upper Great Plains Transportation Institute and $135,000 from the general fund for an existing 1.14 FTE food technologist and crop quality specialist at the Northern Crops Institute.

Finally, $1.1 million is provided for the Soil Conservation Committee, an increase of $75,000 over the previous biennium.

ND State Fair
The Governor's budget includes $3.5 million in one-time general fund dollars to repair flood damage that occurred on the state fairgrounds during the 2011 Souris River flood event, which includes an asphalt overly on the fair grounds and replacing gravel on parking lots.

Natural Resources and Transporation

Historical Society
The Governor's budget recommendation for the Historical Society authorizes an additional 6.00 FTE positions to provide staffing necessary for the operation of the expanded Heritage Center, the final phase of which is expected to be completed by November 2014. New positions include a technology coordinator, exhibit and collections specialist, education programs developer, multimedia/web developer, visitor services security officer, and archives specialist.

A general fund appropriation of $250,000 is recommended to allow the agency to contract for traveling exhibits to be displayed in the new Governor's Gallery, which is designed to house temporary, traveling exhibits. Other recommendations include $150,000 for events relating to the celebration of the state's 125th anniversary of statehood and $150,000 to complete development of new 8th grade curriculum for North Dakota Studies.

As private sector wages increase, the agency finds it increasingly difficult to hire and retain seasonal temporary staff, which are critical for the operation of the state's historic sites. To address this issue, $183,549 is provided to increase temporary seasonal salaries $1.00 per hour each year of the biennium, to an average of around $12.70 per hour by 2014-15. The recommendation also includes $504,500 to continue the cultural heritage grant program.

Game and Fish Department
A key initiative of the department has been the expansion of public hunting access on private land. The Governor's budget continues the focus on this initiative and

recommends a $12.8 million appropriation for the department's land habitat and deer depredation line item, which includes $8.1 million for rental and lease payments to landowners.

The Game and Fish Department provides grants to support various agencies and programs. The Governor's budget recommendation includes the following:

- Grants to support the federal Wildlife Services agency are continued at $768,800.
- Grants to support the Garrison Dam Fish Hatchery are increased from $520,000 to $914,000.
- Grants to support the Department of Agriculture's Board of Animal Health are continued at $200,000.
- Grants to support boat ramp operation and maintenance at state parks are continued at $122,000.

Parks and Recreation Department
State parks provide valued outdoor recreational opportunities for North Dakotan's and visitors to the state. Consequently, park visitation is at record levels. To preserve and improve the state's park system, over $3.7 million for capital projects at various parks is recommended, including the following:

- $1.0 million for road maintenance and repair projects, primarily at Lake Metigoshe State Park.
- $800,000 to purchase docks and equipment to operate the marina at Lake Sakakawea State Park.
- $750,000 to construct a visitors' center at Fort Stevenson State Park.
- $200,000 for interpretive exhibits at the expanded visitors' center at Icelandic State Park.
- $520,000 for an expansion of the campground at Lewis and Clark State Park.
- $500,000 for replacement of a comfort station at Lake Sakakawea State Park.

Nearly $1.1 million is provided for extraordinary repairs, $875,000 from the general fund for regular, ongoing repairs, and $182,800 from special funds for one-time repair projects. In addition, $750,000 is provided to replace aging equipment used to maintain the park and trail system. Like other agencies that rely on temporary seasonal staff, the department finds it difficult to recruit and retain staff in the state's competitive labor market. To address this issue, the budget includes $264,000 to increase temporary seasonal wages by an average of $1 per hour each year of the biennium.

The 2009 legislature appropriated $400,000 for a community grant program to provide cost-share grants to assist communities in constructing parks facilities. Although unexpended moneys were carried over to the 2011-13 biennium, all available funds have now been committed. To continue the grant program for the 2013-15 biennium, the Governor recommends an appropriation of $400,000.

The 2011 legislature appropriated $773,699 for operations grants to the International Peace Garden. The Peace Garden, which like the department is heavily reliant on temporary seasonal staff, is also experiencing difficulty competing in the competitive labor market. To allow the Peace Garden to increase wages for temporary seasonal staff and successfully recruit staff to maintain the gardens, the state grant for 2013-15 is recommended at $973,699, an increase of $200,000.

State Water Commission
The executive budget includes funding from the resources trust fund of $700.9 million, which is comprised of the following: $500.0 million for new projects; $125.9 for uncompleted projects from the previous biennium; $60.0 million to pay off or defease outstanding bonds; and $15.0 million to the community water facility revolving loan fund, which is administered by the Bank of North Dakota. In addition, the budget contains $15.3 million from the water development trust fund, which along with the $60.0 million from the resources trust fund, will pay off or defease all of the Commission's outstanding bond issues.

The Governor's budget also includes authorization for an additional 3.00 FTE including: a water resource engineer position in the Water Appropriation Division to address the increase in water permit applications as a result of energy development in western North Dakota; a water resource project manager position in the Water Appropriation Division to inspect water meters, process water use data, and conduct field measurements of pumping rates; and an engineering technician position to support the operations of the Devils Lake outlets as a result of the addition of the east Devils Lake outlet.

Department of Transportation
Increased oil and gas production has had a significant impact on the state's infrastructure. Oil and gas exploration and production rely heavily on the state's roads to move drilling rigs, supplies, and produced oil and gas, which have taken a toll on state, county, and township roads. In addition, weather-related damage has caused serious deterioration to roads across the state. To address the need to make immediate repairs and improvements to infrastructure at the state and local level, the executive budget provides a three-pronged approach. First, the executive budget provides $1.16 billion in one-time funding from a transfer from the general fund to the highway fund for enhanced state highway investments including: extraordinary state highway maintenance and repair; truck reliever routes around cities; upgrading two-lane highways to four-lane highways; and constructing underpasses. Secondly, the Governor's budget provides an additional $142.0 million in one-time funding from a transfer from the general fund to the highway fund to continue the County and Township Road Reconstruction program to support oil and gas production and distribution in North Dakota. Once again, the Department of Transportation will allocate this funding based on priorities identified from data obtained from the Upper Great Plains Transportation Institute as well as observed road conditions. Thirdly, the executive budget provides $100.0 million in one-time funding from the general fund for the biennium ending June 30, 2013 for transportation funding distributions to non-oil producing counties, cities and townships.

The executive budget also includes $10.0 million in one-time general fund authority to match a federal grant to rebuild a 20-mile segment of railroad track and two bridges near Churches Ferry. In addition, the executive budget recommends special fund authority for:

- 16.00 FTE including five engineering positions, four transportation technicians, an accounting/budget specialist, two driver's license supervisors, and four motor vehicle licensing specialists.
- $9.7 million in one-time authority for a motor vehicle registration and titling system information technology project.
- $6.0 million in one-time authority for the final phase of asbestos abatement in the central office headquarters building.

Compensation Package

The recommended compensation package provides funds for employee salary increases following recommendations of the legislative classified employee compensation study and the resulting compensation philosophy statement from NDCC 54-44.3-01.2.

The classified employee compensation study included an in-depth review of the process of developing job classifications and assigning appropriate pay grades based on consistent job evaluation. The study also resulted in salary ranges based on a more thorough analysis of market pay including more direct comparison with salaries paid by employers in North Dakota.

In accordance with the compensation philosophy, the appropriation recommendations are "...not provided as a statewide percentage increase..." but are rather "...based on dollar amounts determined necessary to provide competitive compensation..." The appropriation allocations are based on agency employees' relative position to the Market Policy Point of their salary range and performance.

To address the issue of salaries of classified employees below the Market Policy Point, dollars recommended in the budget were based on a range of 2.0 to 4.0 percent per year for employees in the lowest quartile of the pay range and 1.0 to 2.0 percent per year for employees in the second lowest quartile of the pay range. For employees in the third and fourth quartiles, which are above the Market Policy Point, no market policy increase has been funded.

In addition to the dollars recommended in the budget to address market policy, the executive budget recommendation includes 3.0 to 5.0 percent each year of the biennium for all employees, classified and unclassified, to be distributed based on the level of performance. Performance-based increases are recommended at 3.0 percent for employees meeting performance standards and up to 5.0 percent for employees exceeding performance standards. Employees whose overall documented performance levels do not meet standards are not eligible for any salary increase.

The following chart reflects the implementation of the compensation philosphy statement in NDCC 54-44.3-01.2 as funded in the 2013-15 executive budget recommendation:

MARKET – PERFORMANCE MATRIX				
	Relativity to Market Policy Position*		**+ Meet Standards**	**+ Exceed Standards**
MPP+	0%	+	3.0%	5.0%
2nd Qtl	1 – 2.0%			
1st Qtl	2 – 4.0%			
**ALL increases contingent upon Performance Meeting Standards*				

Agencies will be provided with models and tools for planning distribution of salary increases but will also have appropriate flexibility to address their specific needs within the intent of the compensation philosophy. Salary increases are not to be given across the board.

The compensation package continues full health insurance for state employees and their families. The total cost for health insurance is $981.69 per month per employee. This is a $95.07 or a 10.7 percent increase over last biennium.

The Patient Protection and Affordable Care Act (PPACA) requires employers to provide health insurance to temporary employees meeting certain criteria in the number of hours worked. A $2,000,000 pool has been included in the budget of the Office of Management and Budget to be distributed to agencies and institutions as they provide health insurance to eligible temporary employees. Of this amount, $1,000,000 is from the general fund and $1,000,000 is other fund authority.

The executive budget recommends an increase in contributions to the retirement system of 2.0 percent on January 1, 2014 and another 2.0 percent on January 1, 2015. Employees will pay 1.0 percent of the annual contribution increase and the employer, the State of North Dakota, will pay 1.0 percent of the annual contribution increase.

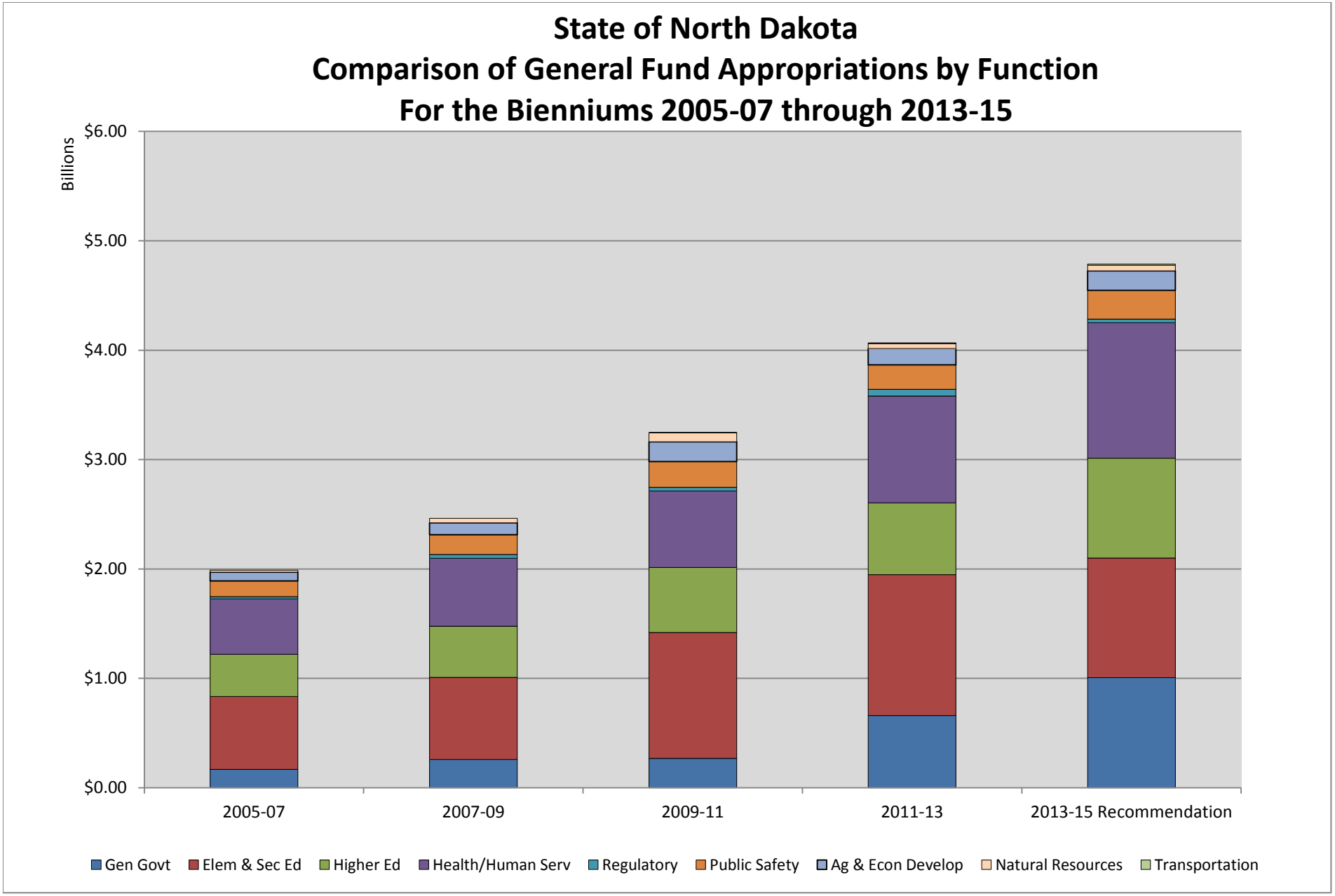
Supplemental Appropriation

Supplemental appropriations have been recommended for agencies as follows:

- The Office of the Attorney General to cover shortfalls of $20,000 for prosecution witness fees and $20,000 for litigation fees. These supplemental appropriations are funded from the general fund.
- The Office of the Tax Commissioner to cover a shortfall of $981,855 for the Disabled Veterans Credit. This supplemental appropriation is funded from the general fund.
- The Department of Public Instruction to cover shortfalls of $45,000 in Continuing Education grants and $3,100,000 in Rapid Enrollment grants. These supplemental appropriations are funded from the general fund.
- Minot State University to cover the state share of costs and FEMA ineligible costs for the 2010 and 2011 floods totaling $52,745. This supplemental appropriation is funded from the general fund.
- The Department of Health to cover a shortfall of $126,000 for additional food and lodging staff in western North Dakota and $500,000 to repay the loan from the Bank of North Dakota as a result of the Environmental Protection Agency (EPA) lawsuit. These supplemental appropriations are funded from the general fund.
- The Department of Human Services to cover a shortfall of $20,900,000 due to a decrease in the Federal Medical Assistance Percentage (FMAP) for Federal Fiscal Year (FFY) 2013. This supplemental appropriation is funded from the general fund.
- Job Service North Dakota to repay $5,846 in interest costs to the Bank of North Dakota on loan dollars used to pay Disaster Unemployment Benefits relating to the 2011 flood. This supplemental appropriation is funded from the general fund.
- The Highway Patrol to cover shortfalls of $231,000 in motor pool costs and $171,000 in energy impact related costs. These supplemental appropriations are funded from the general fund.
- The State Fair to cover the state share of costs and FEMA ineligible costs for the 2011 flood totaling $674,361. This supplemental appropriation is funded from the general fund.
- The Department of Transportation to repay a $41,500,000 loan from the Bank of North Dakota used to match Federal Highway Emergency Relief funds. This supplemental appropriation is funded from the general fund.

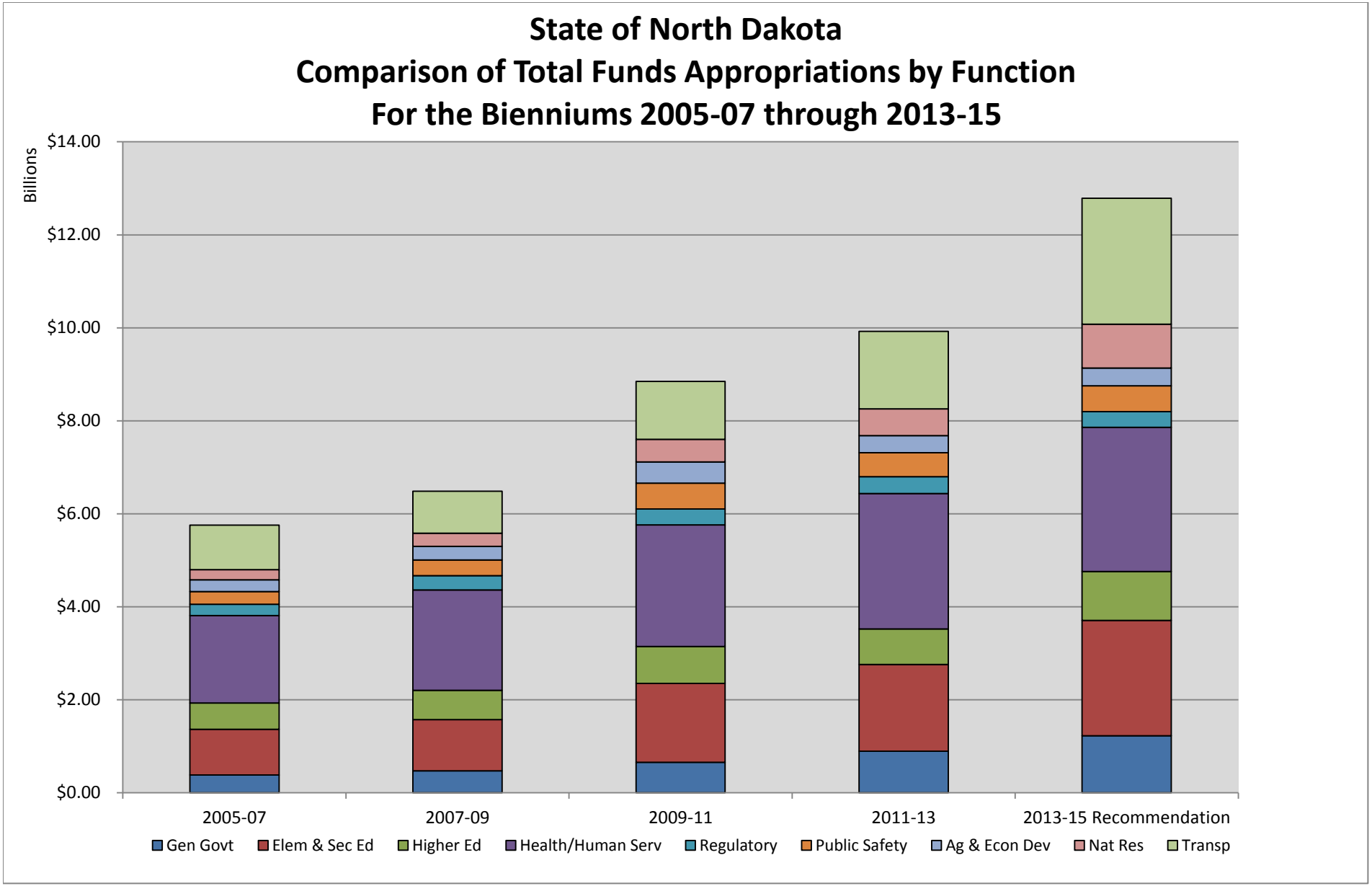
State of North Dakota
Comparison of General Fund Appropriation by Function
For the Bienniums 2005-07 through 2013-15

	2005-07		2007-09		2009-11		2011-13		Recommendation 2013-15	
General Government	$168,852,736	8.5%	$258,567,029	10.5%	$269,297,379	8.3%	$659,994,764	16.2%	$1,007,239,982	21.0%
Elementary and Secondary Education	664,681,161	33.4%	749,513,198	30.4%	1,150,539,590	35.4%	1,287,742,317	31.7%	1,093,013,275	22.8%
Higher Education	387,157,893	19.5%	468,649,624	19.0%	593,296,143	18.3%	655,785,794	16.1%	912,563,757	19.1%
Health and Human Services	505,573,540	25.4%	621,698,364	25.3%	699,314,530	21.5%	977,697,676	24.0%	1,237,888,458	25.9%
Regulatory	21,112,165	1.1%	33,552,068	1.4%	34,243,364	1.1%	61,499,673	1.5%	33,544,750	0.7%
Public Safety	142,777,447	7.2%	180,305,009	7.3%	235,824,028	7.3%	223,362,748	5.5%	261,584,982	5.5%
Agriculture and Economic Development	81,048,559	4.1%	109,951,724	4.5%	179,549,603	5.5%	148,903,572	3.7%	178,596,969	3.7%
Natural Resources	18,249,122	0.9%	39,736,940	1.6%	82,700,844	2.5%	46,017,248	1.1%	51,739,808	1.1%
Transportation		0.0%		0.0%	4,600,000	0.1%	5,850,000	0.1%	10,000,000	0.2%
TOTAL	**$1,989,452,623**	**100.0%**	**$2,461,973,956**	**100.0%**	**$3,249,365,481**	**100.0%**	**$4,066,853,792**	**100.0%**	**$4,786,171,981**	**100.0%**

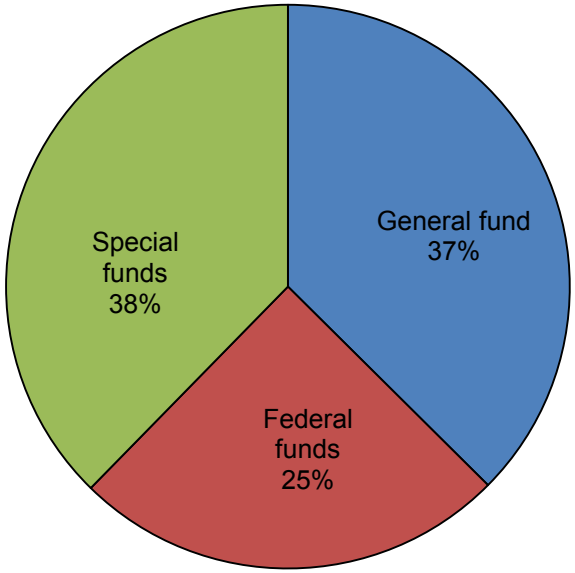

State of North Dakota
Comparison of General Fund Appropriations by Function
For the Bienniums 2005-07 through 2013-15
Billions
$6.00
$5.00
$4.00
$3.00
$2.00
$1.00
$0.00
2005-07
2007-09
2009-11
2011-13
2013-15 Recommendation
Gen Govt
Elem & Sec Ed
Higher Ed
Health/Human Serv
Regulatory
Public Safety
Ag & Econ Develop
Natural Resources
Transportation

State of North Dakota
Comparison of Total Funds Appropriations by Function
For the Bienniums 2005-07 through 2013-15

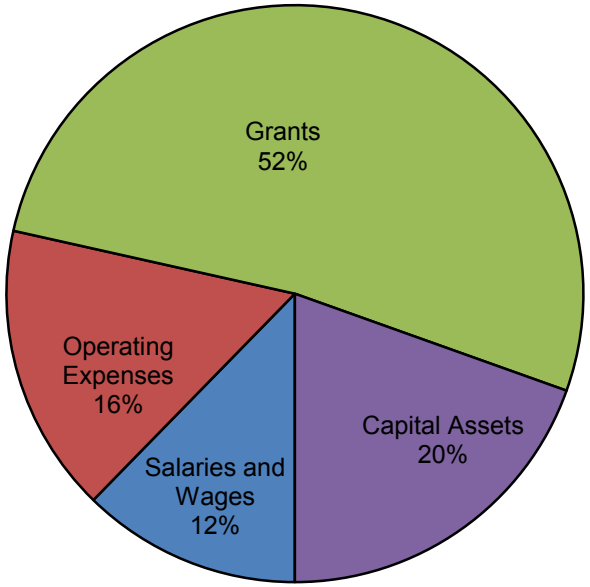
	2005-07		2007-09		2009-11		2011-13		Recommendation 2013-15	
General Government	$379,725,102	6.6%	$471,273,892	7.3%	$654,969,287	7.4%	$890,906,476	9.0%	$1,225,113,043	9.6%
Elementary and Secondary Education	983,530,999	17.1%	1,099,105,320	17.0%	1,693,626,375	19.1%	1,865,235,525	18.8%	2,482,055,349	19.4%
Higher Education	565,710,001	9.8%	634,069,325	9.8%	796,060,507	9.0%	764,603,553	7.7%	1,048,719,698	8.2%
Health and Human Services	1,881,658,571	32.7%	2,157,102,223	33.3%	2,616,798,843	29.6%	2,913,548,892	29.4%	3,102,257,927	24.3%
Regulatory	240,883,388	4.2%	307,378,766	4.7%	341,869,592	3.9%	360,769,894	3.6%	335,966,131	2.6%
Public Safety	274,585,418	4.8%	337,243,839	5.2%	554,901,374	6.3%	519,098,601	5.2%	556,115,697	4.3%
Agriculture and Economic Development	252,438,998	4.4%	293,302,979	4.5%	456,185,331	5.2%	367,213,963	3.7%	382,729,143	3.0%
Natural Resources	219,132,965	3.8%	279,855,196	4.3%	485,247,968	5.5%	574,200,016	5.8%	945,974,188	7.4%
Transportation	955,008,348	16.6%	903,157,500	13.9%	1,248,615,588	14.1%	1,668,904,459	16.8%	2,705,703,578	21.2%
TOTAL	**$5,752,673,790**	**100.0%**	**$6,482,489,040**	**100.0%**	**$8,848,274,865**	**100.0%**	**$9,924,481,379**	**100.0%**	**$12,784,634,754**	**100.0%**


State of North Dakota
Comparison of Total Funds Appropriations by Function
For the Bienniums 2005-07 through 2013-15
Billions
$14.00
$12.00
$10.00
$8.00
$6.00
$4.00
$2.00
$0.00
2005-07
2007-09
2009-11
2011-13
2013-15 Recommendation
Gen Govt
Elem & Sec Ed
Higher Ed
Health/Human Serv
Regulatory
Public Safety
Ag & Econ Dev
Nat Res
Transp

Recommended Funding Source - Total Funds	
General fund	$4,786,171,981
Federal funds	3,182,587,000
Special funds	4,815,875,773
Total	**$12,784,634,754**



Recommended Expenditures By Type -Total Funds	
Salaries and wages	$1,574,103,607
Operating expenses	2,069,672,054
Grants	6,642,341,992
Capital assets	2,498,517,101
Total	**$12,784,634,754**



Comparison of 2009-2011 and 2011-2013 Legislatively Authorized FTE and 2013-2015 Executive Recommendation

Biennuium: 2013-2015

Department	Notes	2009-2011 Legislatively Authorized FTE	2011-2013 Legislatively Authorized FTE	Increase (Decrease)	2013-2015 Executive Recommendation
Executive Branch					
101 Office of the Governor		18.00	18.00	0.00	18.00
108 Secretary of State		28.00	28.00	3.00	31.00
110 Office of Management and Budget		132.50	131.50	0.00	131.50
112 Information Technology		328.20	336.30	4.00	340.30
117 Office of the State Auditor		51.80	50.80	2.00	52.80
120 Office of the State Treasurer		7.00	7.00	1.00	8.00
125 Office of the Attorney General	1	202.50	204.00	7.50	211.50
127 Office of State Tax Commissioner		133.00	134.00	0.00	134.00
140 Office of Administrative Hearings		5.00	5.00	0.00	5.00
188 Commission on Legal Counsel for Indigents		30.00	30.00	3.00	33.00
190 Retirement and Investment Office		17.00	18.00	0.00	18.00
192 Public Employees Retirement System		33.00	33.00	0.00	33.00
Legislative and Judicial Branches					
160 Legislative Council		34.00	34.00	0.00	34.00
180 Judicial Branch		342.00	344.00	15.00	359.00
Elementary, Secondary & Other Education					
201 Dept of Public Instruction		99.75	99.75	0.00	99.75
226 Department of Trust Lands		21.75	24.75	6.25	31.00
250 State Library		29.75	29.75	0.00	29.75
252 School for the Deaf		43.94	43.94	0.67	44.61
253 ND Vision Services/School for the Blind		29.50	29.50	0.00	29.50
270 Career and Technical Education		28.50	27.50	(0.50)	27.00
Higher Education					
215 ND University System	2	94.18	100.31	7.00	107.31
227 Bismarck State College	2	111.51	126.96	4.00	130.96
228 Lake Region State College	2	37.50	40.22	3.00	43.22
229 Williston State College	2	43.42	44.15	6.00	50.15
230 University of North Dakota	2	641.01	642.20	0.00	642.20
232 UND Medical Center	2	137.43	156.55	0.00	156.55
235 North Dakota State University	2	562.71	495.21	0.00	495.21
238 ND State College of Science	2	164.87	171.87	1.75	173.62
239 Dickinson State University	2	92.96	100.32	5.00	105.32
240 Mayville State University	2	58.72	62.78	3.00	65.78
241 Minot State University	2	187.83	201.76	3.00	204.76
242 Valley City State University	2	90.37	97.29	3.00	100.29
243 Dakota College at Bottineau	2	34.81	36.12	4.00	40.12
244 North Dakota Forest Service	2	26.00	28.00	1.00	29.00

Comparison of 2009-2011 and 2011-2013 Legislatively Authorized FTE and 2013-2015 Executive Recommendation

Biennuium: 2013-2015

Department	Notes	2009-2011 Legislatively Authorized FTE	2011-2013 Legislatively Authorized FTE	Increase (Decrease)	2013-2015 Executive Recommendation
Health and Human Services					
301 ND Department of Health		343.50	344.00	10.00	354.00
305 Tobacco Prevention and Control		4.00	5.00	0.00	5.00
313 Veterans Home		120.72	120.72	0.00	120.72
316 Indian Affairs Commission		4.00	4.00	1.00	5.00
321 Department of Veterans Affairs		7.00	7.00	1.00	8.00
325 Department of Human Services		2,216.88	2,197.35	(0.27)	2,197.08
360 Protection and Advocacy		28.50	28.50	(1.00)	27.50
380 Job Service North Dakota		284.05	261.76	(11.00)	250.76
Regulatory					
401 Office of the Insurance Commissioner		45.50	49.50	0.00	49.50
405 Industrial Commission	3	61.06	76.06	22.69	98.75
406 Office of the Labor Commissioner		12.00	12.00	1.00	13.00
408 Public Service Commission		43.00	43.00	0.00	43.00
412 Aeronautics Commission		6.00	6.00	0.00	6.00
413 Dept of Financial Institutions		29.00	29.00	0.00	29.00
414 Securities Department		9.00	9.00	0.00	9.00
471 Bank of North Dakota		176.50	176.50	3.00	179.50
473 ND Housing Finance Agency		46.00	46.00	0.00	46.00
475 ND Mill and Elevator Association		131.00	131.00	4.00	135.00
485 Workforce Safety and Insurance		247.14	247.14	3.00	250.14
Public Safety					
504 Highway Patrol		194.00	198.00	15.00	213.00
530 Dept of Corrections and Rehabilitation		735.29	794.29	20.00	814.29
540 Office of the Adjutant General		232.00	242.00	4.00	246.00
Agriculture and Economic Development					
601 Department of Commerce		68.00	68.25	1.00	69.25
602 Department of Agriculture		74.50	77.00	0.00	77.00
627 Upper Great Plains Transportation Inst.	4	52.30	51.75	2.00	53.75
628 Branch Research Centers	4	95.49	103.04	4.00	107.04
630 NDSU Extension Service	4	255.75	256.26	2.00	258.26
638 Northern Crops Institute	4	11.00	12.00	0.00	12.00
640 NDSU Main Research Center	4	329.26	349.01	2.48	351.49
649 Agronomy Seed Farm	4	3.00	3.00	0.00	3.00
670 ND Horse Racing Commission		2.00	2.00	0.00	2.00

Comparison of 2009-2011 and 2011-2013 Legislatively Authorized FTE and 2013-2015 Executive Recommendation

Biennuium: 2013-2015

Department	Notes	2009-2011 Legislatively Authorized FTE	2011-2013 Legislatively Authorized FTE	Increase (Decrease)	2013-2015 Executive Recommendation
Natural Resources					
701 Historical Society		62.00	63.00	6.00	69.00
709 Council on the Arts		5.00	5.00	0.00	5.00
720 Game and Fish Department		157.00	157.00	0.00	157.00
750 Parks and Recreation Department		53.00	54.00	1.00	55.00
770 Water Commission		86.00	87.00	3.00	90.00
Transportation					
801 Dept of Transportation		1,054.50	1,063.50	16.00	1,079.50
Total FTE		**11,213.45**	**11,342.16**	**162.57**	**11,504.73**

Notes:

1. The 2011-13 legislatively authorized FTE includes 7.00 FTE funded with federal fiscal stimulus funds. Pursuant to section 11 of 2011 Senate Bill 2003, these 7.00 FTE were removed from the agency's base budget request and were requested as an optional request for the 2013-15 biennium. The 2013-15 executive recommendation includes the continuation of these 7.00 FTE. In addition, 1.50 FTE funded from a federal National Instant Check System (NICS) grant were removed from the agency's base budget as the federal funding is no longer available. The agency requested 2.00 FTE and special fund authority to continue the functions performed by these postions. These FTE are also included in the 2013-15 executive recommendation.
2. Per section 13 of 2011 House Bill 1003, the State Board of Higher Education (SBHE) is authorized to adjust full-time equivalent positions as needed, subject to the availability of funds, for institutions and entities under its control. As a result, the 2011-13 appropriated FTE reflect the adjusted counts as reported to OMB by the SBHE.
3. The Legislative Assembly, in Section 8 of 2011 House Bill 1014, authorized up to 4.00 FTE contingent upon drilling rigs and well counts, subject to Emergency Commission approval. At the time of budget submission, 2.00 FTE had been approved by the Emergency Commission and are included in the 2011-13 legislatively authorized FTE.
4. Per section 6 of 2011 House Bill 1020, the State Board of Higher Education (SBHE) is authorized to adjust full-time equivalent positions as needed, subject to the availability of funds, for institutions and entities under its control. As a result, the 2011-13 appropriated FTE reflect the adjusted counts as reported to OMB by the SBHE.

COMPENSATION PACKAGE ADJUSTMENTS

Biennium: 2013-2015

	Department	Salary Package	Health Incr	Ret Incr	Total	Funding Sources		
						General	Federal	Special
101	Office of the Governor	97,746	43,351	25,468	166,565	166,565	0	0
108	Secretary of State	254,203	70,731	27,293	352,227	341,470	10,757	0
110	Office of Management and Budget	1,229,160	294,333	126,945	1,650,438	1,371,656	0	278,782
112	Information Technology	3,864,235	757,520	471,308	5,093,063	746,519	0	4,346,544
117	Office of the State Auditor	680,825	120,923	70,322	872,070	651,898	87,329	132,843
120	Office of the State Treasurer	71,161	18,253	9,033	98,447	98,447	0	0
125	Office of the Attorney General	2,386,539	483,701	242,403	3,112,643	2,548,122	33,661	530,860
127	Office of State Tax Commissioner	1,350,952	305,744	141,137	1,797,833	1,797,833	0	0
140	Office of Administrative Hearings	58,303	11,407	7,736	77,446	0	0	77,446
160	Legislative Council	350,222	77,579	51,626	479,427	479,427	0	0
180	Judicial Branch	2,599,325	823,687	515,953	3,938,965	3,938,965	0	0
188	Commission on Legal Counsel for	484,821	75,295	39,630	599,746	581,710	0	18,036
190	Retirement and Investment Office	198,973	41,068	25,526	265,567	0	0	265,567
192	Public Employees Retirement System	374,229	77,576	34,541	486,346	0	0	486,346
201	Dept of Public Instruction	1,298,877	225,891	107,827	1,632,595	504,565	1,127,942	88
226	Department of Trust Lands	311,717	73,011	38,538	423,266	0	0	423,266
250	State Library	285,079	61,605	24,586	371,270	339,750	31,520	0
252	School for the Deaf	427,890	118,648	43,271	589,809	567,312	21,861	636
253	ND Vision Services	325,705	73,012	27,892	426,609	402,030	0	24,579
270	Career and Technical Education	378,311	61,606	32,757	472,674	460,872	11,802	0
301	ND Department of Health	4,451,685	814,556	369,409	5,635,650	3,041,998	2,584,496	9,156
305	Tobacco Prevention and Control	50,569	18,252	9,770	78,591	0	0	78,591
313	Veterans Home	1,205,428	337,687	86,468	1,629,583	1,629,583	0	0
316	Indian Affairs Commission	47,610	11,407	6,056	65,073	65,073	0	0
321	Department of Veterans Affairs	73,310	18,251	6,490	98,051	98,051	0	0
325	Department of Human Services	24,358,884	5,003,727	2,060,937	31,423,548	21,626,661	9,796,887	0
360	Protection and Advocacy	413,606	63,887	31,185	508,678	508,678	0	0
380	Job Service North Dakota	2,769,177	552,161	248,068	3,569,406	32,073	3,533,868	3,465
401	Office of the Insurance Commissioner	459,988	111,802	56,615	628,405	0	32,519	595,886
405	Industrial Commission	793,816	216,753	124,040	1,134,609	1,043,183	21,175	70,251
406	Office of the Labor Commissioner	155,437	29,659	13,132	198,228	198,228	0	0
408	Public Service Commission	489,070	98,113	59,787	646,970	407,280	239,690	0
412	Aeronautics Commission	52,271	13,691	7,643	73,605	0	0	73,605
413	Dept of Financial Institutions	355,863	66,168	43,266	465,297	0	0	465,297
414	Securities Department	116,064	19,393	11,882	147,339	147,339	0	0
471	Bank of North Dakota	1,651,259	417,548	202,861	2,271,668	0	7,918	2,263,750
473	ND Housing Finance Agency	470,148	103,816	50,602	624,566	0	0	624,566

COMPENSATION PACKAGE ADJUSTMENTS

Biennium: 2013-2015

	Department	Salary Package	Health Incr	Ret Incr	Total	Funding Sources		
						General	Federal	Special
475	ND Mill and Elevator Association	0	308,023	135,905	443,928	0	0	443,928
485	Workforce Safety and Insurance	2,733,646	556,729	285,472	3,575,847	0	0	3,575,847
504	Highway Patrol	2,281,202	472,311	245,723	2,999,236	2,345,989	294,829	358,418
530	Dept of Corrections and Rehabilitation	8,851,452	1,784,267	759,756	11,395,475	10,829,514	5,934	560,027
540	Office of the Adjutant General	2,201,433	552,157	244,538	2,998,128	1,023,213	1,762,928	211,987
601	Department of Commerce	353,441	155,158	88,563	597,162	458,597	97,292	41,273
602	Department of Agriculture	838,407	171,116	80,044	1,089,567	615,804	224,683	249,080
627	Upper Great Plains Transportation Inst.	601,821	127,773	87,783	817,377	132,217	436,961	248,199
628	Branch Research Centers	855,157	245,686	114,722	1,215,565	993,435	0	222,130
630	NDSU Extension Service	2,113,010	608,865	300,948	3,022,823	1,509,472	488,362	1,024,989
638	Northern Crops Institute	102,846	27,377	14,971	145,194	115,122	0	30,072
640	NDSU Main Research Center	3,203,824	845,384	448,756	4,497,964	2,716,947	411,155	1,369,862
649	Agronomy Seed Farm	26,197	6,844	3,757	36,798	0	0	36,798
670	ND Horse Racing Commission	27,842	4,563	2,289	34,694	34,693	0	1
701	Historical Society	845,498	155,153	70,121	1,070,772	955,454	115,318	0
709	Council on the Arts	55,469	9,126	5,567	70,162	70,161	1	0
720	Game and Fish Department	1,702,843	351,381	185,655	2,239,879	0	784,995	1,454,884
750	Parks and Recreation Department	672,790	126,639	61,098	860,527	842,287	9,554	8,686
770	Water Commission	1,129,207	203,064	112,704	1,444,975	1,241,426	58,394	145,155
801	Dept of Transportation	9,730,848	2,404,873	1,268,371	13,404,092	0	1,579,399	11,824,693
		93,269,391	**20,828,301**	**9,968,746**	**124,066,438**	**67,679,619**	**23,811,230**	**32,575,589**

Lease Purchase Agreements
Biennuium: 2013-2015

Agency		Lease Description	Original Value	Monthly Payment Amount	Months Remaining
110	Office of Management and Budget	Xerox Digital Print System	684,000	8,416	5
		Color Copier for Central Duplicating	60,000	1,282	24
127	Office of State Tax Commissioner	High-volume network printer	78,140	1,946	24
201	Dept of Public Instruction	Canon 8500 Copier - Lease Renewal	22,751	674	12
		Canon Image Runner 2020 Copier - Lease Renewa	1,984	95	1
		Canon Image Runner 2022 Copier	1,984	62	9
		Kyocera KM 6030 Copier	11,207	332	10
		Kyocera KM 5050 Copier	6,412	248	10
215	ND University System	New GF Data Center and Office Facilities Leas	0	0	24
		IVN Video Equipment	303,214	10,160	13
		Connect ND Disk Storage	127,500	45,814	1
		Normal replacement leases	0	0	24
228	Lake Region State College	Copier Leases	86,364	2,857	24
230	University of North Dakota	Energy Improvement Projects 05	2,591,330	245,700	24
		West Campus Steamline	3,795,250	84,730	24
		Furniture for new Education building	498,424	31,374	24
		B-Line Medical Signature AV Equipment - Lease	329,699	6,681	4
235	North Dakota State University	Energy Savings Performance Contract	7,266,959	663,210	24
		Master Lease Agreement with Wells Fargo	0	0	24
238	ND State College of Science	Production Copiers	156,150	3,531	9
		Production Copiers	156,150	3,531	15
241	Minot State University	Mailing and tabber system for Post Office	61,583	1,125	24
380	Job Service North Dakota	Unisys Mainframe computer	1,554,369	25,906	24
628	Branch Research Centers	Forage Harvester	73,700	930	24
		Linear Irrigation System	0	0	24
		Master Lease Agreement with Wells Fargo	0	0	24
		Precision Row Crop Planter	0	0	24
		RDO John Deere Loader	102,500	1,298	24
630	NDSU Extension Service	Master Lease Agreement with Wells Fargo	0	0	24
		Lanier Pro 901cr	135,466	3,763	23
		Lanier Mulitfunction Machines & Server	63,365	2,263	4

Lease Purchase Agreements
Biennuium: 2013-2015

Agency		Lease Description	Original Value	Monthly Payment Amount	Months Remaining
638	Northern Crops Institute	Master Lease Agreement with Wells Fargo	0	0	24
640	NDSU Main Research Center	Almaco Harvester	239,082	6,888	7
		Almaco Combine	205,874	3,371	12
		New Holland Loader	114,000	2,509	24
		GMI Gas Analyzer	55,000	987	2
		Zurn Combine	231,382	1,483	24
		Tractor CASE IH	125,000	895	24
		First Pulse Quality Lab	174,016	1,794	19
		Master Lease Agreement with Wells Fargo	0	0	24

Capital Assets
The capital budget summarizes the 2013-15 biennium executive recommendation for state investments in capital assets. The term “capital assets" refers to: capital projects, extraordinary repairs, other capital payments, equipment over $5,000 and information technology (IT) equipment and software over $5,000. The executive recommendations for capital assets are summarized on the following pages.

The capital budget is a long-range planning document for the state’s capital needs. It assists the executive and legislative branches of government by formalizing capital funding objectives, setting spending priorities, and efficiently allocating financial resources.

The capital budget is a financial management tool used to:

- Assist in determining infrastructure and repair needs.
- Provide for orderly replacement of facilities.
- Enhance the ability of decision makers to match resources with needs.
- Permit the organized development of capital infrastructure over an extended period of time.

The capital budget contributes to long-range policy development by:

- Formalizing capital funding objectives and debt policy.
- Providing for efficient allocation of financial resources.
- Setting spending priorities for capital assets.

The capital budget positively influences the state’s credit rating by:

- Demonstrating that government has identified and prioritized needs and arranged for funding.
- Providing evidence of the development and maintenance of sound infrastructure, which is required for expansion of the state’s economic base.
- Demonstrating government’s ability to provide for the essential capital needs of its citizens.

The capital budget is a reporting document and communication tool used to:

- Communicate the significance of capital expenditures in the delivery of public services.
- Provide for intergovernmental coordination in timing and location of related projects.

Capital Assets Appropriations by Category- 2013-2015
Biennuium: 2013-2015

Agency	Capital Projects	Extraordinary Repairs	Other Capital Payments	Equipment Over $5000	IT Equipment Over $5000	Total
108 Secretary of State	**0**	**0**	**0**	**10,000**	**1,000,000**	**1,010,000**
General Fund	0	0	0	10,000	0	10,000
Federal Funds	0	0	0	0	1,000,000	1,000,000
Special Funds	0	0	0	0	0	0
110 Office of Management and Budget	**0**	**8,948,793**	**665,272**	**182,000**	**0**	**9,796,065**
General Fund	0	8,948,793	665,272	67,000	0	9,681,065
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	115,000	0	115,000
112 Information Technology	**0**	**8,111**	**2,504,100**	**1,421,500**	**9,475,000**	**13,408,711**
General Fund	0	8,111	0	0	600,000	608,111
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	2,504,100	1,421,500	8,875,000	12,800,600
117 Office of the State Auditor	**0**	**40,000**	**0**	**0**	**0**	**40,000**
General Fund	0	40,000	0	0	0	40,000
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
125 Office of the Attorney General	**0**	**0**	**765,852**	**1,587,225**	**10,000**	**2,363,077**
General Fund	0	0	765,852	198,000	0	963,852
Federal Funds	0	0	0	650,825	0	650,825
Special Funds	0	0	0	738,400	10,000	748,400
127 Office of State Tax Commissioner	**0**	**0**	**0**	**50,000**	**16,000**	**66,000**
General Fund	0	0	0	0	16,000	16,000
Federal Funds	0	0	0	50,000	0	50,000
Special Funds	0	0	0	0	0	0
150 Legislative Assembly	**0**	**0**	**0**	**500,000**	**30,000**	**530,000**
General Fund	0	0	0	500,000	30,000	530,000
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
160 Legislative Council	**0**	**0**	**0**	**25,000**	**0**	**25,000**
General Fund	0	0	0	25,000	0	25,000
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0

Capital Assets Appropriations by Category- 2013-2015
Biennuium: 2013-2015

Agency	Capital Projects	Extraordinary Repairs	Other Capital Payments	Equipment Over $5000	IT Equipment Over $5000	Total
180 Judicial Branch	**0**	**0**	**0**	**331,470**	**516,556**	**848,026**
General Fund	0	0	0	331,470	516,556	848,026
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
215 ND University System	**0**	**10,000,000**	**10,436,045**	**0**	**0**	**20,436,045**
General Fund	0	10,000,000	10,436,045	0	0	20,436,045
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
226 Department of Trust Lands	**0**	**0**	**0**	**65,550**	**0**	**65,550**
General Fund	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	65,550	0	65,550
227 Bismarck State College	**13,300,000**	**207,673**	**210,000**	**0**	**0**	**13,717,673**
General Fund	13,300,000	207,673	210,000	0	0	13,717,673
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
228 Lake Region State College	**5,947,562**	**155,367**	**0**	**0**	**0**	**6,102,929**
General Fund	5,947,562	155,367	0	0	0	6,102,929
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
229 Williston State College	**14,042,478**	**197,801**	**0**	**0**	**0**	**14,240,279**
General Fund	14,042,478	197,801	0	0	0	14,240,279
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
230 University of North Dakota	**147,787,262**	**4,314,321**	**97,245**	**0**	**0**	**152,198,828**
General Fund	80,300,000	4,314,321	97,245	0	0	84,711,566
Federal Funds	0	0	0	0	0	0
Special Funds	67,487,262	0	0	0	0	67,487,262
235 North Dakota State University	**68,759,356**	**2,732,244**	**0**	**0**	**0**	**71,491,600**
General Fund	29,600,000	2,732,244	0	0	0	32,332,244
Federal Funds	0	0	0	0	0	0
Special Funds	39,159,356	0	0	0	0	39,159,356

Capital Assets Appropriations by Category- 2013-2015
Biennuium: 2013-2015

Agency	Capital Projects	Extraordinary Repairs	Other Capital Payments	Equipment Over $5000	IT Equipment Over $5000	Total
238 ND State College of Science	**9,861,452**	**953,713**	**58,666**	**0**	**0**	**10,873,831**
General Fund	8,511,452	953,713	58,666	0	0	9,523,831
Federal Funds	0	0	0	0	0	0
Special Funds	1,350,000	0	0	0	0	1,350,000
239 Dickinson State University	**0**	**409,078**	**0**	**0**	**0**	**409,078**
General Fund	0	409,078	0	0	0	409,078
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
240 Mayville State University	**8,067,000**	**279,297**	**79,695**	**0**	**0**	**8,425,992**
General Fund	8,067,000	279,297	79,695	0	0	8,425,992
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
241 Minot State University	**13,623,690**	**899,620**	**0**	**0**	**0**	**14,523,310**
General Fund	1,821,905	899,620	0	0	0	2,721,525
Federal Funds	0	0	0	0	0	0
Special Funds	11,801,785	0	0	0	0	11,801,785
242 Valley City State University	**8,949,103**	**408,319**	**0**	**0**	**0**	**9,357,422**
General Fund	4,142,266	408,319	0	0	0	4,550,585
Federal Funds	0	0	0	0	0	0
Special Funds	4,806,837	0	0	0	0	4,806,837
243 Dakota College at Bottineau	**7,996,389**	**115,507**	**0**	**0**	**0**	**8,111,896**
General Fund	395,600	115,507	0	0	0	511,107
Federal Funds	0	0	0	0	0	0
Special Funds	7,600,789	0	0	0	0	7,600,789
244 North Dakota Forest Service	**785,000**	**44,962**	**0**	**56,248**	**0**	**886,210**
General Fund	785,000	44,962	0	56,248	0	886,210
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
252 School for the Deaf	**0**	**1,128,521**	**0**	**22,500**	**43,000**	**1,194,021**
General Fund	0	126,262	0	0	0	126,262
Federal Funds	0	0	0	0	0	0
Special Funds	0	1,002,259	0	22,500	43,000	1,067,759

Capital Assets Appropriations by Category- 2013-2015
Biennuium: 2013-2015

Agency	Capital Projects	Extraordinary Repairs	Other Capital Payments	Equipment Over $5000	IT Equipment Over $5000	Total
253 ND Vision Services/School for the Blind	**0**	**556,000**	**0**	**6,400**	**0**	**562,400**
General Fund	0	465,871	0	0	0	465,871
Federal Funds	0	0	0	0	0	0
Special Funds	0	90,129	0	6,400	0	96,529
301 ND Department of Health	**0**	**319,350**	**642,688**	**1,229,250**	**33,000**	**2,224,288**
General Fund	0	55,528	457,380	274,000	0	786,908
Federal Funds	0	263,822	185,308	651,087	9,000	1,109,217
Special Funds	0	0	0	304,163	24,000	328,163
305 Tobacco Prevention and Control	**0**	**0**	**0**	**0**	**6,500**	**6,500**
General Fund	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	6,500	6,500
313 Veterans Home	**0**	**1,121,000**	**429,840**	**71,200**	**0**	**1,622,040**
General Fund	0	560,500	21,000	0	0	581,500
Federal Funds	0	0	0	0	0	0
Special Funds	0	560,500	408,840	71,200	0	1,040,540
325 Department of Human Services	**0**	**2,771,008**	**0**	**440,413**	**216,160**	**3,427,581**
General Fund	0	2,771,008	0	440,413	0	3,211,421
Federal Funds	0	0	0	0	216,160	216,160
Special Funds	0	0	0	0	0	0
360 Protection and Advocacy	**0**	**0**	**0**	**0**	**11,824**	**11,824**
General Fund	0	0	0	0	11,824	11,824
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
380 Job Service North Dakota	**0**	**0**	**20,000**	**0**	**0**	**20,000**
General Fund	0	0	0	0	0	0
Federal Funds	0	0	20,000	0	0	20,000
Special Funds	0	0	0	0	0	0
405 Industrial Commission	**0**	**0**	**0**	**5,800**	**0**	**5,800**
General Fund	0	0	0	5,800	0	5,800
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0

Capital Assets Appropriations by Category- 2013-2015
Biennuium: 2013-2015

Agency	Capital Projects	Extraordinary Repairs	Other Capital Payments	Equipment Over $5000	IT Equipment Over $5000	Total
408 Public Service Commission	**0**	**0**	**0**	**28,000**	**60,665**	**88,665**
General Fund	0	0	0	10,080	60,665	70,745
Federal Funds	0	0	0	17,920	0	17,920
Special Funds	0	0	0	0	0	0
412 Aeronautics Commission	**0**	**330,000**	**0**	**60,000**	**0**	**390,000**
General Fund	0	0	0	0	0	0
Federal Funds	0	277,600	0	0	0	277,600
Special Funds	0	52,400	0	60,000	0	112,400
471 Bank of North Dakota	**0**	**0**	**0**	**250,000**	**495,000**	**745,000**
General Fund	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	250,000	495,000	745,000
504 Highway Patrol	**6,651,000**	**121,000**	**0**	**150,000**	**0**	**6,922,000**
General Fund	5,786,000	105,000	0	131,000	0	6,022,000
Federal Funds	0	0	0	0	0	0
Special Funds	865,000	16,000	0	19,000	0	900,000
530 Dept of Corrections and Rehabilitation	**349,950**	**2,279,446**	**1,289,450**	**552,900**	**652,900**	**5,124,646**
General Fund	349,950	2,279,446	1,289,450	254,900	652,900	4,826,646
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	298,000	0	298,000
540 Office of the Adjutant General	**23,170,000**	**8,000,000**	**178,632**	**2,445,240**	**2,210,000**	**36,003,872**
General Fund	1,170,000	0	178,632	1,763,240	1,710,000	4,821,872
Federal Funds	22,000,000	8,000,000	0	682,000	500,000	31,182,000
Special Funds	0	0	0	0	0	0
601 Department of Commerce	**0**	**0**	**0**	**10,000**	**0**	**10,000**
General Fund	0	0	0	0	0	0
Federal Funds	0	0	0	10,000	0	10,000
Special Funds	0	0	0	0	0	0
602 Department of Agriculture	**0**	**0**	**0**	**12,000**	**0**	**12,000**
General Fund	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	12,000	0	12,000

Capital Assets Appropriations by Category- 2013-2015
Biennuium: 2013-2015

Agency	Capital Projects	Extraordinary Repairs	Other Capital Payments	Equipment Over $5000	IT Equipment Over $5000	Total
627 Upper Great Plains Transportation Inst.	**0**	**0**	**0**	**0**	**200,000**	**200,000**
General Fund	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	200,000	200,000
628 Branch Research Centers	**0**	**0**	**149,629**	**1,946,429**	**0**	**2,096,058**
General Fund	0	0	149,629	500,000	0	649,629
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	1,446,429	0	1,446,429
630 NDSU Extension Service	**1,900,000**	**0**	**0**	**0**	**110,000**	**2,010,000**
General Fund	500,000	0	0	0	110,000	610,000
Federal Funds	0	0	0	0	0	0
Special Funds	1,400,000	0	0	0	0	1,400,000
638 Northern Crops Institute	**0**	**0**	**0**	**297,850**	**0**	**297,850**
General Fund	0	0	0	138,780	0	138,780
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	159,070	0	159,070
640 NDSU Main Research Center	**4,300,000**	**1,340,465**	**421,772**	**5,402,259**	**0**	**11,464,496**
General Fund	4,300,000	1,340,465	421,772	900,000	0	6,962,237
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	4,502,259	0	4,502,259
649 Agronomy Seed Farm	**0**	**0**	**0**	**278,000**	**0**	**278,000**
General Fund	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	278,000	0	278,000
665 ND State Fair	**0**	**3,500,000**	**0**	**0**	**0**	**3,500,000**
General Fund	0	3,500,000	0	0	0	3,500,000
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0
701 Historical Society	**0**	**574,721**	**1,359,004**	**81,000**	**0**	**2,014,725**
General Fund	0	574,721	1,359,004	81,000	0	2,014,725
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	0	0	0	0

Capital Assets Appropriations by Category- 2013-2015
Biennuium: 2013-2015

Agency	Capital Projects	Extraordinary Repairs	Other Capital Payments	Equipment Over $5000	IT Equipment Over $5000	Total
720 Game and Fish Department	**150,000**	**1,527,041**	**1,935,000**	**625,220**	**0**	**4,237,261**
General Fund	0	0	0	0	0	0
Federal Funds	150,000	776,183	400,000	412,215	0	1,738,398
Special Funds	0	750,858	1,535,000	213,005	0	2,498,863
750 Parks and Recreation Department	**3,730,000**	**1,057,894**	**73,627**	**750,000**	**0**	**5,611,521**
General Fund	2,930,000	875,094	73,627	450,000	0	4,328,721
Federal Funds	200,000	0	0	0	0	200,000
Special Funds	600,000	182,800	0	300,000	0	1,082,800
770 Water Commission	**0**	**0**	**236,657,281**	**313,200**	**28,000**	**236,998,481**
General Fund	0	0	0	289,452	28,000	317,452
Federal Funds	0	0	0	0	0	0
Special Funds	0	0	236,657,281	23,748	0	236,681,029
801 Dept of Transportation	**6,397,400**	**6,000,000**	**1,756,755,490**	**41,144,817**	**213,500**	**1,810,511,207**
General Fund	0	0	0	0	0	0
Federal Funds	0	0	543,322,442	250,280	0	543,572,722
Special Funds	6,397,400	6,000,000	1,213,433,048	40,894,537	213,500	1,266,938,485
Total All Agencies	**345,767,642**	**60,341,252**	**2,014,729,288**	**60,351,471**	**15,328,105**	**2,496,517,758**
General Fund	181,949,213	42,368,701	16,263,269	6,426,383	3,735,945	250,743,511
Federal Funds	22,350,000	9,317,605	543,927,750	2,724,327	1,725,160	580,044,842
Special Funds	141,468,429	8,654,946	1,454,538,269	51,200,761	9,867,000	1,665,729,405

Capital Projects
Capital projects are expenditures for land, new construction, additions, renovations, restorations and demolitions of buildings and infrastructure. Capital projects recommendations are based on a review and analysis of each requested capital project. Agency budget requests include, for each capital project requested, a justification of the project, project description and specifications, requested funding sources, and anticipated operating and staffing costs for the upcoming and two subsequent biennia.

Justification
During preparation of the capital project requests, agencies were asked to justify the need for each project by considering the following questions:

- Is there evidence of the need for this project?
- Has there been adequate planning? If not, should a planning appropriation be considered?
- Can a third party finance or share the cost of this project?
- Is renovating or remodeling more cost effective?
- Has leasing of capital assets been considered?
- Can this project be postponed until the following biennium?
- Would this project be necessary if the size of government was reduced? If population declined? If a technological breakthrough occurred? If demand for services declined? If not, what is the likelihood any of these will happen in the next ten years?
- What are the operating costs over the life of this project and are they reasonable? Will the state have to pay these costs? Can the state afford to do so? Is it cost effective to spend more at the outset of the project to reduce future operating costs (e.g., through redesign of a facility)?
- Have all the costs relating to this project been considered? Does the total cost include construction costs, architects' fees, contingency fees, construction supervision fees, equipment, insurance and bid costs, and site acquisition?
- What are the economies of scale? Would a bigger facility be cheaper per client served or personnel housed? If a bigger facility is built, can part of the space be rented?

NOTE: Adapted from "Capital Budgeting and Finance: The Legislative Role," published by the National Conference of State Legislatures.

Evaluation
The Office of the Governor and the Office of Management and Budget considered external mandates, program needs, state policy direction, and available funding sources in evaluating and prioritizing capital project requests.

External mandates include:

- Court orders.
- Health and life safety codes.
- Handicap accessibility regulations.
- Regulations regarding the historical significance of existing facilities.

Program needs include or are influenced by:

- Demographic shifts.
- Department goals.
- Public convenience.
- Program requirements.
- Obsolescence of existing facilities.

State policy direction is influenced by:

- Gubernatorial priorities.
- Economic development needs and initiatives.
- Consolidation of state services.

Funding considerations include:

- Non-general fund dollars available for construction and operation.
- Existing state debt obligations.
- Operating efficiency of the proposed facility.

Capital Projects Recommendations - 2013-2015

Biennuium: 2013-2015

Agency	Capital Project	Total	General Fund	Federal Funds	Special Funds	Bonding
227 Bismarck State College	Communications & Learning Commons	13,300,000	13,300,000	0	0	0
	Total	**13,300,000**	**13,300,000**	**0**	**0**	**0**
228 Lake Region State College	Erlandson Technical Center Remodel and Addition	5,947,562	5,947,562	0	0	0
	Total	**5,947,562**	**5,947,562**	**0**	**0**	**0**
229 Williston State College	Campus Drive Project	1,800,000	1,800,000	0	0	0
	Stevens Hall Renovation	12,242,478	12,242,478	0	0	0
	Total	**14,042,478**	**14,042,478**	**0**	**0**	**0**
230 University of North Dakota	COBPA Renovation & Addition	20,500,000	0	0	20,500,000	0
	Indoor Track and Football Practice Field	19,500,000	0	0	19,500,000	0
	Renovation of Law School	12,000,000	12,000,000	0	0	0
	Resident Apartment Building - Currently Leased	8,300,000	0	0	8,300,000	0
	SoMHS Renovation/Addition	68,300,000	68,300,000	0	0	0
	Student Housing Facility	19,187,262	0	0	19,187,262	0
	Total	**147,787,262**	**80,300,000**	**0**	**67,487,262**	**0**
235 North Dakota State University	Low Rise Lavatory Renovation-Phase I	1,000,000	0	0	1,000,000	0
	Low Rise Lavatory Renovation-Phase II	1,030,000	0	0	1,030,000	0
	Memorial Union Food Court	975,000	0	0	975,000	0
	Nutrition Dietetics and Hospitality Lab	750,000	0	0	750,000	0
	STEM Classroom and Laboratory Building	29,600,000	29,600,000	0	0	0
	Sanford Health Athletic Complex (formely Bison Sports Arena)	35,404,356	0	0	35,404,356	0
	Total	**68,759,356**	**29,600,000**	**0**	**39,159,356**	**0**
238 ND State College of Science	Football Complex Renovation	1,350,000	0	0	1,350,000	0
	Old Main Renovation	8,511,452	8,511,452	0	0	0
	Total	**9,861,452**	**8,511,452**	**0**	**1,350,000**	**0**
240 Mayville State University	Campus wide Drainage Improvements	2,267,000	2,267,000	0	0	0
	Old Gymansium Repl & Improvements	5,800,000	5,800,000	0	0	0
	Total	**8,067,000**	**8,067,000**	**0**	**0**	**0**
241 Minot State University	Plant Services Building	1,823,690	1,821,905	0	1,785	0
	Renovation of Campus Athletic Facilities	11,800,000	0	0	11,800,000	0
	Total	**13,623,690**	**1,821,905**	**0**	**11,801,785**	**0**

Capital Projects Recommendations - 2013-2015

Biennuium: 2013-2015

Agency	Capital Project	Total	General Fund	Federal Funds	Special Funds	Bonding
242 Valley City State University	Hillside Slope Stabilization	605,800	505,800	0	100,000	0
	Vangstad Hall Renovation	3,636,466	3,636,466	0	0	0
	WE Osmon Fieldhouse Addition Phase II	4,706,837	0	0	4,706,837	0
	Total	**8,949,103**	**4,142,266**	**0**	**4,806,837**	**0**
243 Dakota College at Bottineau	Campus Backup Generator	395,600	395,600	0	0	0
	Gross Hall Update	732,460	0	0	732,460	0
	Mead Hall Update	1,171,586	0	0	1,171,586	0
	Milligan Hall Remodel	896,743	0	0	896,743	0
	Old Main Remodel	4,800,000	0	0	4,800,000	0
	Total	**7,996,389**	**395,600**	**0**	**7,600,789**	**0**
244 North Dakota Forest Service	Nursery Freezer Conversion and Shop Facility	785,000	785,000	0	0	0
	Total	**785,000**	**785,000**	**0**	**0**	**0**
504 Highway Patrol	Training Facility Phase I	6,651,000	5,786,000	0	865,000	0
	Total	**6,651,000**	**5,786,000**	**0**	**865,000**	**0**
530 Dept of Corrections and Rehabilitation	MRCC Flood Hazard Mitigation	349,950	349,950	0	0	0
	Total	**349,950**	**349,950**	**0**	**0**	**0**
540 Office of the Adjutant General	Add 100% Federal Construction	22,000,000	0	22,000,000	0	0
	State Radio Expansion Project	960,000	960,000	0	0	0
	State Radio Fire Suppression System	210,000	210,000	0	0	0
	Total	**23,170,000**	**1,170,000**	**22,000,000**	**0**	**0**
630 NDSU Extension Service	4-H Camp	1,900,000	500,000	0	1,400,000	0
	Total	**1,900,000**	**500,000**	**0**	**1,400,000**	**0**
640 NDSU Main Research Center	Agronomy Laboratories (CREC HREC LREC CGREC)	4,300,000	4,300,000	0	0	0
	Total	**4,300,000**	**4,300,000**	**0**	**0**	**0**
720 Game and Fish Department	Lonetree WMA - Heated storage building expansion	150,000	0	150,000	0	0
	Total	**150,000**	**0**	**150,000**	**0**	**0**
750 Parks and Recreation Department	Admin Office/Visitor Contact Facility FSSP	750,000	750,000	0	0	0

Capital Projects Recommendations - 2013-2015

Biennuium: 2013-2015

Agency	Capital Project	Total	General Fund	Federal Funds	Special Funds	Bonding
	Asphalt Roads/Parking Repairs, Chip/ Seal - LMSP	960,000	960,000	0	0	0
	Campground Comfort Station/Elbowoods LSSP	500,000	300,000	200,000	0	0
	Campsite Expansion - Lewis and Clark State Park	520,000	520,000	0	0	0
	Interpretive Exh Completion/Heritage Center ICSP	200,000	0	0	200,000	0
	Marina Dock Purchase LSSP	800,000	400,000	0	400,000	0
	Total	**3,730,000**	**2,930,000**	**200,000**	**600,000**	**0**
801 Dept of Transportation	Land and Buildings	5,197,400	0	0	5,197,400	0
	Radio Sites	1,200,000	0	0	1,200,000	0
	Total	**6,397,400**	**0**	**0**	**6,397,400**	**0**
	Total All Agencies	**345,767,642**	**181,949,213**	**22,350,000**	**141,468,429**	**0**

227 – Bismarck State College

Communications and Learning Commons Center
The project was submitted with $20,404,000 from the general fund and $20,404,000 of special funds. The recommended portion of the project includes 2,400 square feet in the Theatre Arts Program academic space, 16,720 square feet in the Visual Arts Program academic space, 1,200 square feet in the Music Program academic space, 18,555 square feet in the Learning Commons, and 4,860 square feet in the English Program academic space. Additional academic and support space brings the total to 59,290 total square feet. The project includes $13,300,000 from the general fund. Increased general fund operating and maintenance costs are estimated at $400,000 per biennium.

228 – Lake Region State College

Erlandson Technical Center Remodel
This project includes an addition of 24,900 square feet to the existing Erlandson Technical Center. The new space will be used for workforce training and expansion of the nursing program. The project includes $5,947,562 from the general fund. The addition will result in additional general fund operating and maintenance costs of $175,000 per biennium.

229 – Williston State College

Stevens Hall Renovation
This project will remodel 63,550 square feet of the existing Stevens Hall and a 3,500 square foot entrance addition. The project will address documented concerns with health, safety, welfare, air quality, and ADA issues. The project includes $12,242,478 from the general fund. Decreased operating and maintenance costs are estimated at $50,000 per biennium.

Campus Drive
This project will provide a new campus center drive that will increase safety by reducing pedestrian/vehicular conflicts. The road will also provide access to the new residence hall and the workforce training facilities. The project includes $1,800,000 from the general fund. Any increase in operating and maintenance costs will be paid within the agency's budget.

230 – University of North Dakota

School of Medicine and Health Science Renovation/Addition
This project includes 168,390 square feet of new space and 48,332 square feet of renovated space. The project includes $68,300,000 from the general fund. The addition will result in additional general fund operating and maintenance costs of $1,010,340 per biennium. The project did receive planning funds and an extensive report is available.

Renovation and Addition of Law School
This project includes a complete remodel of the existing 21,000 square foot Law School and a 4,031 square foot addition. The project will complete the code required improvements to the mechanical, electrical and fire protection systems. The project includes $12,000,000 from the general fund. The project will result in increased operating and maintenance costs of $166,000 per biennium to be paid within the agency's budget.

Student Housing Facility
This project would remove existing older housing units and build 250 beds on the same site. The project is Phase 3 of the Campus Housing Master Plan and provides 95,000 square feet. The project includes $19,187,262 in special funds. Equipment and furnishings are included in the cost. The project will not result in additional special fund operating and maintenance costs.

Resident Apartment Building – Currently Leased
This authorization will allow UND to purchase an existing student-occupied apartment building. The project includes $8,300,000 of special funds. The project will not result in additional special fund operating and maintenance costs.

College of Business and Public Administration Renovation/Addition
This is a reauthorization from the 2009-11 biennium. This project includes a complete renovation of the existing building exterior including the masonry and window systems. The project includes $20,500,000 of special funds. The project will result in additional special fund operating and maintenance costs of $90,000 per biennium.

Indoor Track and Football Practice Field
This is a reauthorization from the 2009-11 biennium. The UND Athletic Department currently has no indoor multi-purpose space of sufficient size and arrangement to accommodate all-weather practice for track, football and baseball. UND has retained a sports facility consultant to develop this $19,500,000 special fund project. The project will result in increased operating and maintenance costs of $330,750 per biennium to be paid with special funds.

235 - North Dakota State University

STEM Classroom and Laboratory Building
This project will provide a new 145,000 square foot building that houses 17 classrooms, 26 laboratories, and the required support spaces. The project includes $29,600,000 from the general fund. The project will result in increased operating and maintenance costs of $330,750 per biennium to be paid from the general fund.

Low Rise Lavatory Renovation – Phase I
This first phase of five phases consists of remodeling the low rise residence hall bathrooms and the associated infrastructure. The project includes $1,000,000 of special funds. The project will not result in additional special fund operating and maintenance costs.

Memorial Union Food Court
This project will upgrade the lighting, circulation and signage in the existing space.

When combined this will shorten lines and speed up service leading to additional sales revenue. The project includes $975,000 of special funds. The project will not result in additional special fund operating and maintenance costs.

Low Rise Lavatory Renovation – Phase II
This second phase of five phases consists of remodeling the low rise residence hall bathrooms and the associated infrastructure. The project includes $1,030,000 of special funds. The project will not result in additional special fund operating and maintenance costs.

Nutrition and Dietetics and Hospitality Lab
This project will update the existing food production laboratory. The existing laboratory has documented federal code and building code deficiencies. The project includes $750,000 of special funds. The project will not result in additional special fund operating and maintenance costs.

Sanford Health Athletic Complex (Formerly Bison Sports Arena)
This is a re-authorization of the 2007-09 appropriated project. The renovation includes improvements to the HVAC system, ADA accessibility, locker rooms, training areas, classrooms, the pool, and playing surfaces. The building houses 150,639 square feet. The project includes $35,404,356 of special funds. No net additional operating or maintenance costs are anticipated.

238 - North Dakota State College of Science

Old Main Renovation
This project will renovate the iconic building at NDSCS. The 1891 building comprises 34,126 gross square feet. The project will address health, safety, ADA, and code issues. The project includes $8,511,452 from the general fund. No net additional operating or maintenance costs are anticipated. The project also includes the removal of two buildings that, because of environmental and structural/ infrastructure concerns are considered too expensive to renovate, reducing the campus' on-going maintenance.

Football Complex Renovation
This is a reauthorization from the 2011-13 biennium. This project includes renovation of the existing football complex including new locker rooms, public restrooms, stadium entrance, a new roof for the press box, and other miscellaneous repairs at a total cost of $1,350,000 of special funds. Any increase in operating or maintenance will be paid with special funds.

240 – Mayville State University

Old Gymnasium Replacement and Improvements
This project will demolish the existing 14,000 square foot gymnasium and replace it with 37,344 square feet of new multi-purpose space. The project includes $5,800,000 from the general fund. The addition will result in additional general fund operating and maintenance costs of $80,000 per biennium.

Campus-wide Drainage Improvements
This project will install a water conveyance system, expand the drainage ditch, provide a storm water pump lift station, relocate a primary road, and pave a gravel parking lot. The project includes $2,267,000 from the general fund. The project will not result in additional general fund operating and maintenance costs.

241 – Minot State University

Plant Services Building
This project will relocate the plant services building and support, including state fleet vehicles and maintenance equipment/supplies, to the perimeter of the campus. The existing building will be re-purposed inexpensively. The 20,000 square foot project includes $1,821,905 from the general fund, $1,785 of special funds and $676,000 of carryover for total project cost of $2,500,000. No net increase in operating and maintenance expenses is anticipated.

Renovation of Campus Athletic Facilities
This project will provide improvements to Herb Parker Stadium and the Dome. The stadium improvements include a new press box, concessions, suites, and restrooms. The Dome will receive new seating, a video screen board, and a food court. The project includes $11,800,000 of special funds. No net increase in operating and maintenance expenses is anticipated.

242 – Valley City State University

Vangstad Hall Renovation
This project will renovate 22,525 square feet of existing space to provide a new home for the Division of Business/Information Technology and the new Learning Center. The project includes $3,636,466 from the general fund. No net increase in operating or maintenance is expected.

WE Osmon Fieldhouse Addition Phase II
This project will provide a 22,385 square foot addition to the existing fieldhouse including lockers, trainer space, laundry, storage, weight training, and lobby/ concessions. The project includes $4,706,837 of special funds. The project will result in additional general fund operating and maintenance expenses of $179,080 per biennium.

Hillside Slope Failure
This project will provide slope stabilization for the steep slope on the south side of the campus near the McCarthy and Steam plant buildings. The slope has been gradually degrading for some time, but has accelerated in the past few years to the point where it is becoming unsafe. The project includes $505,800 from the general fund and $100,000 of local funds. The project will not require an increase in operating or maintenance.

243 – Dakota College at Bottineau

Campus Backup Generator
This project will provide a generator for critical campus infrastructure preventing building internal systems from freezing during extended power outages during the winter. The project includes $395,600 from the general fund. No net increase in operating and maintenance funds is anticipated.

Gross Hall Update
This project will renovate 39 dorm rooms and 2 central restrooms. Renovations include new furniture, fixtures, ceiling tiles, carpeting, lighting, windows and doors. The project includes $732,460 of special funds. No net increase in operating and maintenance funds is anticipated.

Mead Hall Update
This project will renovate the dorm rooms and central restrooms. Renovations include new furniture, fixtures, ceiling tiles, carpeting, lighting, windows and doors. In addition, this project will include installation of an elevator and an overhaul of the mechanical and electrical systems. The project includes $1,171,586 of special funds. No net increase in operating and maintenance funds is anticipated.

Milligan Hall Remodel/Update
This project will renovate the existing 600 square foot single rooms into double suite units. Renovations include new furniture, fixtures, ceiling tiles, carpeting, lighting, windows and doors. This project also includes an overhaul of the mechanical and electrical systems. The project includes $896,743 of special funds. No net increase in operating and maintenance funds is anticipated.

Old Main Remodel
This project will renovate the existing Old Main building and re-purpose it as the Old Main Conference Center. The building will house large and small meeting rooms, a kitchen, a coffee shop, and a theatre/ballroom. The project includes $4,800,000 of special funds. The project will result in additional special fund operating and maintenance costs of $286,000 per biennium.

244 – North Dakota Forest Service

Nursery Freezer Conversion and Shop Facility
This project will provide 5,500 square feet of freezer space increasing seedling capacity from 120,000 to 500,000. The other component is a 2,500 square foot heated shop for servicing, reconditioning, and fabricated specialized nursery equipment. The project includes $785,000 from the general fund. The project will result in additional general fund operating and maintenance costs of $80,000 per biennium.

504 – Highway Patrol

Training Facility Phase I
This project will replace the existing 180' x 720' course at BSC with a new 300' x 1,000' course located at a safer location east of Bismarck. The project also includes construction of a 12,800 square foot indoor weapons range. The project includes $5,786,000 from the general fund and $865,000 of special funds for a total project cost of $6,651,000. The increase in operating and maintenance expenses is estimated at $41,760 from the general fund and $6,240 of special funds for a total increase of $48,000.

530 - Department of Corrections and Rehabilitation

Missouri River Correctional Center Flood Hazard Mitigation
This project will provide a series of flood control measures for the Missouri River Correctional Center and surrounding properties. The project includes $349,950 from the general fund. No increase in operating and maintenance funds is anticipated.

540 – Adjutant General

Total 100% Federal Construction
This authority request represents the historical expenditures for the Army Guard Contracts line. The spending authority includes $22,000,000 of federal funding. The National Guard Bureau has not yet approved funding or specific projects for the 2013-15 biennium. Any increase in operating and maintenance costs will be paid within the agency's budget.

State Radio Expansion Project
This project will provide a new Communications Center area of approximately 2,016 square feet including three new dispatch consoles. The project includes $960,000 from the general fund. The project will result in additional operating and maintenance expenses of $16,128 per biennium to be paid from the general fund.

State Radio Fire Suppression System
This project will provide a new chemical-based fire suppression system to replace the current water-based suppression system. This will minimize destruction of valuable equipment should it be activated. The project includes $210,000 from the general fund. No increase in operating and maintenance funds is anticipated.

630 – NDSU Extension Service

4-H Camp
This project has four components. Three existing cabins will renovated. The Main Lodge will become ADA accessible, and be provided with new heat and air conditioning. Outdoor program amenities will be enhanced and a new multipurpose camp building will be constructed. The project includes $500,000 from the general fund and $1,400,000 of special funds for a project total of $1,900,000. An increase in operating and maintenance expenses is estimated at $61,000 per biennium to be paid within the agency's budget.

640 – NDSU Main Research Center

Agronomy Laboratories
This project has two components. The first project is a new 10,040 square foot

agronomy laboratory at the Carrington Research Extension Center. This will replace a 1962 potato warehouse that has quality control and worker safety issues. The second project is a new 8,000 square foot agronomy laboratory at the Hettinger Research Extension Center. This will replace a converted granary with similar issues as Carrington. The project includes $4,300,000 from the general fund. The increase in operating and maintenance expenses is unknown at this time.

720 – Game and Fish Department

Lonetree Wildlife Management Area - Heated Storage Building
This project provides for the construction of a 1,125 square foot building or addition to the existing shop. The project will provide additional heated storage space for maintenance and storage of department equipment. The project includes $150,000 in federal funds. No increase in operating or maintenance is anticipated.

750 – Department of Parks and Recreation

Lake Metigoshe State Park – Road Repairs
This project will provide renovation, repair and asphalt overlay of 1,800' on the main park entrance road. The project includes $960,000 from the general fund. No increase in operating and maintenance funds is anticipated.

Lake Sakakawea State Park – Marina Dock Purchase
This authorization will allow the agency to purchase the existing Captain Kit's Marina and assure long term viability in this public marina. The project includes $400,000 from the general fund and $400,000 from special funds. No net additional operating or maintenance costs are anticipated.

Fort Stevenson State Park – Administrative Office/Visitor Contact Facility
This project will provide a new facility at the entrance to the park. Similar to the Lake Sakakawea State Park Visitor Center, the new Visitor Center will provide an energy efficient, ADA and code compliant structure. The project includes $750,000 from the general fund. No net additional operating or maintenance costs are anticipated.

Icelandic State Park – Interpretive Exhibit Completion
The Icelandic State Park received an appropriation in the 2009-11 biennium for an addition to the park heritage center. This project will complete the natural heritage component by providing for the design and installation of interpretive exhibits. The project includes $200,000 from special funds. The special funds include $50,000 of local funds to be raised from non-state sources. No net additional operating or maintenance costs are anticipated.

Lewis and Clark State Park – Campsite Expansion
This project provides an additional 25 camping sites at a park that is operating at nearly 100.0 percent capacity. The project includes $520,000 from the general fund. No net additional operating or maintenance costs are anticipated.

Lake Sakakawea State Park – Comfort Station Replacement
This project would remove the existing 1975 comfort station and replace it with a new energy efficient, accessible, and code compliant comfort station similar to the one recently added at Ft. Lincoln State Park. The project includes $300,000 from the general fund and $200,000 from federal funds. No net additional operating or maintenance expenses are expected.

801 - Department of Transportation

Land and Buildings-
This project includes three section/equipment buildings, and three salt storage buildings. The locations are based on highest needs and priorities. The project includes $5,197,400 of special funds. Any increase in operating and maintenance will be paid within the agency's budget.

Radio Sites
This project will provide ten prefabricated buildings including a generator, concrete pad, propane tank, and fencing. The project includes $1,200,000 of special funds. Any increase in operating and maintenance will be paid within the agency's budget.

Extraordinary Repairs
Extraordinary repairs include expenditures for substantial repairs and improvements to buildings and infrastructure. The Fiscal Management Division of OMB uses a building and infrastructure renewal formula, based on industry standards, to generate an estimate of total dollars that should be spent to adequately maintain buildings and infrastructure.

For large agencies with numerous facilities the formula generates a pool to be used to address extraordinary repair needs. Some buildings will not have extraordinary repair needs during the biennium; other buildings may have extraordinary repair needs that differ from the formula amount. Newer buildings will normally require fewer repairs than older buildings. The pooled resources from all buildings and infrastructure in the formula will be applied by the agency to the areas of greatest need. However, many agencies have few buildings and minimal infrastructure, limiting the flexibility provided by pooling resources.

The formula driven calculations may not always reflect actual repair needs. Therefore, although the formula was used to guide agencies in requesting repair dollars, actual requests may be higher or lower than formula amounts.

The executive budget recommends a minimum of 15.0 percent of the repair formula for all agencies with buildings and infrastructure.

Extraordinary Repairs - Buildings
Formulas are generally used to calculate the cost to adequately maintain buildings.

The formula used by the Fiscal Management Division is based on the following premises:

- The formula reflects current building valuation.
- The formula recognizes that as a general policy, fewer resources should be directed to building renewal than the cost of building replacement.
- The formula recognizes that older buildings require proportionally more repair funds than do newer buildings.
- The formula reflects the effects of building repair projects already accomplished.
- The formula is applied to an entire facility system in an actuarial manner, generating a pool of funds to be used on extraordinary repairs.

Building Formula
The annual extraordinary repairs formula for buildings is as follows:

Buildings 5 years old or older at mid-year of biennium

Building Replacement Value x 2.0% = Formula Amount

Buildings less than 5 years old

$0

Building Value Factor
The North Dakota Century Code requires that all state buildings built after 1939 be insured at replacement value. The building's insured value is used as the building replacement value for the formula calculation. All state owned buildings are insured through the fire and tornado fund.

Building Age
The building age is determined by subtracting the year a building was built or extensively renovated from 2014, the mid-year in the 2013-15 biennium. For example, if a building was built or renovated in 1973, the building age is 41 (2014-1973).

Extraordinary Repairs - Infrastructure
Infrastructure is defined as a structure outside of and apart from a building, but necessary to the function of the building. Examples of infrastructure include water and sewer lines, electrical lines, parking lots, sidewalks and roads.

Recognizing that formulas based on building value would not provide adequate funding for infrastructure needs, the Fiscal Management Division of OMB has adopted a formula for calculating costs of extraordinary repairs to infrastructure.

In some cases the value and age of infrastructure are difficult to determine; therefore, the infrastructure formula is based on the replacement value of various infrastructure components.

Infrastructure Formula
The annual extraordinary repairs formula for infrastructure is as follows:

P X R = Formula Amount

P = Infrastructure renewal percentage
R = Infrastructure replacement value (per unit value X number of units)

Infrastructure Renewal Percentage
The infrastructure renewal percentage is the straight line depreciation over the normal life of the item. For example, the infrastructure renewal percentage for an item with a 20-year normal life is 5.0 percent.

Infrastructure Replacement Value
Infrastructure is valued at replacement cost. Expertise from the Facility Management Division of OMB was used to determine replacement costs and parameters applicable to the valuation of the numerous types of infrastructure.

The schedule on the following pages show amounts included in the executive recommendation for each state agency with extraordinary repairs for the 2013-15 biennium.

Extraordinary Repairs Recommendations 2013-15

No.	Agency Name	Building Formula	Infrastructure Formula	Total Formula	Extraordinary Repairs Requested	% of Formula Requested	Extraordinary Repairs Recommended	% of Formula Recommended
110	Office of Management and Budget	$ 7,603,281	$ 722,008	$ 8,325,289	17,198,793	207%	8,948,793	107%
112	Information Technology Department	54,076		54,076	8,111	15%	8,111	15%
117	Office of the State Auditor	-	-	-	40,000	100%	40,000	100%
215	ND University System	-	-	-	10,000,000	100%	10,000,000	100%
227	Bismarck State College	2,076,212	781,336	2,857,548	221,372	8%	207,673	7%
228	Lake Region State College	813,254	193,301	1,006,555	155,367	15%	155,367	15%
229	Williston State College	1,159,220	420,353	1,579,573	205,772	13%	197,801	13%
230	University of North Dakota	22,262,794	8,043,940	30,306,734	4,448,765	15%	4,314,321	14%
235	North Dakota State University	14,226,278	4,577,567	18,803,845	2,820,577	15%	2,732,244	15%
238	ND State College of Science	5,172,632	1,723,117	6,895,749	975,696	14%	953,713	14%
239	Dickinson State University	2,397,789	383,837	2,781,626	417,244	15%	409,078	15%
240	Mayville Sstate University	1,783,012	495,240	2,278,252	279,297	12%	279,297	12%
241	Minot State University	4,806,771	988,099	5,794,870	899,620	16%	899,620	16%
242	Valley City State University	2,074,915	669,727	2,744,642	411,696	15%	408,319	15%
243	Dakota College - Bottineau	614,863	156,572	771,435	115,715	15%	115,507	15%
244	North Dakota Forest Service	98,320	197,818	296,138	44,962	15%	44,962	15%
252	School for the Deaf	677,787	163,962	841,749	1,219,452	145%	1,128,521	134%
253	ND Vision Services	235,762	-	235,762	556,000	236%	556,000	236%
301	ND Department of Health	370,189	-	370,189	319,350	86%	319,350	86%
313	Veterans Home	410,659	423,098	833,757	1,121,000	134%	1,121,000	134%
325	Department of Human Services	6,700,478	3,608,145	10,308,623	2,771,008	27%	2,771,008	27%
380	Job Service North Dakota	819,889	80,059	899,948	-	0%	-	0%
412	Aeronautics Commission	-	89,737	89,737	330,000	368%	330,000	368%
471	Bank of North Dakota	442,341	41,366	483,707	-	0%	-	0%
485	Workforce Safety and Insurance	921,750	78,392	1,000,142	-	0%	-	0%
504	Highway Patrol	179,547	-	179,547	121,000	67%	121,000	67%
530	Dept of Corrections and Rehabilitation	5,353,004	1,287,997	6,641,001	6,037,337	91%	2,279,446	34%
540	Office of the Adjutant General	7,768,769	5,251,445	13,020,214	9,085,000	70%	8,000,000	61%
640	NDSU Main Research Center	1,396,990	1,060,025	2,457,015	1,340,465	55%	1,340,465	55%
649	Agronomy Seed Farm	83,112	49,874	132,986	-	0%	-	0%
665	ND State Fair	-	-	-	3,885,032	100%	3,500,000	100%
701	Historical Society	699,312	1,032,162	1,731,474	1,151,949	67%	574,721	33%
720	Game and Fish Department	728,399		728,399	1,527,041	210%	1,527,041	210%
750	Parks and Recreation Dept	900,631	4,933,330	5,833,961	2,653,094	45%	1,057,894	18%
770	State Water Commission	43,938	12,719	56,657	-	0%	-	0%
801	Dept of Transportation	3,587,070	935,764	4,522,834	6,000,000	133%	6,000,000	133%
	TOTALS	**$ 96,463,044**	**$ 38,400,990**	**$ 134,864,034**	**$ 76,360,715**	**57%**	**$ 60,341,252**	**45%**

Other Capital Payments
Biennuium: 2013-2015

Agency	Project Description	Recommendation	General Fund	Federal Funds	Special Funds	Bond Proceeds
110 Office of Management and Budget	Restore Bond Payments for 2013-15	665,272	665,272	0	0	0
112 Information Technology	Bond Payments	2,504,100	0	0	2,504,100	0
125 Office of the Attorney General	Crime Lab building bond payments	765,852	765,852	0	0	0
215 ND University System	Capital Bond Payments	10,436,045	10,436,045	0	0	0
227 Bismarck State College	13-15 Special Assessment Principal and Interest	210,000	210,000	0	0	0
230 University of North Dakota	Special Assessments	97,245	97,245	0	0	0
238 ND State College of Science	Special assessments	58,666	58,666	0	0	0
240 Mayville State University	Base Plus Incr for Extraord Repairs	79,695	79,695	0	0	0
301 ND Department of Health	Add 2013-15 Bond Payments	642,688	457,380	185,308	0	0
313 Veterans Home	2013-2015 Bond & Interest Payments	408,840	0	0	408,840	0
	Chain Link Fence	21,000	21,000	0	0	0
	Total	**429,840**	**21,000**	**0**	**408,840**	**0**
380 Job Service North Dakota	Special Assessments	20,000	0	20,000	0	0
530 Dept of Corrections and Rehabilitation	2013-15 Bond Payments	1,289,450	1,289,450	0	0	0
540 Office of the Adjutant General	Bond Payment - GF Armory	28,586	28,586	0	0	0
	Payment in Lieu of Taxes	40,000	40,000	0	0	0
	Special Assessments	110,046	110,046	0	0	0
	Total	**178,632**	**178,632**	**0**	**0**	**0**
628 Branch Research Centers	Cap Bond Pmts-Central Grasslands REC	56,906	56,906	0	0	0
	Cap Bond Pmts-North Central REC	92,723	92,723	0	0	0
	Total	**149,629**	**149,629**	**0**	**0**	**0**
640 NDSU Main Research Center	Capital Bond Payments	421,772	421,772	0	0	0
701 Historical Society	Base Budget Change	1,359,004	1,359,004	0	0	0

Other Capital Payments
Biennuium: 2013-2015

Agency	Project Description	Recommendation	General Fund	Federal Funds	Special Funds	Bond Proceeds
720 Game and Fish Department	In Lieu of Taxes	1,000,000	0	200,000	800,000	0
	Land Aquisitions	800,000	0	200,000	600,000	0
	Other Capital Payments	135,000	0	0	135,000	0
	Total	**1,935,000**	**0**	**400,000**	**1,535,000**	**0**
750 Parks and Recreation Department	Add 13-15 bond payments	73,627	73,627	0	0	0
770 Water Commission	Bond Payments	75,250,000	0	0	75,250,000	0
	NAWS & SWPP	161,407,281	0	0	161,407,281	0
	Total	**236,657,281**	**0**	**0**	**236,657,281**	**0**
801 Dept of Transportation	Additional Infrastructure Investment	996,800,000	0	0	996,800,000	0
	Capital Bond Payments	2,028,019	0	0	2,028,019	0
	Other Capital Payments	757,927,471	0	543,322,442	214,605,029	0
	Total	**1,756,755,490**	**0**	**543,322,442**	**1,213,433,048**	**0**
	Total All Agencies	**2,014,729,288**	**16,263,269**	**543,927,750**	**1,454,538,269**	**0**

Financing
The executive recommendation for capital assets expenditures during the 2013-15 biennium is $2.497 billion. The majority of expenditures relate to highway projects ($1.811 billion) and water projects ($237.0 million), funded mainly from federal and special funds.

The executive recommendation for capital projects is $345.8 million. Capital projects are funded with $181.9 million from the general fund, $22.4 million from federal funds, and $141.5 million from special funds.

Debt Affordability
North Dakota remains a low-debt state. The following chart compares North Dakota debt to the United States mean debt:

Debt Affordability

Criteria	United States Mean	North Dakota
2010 per capita debt	$1,408	$255
2010 debt to personal income	3.4%	0.6%

Debt Obligations and Limits
NDCC 54-17.2-23 limits the amount of bond payments to be paid from the state's general fund. The amount "may not exceed the amount equal to a portion of the sales, use, and motor vehicle excise tax collections equal to 10.0 percent of an amount, determined by multiplying the quotient of 1.0 percent divided by the general sales tax rate that was in effect when the taxes were collected, times the net sales, use, and motor vehicle excise tax collections." The general sales tax rate is currently 5.0 percent. Consequently, the state building authority lease payment limitation can be calculated as follows:

10.0% x 1.0%/5.0% x Net Sales Tax Collections = General Fund Payment Limitation

Current debt obligations of the general fund and maximum legal debt limits are reflected below. Current debt obligations are within the legal limit.

Biennium	Current General Fund Debt Obligation	Statutory Debt Limit*	Balance Avail for Additional Debt Service
2013-15	15,631,926	63,705,560	48,073,634
2015-17	13,400,745	66,253,782	52,853,037
2017-19	11,518,879	68,903,934	57,385,055
2019-21	9,869,775	71,660,091	61,790,316
2021-23	7,854,921	74,526,495	66,671,574
2023-25	3,006,710	77,507,554	74,500,844
2025-27	0	80,607,857	80,607,857

* Based on the August 2012 forecast with 4.0 percent growth each biennium.

All state funded capital projects recommended in the 2013-15 executive budget are funded with cash. There are no projects funded through bonded indebtedness. Approximately $52.9 million will be available for additional bond payments in 2015-17 without exceeding the statutory debt limit. The $52.9 million is the difference between the 2015-17 biennium statutory debt limit of $66.3 million and the estimated general fund debt obligation of $13.4 million.

Bonds issued for construction projects are repaid over a 20-year period. Based on estimated funds available in future bienniums for additional bond payments, bonds in the amount of $352.0 million could have been issued during the 2013-15 biennium (based on estimates prepared by financial advisors to the State of North Dakota).

Outstanding Bonds
On the following pages is a summary of outstanding bonded indebtedness issued by the North Dakota Building Authority.

Summary of Outstanding Bond Indebtedness Issued by ND Bonding Authority

Projects Funded	Bond Issue	Bond Maturity Date	Outstanding Principal June 30, 2013	Debt Service General Fund Payment 2013-2015	Debt Service Special Fund Payment 2013-2015	Debt Service Energy Savings Payment 2013-2015
Authorized in 1993	**2012 Series A**	**12/1/2013**	**$950,000**	**$854,949**	**$114,051**	**$0**
•North Dakota University System - Various capital projects including handicapped accessibility projects and special assessments ($8,423,061)						
•Minot State University Memorial Library renovation ($2,550,000)						
•Job Service ND - Grand Forks Office Building ($1,735,000)						
•Adjutant General - Grand Forks Armory ($375,000)						
•Youth Correctional Center - Building demolition and asbestos removal ($250,000)						
Authorized in 1995	**2012 Series A**	**12/1/2015**	**$3,655,000**	**$2,562,500**	**$0**	**$0**
•Bismarck State College Science and Mathematics Center ($8,060,000)						
•University of North Dakota Abbott Hall renovations ($2,371,769)						
•North Dakota State University emission control renovations on power plant ($2,145,000)						
•Dickinson State University Klinefelter Hall renovations ($2,750,000)						
Authorized in 1997	**2006 Series A**	**12/1/2019**	**$5,800,000**	**$2,002,200**	**$0**	**$0**
•State College of Science - Bute Gym remodeling ($1,700,000)						
•Minot State University Moore Hall renovation ($4,000,000)						
•Youth Correctional Center gymnasium renovation ($1,400,000)						
Authorized in 1999						
•North Dakota State University - Animal facility ($2,207,500)						
• Youth Correctional Center - Pine Cottage ($1,475,000)						
Authorized in 1999	**2006 Series B**	**12/1/2022**	**$8,325,000**	**$2,085,494**	**$0**	**$0**
•Williston State College - Health and Wellness Center ($3,000,000)						
Authorized in 2001						
•Minot State University - Old Main restoration ($7,850,000)						
Authorized in 2001	**2010 Series AB**	**12/1/2020**	**$3,885,000**	**$313,252**	**$610,298**	**$0**
•University of North Dakota Energy Conservation Projects ($3,990,785)						
•North Dakota State University Energy Conservation Projects ($296,348)						
•State Department of Health - Laboratory Addition ($2,700,000)						
•Job Service ND - Bismarck service delivery office ($2,302,000)						
Authorized in 2003	**2012 Series A**	**12/1/2021**	**$7,280,000**	**$1,764,426**	**$0**	**$16,024**
•State Department of Health - Morgue and storage annex ($960,000)						
•James River Correctional Center - Food Service/laundry renovations - Phase II ($2,662,890)						
•Missouri River Correctional Center Energy Conservation Project ($105,326)						
•Dickinson State University - Murphy Hall Phase I ($5,882,047)						
•Mayville State University - Steamline replacement - Phase II ($1,355,000)						
•Valley City State University - Graichen Gymnasium elevator and emergency exits ($785,300)						

Summary of Outstanding Bond Indebtedness Issued by ND Bonding Authority

Projects Funded	Bond Issue	Bond Maturity Date	Outstanding Principal June 30, 2013	Debt Service General Fund Payment 2013-2015	Debt Service Special Fund Payment 2013-2015	Debt Service Energy Savings Payment 2013-2015
Authorized in 2005	**2005 Series A**	**12/1/2024**	**30,740,000**	**$6,049,101**	**$33,333**	**$491,397**
•University of North Dakota Energy Conservation Projects ($2,331,554)						
•Office of Management and Budget - Fire suppression system ($3,155,000)						
•Attorney General's Office - Crime Laboratory addition and renovation ($3,632,691)						
•North Dakota State University - Hazardous material handling and storage facility ($3,500,000)						
•North Dakota State College of Science - Electrical Distribution ($736,000)						
•Dickinson State University - Murphy Hall ($4,100,557)						
•Minot State University - Bottineau - Thatcher Hall addition ($2,500,000)						
•James River Correctional Center ET building Improvements ($980,000)						
•James River Correctional Center - Programs building code improvements ($584,000)						
•North Central Research Center - Agronomy laboratory and greenhouse ($440,000)						
•Central Grasslands Research Extension Center - Office addition ($270,000)						
•Main Research Center - Greenhouse Complex ($2,000,000)						
•State Historical Society - Chateau de Mores Interpretive Center ($1,100,000)						
•State Historical Society and Heritage Center - Research collections expansion ($5,500,000)						
•Parks and Recreation Department - Turtle River State Park administrative office ($350,000)						
Authorized in 2003	**2012 Series A**	**12/1/2013**	**$2,455,000**	**$0**	**$2,504,100**	**$0**
•Information Technology Department - ConnectND ($20,000,000)						
Authorized in 2007 and Reauthorized in 2009	**2010 Series A/B**	**12/1/2030**	**$2,745,000**	**$0**	**$408,840**	**$0**
•Veterans Home ($2,575,152)						
Total			**$65,835,000**	**$15,631,922**	**$3,670,622**	**$507,421**

Equipment and IT Equipment and Software over $5,000

State agencies invest significant resources in purchases of equipment in excess of $5,000. Governmental Accounting Standards Board (GASB) Statement No. 34, and fixed asset accounting policies established for the State of North Dakota by the Office of Management and Budget, provides that equipment purchases should be capitalized if the cost is $5,000 or more. "Equipment" includes the costs of office equipment, machinery, furniture and fixtures, furnishings and similar items.

Budget instructions issued by the Office of Management and Budget direct agencies to include in the capital assets request all equipment and IT equipment and software purchases in excess of $5,000. All equipment requests for items of $5,000 or less are included in the operating line item.

The 2013-15 biennium executive recommendation includes $60.4 million for the purchase of equipment items costing $5,000 or more. Recommended funding sources are $6.4 million from the general fund, $2.7 million from federal funds, and $51.2 million from special funds. The executive recommendation includes $15.3 million for the purchase of IT equipment and software items costing $5,000 or more. Recommended funding sources for IT equipment purchases are $3.7 million from the general fund, $1.7 million from federal funds, and $9.9 million from special funds.

The schedule on the following pages show amounts included in the executive recommendation for each state agency with equipment and IT equipment and software purchases in excess of $5,000 for the 2013-15 biennium.

Equipment Over $5,000
Biennuium: 2013-2015

Agency	Equipment	Request	Recommendation	Recommendation Funding Source		
				General	Federal	Special
108 Secretary of State	Multipurpose Copier	0	10,000	10,000	0	0
110 Office of Management and Budget	Forklift-Surplus	35,000	35,000	0	0	35,000
	Pressure Washer	10,000	10,000	0	0	10,000
	Restore Equipment-FM	67,000	67,000	67,000	0	0
	Restore Loading Ramp for Surplus	20,000	20,000	0	0	20,000
	Restore Print Finish Equipment	50,000	50,000	0	0	50,000
	Total	**182,000**	**182,000**	**67,000**	**0**	**115,000**
112 Information Technology	Copier Replacment	12,500	12,500	0	0	12,500
	Equipment for New Space	1,144,000	1,144,000	0	0	1,144,000
	General Office Equipment for ITD Operations	265,000	265,000	0	0	265,000
	Total	**1,421,500**	**1,421,500**	**0**	**0**	**1,421,500**
125 Office of the Attorney General	Alternate Light Source	18,000	18,000	0	18,000	0
	Cameras for existing Livescans	150,000	150,000	0	0	150,000
	Command Vehicle	110,000	110,000	0	110,000	0
	FTIR	58,467	58,467	0	20,067	38,400
	Federal Stimulus undercover vehicles	0	40,000	0	0	40,000
	Gas Chromatograph Mass Spectrometer	90,108	90,108	0	90,108	0
	Gas Chromatograph/Headspacer Autosample	85,000	85,000	0	38,400	46,600
	Gas Chromatograph/ Spectrophotometer	123,400	123,400	0	0	123,400
	Gas Chromatograph/headspace Autosampler	85,000	85,000	0	85,000	0
	Intoxilyzers	173,250	173,250	0	173,250	0
	Livescans	280,000	280,000	0	0	280,000
	Maxwell Extraction	25,000	25,000	0	25,000	0
	Organized Crime Investigator Undercover Vehicle	0	20,000	0	0	20,000
	QIA Cube	25,000	25,000	0	25,000	0
	Surveillance Suburban	50,000	50,000	0	50,000	0
	Thermocyclers	16,000	16,000	0	16,000	0
	Undercover Vehicle Replacements	0	198,000	198,000	0	0
	Western ND undercover vehicles	0	40,000	0	0	40,000
	Total	**1,289,225**	**1,587,225**	**198,000**	**650,825**	**738,400**
127 Office of State Tax Commissioner	Motor Vehicle	50,000	50,000	0	50,000	0

Equipment Over $5,000
Biennuium: 2013-2015

Agency	Equipment	Request	Recommendation	Recommendation Funding Source		
				General	Federal	Special
150 Legislative Assembly	2013-15 Committee Room Renovation	500,000	500,000	500,000	0	0
160 Legislative Council	Provide 2013-15 One-Time Funding	25,000	25,000	25,000	0	0
180 Judicial Branch	Conference room furniture	15,000	15,000	15,000	0	0
	Folding Machine	7,500	7,500	7,500	0	0
	Judge's chamber furniture - Cass County	8,500	8,500	8,500	0	0
	Judge's chamber furniture in Richland County	10,000	10,000	10,000	0	0
	Juvenile Director's office furniture	8,000	8,000	8,000	0	0
	Large copy/scan/fax machines	120,000	120,000	120,000	0	0
	Medium size copy machines	82,500	82,500	82,500	0	0
	Microfiche machine	8,990	8,990	8,990	0	0
	Steno machines	70,980	70,980	70,980	0	0
	Total	**331,470**	**331,470**	**331,470**	**0**	**0**
226 Department of Trust Lands	Purchase UTV and trailer	65,550	65,550	0	0	65,550
244 North Dakota Forest Service	4x4 Utility Vehicle Bottineau	14,000	14,000	14,000	0	0
	4x4 Utility Vehicle Walhalla	12,000	12,000	12,000	0	0
	8 Portable Irrigation Lines Towner	30,248	30,248	30,248	0	0
	Total	**56,248**	**56,248**	**56,248**	**0**	**0**
252 School for the Deaf	Replacement of Convection Oven	8,500	8,500	0	0	8,500
	Replacement of Riding Lawn Mower	14,000	14,000	0	0	14,000
	Total	**22,500**	**22,500**	**0**	**0**	**22,500**
253 ND Vision Services/School for the Blind	Educational Equipment Purchase	6,400	6,400	0	0	6,400
301 ND Department of Health	Ambient Nitrogen Oxide Analyzer	12,000	12,000	0	0	12,000
	Ambient Ozone Analyzer	12,250	12,250	0	0	12,250
	Ambient Sulfur Dioxide Analyzer	18,000	18,000	0	0	18,000
	Biosafety Cabinet	7,500	7,500	0	3,750	3,750
	CO2 Incubators (stackable set)	10,000	10,000	0	6,000	4,000
	Copier	10,000	10,000	0	10,000	0
	Digital Chart Recorder	8,000	8,000	0	0	8,000

Equipment Over $5,000
Biennuium: 2013-2015

Agency	Equipment	Request	Recommendation	Recommendation Funding Source		
				General	Federal	Special
	Digital X-Ray	50,000	50,000	50,000	0	0
	Dissolved Oxygen Temperature pH Conductivity Meter	18,000	18,000	0	18,000	0
	Emergency Response Health & Medical Tents	120,000	120,000	0	120,000	0
	Flow Injection Analyzer	30,000	30,000	0	15,000	15,000
	Fluoresence Detector	16,000	16,000	0	8,000	8,000
	Fluoresence Microscope with Imaging System	59,500	59,500	0	39,500	20,000
	GC/MS for Purge and Trap	0	80,000	80,000	0	0
	Gas Chromatograph	36,000	72,000	18,000	18,000	36,000
	Ion Chromatography	0	60,000	30,000	0	30,000
	Isotopic Identifier	50,000	50,000	0	0	50,000
	Liquid Chromatograph	60,000	60,000	0	30,000	30,000
	Long Line Electro fishing unit	6,000	6,000	0	6,000	0
	Luminex Multi-Plex System	0	60,000	60,000	0	0
	MS Copier	10,000	10,000	0	10,000	0
	Manual Particulate Sampler	12,000	12,000	0	12,000	0
	Multi Gas Calibrator	11,000	11,000	0	0	11,000
	Multi-Point Control Unit	300,000	300,000	0	300,000	0
	Pryrosequencer	65,000	65,000	0	36,837	28,163
	Purge and Trap	36,000	72,000	36,000	18,000	18,000
	Total	**957,250**	**1,229,250**	**274,000**	**651,087**	**304,163**
313 Veterans Home	Bobcat S650 with tracks	23,500	23,500	0	0	23,500
	Bobcat sweeper	6,700	6,700	0	0	6,700
	Brushcat Rotary Cutter Attachment	6,000	6,000	0	0	6,000
	Toro with snowblower and broom	35,000	35,000	0	0	35,000
	Total	**71,200**	**71,200**	**0**	**0**	**71,200**
325 Department of Human Services	DC 2 Commercial Clothes Dryers for Laundry	15,500	15,500	15,500	0	0
	DC Combi-Oven	20,000	20,000	20,000	0	0
	DC Dishwasher	89,000	89,000	89,000	0	0
	DC Epilog Laser Engraver	27,500	27,500	27,500	0	0
	LR Copier	18,000	18,000	18,000	0	0
	SE Copier - Large Volume	13,000	13,000	13,000	0	0
	SE Copier - Small Volume	6,000	6,000	6,000	0	0
	SH 2 Full Body Lifts	10,400	10,400	10,400	0	0
	SH 2 Walk In Whirlpools	26,000	26,000	26,000	0	0
	SH 2 Yard Quick Coupler MP Bucket	13,100	13,100	13,100	0	0
	SH 3 Air Compressors	15,000	15,000	15,000	0	0

Equipment Over $5,000
Biennuium: 2013-2015

Agency	Equipment	Request	Recommendation	Recommendation Funding Source		
				General	Federal	Special
	SH 72 inch Snow Blower	7,150	7,150	7,150	0	0
	SH Battery Operated Carpet Cleaner	10,000	10,000	10,000	0	0
	SH Boss Blade	7,810	7,810	7,810	0	0
	SH Condensate Pump for Tompkins Building	12,000	12,000	12,000	0	0
	SH Copier for Treatment Mall	7,500	7,500	7,500	0	0
	SH Copier/Scanner/Fax for Administration	12,000	12,000	12,000	0	0
	SH Copier/Scanner/Fax for HIS	12,000	12,000	12,000	0	0
	SH Data Imaging System	15,000	15,000	15,000	0	0
	SH Ground Meter	5,500	5,500	5,500	0	0
	SH Leaf Vacuum System	7,700	7,700	7,700	0	0
	SH Mega Meter	6,500	6,500	6,500	0	0
	SH Out Door PTZ Camera	5,175	5,175	5,175	0	0
	SH PA system in Lahaug Building	30,000	30,000	30,000	0	0
	SH Security Cameras for TASC - New Horizons Building	21,704	21,704	21,704	0	0
	SH Security Cameras for Tompkins Building	26,874	26,874	26,874	0	0
	Total	**440,413**	**440,413**	**440,413**	**0**	**0**
405 Industrial Commission	Wide Bed Plotter	0	5,800	5,800	0	0
408 Public Service Commission	Hydraulic Soil Probe	0	28,000	10,080	17,920	0
412 Aeronautics Commission	Collision Avoidance for Agency Aircraft	60,000	60,000	0	0	60,000
471 Bank of North Dakota	Replacement of 2 currency counters	30,000	30,000	0	0	30,000
	Replacement of 2 scanners	14,000	14,000	0	0	14,000
	Replacement of 3 copiers	24,000	24,000	0	0	24,000
	Replacement of coin conveyor	42,000	42,000	0	0	42,000
	Replacement of coin sorter machine	20,000	20,000	0	0	20,000
	Replacement of coin wrapping machine	30,000	30,000	0	0	30,000
	Replacement of folder/inserter	40,000	40,000	0	0	40,000
	Unanticipated Equipment Capital Expenditures	50,000	50,000	0	0	50,000
	Total	**250,000**	**250,000**	**0**	**0**	**250,000**

Equipment Over $5,000
Biennuium: 2013-2015

Agency	Equipment	Request	Recommendation	Recommendation Funding Source		
				General	Federal	Special
504 Highway Patrol	Purchase of two trailer scale systems	0	150,000	131,000	0	19,000
530 Dept of Corrections and Rehabilitation	JRCC - Laundry Mangle Unit	0	15,000	15,000	0	0
	JRCC - Water Heater	0	17,000	17,000	0	0
	MRCC - 50 HP Tractor	0	40,000	40,000	0	0
	MRCC - Wood Chipper	0	7,800	7,800	0	0
	MRCC Kitchen - Cook Stove	0	6,500	6,500	0	0
	MRCC Kitchen - Cooler and Freezer	0	60,000	60,000	0	0
	NDSP - 65 HP Tractor	0	40,000	40,000	0	0
	NDSP Kitchen - Bread Divider Rounder	0	12,600	12,600	0	0
	NDSP Kitchen - Mixer (80 quart)	0	25,000	25,000	0	0
	NDSP Kitchen - Ovens	0	20,000	20,000	0	0
	RRI - Air Compressors	0	8,000	0	0	8,000
	RRI - Air Dryer	0	9,000	0	0	9,000
	RRI - Brake Press	0	229,000	0	0	229,000
	RRI - Metal Sheer	0	21,000	0	0	21,000
	RRI - Table Saw	0	6,000	0	0	6,000
	RRI - Trailers	0	25,000	0	0	25,000
	YCC - Utiltity Trailer	0	11,000	11,000	0	0
	Total	**0**	**552,900**	**254,900**	**0**	**298,000**
540 Office of the Adjutant General	Emergency Equipment	682,000	682,000	0	682,000	0
	Grounds Equipment for State Supported Facilities	22,000	22,000	22,000	0	0
	State Radio Building/Equipment Expansion	0	241,240	241,240	0	0
	State Radio Towers	0	1,500,000	1,500,000	0	0
	Total	**704,000**	**2,445,240**	**1,763,240**	**682,000**	**0**
601 Department of Commerce	Weatherization Diagnostic Equipment	10,000	10,000	0	10,000	0
602 Department of Agriculture	Noxious Weed Utility Terrain Vehicle	12,000	12,000	0	0	12,000
628 Branch Research Centers	1256 (95-100 HP tractor)	50,000	50,000	50,000	0	0
	140 HP Tractor Loader	125,000	125,000	125,000	0	0

Equipment Over $5,000
Biennuium: 2013-2015

Agency	Equipment	Request	Recommendation	Recommendation Funding Source		
				General	Federal	Special
	8560 Ford tractor with loader 100HP	75,000	75,000	75,000	0	0
	Air seeder	75,000	75,000	0	0	75,000
	Bat wing mower	15,000	15,000	0	0	15,000
	Bobcat	6,000	6,000	0	0	6,000
	Canola swather	30,000	30,000	0	0	30,000
	Cone-type research drill/planter	60,000	60,000	0	0	60,000
	Corn/hay chopper	34,000	34,000	0	0	34,000
	Crop sprayer	150,000	150,000	125,000	0	25,000
	Data logger	5,000	5,000	0	0	5,000
	Double alley chute	11,000	11,000	0	0	11,000
	Feed mixer box	24,000	24,000	0	0	24,000
	Feed wagon	30,000	30,000	0	0	30,000
	Field ditcher	15,000	15,000	0	0	15,000
	Field tractor	80,000	80,000	0	0	80,000
	Forage dryer and associated lab accessories	12,000	12,000	0	0	12,000
	Generator	7,500	7,500	0	0	7,500
	Hydraulic silencer chute	13,000	13,000	0	0	13,000
	Hydraulic soil probe	15,000	15,000	0	0	15,000
	Lawn/garden tractor	50,000	50,000	0	0	50,000
	Livestock Trailer	35,000	35,000	0	0	35,000
	Manure composting machine	30,000	30,000	0	0	30,000
	Manure spreader	21,000	21,000	0	0	21,000
	NIR	50,000	50,000	0	0	50,000
	NMR	55,000	55,000	0	0	55,000
	No-till drill	60,000	60,000	0	0	60,000
	No-till plot seeder	40,000	40,000	0	0	40,000
	No-till small plot drill	70,000	70,000	0	0	70,000
	Plot sample dryers	48,000	48,000	0	0	48,000
	Plot tractor	50,000	50,000	0	0	50,000
	Portable livestock handling system	12,000	12,000	0	0	12,000
	Precision row crop planter	90,000	90,000	0	0	90,000
	Research sprayer	18,000	18,000	0	0	18,000
	Roller packer	18,000	18,000	0	0	18,000
	Rotary hoe	8,500	8,500	0	0	8,500
	Rotary mower	8,000	8,000	0	0	8,000
	Sheep trailer	10,709	10,709	0	0	10,709
	Silage harvester	50,000	50,000	0	0	50,000
	Small sample seed cleaner	6,500	6,500	0	0	6,500
	Small square baler	50,000	50,000	0	0	50,000
	Soil sampling probe unit	15,000	15,000	15,000	0	0
	Stationary Feed Mixer	20,000	20,000	0	0	20,000

Equipment Over $5,000
Biennuium: 2013-2015

Agency	Equipment	Request	Recommendation	Recommendation Funding Source		
				General	Federal	Special
	Tilt bed trailer	20,000	20,000	0	0	20,000
	Trailer	25,000	25,000	0	0	25,000
	Truax drill	8,220	8,220	0	0	8,220
	Truck	20,000	20,000	0	0	20,000
	Truck mounted field sprayer	50,000	50,000	0	0	50,000
	Utility tractor	90,000	90,000	65,000	0	25,000
	Utility vehicle	45,000	45,000	45,000	0	0
	disc harrow, 33'	40,000	40,000	0	0	40,000
	Total	**1,946,429**	**1,946,429**	**500,000**	**0**	**1,446,429**
638 Northern Crops Institute	Cooler/Dryer for Twin Screw Extruder	100,000	100,000	0	0	100,000
	Die washer	22,850	22,850	0	0	22,850
	Feed Mill Equipment	100,000	100,000	100,000	0	0
	Oilseed expeller	60,000	60,000	23,780	0	36,220
	Translation equipment	15,000	15,000	15,000	0	0
	Total	**297,850**	**297,850**	**138,780**	**0**	**159,070**
640 NDSU Main Research Center	AKTA prime plus	5,000	5,000	5,000	0	0
	Additional Equipment	3,500,000	3,500,000	0	0	3,500,000
	Atomic absorption spectrophotometer w/graphite furnace & hyd	65,000	65,000	65,000	0	0
	Autoclave	87,170	87,170	45,170	0	42,000
	Batwing mower	15,000	15,000	0	0	15,000
	Combine	35,000	35,000	0	0	35,000
	Combine JD9600	35,000	35,000	0	0	35,000
	Compound microscope	8,000	8,000	8,000	0	0
	Digital Radiography System	50,000	50,000	0	0	50,000
	Drying Oven (ANPC)	15,000	15,000	0	0	15,000
	Fat Analyzer	31,000	31,000	0	0	31,000
	Fourier transform infrared spectroscopy	42,000	42,000	0	0	42,000
	Freeze Dryer	50,875	50,875	0	0	50,875
	Freeze Dryer pump	5,795	5,795	0	0	5,795
	Freezer	27,000	27,000	0	0	27,000
	Freezer unit	15,000	15,000	0	0	15,000
	Freezer#2	12,000	12,000	0	0	12,000
	Freezer#3	12,000	12,000	0	0	12,000
	Freezer#4	12,000	12,000	0	0	12,000
	Gas Chromatograph	36,380	36,380	36,380	0	0
	Gas chromatograph	35,000	35,000	0	0	35,000
	Gel Logic 112 Imaging System	6,000	6,000	6,000	0	0

Equipment Over $5,000
Biennuium: 2013-2015

Agency	Equipment	Request	Recommendation	Recommendation Funding Source		
				General	Federal	Special
	IRGA Analyzer	20,000	20,000	0	0	20,000
	Incubator	5,450	5,450	5,450	0	0
	Infusion crates	5,000	5,000	0	0	5,000
	Isoelectric focusing strip runner	10,000	10,000	0	0	10,000
	Laminar Flow Clean Bench	8,000	8,000	8,000	0	0
	Microplate Reader	24,409	24,409	0	0	24,409
	Motorized microtome	45,000	45,000	0	0	45,000
	Photoacoustic gas analyzer (INNOVA 1412)	50,000	50,000	50,000	0	0
	Polytron with probes	8,000	8,000	0	0	8,000
	Portable visible NIR spectro-radiometer	60,000	60,000	60,000	0	0
	Rake	10,000	10,000	0	0	10,000
	Real time PCR instrument	40,000	40,000	40,000	0	0
	Research Plot Combine	275,000	275,000	0	0	275,000
	Round baler	45,000	45,000	0	0	45,000
	SpectraMax microplate reader from Molecular Devices	15,000	15,000	15,000	0	0
	Spectrophotometer	32,580	32,580	0	0	32,580
	Stackliner small square bale mover	85,000	85,000	85,000	0	0
	Thermal cycler	8,000	8,000	0	0	8,000
	Tissue macerator	16,000	16,000	16,000	0	0
	Tractor	55,000	55,000	55,000	0	0
	Ultralow Freezer (2)	19,400	19,400	0	0	19,400
	Ultrasound Unit	60,000	60,000	0	0	60,000
	VWR chromatography refrigerators	5,200	5,200	0	0	5,200
	Vet Diagnostic Lab Equipment	400,000	400,000	400,000	0	0
	Total	**5,402,259**	**5,402,259**	**900,000**	**0**	**4,502,259**
649 Agronomy Seed Farm	16' cultivator	10,000	10,000	0	0	10,000
	200 HP Tractor	96,000	96,000	0	0	96,000
	40-50 HP Tractor	45,000	45,000	0	0	45,000
	Flex header	90,000	90,000	0	0	90,000
	Misc.	22,000	22,000	0	0	22,000
	Woods Mower	15,000	15,000	0	0	15,000
	Total	**278,000**	**278,000**	**0**	**0**	**278,000**
701 Historical Society	Add Base Budget Equipment	81,000	81,000	81,000	0	0
720 Game and Fish Department	Enforcement Equipment	210,000	210,000	0	84,000	126,000
	Fisheries Equipment	142,020	142,020	0	106,515	35,505
	Lonetree Replacement Equipment	67,200	67,200	0	67,200	0

Equipment Over $5,000
Biennuium: 2013-2015

Agency	Equipment	Request	Recommendation	Recommendation Funding Source		
				General	Federal	Special
	Wildlife Division Replacement Equipment	206,000	206,000	0	154,500	51,500
	Total	**625,220**	**625,220**	**0**	**412,215**	**213,005**
750 Parks and Recreation Department	ATV	8,500	8,500	8,500	0	0
	Bobcat Snowblower Attachment	5,500	5,500	5,500	0	0
	CrackSeal Machines	0	30,000	0	0	30,000
	Cross Country Ski Trail Groomers	0	120,000	0	0	120,000
	Electric Car	30,000	30,000	30,000	0	0
	Fire Unit	40,000	40,000	40,000	0	0
	Industrial Tractors	0	120,000	0	0	120,000
	Riding Mowers	161,000	161,000	161,000	0	0
	Snowblower 3 pt	5,000	5,000	5,000	0	0
	Snowmobile - Long Track	10,000	10,000	10,000	0	0
	Utility Vehicles DL,LC,BL,LS	100,000	100,000	100,000	0	0
	Utility Vehicles LC,FL,IS,CR,FR	90,000	90,000	90,000	0	0
	Wood Chipper	0	30,000	0	0	30,000
	Total	**450,000**	**750,000**	**450,000**	**0**	**300,000**
770 Water Commission	18 Foot Shallow Boat and Motor	17,500	17,500	17,500	0	0
	Development Survey Base Station	25,700	25,700	1,952	0	23,748
	Hydraulic Tracked Excavator	0	243,200	243,200	0	0
	Northwest Area Locating Equipment	10,000	10,000	10,000	0	0
	Remote Control GPS Survey Boat	16,800	16,800	16,800	0	0
	Total	**70,000**	**313,200**	**289,452**	**0**	**23,748**
801 Dept of Transportation	Conference Room Equipment	27,800	27,800	0	0	27,800
	Copier	6,000	6,000	0	0	6,000
	Copier for Mailroom	30,000	30,000	0	0	30,000
	Digital Video Equipment	17,000	17,000	0	0	17,000
	Dynamic Shear Rheometer	38,700	38,700	0	0	38,700
	Electronic Test Equipment	100,000	100,000	0	0	100,000
	GPS Receiver	35,100	35,100	0	35,100	0
	GPS Survey	150,000	150,000	0	125,000	25,000
	Mail Machine	17,000	17,000	0	0	17,000
	Major Maintenance/Minor Highway & Shop Equipment	5,231,400	5,231,400	0	0	5,231,400
	Mechanical Proctor Hammer	8,000	8,000	0	0	8,000
	Motor Vehicles	35,378,637	35,378,637	0	0	35,378,637
	Production Scanner	15,000	15,000	0	0	15,000
	Survey Controllers	41,080	41,080	0	41,080	0
	Utility Terrain Vehicle	49,100	49,100	0	49,100	0

Equipment Over $5,000
Biennuium: 2013-2015

Agency	Equipment	Request	Recommendation	Recommendation Funding Source		
				General	Federal	Special
	Total	**41,144,817**	**41,144,817**	**0**	**250,280**	**40,894,537**
	Total All Agencies	**56,750,331**	**60,351,471**	**6,426,383**	**2,724,327**	**51,200,761**

IT Equipment Over $5,000
Biennuium: 2013-2015

Agency	Equipment	Request	Recommendation	Recommendation Funding Source		
				General	Federal	Special
108 Secretary of State	Epollbook Machines	1,000,000	1,000,000	0	1,000,000	0
112 Information Technology	AS400 Server Refresh	240,000	240,000	0	0	240,000
	CND Equipment Enhancements/ Refresh	200,000	200,000	0	0	200,000
	DHS Projects - Equipment	2,558,000	2,558,000	0	0	2,558,000
	Data Center Security Upgrades	186,000	186,000	0	0	186,000
	Disk Purchases for ITD Operations	2,500,000	2,500,000	0	0	2,500,000
	EduTech and PowerSchool Equipment	275,000	275,000	0	0	275,000
	K-12 Network Equipment	600,000	600,000	600,000	0	0
	Mainframe Refersh	500,000	500,000	0	0	500,000
	Network Equipment Replacements	1,185,000	1,185,000	0	0	1,185,000
	New Intel Servers for Agency Applications and Projects	204,000	204,000	0	0	204,000
	Refresh Intel Server Hardware	527,000	527,000	0	0	527,000
	VOIP Switch Enhancements/ Refresh	500,000	500,000	0	0	500,000
	Total	**9,475,000**	**9,475,000**	**600,000**	**0**	**8,875,000**
125 Office of the Attorney General	IT Backup Server	10,000	10,000	0	0	10,000
127 Office of State Tax Commissioner	High volume scanner	16,000	16,000	16,000	0	0
150 Legislative Assembly	Expand storage area network for archiving audio and video	30,000	30,000	30,000	0	0
180 Judicial Branch	Blade server system upgrades	80,000	80,000	80,000	0	0
	Cybernetics LTO5 tape unit	54,000	54,000	54,000	0	0
	Digital audio servers	63,000	63,000	63,000	0	0
	Digital recording	57,556	57,556	57,556	0	0
	Disk and server expansion	160,000	160,000	160,000	0	0
	ITV systems	102,000	102,000	102,000	0	0
	Total	**516,556**	**516,556**	**516,556**	**0**	**0**
252 School for the Deaf	Replace Resource Center IVN Equipment	35,000	35,000	0	0	35,000
	Replacement of Main Campus Server	8,000	8,000	0	0	8,000
	Total	**43,000**	**43,000**	**0**	**0**	**43,000**

IT Equipment Over $5,000
Biennuium: 2013-2015

Agency	Equipment	Request	Recommendation	Recommendation Funding Source		
				General	Federal	Special
301 ND Department of Health	High Volume Network Printer	8,000	8,000	0	4,000	4,000
	Replace Laboratory Server	10,000	10,000	0	5,000	5,000
	Wide Format Digital Scanner	15,000	15,000	0	0	15,000
	Total	**33,000**	**33,000**	**0**	**9,000**	**24,000**
305 Tobacco Prevention and Control	Multifunction Printer	6,500	6,500	0	0	6,500
325 Department of Human Services	HIT Meaningful Use	216,160	216,160	0	216,160	0
360 Protection and Advocacy	Polycom VideoConferencing Kit	11,824	11,824	11,824	0	0
408 Public Service Commission	Disk Upgrade	19,500	19,500	19,500	0	0
	Hearing room teleconference upgrade	8,500	8,500	8,500	0	0
	Standard GIS Server Replacement	18,000	18,000	18,000	0	0
	Standard Large Format Plotter Replacement	14,665	14,665	14,665	0	0
	Total	**60,665**	**60,665**	**60,665**	**0**	**0**
471 Bank of North Dakota	Forensic Investigation Software	12,000	12,000	0	0	12,000
	HVAC and Card Access System Improvements	50,000	50,000	0	0	50,000
	MFA Multi-Factor Authentication Software	24,000	24,000	0	0	24,000
	Malware and Endpoint Security Software	40,000	40,000	0	0	40,000
	New Application Whitelisting Software	40,000	40,000	0	0	40,000
	Replacement of BND04 Server	5,000	5,000	0	0	5,000
	Replacement of BND30 Server	6,000	6,000	0	0	6,000
	Replacement of FIS Rimage Server	25,000	25,000	0	0	25,000
	Replacement of HP Color Laserjet Printer	5,800	5,800	0	0	5,800
	Replacement of Syslog Server	6,000	6,000	0	0	6,000
	Replacement of high volume production printer	180,000	180,000	0	0	180,000
	SIEM Software Purchase of Additional Functionality	30,000	30,000	0	0	30,000
	Unanticipated Hardware Expenditures	22,200	22,200	0	0	22,200
	Unanticipated Software Expenditures	31,000	31,000	0	0	31,000

IT Equipment Over $5,000
Biennuium: 2013-2015

Agency	Equipment	Request	Recommendation	Recommendation Funding Source		
				General	Federal	Special
	Vulnerability Scanning Software	18,000	18,000	0	0	18,000
	Total	**495,000**	**495,000**	**0**	**0**	**495,000**
530 Dept of Corrections and Rehabilitation	DOCSTARS Upgrade	0	160,000	160,000	0	0
	ITAG Application Upgrade	0	478,900	478,900	0	0
	Replace Oracle Production and Test ITAG Server	0	14,000	14,000	0	0
	Total	**0**	**652,900**	**652,900**	**0**	**0**
540 Office of the Adjutant General	Computer Aided Dispatch (CAD) Upgrade	0	260,000	260,000	0	0
	State Radio Voice/Incident Recorder Replacement	0	150,000	150,000	0	0
	Statewide Seamless Base Map Phase III	0	1,800,000	1,300,000	500,000	0
	Total	**0**	**2,210,000**	**1,710,000**	**500,000**	**0**
627 Upper Great Plains Transportation Inst.	Video Conference Bridge	200,000	200,000	0	0	200,000
630 NDSU Extension Service	IVN Equipment Upgrade	110,000	110,000	110,000	0	0
770 Water Commission	IT Equipment Servers	10,100	10,100	10,100	0	0
	IT Plotter	9,900	9,900	9,900	0	0
	Planning Smartboard	8,000	8,000	8,000	0	0
	Total	**28,000**	**28,000**	**28,000**	**0**	**0**
801 Dept of Transportation	Duplex Scanner	16,400	16,400	0	0	16,400
	Large Volume Scanner	20,000	20,000	0	0	20,000
	Laserjet Printers	70,700	70,700	0	0	70,700
	Multi use Print/Copy/Scan Machines	31,400	31,400	0	0	31,400
	Scanners	15,000	15,000	0	0	15,000
	Trimble Units	60,000	60,000	0	0	60,000
	Total	**213,500**	**213,500**	**0**	**0**	**213,500**
	Total All Agencies	**12,465,205**	**15,328,105**	**3,735,945**	**1,725,160**	**9,867,000**

Large IT Project Recommendations - 2013-2015

Biennium: 2013-2015

Agency/Project	Total Request	Recommendation: Project Cost	General Fund	Federal Funds	Special Funds	Related FTE
110 Office of Management and Budget						
Business Development Engine	6,584,682	0	0	0	0	0.00
Total Office of Management and Budget	**6,584,682**	**0**	**0**	**0**	**0**	**0.00**
112 Information Technology						
Electronic Case File	545,630	545,630	545,630	0	0	0.00
Total Information Technology	**545,630**	**545,630**	**545,630**	**0**	**0**	**0.00**
125 Office of the Attorney General						
Criminal History Rewrite	2,340,050	2,340,050	0	0	2,340,050	0.00
Total Office of the Attorney General	**2,340,050**	**2,340,050**	**0**	**0**	**2,340,050**	**0.00**
127 Office of State Tax Commissioner						
TAP - Business Registration & WebFile	1,000,000	1,000,000	1,000,000	0	0	0.00
Total Office of State Tax Commissioner	**1,000,000**	**1,000,000**	**1,000,000**	**0**	**0**	**0.00**
325 Department of Human Services						
AIMS/ROAP System Replacement	5,000,000	5,000,000	5,000,000	0	0	0.00
Mainframe Migration	810,000	810,000	148,907	93,093	568,000	0.00
New Time and Attendance System	575,642	575,642	396,237	179,405	0	0.00
Total Department of Human Services	**6,385,642**	**6,385,642**	**5,545,144**	**272,498**	**568,000**	**0.00**
380 Job Service North Dakota						
Unemployment Insurance(UI) Modernization Project	17,707,000	17,707,000	0	17,707,000	0	0.00
Workforce Data Quality Initiative (WDQI)	700,000	700,000	0	700,000	0	0.00
Total Job Service North Dakota	**18,407,000**	**18,407,000**	**0**	**18,407,000**	**0**	**0.00**
485 Workforce Safety and Insurance						
Data Warehousing	2,000,000	2,000,000	0	0	2,000,000	0.00
IT Plan - Web Portal	1,500,000	1,500,000	0	0	1,500,000	0.00
Policy Replacement Project	1,225,000	1,225,000	0	0	1,225,000	0.00
Total Workforce Safety and Insurance	**4,725,000**	**4,725,000**	**0**	**0**	**4,725,000**	**0.00**
540 Office of the Adjutant General						
Computer Aided Dispatch (CAD) Upgrade	340,000	340,000	340,000	0	0	0.00
Statewide Seamless Base Map Phase III	1,700,000	1,800,000	1,300,000	500,000	0	0.00
Total Office of the Adjutant General	**2,040,000**	**2,140,000**	**1,640,000**	**500,000**	**0**	**0.00**
801 Dept of Transportation						
AVL	394,375	394,375	0	0	394,375	0.00
Motor Vehicle Replacement System	9,663,500	9,663,500	0	0	9,663,500	0.00

Large IT Project Recommendations - 2013-2015

Biennium: 2013-2015

Agency/Project	Total Request	Recommendation: Project Cost	General Fund	Federal Funds	Special Funds	Related FTE
eTransit web based application	383,450	383,450	0	0	383,450	0.00
Total Dept of Transportation	**10,441,325**	**10,441,325**	**0**	**0**	**10,441,325**	**0.00**
Total - All Agencies	**52,469,329**	**45,984,647**	**8,730,774**	**19,179,498**	**18,074,375**	**0.00**

Statutory Authority
ND Constitution Article V; North Dakota Century Code Titles 20.1, 37, 44, 50, 54, 55, 56, and 61.

Agency Description
The Governor is the chief executive officer of the state of North Dakota and serves as the spokesperson for North Dakota state government. The Governor coordinates the policies of executive branch agencies, submits the executive budget, gives the State of the State report, makes recommendations on programs requiring legislative approval and is mandated by law to serve on and make appointments to boards, commissions and committees. The Lt. Governor assumes the duties of the Governor when the Governor is out of the state or unable to serve. The Lt. Governor also serves as President of the North Dakota State Senate.

Major Accomplishments
1. Supported property and income tax relief measures.
2. Dedicated $958.0 million for infrastructure support in oil country.
3. Substantially increased the energy development impact grant program.
4. Supported increased funding for K-12 education.
5. Dedicated $384.0 million to new and ongoing water projects.
6. Supported additional contributions to retirement funds for state employees.
7. Increased reimbursement rates to healthcare providers.

Executive Budget Recommendation
- Includes $97,746 for the executive compensation package.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

101 Office of the Governor **Bill#: HB1001**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Governor's Programs and Admin	116,899,621	16,075,668	(12,304,476)	(76.5%)	3,771,192	(12,097,373)	(75.3%)	3,978,295
Total Major Programs	116,899,621	16,075,668	(12,304,476)	(76.5%)	3,771,192	(12,097,373)	(75.3%)	3,978,295
By Line Item								
Salaries and Wages	2,831,570	3,278,486	79,540	2.4%	3,358,026	274,643	8.4%	3,553,129
Operating Expenses	373,347	409,656	(17,290)	(4.2%)	392,366	(5,290)	(1.3%)	404,366
Contingency	0	10,000	0	0.0%	10,000	0	0.0%	10,000
Governor's Transition In	0	15,000	(15,000)	(100.0%)	0	(15,000)	(100.0%)	0
Governor's Transition Out	0	50,000	(50,000)	(100.0%)	0	(50,000)	(100.0%)	0
Prevention and Advisory Council	0	0	0	0.0%	0	0	0.0%	0
Roughrider Awards	2,754	10,800	0	0.0%	10,800	0	0.0%	10,800
Federal Stimulus Funds - 2009	101,141,607	3,017,478	(3,017,478)	(100.0%)	0	(3,017,478)	(100.0%)	0
Education Jobs Fund Program	12,550,343	9,284,248	(9,284,248)	(100.0%)	0	(9,284,248)	(100.0%)	0
Total Line Items	116,899,621	16,075,668	(12,304,476)	(76.5%)	3,771,192	(12,097,373)	(75.3%)	3,978,295
By Funding Source								
General Fund	3,207,671	3,773,942	(2,750)	(0.1%)	3,771,192	204,353	5.4%	3,978,295
Federal Funds	113,691,950	12,301,726	(12,301,726)	(100.0%)	0	(12,301,726)	(100.0%)	0
Special Funds	0	0	0	0.0%	0	0	0.0%	0
Total Funding Source	116,899,621	16,075,668	(12,304,476)	(76.5%)	3,771,192	(12,097,373)	(75.3%)	3,978,295
Total FTE	18.00	18.00	0.00	0.0%	18.00	0.00	0.0%	18.00

Statutory Authority
ND Constitution Article V, Section 12; North Dakota Century Code Title 10 and Title 16.1; North Dakota Century Code Chapters 15.02, 35-01, 35-05, 35-17, 35-21, 35-29, 35-30, 35-31, 41-09 ,43-07, 44-06, 45-10, 45-10.1, 45-11, 45-22, 45-23, 47-22, 47-25, 50-22, 53-01, 54-05.1, 54-09, 54-16, and 55-01.

Agency Description
The agency is the office of record for certain legal documents generated by the executive and legislative branches of state government; the office of record for public records and notices including various business entities; and it performs a wide range of licensing, regulatory, registration, and administrative functions within five operating units. The agency performs these functions in accordance with the requirements of the state's constitution and laws.

Major Accomplishments
1. Enhanced agency website, which received approximately 505,000 hits over a 12 month period ending June 30, 2012 on its various pages and sections.
2. Enhanced 24/7 live business records search on agency website which displays data about business entities filed with the agency.
3. Enhanced website for access to annual reports filed by businesses allowing them to complete reports on-line and then print, sign, and mail the reports to the agency.
4. Continued the software development to enable migration of the agency's database from AS/400 platform created in 1988-92 to a new operating platform. This will allow for on-line filing of many documents and reports which will be very beneficial in the future.
5. Continued the mandated migration of the Central Indexing System (CIS) from the state's mainframe. This will greatly enhance the agency's CIS, which is connected to the state's 53 counties and provides a centralized depository for various lien documents.
6. Continued to enhance the agency's Election Management System (EMS) and Election Administration System (EAS), which provide new and expanded election information on the agency's website about elections, candidates, campaign contributions, voter precinct finder, polling location details and the reporting of election night returns. In addition, it assists in the administration of petition review, poll worker tracking, voting statistics reporting, and early and absentee voting. A specific feature already mentioned was launched in October 2008 that allows the voter to find his or her voting precinct through the use of a house number and zip code.
7. Launched the Central Voter File for use by the counties to track absentee ballots, allow for the efficient management of early voting precincts, and to expedite the voting process on election day.

Executive Budget Recommendation
- Authorizes 3.00 FTE and $283,754 from the general fund for three positions that were approved by the Emergency Commission and Budget Section during the 2011-13 biennium.
- Provides $254,203 from the general fund for the executive compensation package adjustment.
- Includes $1.0 million from federal funds for the purchase of electronic poll books.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

108 Secretary of State **Bill#: HB1002**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Secretary of State Operations	6,150,551	9,776,858	(3,547,067)	(36.3%)	6,229,791	(2,703,216)	(27.6%)	7,073,642
Public Printing Leg Law Books	292,201	310,000	0	0.0%	310,000	10,500	3.4%	320,500
Federal Election Reform	2,574,673	6,206,812	(1,066,827)	(17.2%)	5,139,985	(1,063,697)	(17.1%)	5,143,115
Total Major Programs	9,017,425	16,293,670	(4,613,894)	(28.3%)	11,679,776	(3,756,413)	(23.1%)	12,537,257
By Line Item								
Salaries and Wages	3,240,403	3,598,343	160,851	4.5%	3,759,194	793,702	22.1%	4,392,045
Operating Expenses	2,905,002	6,092,515	(3,629,918)	(59.6%)	2,462,597	(3,428,918)	(56.3%)	2,663,597
Capital Assets	0	0	0	0.0%	0	10,000	100.0%	10,000
Petition Review	5,146	8,000	0	0.0%	8,000	0	0.0%	8,000
Election Reform	2,574,673	6,206,812	(1,066,827)	(17.2%)	5,139,985	(1,063,697)	(17.1%)	5,143,115
Public Printing	292,201	310,000	0	0.0%	310,000	10,500	3.4%	320,500
Technology Carryover	0	78,000	(78,000)	(100.0%)	0	(78,000)	(100.0%)	0
Total Line Items	9,017,425	16,293,670	(4,613,894)	(28.3%)	11,679,776	(3,756,413)	(23.1%)	12,537,257
By Funding Source								
General Fund	6,047,992	9,404,160	(3,559,476)	(37.9%)	5,844,684	(2,712,752)	(28.8%)	6,691,408
Federal Funds	2,467,153	5,806,812	(1,196,629)	(20.6%)	4,610,183	(1,185,872)	(20.4%)	4,620,940
Special Funds	502,280	1,082,698	142,211	13.1%	1,224,909	142,211	13.1%	1,224,909
Total Funding Source	9,017,425	16,293,670	(4,613,894)	(28.3%)	11,679,776	(3,756,413)	(23.1%)	12,537,257
Total FTE	28.00	28.00	0.00	0.0%	28.00	3.00	10.7%	31.00

Statutory Authority
North Dakota Century Code Chapter 54-44.

Agency Description
OMB has five divisions:

- Fiscal Management oversees the budgeting, accounting, payroll, and financial reporting functions for North Dakota state government entities.
- Human Resource Management Services provides human resource guidance and assistance; promotes consistent HR practices; maintains the state classification and compensation plan; and provides training and mediation services.
- Central Services provides procurement and printing services, commonly-used office supplies to state agencies, and disposes of state-owned fixed assets and distributes Federal surplus property to eligible entities.
- Facility Management maintains the state capitol complex, plans for future growth needs and provides tour and central mailroom services.
- Risk Management promotes safety and reduces loss resulting from claims by identifying and measuring risks of loss to the State and implementing appropriate measures to address those risks.

Major Accomplishments
1. Facility Management: Completed improvement projects in the Capitol, State Office Building and the capitol grounds. Projects included the installation of new heat pumps in the State Office Building and the top eight floors of the Capitol by in-house employees resulting in a savings of $75,000 in general fund dollars. Restoration of brass and wood in the House and Senate chambers and the cleaning and repair of the Capitol tower were completed. The installation of a new 280 stall parking lot was completed providing adequate parking for all visiting or working in the Capitol during legislative sessions. Worked with the State Historical Society on the $51.7 million Heritage Center expansion project. This project will be complete in early 2013. The central mailroom processed approximately 1,700,000 pieces of mail and the tour guides provided over 2,500 tours to 27,620 visitors.
2. Fiscal Management: Increased Procurement card rebates by 43.0 percent. All modules for PeopleSoft were completed in the User Productivity Kit (UPK) and on-demand training was rolled out to users. Employees are now able to receive their W-2 form electronically.
3. Human Resource Management Services: Continued the implementation of the Hay Classification System and coordinated the Job Evaluation Committee to continue working through job evaluation issues. Implemented PeopleSoft Talent Management (TM) project for state agencies on time and under budget.
4. Risk Management: Reduced the state's actuarially projected tort liability costs from a high of $5.3 million for the 1997-99 biennium to $3.7 million for the 2011-13 biennium and $1.9 million for the 2013-15 biennium. The number of third party claims was also reduced from a high of 351 in FY 2001 to an average of 158 for the past two years. State entities have reduced their required contributions to the Fund by $1.3 million in the past 11 years by participating in the Risk Management Fund Discount Program. Similarly, since the inception of the Risk Management Workers Compensation Program from July 1, 2001 through June 30, 2012, there has been a net premium savings of $3.3 million. Risk Management has provided resources and training to assist approximately 80.0 percent of state entities to develop Continuity of Operations Plans (COOP).
5. Central Services: Central Services is implementing an online Vendor Registry work request system that substantially improves customer services to agency and reduces staff labor. Central Services is implementing a software solution for State and Federal Surplus Property. State Procurement implemented legislation related to historically accurate North Dakota Flags and Contracts for Work Activity Center. Central Duplicating/Central Supply consolidated operations and transferred one FTE to HRMS.

Executive Budget Recommendation
- Provides $4.0 million from the general fund to continue another phase of the parking lot project.
- Provides $1.0 million from the general fund to remodel the south entrance of the Capitol.
- Provides $1.2 million general funding to clean, repair and replace flooring in the Capitol and Judicial wing.
- Provides $1.5 million general funding for restoration and cleaning of the limestone exterior of the Legislative and Judicial wing.
- Provides $1.0 million to Prairie Public Broadcasting for maintenance, replacement of equipment, transmitters, network and facilities, and ongoing operating costs.
- Provides $190,000 for temporary salary and operating costs for a planning coordinator for ND's 125th Anniversary.
- Provides $1.2 million, of which $1.0 million is from the general fund, for the executive compensation package adjustment.
- Provides a pool with $1.0 million from the general fund and $1.0 million from other funds to allocate to agencies and higher education for temporary employees qualifying for health insurance under the Affordable Care Act requirements.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

110 Office of Management and Budget **Bill#: HB1015**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Administration	65,325,036	429,644,483	(424,537,236)	(98.8%)	5,107,247	262,127,793	61.0%	691,772,276
Facility Management	13,692,048	21,802,381	(9,193,431)	(42.2%)	12,608,950	(1,312,413)	(6.0%)	20,489,968
Fiscal Management	7,867,919	11,537,809	(2,701,072)	(23.4%)	8,836,737	(624,112)	(5.4%)	10,913,697
Human Resource Mgmt Service	1,826,090	2,249,749	186,010	8.3%	2,435,759	407,539	18.1%	2,657,288
Risk Management	1,150,012	1,437,289	9,029	0.6%	1,446,318	44,993	3.1%	1,482,282
Central Services	5,738,507	6,669,055	(208,655)	(3.1%)	6,460,400	379,769	5.7%	7,048,824
Total Major Programs	95,599,612	473,340,766	(436,445,355)	(92.2%)	36,895,411	261,023,569	55.1%	734,364,335
By Line Item								
Salaries and Wages	16,153,473	18,517,763	414,795	2.2%	18,932,558	2,386,581	12.9%	20,904,344
Operating Expenses	11,459,737	13,765,254	(228,466)	(1.7%)	13,536,788	931,534	6.8%	14,696,788
Fiscal Management Carryover	600,976	2,765,835	(2,765,835)	(100.0%)	0	(2,765,835)	(100.0%)	0
Emergency Commission Contingency Fd	0	620,000	80,000	12.9%	700,000	80,000	12.9%	700,000
Capital Assets	2,464,246	8,790,143	(6,694,078)	(76.2%)	2,096,065	1,005,922	11.4%	9,796,065
Capital Construction Carryover	1,809,671	2,675,000	(2,675,000)	(100.0%)	0	(2,675,000)	(100.0%)	0
Grants	430,000	434,000	(4,000)	(0.9%)	430,000	(4,000)	(0.9%)	430,000
Prairie Public Broadcasting	3,353,338	1,000,000	0	0.0%	1,000,000	1,037,138	103.7%	2,037,138
State Student Internship Program	0	0	0	0.0%	0	0	0.0%	0
Student Internship Program	0	72,771	127,229	174.8%	200,000	127,229	174.8%	200,000
State Transfers	59,000,000	424,700,000	(424,700,000)	(100.0%)	0	258,900,000	61.0%	683,600,000
Health Insurance Pool - Temp Employees	0	0	0	0.0%	0	2,000,000	100.0%	2,000,000
Federal Stimulus Funds	328,171	0	0	0.0%	0	0	0.0%	0
Total Line Items	95,599,612	473,340,766	(436,445,355)	(92.2%)	36,895,411	261,023,569	55.1%	734,364,335
By Funding Source								
General Fund	64,815,093	462,826,305	(433,721,503)	(93.7%)	29,104,802	261,948,635	56.6%	724,774,940
Federal Funds	404,289	0	0	0.0%	0	1,000,000	0.0%	1,000,000
Special Funds	30,380,230	10,514,461	(2,723,852)	(25.9%)	7,790,609	(1,925,066)	(18.3%)	8,589,395
Total Funding Source	95,599,612	473,340,766	(436,445,355)	(92.2%)	36,895,411	261,023,569	55.1%	734,364,335
Total FTE	128.00	128.00	3.50	2.7%	131.50	3.50	2.7%	131.50

Statutory Authority
North Dakota Century Code Chapters 54-44.6, 54-46 and 54-46.1, 54-59.

Agency Description
The Information Technology Department (ITD) is managed by the Chief Information Officer who reports directly to the Governor. ITD is responsible for all wide area network services for all state agencies, including institutions under the control of the State Board of Higher Education, as well as counties, cities, and school districts. ITD is also responsible for providing computer hosting and support services, software development services and state wide communications services. ITD coordinates the deployment of information technology in state government by developing information technology standards, setting guidelines for technology planning and providing oversight on large information technology projects.

In addition, the appropriations for the following entities and programs are within ITD's budget: the Center for Distance Education, the Education Technology Council, EduTech, the Longitudinal Data System initiative, K-12 Network Connectivity, the Geographic Information System program, the Health Information Exchange and the Criminal Justice Information Sharing (CJIS) initiative.

Major Accomplishments
1. Upgraded the STAGEnet backbone from 4 gigabits per second to 10 gigabits per second. This was the first major upgrade of the network since 2000. The design and equipment were modernized allowing for increased capacity and performance and provided a core network that can handle private or public cloud-based hosting solutions.
2. Deployed Voice over IP (VOIP), which replaces older telephone technologies in over 60.0 percent of state government.
3. Upgraded video statewide. Using rural universal service funding, the Education Technology Council and Edutech were able to replace video conferencing units in 48 schools. The new units enable high definition video allowing students to have more effective visuals in video classes that require lab work, such as advanced biology and anatomy.
4. Completed major upgrades to ITD's primary data center. Dual electrical paths were completed, as well as new cooling towers and back up capabilities, to allow the equipment in the data center to operate in the event of major power outages affecting the capitol grounds or the city.
5. Implemented Phase 1 of the North Dakota Health Information Network and received approval to begin work on Phase 2 of the project.

Executive Budget Recommendation
- Provides $1.4 million from the general fund to continue the Education Commission recommendation to provide parity to the educational opportunities afforded all high school students.
- Includes $240,00 from the general fund to provide for infrastructure planning tools, for use by the state, cities, counties and the public.
- Continues funding for the Statewide Automated Victim Information and Notification system (SAVIN) operating costs, which notifies victims of crime to receive accurate and timely information regarding the status of the offender, with $342,976 from the general fund.
- Provides $200,000 as grants to schools, to provide funding to schools that are not ready to deliver on-line Common Core assessments due to the need to upgrade equipment and technical requirements.
- Provides $100,000 to conduct a study planning for the long-term preservation of electronic records.
- Provides $3,864,235, of which $561,021 is from the general fund, for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

112 Information Technology **Bill#: SB2021**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
ITD General Fund Expenditures	15,767,399	19,003,389	(4,204,419)	(22.1%)	14,798,970	(2,896,009)	(15.2%)	16,107,380
ITD Federal Fund Expenditures	2,098,645	10,325,000	(6,550,960)	(63.4%)	3,774,040	260,119	2.5%	10,585,119
Center for Distance Education	4,696,286	6,649,238	(663,319)	(10.0%)	5,985,919	(577,051)	(8.7%)	6,072,187
Health Information Exchange	63,506	13,596,266	(9,596,266)	(70.6%)	4,000,000	(9,593,522)	(70.6%)	4,002,744
ITD Special Fund Expenditures	106,356,640	136,477,651	(7,811,947)	(5.7%)	128,665,704	(2,191,134)	(1.6%)	134,286,517
Total Major Programs	128,982,476	186,051,544	(28,826,911)	(15.5%)	157,224,633	(14,997,597)	(8.1%)	171,053,947
By Line Item								
Salaries and Wages	39,006,589	47,383,177	1,474,873	3.1%	48,858,050	7,054,624	14.9%	54,437,801
Operating Expenses	54,816,935	69,218,477	(4,483,834)	(6.5%)	64,734,643	(4,383,834)	(6.3%)	64,834,643
Capital Assets	11,217,442	16,535,666	(4,035,066)	(24.4%)	12,500,600	(4,035,066)	(24.4%)	12,500,600
Technology Project Carryover	466,953	2,376,580	(2,376,580)	(100.0%)	0	(2,376,580)	(100.0%)	0
Center for Distance Education	4,696,286	6,649,238	(663,319)	(10.0%)	5,985,919	(577,051)	(8.7%)	6,072,187
Longitudinal Data System	537,012	3,626,867	(1,772,433)	(48.9%)	1,854,434	(1,756,113)	(48.4%)	1,870,754
Educational Technology Council	1,021,273	1,075,403	531,788	49.5%	1,607,191	739,206	68.7%	1,814,609
Edutech	6,901,227	7,926,447	248,474	3.1%	8,174,921	353,083	4.5%	8,279,530
Wide Area Network	5,567,500	5,206,992	(293,903)	(5.6%)	4,913,089	(278,815)	(5.4%)	4,928,177
Geographic Information System	711,676	1,112,065	4,249	0.4%	1,116,314	348,229	31.3%	1,460,294
Health Info Technology Office	408,049	13,959,238	(9,188,505)	(65.8%)	4,770,733	(9,173,247)	(65.7%)	4,785,991
Criminal Justice Information Sharing	2,360,597	2,981,394	(272,655)	(9.1%)	2,708,739	287,967	9.7%	3,269,361
Federal Stimulus Funds	1,270,937	8,000,000	(8,000,000)	(100.0%)	0	(1,200,000)	(15.0%)	6,800,000
Total Line Items	128,982,476	186,051,544	(28,826,911)	(15.5%)	157,224,633	(14,997,597)	(8.1%)	171,053,947
By Funding Source								
General Fund	17,016,957	21,628,784	(4,153,604)	(19.2%)	17,475,180	(865,723)	(4.0%)	20,763,061
Federal Funds	2,098,645	10,325,000	(7,100,000)	(68.8%)	3,225,000	(300,000)	(2.9%)	10,025,000
Special Funds	109,866,874	154,097,760	(17,573,307)	(11.4%)	136,524,453	(13,831,874)	(9.0%)	140,265,886
Total Funding Source	128,982,476	186,051,544	(28,826,911)	(15.5%)	157,224,633	(14,997,597)	(8.1%)	171,053,947
Total FTE	328.20	336.30	0.00	0.0%	336.30	4.00	1.2%	340.30

Statutory Authority
North Dakota Century Code Chapter 54-10.

Agency Description
The State Auditor is a constitutionally elected state official. The Office of the State Auditor is divided into four operational divisions. The Division of State Audits, the largest division, is responsible for auditing state government and conducting financial, compliance, performance, and information system audits. The Division of Local Government Audits performs audits of counties, cities, school districts, and other political subdivisions. The Division of Royalty Audits conducts audits of federal royalty payments from oil, gas, and coal leases located within the State of North Dakota. Administration, the fourth division, accounts for activities of the State Auditor and the Office Manager.

Major Accomplishments
1. Obtained a favorable Quality Control Review from peer states.

Executive Budget Recommendation
- Authorizes 1.00 FTE and $164,321 in federal funds to restore a minerals royalty auditor the agency eliminated in the 2011-13 budget. Current workload as a result of increased oil and gas development warrants the restoration of this position.
- Authorizes 1.00 FTE and $124,367 from the general fund for an information systems auditor position to address the increased workload due to the increasing reliance on information systems at agencies.
- Provides $680,825, of which $510,618 is from the general fund, for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

117 Office of the State Auditor **Bill#: HB1004**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Administrative Services	371,523	378,960	19,557	5.2%	398,517	707,824	186.8%	1,086,784
Division of Local Government Audits	1,088,473	1,508,939	212,934	14.1%	1,721,873	243,653	16.1%	1,752,592
Division of State Audits	6,307,882	6,764,848	111,186	1.6%	6,876,034	504,805	7.5%	7,269,653
Mineral Royalty Auditing	786,133	918,583	48,726	5.3%	967,309	232,293	25.3%	1,150,876
Total Major Programs	8,554,011	9,571,330	392,403	4.1%	9,963,733	1,688,575	17.6%	11,259,905
By Line Item								
Salaries and Wages	7,692,501	8,626,758	385,862	4.5%	9,012,620	1,637,034	19.0%	10,263,792
Operating Expenses	602,955	794,572	6,541	0.8%	801,113	11,541	1.5%	806,113
Capital Assets	124,000	0	0	0.0%	0	40,000	100.0%	40,000
Information Tech Consultants	134,555	150,000	0	0.0%	150,000	0	0.0%	150,000
Total Line Items	8,554,011	9,571,330	392,403	4.1%	9,963,733	1,688,575	17.6%	11,259,905
By Funding Source								
General Fund	6,679,405	7,143,808	130,743	1.8%	7,274,551	1,042,422	14.6%	8,186,230
Federal Funds	786,133	918,583	48,726	5.3%	967,309	300,376	32.7%	1,218,959
Special Funds	1,088,473	1,508,939	212,934	14.1%	1,721,873	345,777	22.9%	1,854,716
Total Funding Source	8,554,011	9,571,330	392,403	4.1%	9,963,733	1,688,575	17.6%	11,259,905
Total FTE	51.80	50.80	0.00	0.0%	50.80	2.00	3.9%	52.80

Statutory Authority
ND Constitution Article V, Section 02; Article X, Sections 12 and 25; North Dakota Century Code Sections 4-24-09, 4-28-08, 5-01, 5-03, 5-04, 15-03-01, 15-10-12, 15-13-07, 16.1-15-33, 21-01, 21-04, 21-10-01, 25-01-11, 32-15-31, 37-14-14, 37-15, 50-27-01, 54-06, 54-11, 54-16-08, 54-27, 54-30, 55-01, 57-13-01, 57-32-05, 57-51-14, and 65-04-30.

Agency Description
The State Treasurer's office serves as the custodian of all state funds. The agency is responsible for the cash management of the general fund as well as the investment services of special funds and numerous trust funds. The State Treasurer's Office is responsible for distributing accurate and timely tax distributions to over 500 political subdivisions across the state.

Major Accomplishments
1. Updated TDOC to accommodate the changes made to the Oil and Gas Gross Production Tax distributions, and are currently working to add the allocation of Oil Extraction Taxes to the system.
2. Added Coal Conversion and Coal Severance Tax distributions to TDOC, are currently in the testing phase and intend to begin using the automated system for these distributions early in FY 2013.
3. Enhanced the website. Tax distributions and BidND investments were made available on the website in the previous biennium. The office has continued to expand the content of the website throughout the current biennium. This tool has helped auditors, state agencies, legislators and the general public, by giving access to information without delay. It has brought transparency to the distribution process, as well as efficiencies in time and resources.
4. Conducted education and outreach and enhanced cooperation with political subdivisions. The Office of the State Treasurer directed more attention to its relationship with political subdivisions throughout the 2009-11 biennium. Since the office works closely with political subdivisions through tax distributions, it is crucial to have a good working relationship with each subdivision served. Further, as distributions become more complex and as the new tax distribution software changes the process and reports available to political subdivisions, outreach and communication is crucial to ensure quality customer service.
5. Continued efforts to expand financial literacy. Facilitated the statewide roll-out of an effort to improve the money management skills of high school students through the distribution of free copies of "Financial Football" and "Financial Soccer" – interactive money management video games with an NFL and soccer themes–to every high school and public library in North Dakota. Continued to represent North Dakota and promote financial literacy nationally.Presented at the National Financial Education Network meeting hosted by the U.S. Department of the Treasury.
6. Maintained and strengthened the line of communication with financial officers throughout state government to address the daily cash needs and expenditures of their agency.
7. Developed new database and report systems.
8. Continued policy and procedure development.
9. Continued cross training of staff.

Executive Budget Recommendation
- Provides $191,516 from the general fund for one-time funding to continue automation of revenue and distribution functions.
- Provides 1.00 additional FTE and $157,223 to assist with the increasing tax distribution and cash management responsibilities.
- Includes $100.0 million for transportation funding distributions to non-oil-producing political subdivisions.
- Provides $71,161 from the general fund for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

120 Office of the State Treasurer **Bill#: HB1005**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Administration	37,036,021	49,705,390	(48,254,991)	(97.1%)	1,450,399	(47,807,805)	(96.2%)	1,897,585
Total Major Programs	37,036,021	49,705,390	(48,254,991)	(97.1%)	1,450,399	(47,807,805)	(96.2%)	1,897,585
By Line Item								
Salaries and Wages	922,800	1,054,524	11,597	1.1%	1,066,121	263,389	25.0%	1,317,913
Operating Expenses	165,648	398,066	(266,588)	(67.0%)	131,478	(71,194)	(17.9%)	326,872
Technology Project Carryover	54,000	0	0	0.0%	0	0	0.0%	0
In Lieu of Tax Payments	893,573	0	0	0.0%	0	0	0.0%	0
Transportation Funding	35,000,000	48,000,000	(48,000,000)	(100.0%)	0	(48,000,000)	(100.0%)	0
Coal Severence Payments	0	252,800	0	0.0%	252,800	0	0.0%	252,800
Total Line Items	37,036,021	49,705,390	(48,254,991)	(97.1%)	1,450,399	(47,807,805)	(96.2%)	1,897,585
By Funding Source								
General Fund	37,036,021	49,705,390	(48,254,991)	(97.1%)	1,450,399	(47,807,805)	(96.2%)	1,897,585
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	0	0	0	0.0%	0	0	0.0%	0
Total Funding Source	37,036,021	49,705,390	(48,254,991)	(97.1%)	1,450,399	(47,807,805)	(96.2%)	1,897,585
Total FTE	7.00	7.00	0.00	0.0%	7.00	1.00	14.3%	8.00

Statutory Authority
ND Constitution Article V, Section 12. North Dakota Century Code Chapters 5-02, 12-60, 12-62, 12.1-34, 18-01, 18-13, 23-15-04, 32-12.2-03, 32-12.2-04, 43-31-14, 51-04-03, 51-15, 51-28, 53-04.1-03, 53-06.1, 53-12.1, 54-6, 54-12, 57-36-02.

Agency Description
The Office of the Attorney General represents and defends the interest of the citizens of North Dakota by executing the responsibilities charged to the North Dakota Attorney General by the North Dakota Constitution, state statutes and administrative rules, North Dakota and federal case law, and common law. The Attorney General is the chief legal counsel and advisor to state government providing legal representation to all facets of state government, including the Governor, all departments of state government, and all state agencies, boards, and commissions. The office consists of 13 divisions: Administration, Bureau of Criminal Investigation, Civil Litigation, Consumer Protection and Antitrust, Crime Laboratory, Criminal and Regulatory, Finance and Administration, Fire Marshal, Gaming, Information Technology, Lottery, Natural Resources and Indian Affairs, and State and Local Government.

Major Accomplishments
1. Established the Take Back Program, which provides disposal units for unused medications. As of May 2012, 2,893 pounds of prescription drugs have been deposited.
2. Received a national commendation for an Office of Internet Crimes Against Children (ICAC) Taskforce cybercrime investigator's role in the investigation and breakup of an international child pornography distribution ring.
3. Implemented a new office Crime Lab Management Information System which provides a single, unified system for tracking evidence, writing reports, reporting statistics, tracking certifications, interfacing with analytical instrumentation and for automatic transfer of data.
4. Provided state, local, tribal and federal law enforcement agencies case support and law enforcement alerts and bulletins through the North Dakota State and Local Intelligence Center (ND SLIC).
5. Implemented a statewide 24/7 Sobriety monitoring program and participants pay the fees associated with their participation. To date, 3,143 offenders have participated, 2,167 successfully completed, and 336 are currently active in the program.
6. Coordinated and participated in a one-stop shop with other state entities for businesses going to Minot to clean up and reconstruct devastated buildings and homes following the 2012 Minot flood.
7. Received a mortgage foreclosure settlement of $1.9 million, which, along with a $1.0 million settlement to the Department of Financial Institutions, was transferred to Housing Finance Agency to establish a law enforcement housing subsidy in the North Dakota oil-impacted areas.
8. Pursued Crime Lab certification in the global quality standard for lab testing (ISO ASCLD/LAB) which ensures the Lab's continuity in providing quality service by raising the standards and continually improving Lab effectiveness.

Executive Budget Recommendation
- Continues 7.00 FTE that were previously funded funded with ARRA funding with $1.0 million in general fund funding and $58,000 in special funds. The positions include: 1.00 FTE Bureau of Criminal Investigation (BCI) agent for the 24/7 Sobriety program; 1.00 FTE BCI agent for the Internet Crimes Against Children enforcement program; 1.00 FTE Admin Assistant to assist in management of federal and special fund grant activities; 2.00 FTE State and Local Intelligence Center (SLIC) criminal intelligence analyst positions; and 2.00 FTE Crime Lab forensic scientist positions.
- Authorizes 3.00 FTE and related operating and vehicle costs with general fund funding of $457,146 and special funds of $69,650 to address law enforcement concerns in western North Dakota. The positions include: 2.00 FTE BCI criminal investigator positions to be located in western North Dakota and 1.00 FTE admin assistant position to be located in Bismarck.
- Authorizes 1.00 FTE and $146,039 from the general fund for a forensic scientist position and related operating expenses to address the growing synthetic drug problem in North Dakota.
- Authorizes 2.00 FTE administrative assistant positions and related operating expenses with special funds of $240,022 and general fund funding of $307 for processing concealed weapons permits in association with the National Instant Check System.
- Authorizes 1.00 FTE administrative assistant position and related operating expenses with $113,456 in special funds to address the increased workload associated with the Uniform Crime Reporting program.
- Authorizes 1.00 FTE organized crime investigator position and related operating and motor vehicle costs with $211,471 in special funds to address the increased organized crime presence in North Dakota.
- Authorizes 1.00 FTE attorney and related operating costs with $239,853 in special funds for an additional assistant attorney general requested by the Department of Trust Lands to review mineral leases and other legal information.
- Includes $2.3 million for the Criminal History Rewrite IT project, which includes biometric identification improvement, re-engineering workflows of biometric information, and replacing the criminal history repository.
- Provides $2.4 million of which $1.9 million is from the general fund, for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

125 Office of the Attorney General **Bill#: HB1003**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Finance and Administration	1,729,560	2,381,904	(332,118)	(13.9%)	2,049,786	(288,056)	(12.1%)	2,093,848
Information Technology	4,356,548	7,165,189	2,311,880	32.3%	9,477,069	3,131,048	43.7%	10,296,237
Attorney General Administration	947,398	1,181,608	7,752	0.7%	1,189,360	2,411,262	204.1%	3,592,870
Legal Services	6,461,232	7,080,983	686,172	9.7%	7,767,155	1,053,187	14.9%	8,134,170
Bureau of Criminal Investigation	16,261,988	22,866,062	(3,576,252)	(15.6%)	19,289,810	(817,245)	(3.6%)	22,048,817
Crime Lab	6,561,099	8,926,019	(209,206)	(2.3%)	8,716,813	385,080	4.3%	9,311,099
Consumer Protection	1,476,557	1,731,542	85,145	4.9%	1,816,687	115,985	6.7%	1,847,527
Gaming	2,492,535	2,818,487	73,055	2.6%	2,891,542	123,099	4.4%	2,941,586
Fire Marshal	1,278,064	1,851,061	77,446	4.2%	1,928,507	119,563	6.5%	1,970,624
Lottery	2,789,811	3,700,242	400,957	10.8%	4,101,199	433,579	11.7%	4,133,821
Total Major Programs	44,354,792	59,703,097	(475,169)	(0.8%)	59,227,928	6,667,502	11.2%	66,370,599
By Line Item								
Salaries and Wages	25,678,228	29,506,046	991,640	3.4%	30,497,686	6,319,754	21.4%	35,825,800
Operating Expenses	9,273,518	16,498,016	2,964,635	18.0%	19,462,651	4,448,570	27.0%	20,946,586
Capital Assets	1,686,019	2,356,183	(291,106)	(12.4%)	2,065,077	6,894	0.3%	2,363,077
Technology Project Carryover	238,930	553,675	(553,675)	(100.0%)	0	(553,675)	(100.0%)	0
Grants	1,937,295	3,420,000	(1,046,053)	(30.6%)	2,373,947	(1,046,053)	(30.6%)	2,373,947
Litigation Fees	79,375	50,000	0	0.0%	50,000	0	0.0%	50,000
NICS	0	585,859	(585,859)	(100.0%)	0	(585,859)	(100.0%)	0
Medical Examinations	424,265	660,000	0	0.0%	660,000	0	0.0%	660,000
North Dakota Lottery	2,789,811	3,700,242	400,957	10.8%	4,101,199	433,579	11.7%	4,133,821
Arrest and Return of Fugitives	1,765	10,000	0	0.0%	10,000	0	0.0%	10,000
Gaming Commission	6,140	7,368	0	0.0%	7,368	0	0.0%	7,368
Federal Stimulus Funds - 2009	2,239,446	2,355,708	(2,355,708)	(100.0%)	0	(2,355,708)	(100.0%)	0
Lottery Division	0	0	0	0.0%	0	0	0.0%	0
Total Line Items	44,354,792	59,703,097	(475,169)	(0.8%)	59,227,928	6,667,502	11.2%	66,370,599
By Funding Source								
General Fund	29,001,895	31,622,245	166,293	0.5%	31,788,538	5,735,891	18.1%	37,358,136
Federal Funds	6,995,693	13,463,481	(4,326,147)	(32.1%)	9,137,334	(4,292,486)	(31.9%)	9,170,995
Special Funds	8,357,204	14,617,371	3,684,685	25.2%	18,302,056	5,224,097	35.7%	19,841,468
Total Funding Source	44,354,792	59,703,097	(475,169)	(0.8%)	59,227,928	6,667,502	11.2%	66,370,599
Total FTE	202.50	204.00	(8.50)	(4.2%)	195.50	7.50	3.7%	211.50

Statutory Authority
North Dakota Century Code Chapters 57-01 through 57-02.

Agency Description
The Office of State Tax Commissioner is charged with the responsibility to fairly and effectively administer the tax laws of North Dakota. The Office of State Tax Commissioner consists of six separate divisions including:

- The Commissioner's Division, which is the administrative center of the department.
- The Legal Division, which provides legal advice and counsel to the department and to the State Board of Equalization.
- The Fiscal Management Division, which is the financial center covering revenue accounting, accounts payable, payroll, asset management, purchasing, and budgeting.
- The Tax Administration Division, which includes tax administration for individual income, corporation income, sales and use, motor fuels, financial institution, oil and gas gross production, oil extraction, alcoholic beverages, tobacco products, estate, special taxes, telecommunications gross receipts tax, applicable local option taxes, and the collection of delinquent taxes.
- The Property Tax Division, which includes property and utility taxes, coal taxes, Homestead Tax Credit and Renter Refund Program, and the Disabled Veterans Property Tax Credit Program.
- The Information Management & Technology Division which is responsible for leading the department's technology efforts and manages the processing of tax returns.

Major Accomplishments
1. Completed the upgrade from GenTax Version 6 to GenTax Version 8. The result of this upgrade is a more robust and enhanced system.
2. Expanded E-File services. During 2012, just over 80 percent of the eligible individual income tax returns were filed electronically. This represents growth of nearly 13 percent compared to the number of e-file returns received during 2011.
3. Continued discovery work in individual income tax, corporate income tax, and sales tax. This work resulted in an additional $3.8 million in collections for fiscal year 2011 and $8.8 million in fiscal year 2012.
4. Continued to provide taxpayers with excellent customer service, including pursuing the following new initiatives: conducting a one-stop shop to educate contractors about their responsibilities as they pursue business in the state of North Dakota, conducting joint North Dakota and IRS seminars to educate taxpayers and property owners affected by the 2011 flood in Bismarck and Minot, dyed fuel enforcement projects in cooperation with the Highway Patrol and the Department of Transportation,establishing YouTube messages as an outreach to promote the individual income tax filing season and educate taxpayers about a number of individual income tax resources, incorporating social media outreach through a Facebook presence and RSS feeds, marketing the Homestead Credit and Renters Refund Programs through a direct mail coupon mailer service, conducting CPA Forums in the six major cities, and various seminars and workshops around the state regarding North Dakota's taxes, developing a new individual income tax fillable forms option for taxpayers to file basic, simple state individual income tax returns directly with the Tax Department, and processing Canadian requests for refund of sales tax, which resulted in over $30.0 million in refunds.

Executive Budget Recommendation
- Provides $20.0 million to expand the Homestead Tax Credit Program, through elimination of the asset test, excluding Social Security from the calculation of income, and expanding the income threshold to $50,000 per household.
- Provides $1.0 million for implementation of a Taxpayer Access Point (TAP) module for the GenTax system to increase on-line and e-file services available to taxpayers.
- Provides $1.0 million to continue the bundled contract for support, upgrades, and maintenance of the GenTax system.
- Provides $1.4 million from the general fund for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

127 Office of State Tax Commissioner **Bill#: HB1006**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Tax Department	34,660,012	26,261,741	(510,713)	(1.9%)	25,751,028	3,640,388	13.9%	29,902,129
Homestead Tax Credit	7,423,660	8,792,788	1,718,212	19.5%	10,511,000	21,892,212	249.0%	30,685,000
Disabled Veteran Credit	3,603,311	4,243,920	2,934,080	69.1%	7,178,000	2,934,080	69.1%	7,178,000
Total Major Programs	45,686,983	39,298,449	4,141,579	10.5%	43,440,028	28,466,680	72.4%	67,765,129
By Line Item								
Salaries and Wages	16,584,084	18,797,710	456,387	2.4%	19,254,097	2,354,105	12.5%	21,151,815
Operating Expenses	7,814,796	7,448,031	(1,017,100)	(13.7%)	6,430,931	1,236,283	16.6%	8,684,314
Capital Assets	30,886	16,000	50,000	312.5%	66,000	50,000	312.5%	66,000
Homestead Tax Credit	7,423,660	8,792,788	1,718,212	19.5%	10,511,000	21,892,212	249.0%	30,685,000
Integrated Tax System	10,230,246	0	0	0.0%	0	0	0.0%	0
Disabled Veteran Credit	3,603,311	4,243,920	2,934,080	69.1%	7,178,000	2,934,080	69.1%	7,178,000
Total Line Items	45,686,983	39,298,449	4,141,579	10.5%	43,440,028	28,466,680	72.4%	67,765,129
By Funding Source								
General Fund	45,472,048	39,288,449	4,026,579	10.2%	43,315,028	28,351,680	72.2%	67,640,129
Federal Funds	4,361	10,000	115,000	1,150.0%	125,000	115,000	1,150.0%	125,000
Special Funds	210,574	0	0	0.0%	0	0	0.0%	0
Total Funding Source	45,686,983	39,298,449	4,141,579	10.5%	43,440,028	28,466,680	72.4%	67,765,129
Total FTE	133.00	134.00	0.00	0.0%	134.00	0.00	0.0%	134.00

Statutory Authority
North Dakota Century Code Sections 12-59, 37-19.1, 28-32-31, 40-51.2, 40-47-01.1, 54-57-03, and 61-03-22.

Agency Description
The Office of Administrative Hearings is an executive branch agency that provides independent administrative law judges to preside over state and local administrative hearings and related proceedings. Hearings are conducted under authority from the Administrative Agencies Practices Act (North Dakota Century Code Chapter 28-32), specific agency statutes, agency procedural rules, and the Uniform Rules of Administrative Procedure for Adjudicative Proceedings (North Dakota Administrative Code Article 98-02).

Major Accomplishments
1. Established performance measures for conducting hearings for all user agencies.
2. Continued active participation in national administrative law judge and hearing officer organizations, including the National Association of Hearing Officials, the National Association of Administrative Law Judiciary, and the Central Panel Directors Conference. OAH is seeking approval the Central Panel Directors Conference for hosting its 2014 meeting in North Dakota.
3. ALJ Bonny Fetch served as a public service commissioner from July 1, 2012, through December 31, 2012, while on temporary leave of absence from OAH.

Executive Budget Recommendation
- Provides special fund authority to support the current FTE level and operations of the agency.
- Approves the base budget as requested.
- Provides $58,303 in special funds for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

140 Office of Administrative Hearings **Bill#: SB2017**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Office of Administrative Hearings Services	1,677,425	1,827,199	919,650	50.3%	2,746,849	997,096	54.6%	2,824,295
Total Major Programs	1,677,425	1,827,199	919,650	50.3%	2,746,849	997,096	54.6%	2,824,295
By Line Item								
Salaries and Wages	896,683	978,182	19,644	2.0%	997,826	97,090	9.9%	1,075,272
Operating Expenses	780,742	849,017	900,006	106.0%	1,749,023	900,006	106.0%	1,749,023
Total Line Items	1,677,425	1,827,199	919,650	50.3%	2,746,849	997,096	54.6%	2,824,295
By Funding Source								
General Fund	0	0	0	0.0%	0	0	0.0%	0
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	1,677,425	1,827,199	919,650	50.3%	2,746,849	997,096	54.6%	2,824,295
Total Funding Source	1,677,425	1,827,199	919,650	50.3%	2,746,849	997,096	54.6%	2,824,295
Total FTE	5.00	5.00	0.00	0.0%	5.00	0.00	0.0%	5.00

Statutory Authority
ND Constitution, Article IV and North Dakota Century Code Chapters 54-03, 54-03.1, 54-03.2, and 54-05.1.

Agency Description
The Legislative Assembly is the policymaking branch of state government. The Legislative Assembly meets for organization and orientation purposes during the month of December in the even-numbered years and convenes each odd-numbered year for the regular session which may not exceed 80 days during the biennium.

Major Accomplishments
1. Performed its constitutional responsibilities within its limited amount of time in an effective manner to meet the needs and expectations of the people of North Dakota.

Executive Budget Recommendation
- Includes budget as submitted.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

150 Legislative Assembly **Bill#: SB2001**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
ND Legislative Assembly	15,542,104	16,912,653	(2,576,289)	(15.2%)	14,336,364	(2,576,289)	(15.2%)	14,336,364
Total Major Programs	15,542,104	16,912,653	(2,576,289)	(15.2%)	14,336,364	(2,576,289)	(15.2%)	14,336,364
By Line Item								
Salaries and Wages	7,870,331	8,798,056	407,703	4.6%	9,205,759	407,703	4.6%	9,205,759
Operating Expenses	2,310,500	5,071,217	(703,898)	(13.9%)	4,367,319	(703,898)	(13.9%)	4,367,319
Capital Assets	373,446	1,953,469	(1,423,469)	(72.9%)	530,000	(1,423,469)	(72.9%)	530,000
Ntl Conference of State Legislature	227,660	232,110	1,176	0.5%	233,286	1,176	0.5%	233,286
Leg Application Replacements	4,760,167	857,801	(857,801)	(100.0%)	0	(857,801)	(100.0%)	0
Total Line Items	15,542,104	16,912,653	(2,576,289)	(15.2%)	14,336,364	(2,576,289)	(15.2%)	14,336,364
By Funding Source								
General Fund	15,542,104	16,912,653	(2,576,289)	(15.2%)	14,336,364	(2,576,289)	(15.2%)	14,336,364
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	0	0	0	0.0%	0	0	0.0%	0
Total Funding Source	15,542,104	16,912,653	(2,576,289)	(15.2%)	14,336,364	(2,576,289)	(15.2%)	14,336,364
Total FTE	0.00	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00

Statutory Authority
The principal statutory language authorizing the responsibilities and functions of the Legislative Council is contained in North Dakota Century Code Chapter 54-35. Statutory authority relating to the organizational session of the Legislative Assembly is located in Chapter 54-03.1. Additional statutory references to the Legislative Council are located in numerous places in the North Dakota Century Code.

Agency Description
The Legislative Management consists of 17 legislators. The committee oversees the interim activities of the legislative branch, conducts studies, monitors activities of the other branches of government, provides oversight of matters of interest to the legislative branch, makes arrangements for legislative sessions, and recommends legislation to the Legislative Assembly. The Legislative Council, consisting of a group of professional and clerical people, provides administrative, research, analysis, drafting, and technical support services for the legislative branch.

Major Accomplishments
The Legislative Management and its interim committees:

1. Conduct studies in accordance with the directives of the Legislative Assembly.
2. Perform other duties and responsibilities in accordance with the directives of the Legislative Assembly.

The Legislative Council staff performs its research, analysis, and drafting tasks in a satisfactory manner to meet the expectations of the Legislative Assembly and its members and the Legislative Management within appropriate time frames.

Executive Budget Recommendation
- Approves budget as submitted.
- Includes $350,222 for the executive compensation package.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

160 Legislative Council **Bill#: SB2001**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Fiscal Services	1,887,418	2,183,645	35,401	1.6%	2,219,046	410,487	18.8%	2,594,132
Legal Services	2,414,091	2,942,513	66,324	2.3%	3,008,837	101,412	3.4%	3,043,925
General and Administrative Services	4,251,179	9,994,755	(3,481,608)	(34.8%)	6,513,147	(3,412,356)	(34.1%)	6,582,399
Total Major Programs	8,552,688	15,120,913	(3,379,883)	(22.4%)	11,741,030	(2,900,457)	(19.2%)	12,220,456
By Line Item								
Salaries and Wages	6,453,764	8,637,120	(779,560)	(9.0%)	7,857,560	(300,134)	(3.5%)	8,336,986
Operating Expenses	2,087,704	6,182,366	(2,323,896)	(37.6%)	3,858,470	(2,323,896)	(37.6%)	3,858,470
Capital Assets	11,220	201,427	(176,427)	(87.6%)	25,000	(176,427)	(87.6%)	25,000
Performance Review - Auditors	0	100,000	(100,000)	(100.0%)	0	(100,000)	(100.0%)	0
Total Line Items	8,552,688	15,120,913	(3,379,883)	(22.4%)	11,741,030	(2,900,457)	(19.2%)	12,220,456
By Funding Source								
General Fund	8,517,924	15,050,913	(3,379,883)	(22.5%)	11,671,030	(2,900,456)	(19.3%)	12,150,457
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	34,764	70,000	0	0.0%	70,000	(1)	-0.0%	69,999
Total Funding Source	8,552,688	15,120,913	(3,379,883)	(22.4%)	11,741,030	(2,900,457)	(19.2%)	12,220,456
Total FTE	0.00	0.00	34.00	0.0%	34.00	34.00	0.0%	34.00

Statutory Authority
ND Constitution, Article 6, Judicial Branch, Sections 1-13, Chapters 27-02, 27-03, 27-04, 27-05, 27-05.2, 27-06, 27-17, 27-20, 27-23, North Dakota Century Code; North Dakota Rules of Disciplinary Procedure.

Agency Description
The North Dakota judicial system is comprised of the Supreme Court, district courts, municipal courts and the intermediate court of appeals, when convened. The juvenile court is a division of the district court. These courts provide the forum for the resolution of litigation in an orderly, timely manner.

The North Dakota Supreme Court is the highest court for the State of North Dakota. It has two major types of responsibilities--adjudicative and administrative. It is primarily an appellate court with jurisdiction to hear appeals from decisions of the district courts. The Court also has original jurisdiction authority and can issue such original and remedial writs as are necessary. In its administrative capacity, the Court is responsible for ensuring the efficient and effective operation of all courts in the state, maintaining high standards of judicial conduct, supervising the legal profession and promulgating procedural rules.

District Courts are the state trials courts of general jurisdiction. Among the types of cases they hear are civil, criminal, domestic relations, small claims, and probate. District Courts also serve as the Juvenile Courts in the state with original jurisdiction over any minor who is alleged to be unruly, delinquent, or deprived. In some districts, judicial referees have been appointed to preside over juvenile judgment enforcement and domestic relations proceedings, other than contested divorces.

District Courts are also the appellate courts of first instance for appeals from the decisions of many administrative agencies for criminal convictions in Municipal Courts. There are 44 District Court Judges in North Dakota.

Major Accomplishments
Some major accomplishments of the judiciary include:
1. Implemented electronic filing.
2. Provided web-based access to court records.
3. Implemented rules to expedite appeals of juvenile probation cases.
4. Revised the rules of criminal procedure.
5. Mandated greater use of alternative dispute resolution processes.
6. Collected fines/fees through state tax intercept.
7. Changed Rules of Professional Conduct.

Major technology accomplishments include:
1. Expanded interactive television.
2. Expanded digital audio recording.
3. Implemented interactive phone payment system.
4. Implemented paper on demand filing system.
5. Implemented web payment system.

Executive Budget Recommendation
- Includes the budget as submitted.
- Includes $2,599,325 from the general fund for the executive compensation package.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

180 Judicial Branch **Bill#: SB2002**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Supreme Court	10,169,788	11,594,874	1,157,434	10.0%	12,752,308	3,935,423	33.9%	15,530,297
District Court	69,177,301	73,179,807	8,747,909	12.0%	81,927,716	9,894,150	13.5%	83,073,957
Judicial Cond Comm and Disc. Board	787,871	889,955	83,897	9.4%	973,852	98,632	11.1%	988,587
Total Major Programs	80,134,960	85,664,636	9,989,240	11.7%	95,653,876	13,928,205	16.3%	99,592,841
By Line Item								
Salaries and Wages	56,333,176	63,332,795	5,829,797	9.2%	69,162,592	9,750,262	15.4%	73,083,057
Operating Expenses	19,166,386	19,173,640	3,743,027	19.5%	22,916,667	3,743,027	19.5%	22,916,667
Capital Assets	2,413,858	701,480	146,546	20.9%	848,026	146,546	20.9%	848,026
Grants	0	0	0	0.0%	0	0	0.0%	0
Supreme Court- Judges Retirement	127,021	138,105	(61,621)	(44.6%)	76,484	(61,621)	(44.6%)	76,484
District Court- Judges Retirement	452,405	478,997	31,795	6.6%	510,792	31,795	6.6%	510,792
Judicial Conduct Comm & Disciplinary Brd	787,871	889,955	83,897	9.4%	973,852	98,632	11.1%	988,587
Mediation	774,243	869,664	215,799	24.8%	1,085,463	219,564	25.2%	1,089,228
Und-Central Legal Research	80,000	80,000	0	0.0%	80,000	0	0.0%	80,000
Total Line Items	80,134,960	85,664,636	9,989,240	11.7%	95,653,876	13,928,205	16.3%	99,592,841
By Funding Source								
General Fund	78,118,149	83,482,362	9,995,923	12.0%	93,478,285	13,934,890	16.7%	97,417,252
Federal Funds	1,681,630	1,856,775	(48,684)	(2.6%)	1,808,091	(48,685)	(2.6%)	1,808,090
Special Funds	335,181	325,499	42,001	12.9%	367,500	42,000	12.9%	367,499
Total Funding Source	80,134,960	85,664,636	9,989,240	11.7%	95,653,876	13,928,205	16.3%	99,592,841
Total FTE	342.00	344.00	15.00	4.4%	359.00	15.00	4.4%	359.00

Statutory Authority
North Dakota Century Code 54-61-01 to 54-61-04.

Agency Description
The North Dakota Commission on Legal Counsel for Indigents is an executive branch agency that consists of a statutorily-created board of seven persons appointed from various entities, to serve staggering terms. The agency is responsible for delivery of constitutionally-adequate services to criminal defendants and respondents in the state who financially qualify for indigent services in accordance with eligibility requirements. The Commission utilizes the seven judicial districts to regulate its program.

Major Accomplishments
1. Opened the administrative office in November, 2005, and since then opened six public defender offices in Grand Forks, Fargo, Bismarck, Minot, Williston and Dickinson. Hired full time employees, 16 of which are full time public defenders. Those 16 attorneys, plus approximately 50 private attorneys who contract with the agency, provide legal services to indigent clients in criminal and juvenile court in about 10,000 cases annually.
2. Established and adopted minimum performance standards for the attorneys that must be adhered to along with rules of professional responsibility. Provided free training to the attorneys and staff, and encouraged other avenues of training throughout the year paid for by the Commission.
3. Kept abreast of technology needs, and utilized a web-based case reporting system that attorneys can access without charge.
4. Addressed the needs in oil rich counties where the case loads are rapidly rising by adding several monthly contracts using private attorneys in Williston, Minot, Watford City, Dickinson and Bismarck.
5. Responded to the changing environment in oil rich counties by providing employees salary incentives and housing allowances.

Executive Budget Recommendation
- Provides $1.1 million in general fund dollars for contract attorneys primarily in western North Dakota to address increased caseloads.
- Authorizes 1.00 FTE and $192,859 from the general fund for an attorney position to be located in western North Dakota to address increased caseloads.
- Authorizes 2.00 FTE legal assistant positions and $229,294 from the general fund to address increase caseloads in western North Dakota.
- Provides $484,821, of which $470,276 is from the general fund, for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

188 Commission on Legal Counsel for Indigents **Bill#: SB2022**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested		Requested Budget 2013-2015	2013-2015 Recommended		Executive Recommendation 2013-2015
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Counsel for Indigents Operations	10,682,986	11,779,282	646,621	5.5%	12,425,903	2,768,520	23.5%	14,547,802
Total Major Programs	10,682,986	11,779,282	646,621	5.5%	12,425,903	2,768,520	23.5%	14,547,802
By Line Item								
Legal Counsel for Indigents	10,682,986	11,779,282	646,621	5.5%	12,425,903	2,768,520	23.5%	14,547,802
Total Line Items	10,682,986	11,779,282	646,621	5.5%	12,425,903	2,768,520	23.5%	14,547,802
By Funding Source								
General Fund	9,429,666	9,808,430	133,832	1.4%	9,942,262	2,237,695	22.8%	12,046,125
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	1,253,320	1,970,852	512,789	26.0%	2,483,641	530,825	26.9%	2,501,677
Total Funding Source	10,682,986	11,779,282	646,621	5.5%	12,425,903	2,768,520	23.5%	14,547,802
Total FTE	30.00	30.00	0.00	0.0%	30.00	3.00	10.0%	33.00

Statutory Authority
ND Constitution Article IV, Section 13; North Dakota Century Code Chapters, 15-39.1, 21-10 and 54-52.

Agency Description
The Retirement and Investment Office (RIO) is an agency of the State of North Dakota. The agency was created by the 1989 Legislative Assembly to capture administrative and investment cost savings in the management of two important long-standing state programs - the retirement program of the Teachers' Fund for Retirement (TFFR) and the investment program of the State Investment Board (SIB). TFFR is a qualified defined benefit public pension plan. The plan covers North Dakota public school teachers and administrators. Benefit funding comes from member and employer contributions and investment earnings. TFFR serves over 10,000 teachers from 226 employer groups and pays benefits to approximately 7,000 retirees and beneficiaries. High quality member services and outreach programs are offered to members and employers as part of the continuing effort to keep them informed about the retirement program. The SIB is responsible for setting policies and procedures guiding the investment of over $5.00 billion in assets for eight pension funds and 15 other insurance-type funds.

Major Accomplishments
1. RIO received the GFOA Certificate of Achievement for Financial Reporting for its annual financial report for the fiscal year ended June 30, 2011. This was the fourteenth time RIO received this award.
2. TFFR received the 2011 Public Pension Standards Award for Funding and Administration from the Public Pension Coordinating Council. TFFR has received a PPCC Award since 1992.
3. TFFR received a favorable plan determination letter from the IRS in 2012 confirming plan documents comply with IRS requirements.

Executive Budget Recommendation
- Approves budget as requested.
- Provides $198,973 special fund authority for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

190 Retirement and Investment Office **Bill#: HB1022**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Teachers Fund for Retirement	2,300,643	2,574,390	85,884	3.3%	2,660,274	127,453	5.0%	2,701,843
Investment Program	1,214,164	1,658,564	64,325	3.9%	1,722,889	288,323	17.4%	1,946,887
Total Major Programs	3,514,807	4,232,954	150,209	3.5%	4,383,163	415,776	9.8%	4,648,730
By Line Item								
Salaries and Wages	2,578,622	3,203,114	142,882	4.5%	3,345,996	408,449	12.8%	3,611,563
Operating Expenses	854,185	947,840	7,327	0.8%	955,167	7,327	0.8%	955,167
Contingency	82,000	82,000	0	0.0%	82,000	0	0.0%	82,000
Total Line Items	3,514,807	4,232,954	150,209	3.5%	4,383,163	415,776	9.8%	4,648,730
By Funding Source								
General Fund	0	0	0	0.0%	0	0	0.0%	0
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	3,514,807	4,232,954	150,209	3.5%	4,383,163	415,776	9.8%	4,648,730
Total Funding Source	3,514,807	4,232,954	150,209	3.5%	4,383,163	415,776	9.8%	4,648,730
Total FTE	17.00	18.00	0.00	0.0%	18.00	0.00	0.0%	18.00

Statutory Authority
North Dakota Century Code Chapters 39-03.1, 52-11-01, 54-52, 54-52.1, 54-52.2, 54-52.3 and 54-52.6.

Agency Description
The Public Employees Retirement System is the administrator of several employee benefit plans for state employees and employees of participating political subdivisions. The plans include the following:

- Six Defined Benefit Retirement Plans
- Defined Contribution Retirement Plan
- Deferred Compensation Plan
- Retiree Health Insurance Credit Plan
- Group Health Insurance Plan
- Group Life Insurance Plan
- Voluntary Insurance Products (dental, vision, long-term care plans)
- Employee Assistance Program
- Pretax Benefits Program (FlexComp)

Major Accomplishments
1. Completed the competitive bid process to select a provider for the Health plan, Vision plan and Life Insurance plan. For each of the plans where a change was made, the plan was transitioned to the new vendor. The change in vision vendor resulted in a significant increase in participation. An RFP for the dental plan was also issued.
2. Completed the competitive bid process to select a recordkeeper for the investments in the Defined Contribution Plan and Deferred Compensation Companion Plan. This process resulted in a change of vendors that lowered the costs to members for recordkeeping, increased the on-site services to members and made available additional investment options.
3. Developed, communicated and received legislative authority to implement a Recovery Plan for the Retirement Plan for 2012 and 2013.
4. Conducted annual Wellness Forums for the Employer Based Wellness Program.
5. Completed annual renewals of the Employer Based Wellness Program.
6. Complied with the Patient Protection and Affordable Care Act (PPACA) by implementing the expanded dependent coverage requirement by conducting a special open enrollment; eliminating the lifetime maximum provision, and maintaining the Grandfathered status of the plan for existing members. In addition the office has identified and started a process to comply with the provisions of this act that will become effective in 2014.
7. Qualified for the Early Retiree Reinsurance Program (ERRP) subsidy.
8. Implemented legislation passed by the 2011 Legislative session and updated administrative rules.
9. Completed an audit of the Pharmacy Benefit Manager.
10. Implemented a High Deductible Health Plan and Health Savings Accounts for State Agencies and also started the planning process to make this plan available to political subdivisions in 2013.
11. Reviewed the FlexComp claims payment process to determine if additional options can be made that would facilitate increased participation as a result of the lower contribution level mandated by the Affordable Care Act.
12. Updated investment policies and asset allocation.
13. Implemented a self service portal for retirees to access information maintained on the PERSLink system.

Executive Budget Recommendation
- Approved budget as requested.
- Provides $374,229 special fund authority for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

192 Public Employees Retirement System **Bill#: HB1022**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
PERS	10,016,506	7,465,228	(236,071)	(3.2%)	7,229,157	250,275	3.4%	7,715,503
Total Major Programs	10,016,506	7,465,228	(236,071)	(3.2%)	7,229,157	250,275	3.4%	7,715,503
By Line Item								
Salaries and Wages	4,261,319	4,563,507	156,756	3.4%	4,720,263	643,102	14.1%	5,206,609
Operating Expenses	1,616,611	2,054,383	204,511	10.0%	2,258,894	204,511	10.0%	2,258,894
Technology Project Carryover	4,138,576	597,338	(597,338)	(100.0%)	0	(597,338)	(100.0%)	0
Contingency	0	250,000	0	0.0%	250,000	0	0.0%	250,000
Total Line Items	10,016,506	7,465,228	(236,071)	(3.2%)	7,229,157	250,275	3.4%	7,715,503
By Funding Source								
General Fund	0	0	0	0.0%	0	0	0.0%	0
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	10,016,506	7,465,228	(236,071)	(3.2%)	7,229,157	250,275	3.4%	7,715,503
Total Funding Source	10,016,506	7,465,228	(236,071)	(3.2%)	7,229,157	250,275	3.4%	7,715,503
Total FTE	33.00	33.00	0.00	0.0%	33.00	0.00	0.0%	33.00

Statutory Authority
North Dakota Century Code Title 15.1, Sections 25-06-02.1, 25-07-01.1, 54-24-01, 23-09-4-01 through 08, 57-64, 12-60-24, and 54-59-17.

Agency Description
Responsibilities charged to the Superintendent of Public Instruction by the Constitution of North Dakota and the North Dakota Legislative Assembly require the enforcement of all state statutes and federal regulations pertaining to the establishment and maintenance of public schools and related programs. Specifically, the duties include:

- Supervise the provision of elementary and secondary education; approve and accredit schools; manage a system of background checks for private and parochial schools; approve school construction; approve the school calendar; implement a uniform system of school district accounting, budgeting, and reporting; and administer school district aid and transportation.
- Develop course content standards and assessments.
- Direct school district annexation, reorganization, and dissolution efforts.
- Promulgate administrative rules.
- Collaborate with ITD and other governmental agencies to assist in the development of a Longitudinal Data System.
- Administer state and federal programs identified in state law.
- Chair, Board of Higher Education Nominating Committee.
- Supervise the ND School for the Deaf/Resource Center for Deaf and Hard of Hearing, ND Vision Services/School for the Blind, and the ND State Library.
- Develop teacher contracts and personnel policies needed for administration of state-supported schools (NDSD/RCDHH and NDVS/SB).
- Implement and administer the ND Academic and ND Career and Technical Education Scholarship Programs.
- Establish common goals to align and coordinate educational efforts that support the work of the Joint Board, Professional Development, Early Childhood Education initiatives, and implementation of minimal graduation requirements.
- Promote and support student health and wellness initiatives.

Major Accomplishments
1. Implemented the ND Scholarship Program and awarded scholarships to over 4,100 North Dakota graduating seniors.
2. Provided four scholarships for graduate level speech-language pathologists through the State Personnel Development Grant to help combat the shortage of Speech-Language Pathologists in North Dakota.
3. Administered statewide ACT and WorkKeys testing to each high school junior in the state.
4. Revised the dual credit application and approval process, in a cooperative effort with the ND University System.
5. Cooperated in expanding the North Dakota STEM Network.
6. Developed, published and disseminated two key documents, in collaboration with the ND Department of Health; the *School Health Guidelines* and the *School Emergency Guidelines* to all ND schools.
7. Collaborated with distinguished educators, to create a tool box of exemplary school improvement practices and strategies.
8. Met federal performance indicators in fifteen adult education content/ instructional areas and was one of only four states to do so.
9. Completed the Direct Certification System in STARS, which notifies districts of students' eligibility for free school meals as a result of receiving Supplemental Nutrition Assistance Program (SNAP) or Temporary Assistance for Needy Families (TANF) benefits.
10. Designed and implemented a new web-based program for the management of Child Nutrition and Food Distribution program sponsors, USDA Food orders and inventory, child nutrition reimbursement payments and program applications.
11. Facilitated the development and drafting of a statewide education improvement plan to meet the numerous provisions of the American Recovery and Reinvestment Act (ARRA) and established a readily accessible public accountability and reporting system to monitor the state's progress of achieving all required assurances within the ARRA.
12. Facilitated the development and drafting of a possible statewide flexibility waiver application regarding specified provisions of the Elementary and Secondary Education Act (ESEA).
13. Developed and conducted a statewide survey of effective teacher and principal evaluation practices in anticipation of establishing uniform statewide teacher and principal evaluation guidelines for voluntary adoption by local school districts.
14. Generated annual adequate yearly progress reports and detailed school and district profile reports at various levels of specificity.
15. Participated in several multi-state consortia to develop voluntary, national, high-quality formative and summative assessments based on the Common Core Standards.
16. Began roll-out of the state longitudinal data system (SLDS) to select districts.

Executive Budget Recommendation
- Proposes implementation of a new integrated formula to provide school funding, providing both adequacy-based funding for K-12 education and significantly increased property tax relief.
- Includes $714.2 million in property tax relief as part of the integrated formula payments, an increase of $372.4 million for property tax relief. This results in a total reduction in school district mill levies of 135 mills, an increase of 60 mills over the current 75 mill buy down program.
- Provides for the appropriation of $1.79 billion for integrated formula payments, an increase of $527.1 million compared to the combined 2011-13 appropriation for school aid and mill levy reduction grants.

- Provides a general fund appropriation of $17.0 million for rapid enrollment grants and proposes a revised formula allowing two tiers of payments based on the rate of enrollment increase.
- Provides $53.5 million for transportation payments, an increase of $5.0 million.
- Provides $16.5 million for special education contract payments, an increase of $500,000.
- Provides $719,000 to update IT systems used to collect school district data, distribute state aid payments, and administer federal grants.
- Provides $500,000 for statewide implementation of common core standards.
- Provides $400,000 for statewide implementation of a teacher and principal evaluation system.
- Provides $867,300 for ACT and WorkKeys testing, an increase of $188,900.
- Provides $815,000 for Gearing Up for Kindergarten, an increase of $190,000.
- Provides $1.3 million, of which $402,652 is from the general fund, for the executive compensation package.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

201 Dept of Public Instruction **Bill#: HB1013**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Admin and School District Support Services	1,253,805,339	1,327,914,719	534,708,368	40.3%	1,862,623,087	534,845,084	40.3%	1,862,759,803
Educational Success and Improvement	244,360,090	260,874,950	(36,842,121)	(14.1%)	224,032,829	(35,514,263)	(13.6%)	225,360,687
Administrative Services	5,226,867	6,079,880	(1,879,524)	(30.9%)	4,200,356	(333,914)	(5.5%)	5,745,966
Education and Community Support	92,070,956	102,582,730	(2,911,974)	(2.8%)	99,670,756	(1,727,891)	(1.7%)	100,854,839
Total Major Programs	1,595,463,252	1,697,452,279	493,074,749	29.0%	2,190,527,028	497,269,016	29.3%	2,194,721,295
By Line Item								
Salaries and Wages	12,646,572	14,384,300	340,221	2.4%	14,724,521	2,227,038	15.5%	16,611,338
Operating Expenses	20,570,714	29,683,187	(482,835)	(1.6%)	29,200,352	466,615	1.6%	30,149,802
Grants-State School Aid	802,021,184	927,459,478	(927,459,478)	(100.0%)	0	(927,459,478)	(100.0%)	0
Integrated Formula Payment	0	0	1,787,400,000	100.0%	1,787,400,000	1,787,400,000	100.0%	1,787,400,000
Grants-Special Education	13,671,469	16,000,000	500,000	3.1%	16,500,000	500,000	3.1%	16,500,000
Grants-Transportation	47,500,000	48,500,000	5,000,000	10.3%	53,500,000	5,000,000	10.3%	53,500,000
Grants-Supplemental One-Time	85,644,337	0	0	0.0%	0	0	0.0%	0
Grants-Supplemental Operations	16,795,584	0	0	0.0%	0	0	0.0%	0
Grants-Other Grants	284,061,365	310,109,393	(37,937,238)	(12.2%)	272,172,155	(36,699,238)	(11.8%)	273,410,155
Grants-Mill Levy Reductions	299,444,264	341,790,000	(341,790,000)	(100.0%)	0	(341,790,000)	(100.0%)	0
Rapid Enrollment Grants	0	0	17,000,000	100.0%	17,000,000	17,000,000	100.0%	17,000,000
National Board Certification Fund	500,000	0	0	0.0%	0	0	0.0%	0
Education Jobs Fund	12,549,580	9,310,921	(9,310,921)	(100.0%)	0	(9,310,921)	(100.0%)	0
Transportation Efficiency	433	30,000	0	0.0%	30,000	0	0.0%	30,000
National Board Certification	57,750	185,000	(185,000)	(100.0%)	0	(65,000)	(35.1%)	120,000
Total Line Items	1,595,463,252	1,697,452,279	493,074,749	29.0%	2,190,527,028	497,269,016	29.3%	2,194,721,295
By Funding Source								
General Fund	1,103,726,148	1,253,480,651	(213,237,027)	(17.0%)	1,040,243,624	(210,170,789)	(16.8%)	1,043,309,862
Federal Funds	399,510,005	335,437,019	(41,026,555)	(12.2%)	294,410,464	(39,898,614)	(11.9%)	295,538,405
Special Funds	92,227,099	108,534,609	747,338,331	688.6%	855,872,940	747,338,419	688.6%	855,873,028
Total Funding Source	1,595,463,252	1,697,452,279	493,074,749	29.0%	2,190,527,028	497,269,016	29.3%	2,194,721,295
Total FTE	99.75	99.75	0.00	0.0%	99.75	0.00	0.0%	99.75

Statutory Authority
ND Constitution Article VIII, Section 6; North Dakota Century Code Chapter 15-10.

Agency Description
The North Dakota State Board of Higher Education (SBHE), established in 1939 by the voters of North Dakota, is the governing body for the state's 11 publicly funded institutions which comprise the North Dakota University System (NDUS). The SBHE carries out its constitutional responsibilities through a comprehensive set of policies. The Chancellor serves as the system's chief executive officer. The Chancellor and the system office staff support the SBHE in developing public policy for the NDUS, in advocating on its behalf, and fostering shared leadership throughout the system.

Major Accomplishments
1. Continued use of a web-based system designed by the NDUS to link the presidents' and chancellor's approved annual objectives and accomplishments to the Strategic Plan for the North Dakota University System and streamline reporting.
2. Enrolled a total of 48,833 undergraduate and graduate students in degree programs in Fall 2011, a record high enrollment level for the System.
3. Continued to expand the number of businesses and employees served through the TrainND workforce training regions, with 3,057 businesses and 26,237 employees participating in workforce training programs during FY 2010 and FY 2011.
4. Adopted new and enhanced programs to meet state workforce needs.
5. Maintained active partnerships and collaboration among the universities and colleges, making programs more easily accessible to students.
6. Maintained affordability of public higher education in North Dakota with tuition and required fees at four-year campuses below those of regional counterparts. A freeze in the tuition rates at North Dakota's community colleges significantly narrowed the gap between their higher rates and those of two-year regional peers.
7. Retained 66.7 percent of graduates (employed, enrolled, or both) in North Dakota one year after graduation.
8. Partnered with the North Dakota Department of Commerce for the creation of the Statewide Plan for Workforce Development and with Job Service North Dakota in developing the state's Workforce Investment Act plan.
9. Implemented the State Board of Higher Education's "Maximizing results through efficiencies" initiative which involves multiple projects relating to building a cost-effective IT system, reviewing/reengineering the academic process, and an improved capital project process.
10. Defined three performance funding measures to use in a pilot phase: fall to spring student retention at the institution where the student initially enrolled, fall to fall student retention at any institution within the NDUS, and the number of students completing degrees each year.
11. Developed a consistent system-wide policy for student placement into appropriate course levels. This policy is effective as of Fall 2012.
12. Participated in WICHE's Non-traditional No More initiative to identify and encourage former students to return to complete the degrees they previously started.
13. Continued collaborative partnerships with DPI, CTE, and ESPB to improve student preparation for college and the workforce.
14. Experienced leadership changes in the Chancellor's Office as well as at DSU and LRSC during 2012.
15. Implemented a NDUS lecture capture solution to all 11 institutions of the NDUS. This project was an initiative of the State Board of Higher Education's (SBHE) Maximizing Results through Efficiencies.
16. Implemented mobile solutions for ODIN library services and access to information within the Student Administration, Finance, and Human Resources modules of PeopleSoft. (Initial installation by Fall 2012 continuing into Spring 2013.)

Executive Budget Recommendation
- Creates a $30.0 million North Dakota Higher Education Challenge Fund to provide matching grants for academic enhancements to NDUS colleges and universities.
- Appropriates $13.7 million for the academic and technical education scholarship program, an increase of $3.7 million, and changes the per student lifetime cap to $10,000.
- Enhances funding for the needs-based state grant program by $2.2 million and increases the cap to $1,650 per student.
- Provides $10.0 million to be distributed to campuses for extraordinary repair projects.
- Establishes a $1.5 million program start-up fund available to campuses for initiating or expanding academic and technical programs.
- Recommends $4.0 million in energy impact grants to be administered by the Department of Trust Lands for qualifying colleges and universities.
- Provides $3.1 million for 7.00 FTE and necessary operating expenses within the NDUS System Office.
- Appropriates $282,520 for a student mental health initiative, including after-hours crisis intervention, on-campus psychiatric support, and training for mental health counselors.
- Approves $1.8 million for the executive compensation package, health insurance premiums, and retirement contribution increases.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

215 ND University System **Bill#: SB2003**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
System Office and Board Operations	7,062,892	7,647,654	8,006,637	104.7%	15,654,291	2,985,674	39.0%	10,633,328
Student Grant Programs	28,410,148	43,796,686	(3,267,534)	(7.5%)	40,529,152	2,363,891	5.4%	46,160,577
System Grant Programs	8,760,207	8,856,472	20,969,700	236.8%	29,826,172	10,282,520	116.1%	19,138,992
System Projects	41,853,561	49,022,972	1,361,133	2.8%	50,384,105	33,506,019	68.3%	82,528,991
Total Major Programs	86,086,808	109,323,784	27,069,936	24.8%	136,393,720	49,138,104	44.9%	158,461,888
By Line Item								
Capital Assets	10,779,726	12,204,769	(1,768,724)	(14.5%)	10,436,045	(1,768,724)	(14.5%)	10,436,045
Student Financial Assistance Grants	17,571,380	21,246,146	(1,931,892)	(9.1%)	19,314,254	(467)	-0.0%	21,245,679
ND Scholars Program	2,060,990	2,509,420	(395,836)	(15.8%)	2,113,584	(395,836)	(15.8%)	2,113,584
Title II Federal Program	610,207	1,006,472	0	0.0%	1,006,472	0	0.0%	1,006,472
Native American Scholarship	382,250	574,484	74,783	13.0%	649,267	74,783	13.0%	649,267
System Information Technology Services	30,273,835	36,018,203	1,344,857	3.7%	37,363,060	2,774,743	7.7%	38,792,946
Education Incentive Programs	2,868,998	3,573,340	(224,340)	(6.3%)	3,349,000	(224,340)	(6.3%)	3,349,000
Tribal Community College Grants	700,000	1,000,000	0	0.0%	1,000,000	0	0.0%	1,000,000
Academic and Tech Ed. Scholarship	1,870,896	11,129,104	(1,129,104)	(10.1%)	10,000,000	2,570,896	23.1%	13,700,000
Student Exchange Program	2,955,634	3,764,192	338,855	9.0%	4,103,047	338,855	9.0%	4,103,047
Professional Liability Insurance	1,100,000	800,000	0	0.0%	800,000	0	0.0%	800,000
Two Year Campus Marketing	800,000	800,000	0	0.0%	800,000	0	0.0%	800,000
Competitive Research Program	7,050,000	7,050,000	0	0.0%	7,050,000	0	0.0%	7,050,000
Biennium Carryover	279,994	297,848	(297,848)	(100.0%)	0	(297,848)	(100.0%)	0
System Office & Board Operations	6,782,898	7,349,806	8,304,485	113.0%	15,654,291	3,283,522	44.7%	10,633,328
Security and Emergency Preparedness	0	0	235,000	100.0%	235,000	0	0.0%	0
Energy System Study	0	0	550,000	100.0%	550,000	0	0.0%	0
NDUS Energy Impact Fund	0	0	10,000,000	100.0%	10,000,000	0	0.0%	0
Student Mental Health	0	0	969,700	100.0%	969,700	282,520	100.0%	282,520
Deferred Maintenance Pool	0	0	10,000,000	100.0%	10,000,000	10,000,000	100.0%	10,000,000
Master Plan & Space Utilization Study	0	0	1,000,000	100.0%	1,000,000	1,000,000	100.0%	1,000,000
New Program Start-up Pool	0	0	0	0.0%	0	1,500,000	100.0%	1,500,000
ND Higher Education Challenge Fund	0	0	0	0.0%	0	30,000,000	100.0%	30,000,000
Total Line Items	86,086,808	109,323,784	27,069,936	24.8%	136,393,720	49,138,104	44.9%	158,461,888
By Funding Source								
General Fund	82,560,974	106,267,555	27,826,253	26.2%	134,093,808	49,894,421	47.0%	156,161,976
Federal Funds	997,375	1,634,235	(339,067)	(20.7%)	1,295,168	(339,067)	(20.7%)	1,295,168
Special Funds	2,528,459	1,421,994	(417,250)	(29.3%)	1,004,744	(417,250)	(29.3%)	1,004,744
Total Funding Source	86,086,808	109,323,784	27,069,936	24.8%	136,393,720	49,138,104	44.9%	158,461,888
Total FTE	94.18	100.31	35.00	34.9%	135.31	7.00	7.0%	107.31

Statutory Authority
ND Constitution Article IX, North Dakota Century Code Chapters 15-01 through 15-09, 15-68, 38-09, 38-11, 47.30.1, 61-33 and Sections 57-02.3-05, 57-62-02 through 57-62-06. ND Constitution Article X Section 21, North Dakota Century Code Sections 15.1-36-02 and 15.1-36-03.

Agency Description
The primary role of the Board of University and School Lands and the Department of Trust Lands is to manage the 13 permanent trust funds under its control, to preserve the purchasing power of the trusts and to maintain stable distributions to trust beneficiaries. Those beneficiaries include local school districts, various colleges and universities, and other institutions in North Dakota. Revenues are generated for the trusts through the prudent management of trust assets, consisting of 697,000 surface acres, over 1.8 million mineral acres, and $2.0 billion of assets (loans, marketable securities, and cash equivalents). The surface acres are leased to ranchers and farmers across the state. The mineral acres are offered for oil, gas, coal, potash, gravel, scoria, and more recently, clay leasing.

The Department also manages four additional funds: the strategic investment and improvements fund, the coal development trust fund, the capitol building trust fund, and the Indian cultural education trust fund. These non-permanent funds had total financial assets of $456 million at the end of fiscal year 2012.

The Department also administers the Unclaimed Property Act. In this capacity the Department collects “unclaimed property” (uncashed checks, unused bank accounts, etc.), and processes owners’ claims. This property is held in trust for the owner to claim, but the revenue from the investment of the property benefits the common schools trust fund.

The Department also operates the Energy Infrastructure and Impact Office, which provides financial support to political subdivisions that are affected by energy development in the state. Assistance is provided through both the oil and gas impact grant program and the coal impact loan program.

Major Accomplishments
1. Managed permanent trust fund financial assets, which have grown from $900.0 million on June 30, 2009 to $2.04 billion on June 30, 2012. Combined non-permanent financial assets managed by the Department have increased from $95.5 million on June 30, 2009 to $456.0 million on June 30, 2012.
2. Issued a total of 1,886 oil and gas leases on 143,840 mineral acres during fiscal year 2011. During fiscal year 2012, a total of 1,133 leases involving 95,039 mineral acres were issued.
3. Received total mineral lease bonuses of $173.6 million in fiscal year 2011 and $125.5 million in fiscal year 2012.
4. Managed 9,720 active oil and gas leases of which 4,355 were “held by production” status, as of June 30, 2012. At the end of FY 2011, the total number of active leases was 8,587 including 4,204 in “held by production” status.
5. Monitored production from 2,089 producing wells as of June 30, 2012, up from approximately 500 four years earlier. The Department collected more than $6.0 million of additional royalties, penalties, and taxes during FY 2012 as a result of revenue compliance efforts.
6. Continued with more than a 99.0 percent leasing rate for agricultural tracts.
7. Processed 5,109 property owner claims, through the Unclaimed Property Division, totaling $3.6 million during fiscal year 2012.
8. Administered a significantly expanded energy impact grant program, through the Energy Infrastructure and Impact Office.
9. Established procedures and policies to implement a $30.0 million Flood Impacted Political Subdivision Infrastructure Development Grant program to assist communities and other political subdivisions in responding to flood repairs and relocation needs.

Executive Budget Recommendation
- Establishes a new line item for the Energy Infrastructure and Impact Office to more easily account for expenditures related to the energy impact grant program.
- Increases the energy impact grant program from $100.0 million per biennium to $150.0 million per biennium and proposes a statutory change to permanently increase allocations of revenue from the oil and gas gross production tax to $150.0 million per biennium.
- Provides for a one-time allocation of $60.0 million from oil and gas gross production taxes to the energy impact fund for grants to support airport improvement and construction projects.
- Provides for a one-time allocation of $4.0 million from oil and gas gross production taxes to the energy impact fund for grants to higher education institutions impacted by energy development.
- Adds 2.00 FTE and related operating, along with additional temporary salaries, to support the activities of the Energy Infrastructure and Impact Office.
- Adds 4.25 FTE and related operating, along with additional temporary salaries, to support the land and minerals management functions of the Department of Trust Lands.
- Adds $100,000 to the contingencies line item to be used for additional temporary salaries if determined necessary during the 2013-15 biennium.
- Adds $311,717 for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

226 Department of Trust Lands **Bill#: SB2013**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Trust Lands	6,472,716	140,473,187	(33,830,919)	(24.1%)	106,642,268	81,031,099	57.7%	221,504,286
Total Major Programs	6,472,716	140,473,187	(33,830,919)	(24.1%)	106,642,268	81,031,099	57.7%	221,504,286
By Line Item								
Salaries and Wages	2,958,655	4,153,822	179,089	4.3%	4,332,911	1,159,051	27.9%	5,312,873
Operating Expenses	790,638	1,431,096	396,023	27.7%	1,827,119	494,767	34.6%	1,925,863
Capital Assets	0	10,000	55,550	555.5%	65,550	55,550	555.5%	65,550
Other Grants	2,723,423	104,778,269	(104,778,269)	(100.0%)	0	(104,778,269)	(100.0%)	0
Flood Infrastructure Develop. Grants	0	30,000,000	(30,000,000)	(100.0%)	0	(30,000,000)	(100.0%)	0
Contingencies	0	100,000	0	0.0%	100,000	100,000	100.0%	200,000
Energy Infrastructure and Impact Office	0	0	100,316,688	100.0%	100,316,688	214,000,000	100.0%	214,000,000
Total Line Items	6,472,716	140,473,187	(33,830,919)	(24.1%)	106,642,268	81,031,099	57.7%	221,504,286
By Funding Source								
General Fund	0	30,000,000	(30,000,000)	(100.0%)	0	(30,000,000)	(100.0%)	0
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	6,472,716	110,473,187	(3,830,919)	(3.5%)	106,642,268	111,031,099	100.5%	221,504,286
Total Funding Source	6,472,716	140,473,187	(33,830,919)	(24.1%)	106,642,268	81,031,099	57.7%	221,504,286
Total FTE	21.75	24.75	0.00	0.0%	24.75	6.25	25.3%	31.00

Statutory Authority
North Dakota Century Code Chapter 15-10-01.

Agency Description
As a community college, the purpose of Bismarck State College is to provide an educational environment of the highest caliber at a reasonable cost; to maintain a warm and wholesome social atmosphere; to provide opportunities for advanced knowledge, improved skills, high ideals and ethical standards; and to make learning an enjoyable, rewarding experience. Students may 1) earn college credits for transfer to a four-year institution; 2) complete training in a career-technical program; 3) keep job skills current through workforce training or take non-credit courses in subjects of personal interest. The college also recognizes the importance of promoting research, public service, economic development, and cultural awareness. The service areas include the immediate, contiguous geographical region for most programs, and statewide, regional or nationwide areas for select, unique programs.

Major Accomplishments
1. Continued the pattern of record enrollments, with fall 2011 headcount reaching 4,392.
2. Offered new programs, including: renewable generation technology, petroleum technology operations, petroleum engineering technology, sustainable construction technology and water-waste water technology.
3. BSC, in partnership with MDU, installed a wind turbine on campus for use in the renewable energy program.
4. The BSC Aquatics & Wellness Center, built and managed by Bismarck Parks and Recreation, opened its doors in February 2010.
5. Bismarck Public Schools opened the Career Academy on campus, which houses several of BSC's tech programs.
6. Expanded services to veterans as part of a nationwide response to the need for increased veteran services.
7. Named to the list of Military Friendly Schools by G.I. Jobs magazine.
8. Earned continuing status as one of the "Top Ten Best places to Work" for young professionals in the Bismarck-Mandan area.
9. Recognized numerous students for receiving awards from regional and national organizations and competitions.
10. Recognized several employees for being name to "40 under 40" by the Bismarck Tribune's Business Watch magazine.
11. Received significant state and federal grants to help BSC respond to the state's education and training needs.
12. Recognized student athletes and coaches for various regional and national championships and honors.
13. Completed major renovations in the Tech Center, including expanding the welding area to serve additional students.
14. Worked with FEMA and Red Cross to assist with the massive community battle with the Missouri River flooding.
15. Hosted the Eric Sevareid Symposium (BSC's first) - headlined by CBS newsmen Dan Rather and Bob Schieffer.

Executive Budget Recommendation
- Recommends $13.3 million from the general fund for construction of a Communication & Learning Commons building.
- Provides $3.5 million from the general fund to equalize funding between the two-year colleges.
- Appropriates $3.8 million from the general fund for campus operations at $117.60 per adjusted student credit hour.
- Adds 4.00 FTE for campus security personnel.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

227 Bismarck State College **Bill#: SB2003**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Bismarck State College	27,826,542	43,688,050	28,103,967	64.3%	71,792,017	5,026,485	11.5%	48,714,535
Total Major Programs	27,826,542	43,688,050	28,103,967	64.3%	71,792,017	5,026,485	11.5%	48,714,535
By Line Item								
Operating Expenses	24,227,417	27,628,314	2,924,331	10.6%	30,552,645	7,368,548	26.7%	34,996,862
Capital Assets	2,917,153	5,475,606	15,359,766	280.5%	20,835,372	8,242,067	150.5%	13,717,673
Capital Assets-Carryover	0	498,796	(498,796)	(100.0%)	0	(498,796)	(100.0%)	0
Capital Projects Non-State Funded	475,804	10,035,000	10,369,000	103.3%	20,404,000	(10,035,000)	(100.0%)	0
Capital Projects - Carryover	0	50,334	(50,334)	(100.0%)	0	(50,334)	(100.0%)	0
Deferred Maintenance	206,168	0	0	0.0%	0	0	0.0%	0
Total Line Items	27,826,542	43,688,050	28,103,967	64.3%	71,792,017	5,026,485	11.5%	48,714,535
By Funding Source								
General Fund	27,350,738	33,602,716	17,785,301	52.9%	51,388,017	15,111,819	45.0%	48,714,535
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	475,804	10,085,334	10,318,666	102.3%	20,404,000	(10,085,334)	(100.0%)	0
Total Funding Source	27,826,542	43,688,050	28,103,967	64.3%	71,792,017	5,026,485	11.5%	48,714,535
Total FTE	111.51	126.96	10.00	7.9%	136.96	4.00	3.2%	130.96

Statutory Authority
North Dakota Century Code Chapter 15-10-01.1.

Agency Description
Lake Region State College (LRSC) is a student-centered, open access, comprehensive community college within the North Dakota University System. The college provides quality academic education, vocational/technical training, workforce training, educational outreach opportunities, and life-long learning.

LRSC serves approximately 3,000 students each year though on-campus and distance delivery. LRSC is proud to collaborate with other NDUS campuses to offer an Associate of Arts Degree online, a Baccalaureate Degree in Business in cooperation with Mayville State University in Devils Lake, Associate Degree Nursing through a consortium with Dakota College - Bottineau, Bismarck State College, Williston State College, and Fort Berthold Community College, a Baccalaureate Degree in Criminal Justice in cooperation with Minot State University, and an Associate of Applied Science in Law Enforcement through innovative computer-based training and e-learning technology.

Major Accomplishments
1. Achieved a record student enrollment of 2,056 in credit courses in the fall semester of 2011.
2. Increased offerings on campus, including the Fitness Trainer program and, beginning fall 2012, Music courses.
3. Expanded course offerings in the Grand Forks Public School System.
4. Established a broader TrainND Northeast presence in the Grand Forks metro area.
5. Expanded the Associate Degree in Nursing program into Mayville to continue to address the nursing shortage.
6. Established the Certified Nurse Assistant training program on the Grand Forks Air Force Base.
7. Began construction of a wind tower to provide power to campus and be a key training tool in the Wind Energy Technician degree program.
8. Continued expansion of training operations for the Peace Officer Training program. Locations now include Devils Lake, Fargo, Grand Forks, and Minot.
9. Received accreditation from the Higher Education Commission for the maximum time period allowed.
10. Negotiated the first institutional indirect cost rate for federal grants.

Executive Budget Recommendation
- Recommends $5.9 million from the general fund for renovation and addition to the Erlandson Technical Center.
- Provides $2.8 million from the general fund to equalize funding between the two-year colleges.
- Appropriates $1.5 million from the general fund for campus operations at $117.60 per adjusted student credit hour.
- Adds 3.00 FTE for campus security personnel.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

228 Lake Region State College **Bill#: SB2003**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Lake Region State College	8,155,091	12,634,901	3,285,139	26.0%	15,920,040	6,722,236	53.2%	19,357,137
Total Major Programs	8,155,091	12,634,901	3,285,139	26.0%	15,920,040	6,722,236	53.2%	19,357,137
By Line Item								
Operating Expenses	8,017,622	9,003,614	813,497	9.0%	9,817,111	4,250,594	47.2%	13,254,208
Capital Assets	43,662	1,021,367	5,081,562	497.5%	6,102,929	5,081,562	497.5%	6,102,929
Capital Assets-Carryover	0	2,609,920	(2,609,920)	(100.0%)	0	(2,609,920)	(100.0%)	0
Deferred Maintenance	93,807	0	0	0.0%	0	0	0.0%	0
Total Line Items	8,155,091	12,634,901	3,285,139	26.0%	15,920,040	6,722,236	53.2%	19,357,137
By Funding Source								
General Fund	8,155,091	12,634,901	3,285,139	26.0%	15,920,040	6,722,236	53.2%	19,357,137
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	0	0	0	0.0%	0	0	0.0%	0
Total Funding Source	8,155,091	12,634,901	3,285,139	26.0%	15,920,040	6,722,236	53.2%	19,357,137
Total FTE	37.50	40.22	3.00	7.5%	43.22	3.00	7.5%	43.22

Statutory Authority
North Dakota Century Code 15-10-01.1.

Agency Description
Williston State College is a comprehensive community college serving northwest North Dakota and beyond with Associate of Arts, Associate of Science, Associate of Applied Science, certificate education in academic transfer, and vocational education, as well as Workforce Training as a service to regional employers.

Major Accomplishments
1. Increased revenue in the Workforce Training division from around $1.3 million in FY10 to over $3.0 million in FY12.
2. Opened the Western Star Career and Technical Center, designed to serve both WSC students and high school students, in July 2011.
3. Opened Frontier Hall, a new housing unit for students, in the fall of 2011.
4. Partnered with the WSC Foundation, to facilitate the opening of a DMV office in the Western Star Building so that the city did not lose DMV services.

Executive Budget Recommendation
- Recommends $12.2 million from the general fund for the renovation of Stevens Hall.
- Provides $1.8 million for the Campus Drive renovation project.
- Appropriates $1.1 million from the general fund for campus operations at $117.60 per adjusted student credit hour.
- Adds 5.00 FTE for campus security personnel.
- Adds 1.00 FTE for a licensed mental health counselor.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

229 Williston State College **Bill#: SB2003**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Williston State College	19,484,441	27,956,044	(3,731,961)	(13.3%)	24,224,083	(3,768,802)	(13.5%)	24,187,242
Total Major Programs	19,484,441	27,956,044	(3,731,961)	(13.3%)	24,224,083	(3,768,802)	(13.5%)	24,187,242
By Line Item								
Operating Expenses	7,813,411	10,249,685	(273,852)	(2.7%)	9,975,833	(302,722)	(3.0%)	9,946,963
Capital Assets	4,363,811	3,617,801	10,630,449	293.8%	14,248,250	10,622,478	293.6%	14,240,279
Capital Assets-Carryover	0	1,703,300	(1,703,300)	(100.0%)	0	(1,703,300)	(100.0%)	0
Capital Projects Non-State Funded	6,991,082	7,038,267	(7,038,267)	(100.0%)	0	(7,038,267)	(100.0%)	0
Capital Projects-Carryover	0	5,346,991	(5,346,991)	(100.0%)	0	(5,346,991)	(100.0%)	0
Deferred Maintenance	238,293	0	0	0.0%	0	0	0.0%	0
Biennium Carryover	77,844	0	0	0.0%	0	0	0.0%	0
Total Line Items	19,484,441	27,956,044	(3,731,961)	(13.3%)	24,224,083	(3,768,802)	(13.5%)	24,187,242
By Funding Source								
General Fund	8,197,083	15,570,786	8,653,297	55.6%	24,224,083	8,616,456	55.3%	24,187,242
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	11,287,358	12,385,258	(12,385,258)	(100.0%)	0	(12,385,258)	(100.0%)	0
Total Funding Source	19,484,441	27,956,044	(3,731,961)	(13.3%)	24,224,083	(3,768,802)	(13.5%)	24,187,242
Total FTE	43.42	44.15	5.00	11.3%	49.15	6.00	13.6%	50.15

Statutory Authority
ND Constitution Articles VIII and IX; North Dakota Century Code Sections 15-11 and 15-22.

Agency Description
The University of North Dakota, classified as a "Doctoral/Research University Intensive" institution by the Carnegie Foundation for the Advancement of Teaching, is characterized by a solid foundation of the liberal arts, a manageable size, high-quality students and faculty, a diverse curriculum, a widely recognized program of graduate education and research, law and medical schools praised for quality and innovation, rich cultural resources, and an outstanding record of alumni support. Its major academic divisions include Arts and Sciences, Aerospace Sciences, Business and Public Administration, Education and Human Development, Engineering and Mines, Nursing, Medicine and Health Sciences, Law, Graduate School, and Continuing Education.

Major Accomplishments
1. Awarded $4.9 million from the Helmsley Charitable Trust to provide mobile simulation education to help train health care providers across the state. EMTs, Emergency Services, and other healthcare providers in rural areas will take the training in their hometowns.
2. Awarded $5.1 million from the National Institutes of Health to the Center of Biomedical Research Excellence (COBRE) to fund research into neurodegenerative diseases such as Alzheimer's and Parkinson's Disease, multiple sclerosis, and seizure diseases.
3. Recorded another all-time high number of students at 14,697. The total rose by 503 students, or 3.5 percent, over last year's record final count of 14,194. The Graduate School, also, had positive growth with a 4 percent increase, from 2,560 students to 2,673 students. UND also showed an increase in professional students – law and medical -- with 502 compared to 495 in the fall of 2010.
4. Graduated the first students in the nation with degrees in unmanned aircraft systems (UAS) operations. It's truly the first and only major program of its kind in the country at this point.
5. Named one of the best national universities by U.S. News & World Report. The magazine, in its "America's Best Colleges, 2012 Edition," put UND well within the nation's top 200 public and nonpublic colleges and universities.
6. Identified by preLaw Magazine, a sister publication of The National Jurist, as one of the "Best Value" law schools in the country.
7. Named by Military Advanced Education (MAE) magazine as one of the "Top Military-Friendly Colleges & Universities" for 2011.
8. Began offering the first petroleum engineering degree in the state in Fall 2010. It grew to 24 on-campus and seven distance students in just one year, and is predicted to top 100 students in Fall 2012.
9. Remodeled and expanded the Education Building to Leadership in Energy and Environmental Design (LEED) standards.
10. Announced that the Energy & Environmental Research Center (EERC) has developed a unique refining technology to produce jet fuel from a combination of both coal and biomass feed stocks. Took top honors--the NASA Joe Kosmo Award of Excellence--for scoring the most points in a robotics competition at the Kennedy Space Center Visitor Complex in Florida.
11. Commended by the American Music Therapy Association for work in leading the effort to establish the nation's first licensure law for music therapy, which was signed into law in April 2011.
12. Recognized by the Carnegie Foundation for the Advancement of Teaching as one of the top 115 institutions of higher education newly designated with the organization's Community Engagement Classification.

Executive Budget Recommendation
- Recommends $68.3 million from the general fund for construction of a new School of Medicine and Health Sciences (SoMHS).
- Approves $12.0 million for renovation and addition to the Law School.
- Appropriates $18.4 million from the general fund for campus operations (including the SoMHS) at $72.70 per adjusted student credit hour.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

230 University of North Dakota **Bill#: SB2003**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
University of North Dakota	145,041,802	236,203,189	37,261,357	15.8%	273,464,546	74,900,487	31.7%	311,103,676
Total Major Programs	145,041,802	236,203,189	37,261,357	15.8%	273,464,546	74,900,487	31.7%	311,103,676
By Line Item								
Operating Expenses	125,484,243	140,457,484	18,123,790	12.9%	158,581,274	18,447,364	13.1%	158,904,848
Capital Assets	7,139,735	17,008,712	30,387,298	178.7%	47,396,010	67,702,854	398.0%	84,711,566
Capital Assets-Carryover	1,546,709	4,075,278	(4,075,278)	(100.0%)	0	(4,075,278)	(100.0%)	0
Capital Projects - Non-State	5,271,158	22,460,000	45,027,262	200.5%	67,487,262	45,027,262	200.5%	67,487,262
Capital Projects Carryover - Non-State	703,945	52,201,715	(52,201,715)	(100.0%)	0	(52,201,715)	(100.0%)	0
Deferred Maintenance	3,664,206	0	0	0.0%	0	0	0.0%	0
1997 Flood Expenditures	1,231,806	0	0	0.0%	0	0	0.0%	0
Total Line Items	145,041,802	236,203,189	37,261,357	15.8%	273,464,546	74,900,487	31.7%	311,103,676
By Funding Source								
General Fund	133,666,699	161,541,474	44,435,810	27.5%	205,977,284	82,074,940	50.8%	243,616,414
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	11,375,103	74,661,715	(7,174,453)	(9.6%)	67,487,262	(7,174,453)	(9.6%)	67,487,262
Total Funding Source	145,041,802	236,203,189	37,261,357	15.8%	273,464,546	74,900,487	31.7%	311,103,676
Total FTE	641.01	642.20	6.70	1.0%	648.90	0.00	0.0%	642.20

Statutory Authority
ND Constitution Articles VIII and IX; North Dakota Century Code Chapter 15-52.

Agency Description
The University of North Dakota School of Medicine and Health Sciences (SMHS) is recognized nationally as one of the outstanding community-based medical schools in the nation and is a model for high-quality educational programs, efficiently delivered, with an emphasis on primary care. In addition to medical student and resident education, the SMHS provides educational opportunities for a wide variety of allied health service professionals including medical lab science, athletic training, physical therapy, occupational therapy and the physician assistant program. It is initiating a new master degree program in public health in conjunction with North Dakota State University. Further, the SMHS is acknowledged for its leadership in providing education in health professions through its commitment to American Indians.

Major Accomplishments
1. Recognized by the American Academy of Family Physicians (AAFP) as having the nation's highest percentage of graduating seniors select family medicine as their specialty choice.
2. Ranked by U.S. News & World Report as one of the best in the nation, ranking 5th for its commitment to rural medicine.
3. Initiated RuralMed program to mitigate medical student debt and encourage the choice of a rural family medicine practice location for graduating medical students.
4. Increased grant applications by 36.0 percent over the prior four years.
5. Continued a strong program in eating disorders ($15.0 million in funding to Dept. Clinical Neurosciences).
6. Progressed in building research infrastructure with INBRE and COBRE grants ($26.0 million in grant funding).
7. Sponsored or jointly approved 340 Continuing Medical Education (CME) activities involving some 4,500 physician and 7,100 other health professional encounters.
8. Supervised the Tobacco Quitline, which is a successful behavior modification tool to reduce health risks.
9. Sponsored 37 programs and research projects through the Center for Rural Health and Rural Assistance Center to address a variety of rural health issues in North Dakota and across the United States.
10. Improved school governance by emphasizing participatory and engaged faculty involvement, with open discussion and opportunity for input.
11. Completed major upgrade to the Clinical Education Center to improve the educational experience of medical and other health care students.
12. Enhanced bidirectional school communication through multiple approaches, including weekly column by dean in electronic newsletter from the school, ENews.

Executive Budget Recommendation
- Recommends $7.4 million from the general fund on a one-time basis for the Healthcare Workforce Initiative.
- Appropriates funding for operating costs at $72.70 per adjusted student credit hour within the UND budget.
- Approves $68.3 million for a new School of Medicine and Health Sciences within the UND budget.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

232 UND Medical Center **Bill#: SB2003**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
UND-Medical Center	41,115,401	47,847,971	11,075,837	23.1%	58,923,808	7,314,806	15.3%	55,162,777
Total Major Programs	41,115,401	47,847,971	11,075,837	23.1%	58,923,808	7,314,806	15.3%	55,162,777
By Line Item								
Operating Expenses	41,115,401	47,847,971	11,075,837	23.1%	58,923,808	7,314,806	15.3%	55,162,777
Total Line Items	41,115,401	47,847,971	11,075,837	23.1%	58,923,808	7,314,806	15.3%	55,162,777
By Funding Source								
General Fund	41,115,401	47,847,971	11,075,837	23.1%	58,923,808	7,314,806	15.3%	55,162,777
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	0	0	0	0.0%	0	0	0.0%	0
Total Funding Source	41,115,401	47,847,971	11,075,837	23.1%	58,923,808	7,314,806	15.3%	55,162,777
Total FTE	137.43	156.55	0.00	0.0%	156.55	0.00	0.0%	156.55

Statutory Authority
ND Constitution Section 215, North Dakota Century Code Chapter 15-12.

Agency Description
North Dakota State University (NDSU) has in recent years solidified its position as one of the state's two flagship research universities. Perhaps more importantly in terms of its capacity to serve the state's interests, NDSU has become the first and remains the only North Dakota university ranked in the top tier of the Carnegie Commission on Higher Education and the ranks of the National Science Foundation's top 100 research universities (39th of those without a medical school), with over $134.0 million in annual sponsored scholarly research activity reported for the most recent national survey. Those rankings have opened up a steady progression of new partnership and funding opportunities, with other leading universities, private entities, and federal agencies, never before possible for a North Dakota university.

Nonetheless, NDSU is proud of its tradition as the state's student focused, land-grant, research institution. It embraces that responsibility as a cornerstone of its future productivity, and the contributions it can increasingly provide to North Dakota and the state's residents, as well as the nation's current and future interests.

The University also hosts the largest and most diverse full-time student enrollment in the state. The University enjoys its location in a vibrant and growing area of the state, and with a growing number of major corporate partners has shared a responsibility for creation of an environment that compliments and blends the experiences of its students, faculty and staff with the community in which they live while attending NDSU.

Major Accomplishments
1. Remained the state's first and only top ranked research university in the nation based on both the Carnegie Commission on Higher Education and the National Science Foundation, the two most recognized objective measures of university success.
2. Increased demand by prospective undergraduate students, in spite of efforts in recent years to slow enrollment growth and the necessitated elimination of most marketing budgets, has been reflected in new full time student enrollment records every year for the past 11 years, which in the fall of 2011 reached 14,399 students.
3. Continued improvement in the diversity of the NDSU student body, including in the fall of 2011 a record 1,282 international students representing 88 countries, and an increasing number of U.S. born students reflecting ethnic, cultural and geographical diversity.
4. Continued steadily increasing segments of NDSU's out-of-state-students are choosing to stay in North Dakota for their first job after graduation and contribute back above state averages to the tax base.
5. Set new records with record enrollment of graduate students reaching 2,376 in the fall of 2011.
6. Initiated efforts to improve the sense of welcome and support; retention and graduation rates; focus on students from historically under-represented populations, veterans, and others; and addressed high risk behaviors and other student issues.
7. Achieved a record 89 percent in student job placement in their major field of study. That success meets and exceeds many of the best universities in the nation.
8. Completed construction of the Beef Cattle Research Center and are nearing completion of the Research Greenhouse Complex's final phase. Both represent "game changing" state of the art facilities, which will draw national and international attention and resources.
9. Continued the involvement with the Research and Technology Park and emerging technology firms that have created several thousand new jobs, including employment of over 100 NDSU undergraduate and graduate students. Received national and international awards, including the "2010 Outstanding Incubator Graduate of the Year."
10. Enhanced academic computing infrastructure including upgrading the computer fiber network, routing and switching equipment and extending the state's Internet2 connection through the Northern Tier Network.
11. Established NDSU as one of the most successful overall NCAA Division-I athletic programs in the nation, and in the 2011-12 season was tied for most of the year with the University of North Carolina at Chapel Hill and the University of Alabama for the top program in the nation. Early in 2012 the football team won the Division-I national championship, with most other sports going on to post-season league and NCAA championship play.

Executive Budget Recommendation
- Recommends $29.6 million from the general fund for construction of a STEM Classroom and Laboratory building.
- Provides $6.4 million from the general fund to equalize funding between the research universities.
- Appropriates $12.8 million from the general fund for campus operations at $72.70 per adjusted student credit hour.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

235 North Dakota State University **Bill#: SB2003**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
North Dakota State University	146,698,091	217,336,396	(37,253,204)	(17.1%)	180,083,192	(1,556,557)	(0.7%)	215,779,839
Total Major Programs	146,698,091	217,336,396	(37,253,204)	(17.1%)	180,083,192	(1,556,557)	(0.7%)	215,779,839
By Line Item								
Operating Expenses	110,087,802	125,015,305	18,892,310	15.1%	143,907,615	19,272,934	15.4%	144,288,239
Capital Assets	8,409,934	3,004,927	29,415,650	978.9%	32,420,577	29,327,317	976.0%	32,332,244
Capital Assets Carryover	3,889,215	7,646,222	(7,646,222)	(100.0%)	0	(7,646,222)	(100.0%)	0
Capital Projects - Non-State	232,115	43,402,185	(39,647,185)	(91.3%)	3,755,000	(4,242,829)	(9.8%)	39,159,356
Capital Projects Carryover - Non-State	19,687,139	38,267,757	(38,267,757)	(100.0%)	0	(38,267,757)	(100.0%)	0
Deferred Maintenance	4,391,886	0	0	0.0%	0	0	0.0%	0
Total Line Items	146,698,091	217,336,396	(37,253,204)	(17.1%)	180,083,192	(1,556,557)	(0.7%)	215,779,839
By Funding Source								
General Fund	125,006,117	135,666,454	40,661,738	30.0%	176,328,192	40,954,029	30.2%	176,620,483
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	21,691,974	81,669,942	(77,914,942)	(95.4%)	3,755,000	(42,510,586)	(52.1%)	39,159,356
Total Funding Source	146,698,091	217,336,396	(37,253,204)	(17.1%)	180,083,192	(1,556,557)	(0.7%)	215,779,839
Total FTE	562.71	495.21	16.00	3.2%	511.21	0.00	0.0%	495.21

Statutory Authority
North Dakota Century Code 15-15.02.

Agency Description
NDSCS provides educational programs and services which serve the needs of individuals preparing for careers in the applied sciences/technologies. It serves the businesses and industries of North Dakota by working with employers on the design and delivery of customized training programs. It is the vision of the college to provide quality education/services "second to none" through our commitment to customer focus, employee development and continuous improvement.

NDSCS is committed to a philosophy that provides for the varied educational needs of each person through competent faculty, curriculum programs and educational experiences. Students have the opportunity to develop their full potential, obtain gainful employment and make satisfactory career progress. It provides students with practical hands-on and general-education knowledge and skills.

Major Accomplishments
1. Developed a policy on Reporting & Investigating Theft and Fraud. In addition, NDSCS has established a fraud hot-line and has publicly promoted this to all employees with campus-wide posters and material included in the Opening Week packets for all employees. NDSCS Human Resource Department has developed an Employee Code of Conduct.
2. Created a plan for water and sewer replacement and is in the new campus Master Plan.
3. Completed an integrated outsourcing collaboration. Worked with Validis (Bookstore partner) to develop processes to integrate financial aid, accounts receivable and student records with PeopleSoft.
4. Broke ground for the Bisek Hall expansion on April 10, 2012.
5. Secured a revenue bond of $9.0 million for the renovation of two residential halls.
6. Completed renovation of the Student Union in FY 2012, at a total cost of $1.2 million.
7. Received continued accreditation through the Institutional Actions Council (IAC) of the Higher Learning Commission's Academic Quality Improvement Program.
8. Received a sound financial rating in the 2011 university system funding analysis.
9. Received a Physical Plant Energy Enhancement Grant Award of $635,000 to replace light fixtures.
10. Completed Enrollment Service Office complex renovation project ($350,000) in the fall of 2012.
11. Achieved a 28-year high enrollment record.
12. Improved placement rate to 99 percent.
13. Reallocated $900,000 for a significant upgrade to the campus IT infrastructure needs.
14. Increased credit FTE to 2,366 demonstrating a 6.7 percent increase.
15. Increased credit headcount to 3,127 demonstrating a 10.4 percent increase.
16. Provided training to 709 businesses, for a 15.5 percent increase, through TrainND.
17. Received a TrainND business satisfaction rate of 99 percent.
18. Provided training to 2,245 employees (unduplicated) through TrainND, which is an 18.14 percent increase.

Executive Budget Recommendation
- Recommends $8.5 million from the general fund for renovation of Old Main.
- Provides $2.2 million from the general fund to equalize funding between the two-year colleges.
- Appropriates $4.5 million from the general fund for campus operations at $117.60 per adjusted student credit hour.
- Adds 1.75 FTE for campus security personnel.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

238 ND State College of Science **Bill#: SB2003**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
ND State College of Science	38,705,880	56,707,749	(9,668,531)	(17.0%)	47,039,218	(4,855,571)	(8.6%)	51,852,178
Total Major Programs	38,705,880	56,707,749	(9,668,531)	(17.0%)	47,039,218	(4,855,571)	(8.6%)	51,852,178
By Line Item								
Operating Expenses	31,318,402	34,186,542	1,956,862	5.7%	36,143,404	6,791,805	19.9%	40,978,347
Capital Assets	6,353,335	11,371,045	(1,825,231)	(16.1%)	9,545,814	(1,847,214)	(16.2%)	9,523,831
Capital Assets-Carryover	0	450,162	(450,162)	(100.0%)	0	(450,162)	(100.0%)	0
Capital Projects Non-State Funded	0	10,700,000	(9,350,000)	(87.4%)	1,350,000	(9,350,000)	(87.4%)	1,350,000
Deferred Maintenance	1,034,143	0	0	0.0%	0	0	0.0%	0
Total Line Items	38,705,880	56,707,749	(9,668,531)	(17.0%)	47,039,218	(4,855,571)	(8.6%)	51,852,178
By Funding Source								
General Fund	38,705,880	46,007,749	(318,531)	(0.7%)	45,689,218	4,494,429	9.8%	50,502,178
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	0	10,700,000	(9,350,000)	(87.4%)	1,350,000	(9,350,000)	(87.4%)	1,350,000
Total Funding Source	38,705,880	56,707,749	(9,668,531)	(17.0%)	47,039,218	(4,855,571)	(8.6%)	51,852,178
Total FTE	164.87	171.87	4.75	2.8%	176.62	1.75	1.0%	173.62

Statutory Authority
North Dakota Century Code 15-13-01.

Agency Description
Dickinson State University is a comprehensive state institution, one of 11 colleges and universities that make up the North Dakota University System. The university employs approximately 215 faculty and staff with an enrollment of approximately 2,300 students. More than 50 programs are offered at the undergraduate level. The institution is comprised of two colleges, the College of Arts and Sciences, and the College of Education, Business, and Applied Sciences. The majority of students come from North Dakota, Montana, and other Midwestern states. A strong contingent of international students representing approximately 28 different countries are also an important component of the student body.

Major Accomplishments
1. Received International Assembly for Collegiate Business Education (IACBE) accreditation for the DSU business programs.
2. Hosted the sixth annual Theodore Roosevelt Symposium entitled, “Theodore Roosevelt: In the Arena of the West,” along with the 92nd Annual Meeting of the Theodore Roosevelt Association
3. Launched the official Theodore Roosevelt Digital Presidential Library.
4. Held a week-long residency with the Elisa Monte Dance Company of New York City.
5. Had four DSU wrestlers make the Academic All-American Team.
6. Ranked within the top five in the Great Plains Region of the National Rodeo Intercollegiate Rodeo Association for both the men’s and women’s rodeo teams.
7. Received confirmation from the Smithsonian Institution’s National Museum of Natural History that a shrew captured in Billings County by a DSU professor of biology was properly identified as a Merriam’s shrew, or *Sorex merriami*.
8. Recognized by the North Dakota Professional Communicators for student publications in the school literary magazine, “Impressions” as well as the contributions of student editors and writers for “The Hawk”.
9. Granted full approval from the North Dakota Board of Nursing through 2016 for the DSU Department of Nursing.
10. Retired the remaining bond indebtedness on the Student Center, and today the institution is debt free.

Executive Budget Recommendation
- Provides $2.2 million from the general fund to equalize funding between the four-year colleges.
- Appropriates $3.0 million from the general fund for campus operations at $110.80 per adjusted student credit hour.
- Adds 4.00 FTE for campus security personnel.
- Recommends 1.00 FTE for a licensed student mental health counselor.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

239 Dickinson State University **Bill#: SB2003**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Dickinson State University	34,088,314	25,048,336	166,769	0.7%	25,215,105	3,034,478	12.1%	28,082,814
Total Major Programs	34,088,314	25,048,336	166,769	0.7%	25,215,105	3,034,478	12.1%	28,082,814
By Line Item								
Operating Expenses	21,535,149	23,283,539	1,514,322	6.5%	24,797,861	4,390,197	18.9%	27,673,736
Capital Assets	465,826	409,078	8,166	2.0%	417,244	0	0.0%	409,078
Capital Assets Carryover	227,818	1,218,798	(1,218,798)	(100.0%)	0	(1,218,798)	(100.0%)	0
Capital Projects Non-State Funded	10,728,887	136,921	(136,921)	(100.0%)	0	(136,921)	(100.0%)	0
Deferred Maintenance	1,130,634	0	0	0.0%	0	0	0.0%	0
Total Line Items	34,088,314	25,048,336	166,769	0.7%	25,215,105	3,034,478	12.1%	28,082,814
By Funding Source								
General Fund	23,009,427	24,911,415	303,690	1.2%	25,215,105	3,171,399	12.7%	28,082,814
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	11,078,887	136,921	(136,921)	(100.0%)	0	(136,921)	(100.0%)	0
Total Funding Source	34,088,314	25,048,336	166,769	0.7%	25,215,105	3,034,478	12.1%	28,082,814
Total FTE	92.96	100.32	9.50	9.5%	109.82	5.00	5.0%	105.32

Statutory Authority
ND Constitution Article VIII, Section 6; North Dakota Century Code Chapter 15-13.

Agency Description
Mayville State University is a regional, undergraduate institution of higher education with a focus on teaching and learning. The university operates as an institution within the North Dakota University System to provide instructional programs, which prepare students for successful careers as teachers in elementary and secondary schools and for positions in business.

Major Accomplishments
1. Maintained the five year average of freshmen to sophomore retention at 58.0 percent, which is similar to the national average for four year, open admission institutions.
2. Documented six year graduation of freshmen cohorts from Mayville State and other two year and four year universities and colleges is 47.0 percent.
3. Increased distance degree seeking students by 17.0 percent to154 since fall of 2009.
4. Increased total distance students by 15.0 percent to 389 since fall of 2009.
5. Built $1.4 million in operating reserves.
6. Eliminated number 2 fuel oil dependency with a 15 year energy performance contract which funded a coal burning power plant.
7. Reduced campus overall building square footage by 10.0 percent to 369,201 square feet.
8. Assembled comprehensive annual and planned giving team for foundation/ university.

Executive Budget Recommendation
- Recommends $5.8 million from the general fund for replacement and improvement to the Old Gymnasium.
- Authorizes $2.3 million for campus-wide drainage improvements.
- Provides $904,705 from the general fund to equalize funding between the four-year colleges.
- Appropriates $1.7 million from the general fund for campus operations at $110.80 per adjusted student credit hour.
- Adds 3.00 FTE for campus security personnel.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

240 Mayville State University **Bill#: SB2003**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Mayville State University	21,465,647	15,509,645	6,679,728	43.1%	22,189,373	8,310,013	53.6%	23,819,658
Total Major Programs	21,465,647	15,509,645	6,679,728	43.1%	22,189,373	8,310,013	53.6%	23,819,658
By Line Item								
Operating Expenses	11,879,616	12,830,788	932,593	7.3%	13,763,381	2,562,878	20.0%	15,393,666
Capital Assets	4,260,483	443,505	7,982,487	1,799.9%	8,425,992	7,982,487	1,799.9%	8,425,992
Capital Assets Carryover	0	1,227,707	(1,227,707)	(100.0%)	0	(1,227,707)	(100.0%)	0
Capital Projects Non-State Funded	3,674,887	201,500	(201,500)	(100.0%)	0	(201,500)	(100.0%)	0
Capital Projects Carryover	0	806,145	(806,145)	(100.0%)	0	(806,145)	(100.0%)	0
Deferred Maintenance	1,650,661	0	0	0.0%	0	0	0.0%	0
Total Line Items	21,465,647	15,509,645	6,679,728	43.1%	22,189,373	8,310,013	53.6%	23,819,658
By Funding Source								
General Fund	17,790,760	14,502,000	7,687,373	53.0%	22,189,373	9,317,658	64.3%	23,819,658
Federal Funds	0	76,500	(76,500)	(100.0%)	0	(76,500)	(100.0%)	0
Special Funds	3,674,887	931,145	(931,145)	(100.0%)	0	(931,145)	(100.0%)	0
Total Funding Source	21,465,647	15,509,645	6,679,728	43.1%	22,189,373	8,310,013	53.6%	23,819,658
Total FTE	58.72	62.78	3.00	4.8%	65.78	3.00	4.8%	65.78

Statutory Authority
ND Constitution Article VIII, Section 6; North Dakota Century Code Chapters 15-10 and 15-13.

Agency Description
Minot State University is a regional, public institution located in the northwest region of North Dakota, serving students from Minot, the region, state, nation, and other countries. Undergraduate and graduate courses and programs are offered on campus and at a distance, through face-to-face, online, and alternative modes of delivery. Non-credit and professional training and experiences are offered to students and community members.

Major Accomplishments
1. Built dikes to protect the campus from the Souris River flood of 2011. This effort was successful, containing flood waters at the southern border of the campus. With a protected facility, Minot State was able to serve as the northern base of operations for Red Cross, National Guard, DOT, FEMA, and many other rescue/aid organizations.
2. Reduced budgets successfully to live within the diminished student enrollment (tuition) after the flood. While fiscal challenges remain, MiSU did not look to others to solve this particular problem. It is important to note that, while flood protection efforts were successful, many campus infrastructure systems did sustain damage (roads, storm sewers, sidewalks, curb and gutter, utility tunnels, parking lots, etc). FEMA will only reimburse a portion of the restoration costs, meaning Minot State will eventually seek additional state support.
3. Expanded support services to students through a federal TRIO grant and a new center for student-veterans. Both services are located in the administration/ student center complex and serve to increase student retention and completion rates.

Executive Budget Recommendation
- Recommends $1.8 million from the general fund for the Physical Plant Services building.
- Appropriates $4.7 million from the general fund for campus operations at $110.80 per adjusted student credit hour.
- Adds 3.00 FTE for campus security personnel.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

241 Minot State University **Bill#: SB2003**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Minot State University	48,869,833	72,562,663	(18,166,873)	(25.0%)	54,395,790	(15,474,460)	(21.3%)	57,088,203
Total Major Programs	48,869,833	72,562,663	(18,166,873)	(25.0%)	54,395,790	(15,474,460)	(21.3%)	57,088,203
By Line Item								
Operating Expenses	34,935,119	37,838,974	2,033,506	5.4%	39,872,480	4,725,919	12.5%	42,564,893
Capital Assets	921,082	5,749,620	(3,028,095)	(52.7%)	2,721,525	(3,028,095)	(52.7%)	2,721,525
Capital Assets Carryover	4,284,970	3,910,722	(3,910,722)	(100.0%)	0	(3,910,722)	(100.0%)	0
Capital Projects non-state funded	2,979,989	15,534,668	(3,732,883)	(24.0%)	11,801,785	(3,732,883)	(24.0%)	11,801,785
Capital Projects Carryover	638,497	9,528,679	(9,528,679)	(100.0%)	0	(9,528,679)	(100.0%)	0
Deferred Maintenance	110,176	0	0	0.0%	0	0	0.0%	0
Capital Assets Federal Stimulus Funds	5,000,000	0	0	0.0%	0	0	0.0%	0
Total Line Items	48,869,833	72,562,663	(18,166,873)	(25.0%)	54,395,790	(15,474,460)	(21.3%)	57,088,203
By Funding Source								
General Fund	40,251,347	47,499,316	(4,905,311)	(10.3%)	42,594,005	(2,212,898)	(4.7%)	45,286,418
Federal Funds	5,000,000	0	0	0.0%	0	0	0.0%	0
Special Funds	3,618,486	25,063,347	(13,261,562)	(52.9%)	11,801,785	(13,261,562)	(52.9%)	11,801,785
Total Funding Source	48,869,833	72,562,663	(18,166,873)	(25.0%)	54,395,790	(15,474,460)	(21.3%)	57,088,203
Total FTE	187.83	201.76	3.00	1.5%	204.76	3.00	1.5%	204.76

Statutory Authority
ND Constitution, Article VIII, Section 6.

Agency Description
Valley City State University, operating as a postsecondary educational institution within the North Dakota University System, serves the citizens of North Dakota and the surrounding area by offering a broad and diverse population of students an opportunity to challenge their individual learning capabilities.

Major Accomplishments
1. Achieved an all-time record enrollment in fall 2011 of 1,384 students, a 7.7 percent increase over fall 2010.
2. Established the Great Plains STEM Education Center in 2010, which provides professional education development for K-12 teachers seeking to improve teaching methodologies for instruction in STEM content areas, and provides materials and training to increase hands-on classroom applications of STEM content. Over the past two years, the Great Plains STEM Education Center has served 1,855 teachers, 1,254 K-12 students, and 351 preservice teachers.
3. Completed the third year of a $5.6 million Bush Foundation grant, as part of a consortium with NDSU and Minnesota State University - Moorhead to improve teacher training and further strengthen teacher education in the region over the next 10 years.
4. Graduated the largest class of Master's degree students to date (48 students) in May 2012; record Fall 2011 enrollment in the graduate program of 157 students.
5. Named the #1 Public Regional College in the Midwest by US News and World Report for 2012. This is VCSU's 14 year in a row on the list and the first time in the #1 ranking.
6. Completed new agreements with partner Universities in LaPaz, Mexico (UABCS) and in Hangzhou, China (ZJETP), for the exchange of students, faculty, and to further collaborative educational opportunities for faculty and students.
7. Completed a $1.0 million fund-raising campaign to install artificial turf at the newly dedicated Shelly Ellig Field at VCSU's Lokken Stadium.
8. Granted a 10-year reaccreditation by the Higher Learning Commission in 2012.
9. Achieved American Association of School Library national recognition for VCSU's M.Ed. Library Information and Technologies concentration.

Executive Budget Recommendation
- Recommends $3.6 million from the general fund for renovation of Vangstad Hall.
- Authorizes $505,800 from the general fund to for a hillside slope stabilization project.
- Provides $1.9 million from the general fund to equalize funding between the four-year colleges.
- Appropriates $2.4 million from the general fund for campus operations at $110.80 per adjusted student credit hour.
- Adds 3.00 FTE for campus security personnel.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

242 Valley City State University **Bill#: SB2003**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Valley City State University	22,012,919	30,378,334	(2,752,352)	(9.1%)	27,625,982	1,084,110	3.6%	31,462,444
Total Major Programs	22,012,919	30,378,334	(2,752,352)	(9.1%)	27,625,982	1,084,110	3.6%	31,462,444
By Line Item								
Operating Expenses	16,364,785	17,694,741	1,176,242	6.6%	18,870,983	4,410,281	24.9%	22,105,022
Capital Assets	1,231,938	10,756,735	(6,708,573)	(62.4%)	4,048,162	(6,106,150)	(56.8%)	4,650,585
Capital Assets Carryover	437,751	452,875	(452,875)	(100.0%)	0	(452,875)	(100.0%)	0
Capital Projects non-state funded	3,041,017	1,015,000	3,691,837	363.7%	4,706,837	3,691,837	363.7%	4,706,837
Capital Projects Carryover	0	458,983	(458,983)	(100.0%)	0	(458,983)	(100.0%)	0
Deferred Maintenance	878,524	0	0	0.0%	0	0	0.0%	0
Campus Operations	58,904	0	0	0.0%	0	0	0.0%	0
Total Line Items	22,012,919	30,378,334	(2,752,352)	(9.1%)	27,625,982	1,084,110	3.6%	31,462,444
By Funding Source								
General Fund	18,884,030	28,904,351	(5,985,206)	(20.7%)	22,919,145	(2,248,744)	(7.8%)	26,655,607
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	3,128,889	1,473,983	3,232,854	219.3%	4,706,837	3,332,854	226.1%	4,806,837
Total Funding Source	22,012,919	30,378,334	(2,752,352)	(9.1%)	27,625,982	1,084,110	3.6%	31,462,444
Total FTE	90.37	97.29	3.00	3.1%	100.29	3.00	3.1%	100.29

Statutory Authority
ND Constitution Article XIX, Section 216.

Agency Description
A referendum in 1894 stated that a school of forestry should be located in Bottineau, North Dakota, to provide, in addition to forestry, comprehensive community college curricula. The North Dakota Century Code also identified the role of Dakota College at Bottineau as offering programs in agriculture, forestry, and horticulture. Since then, the college has expanded its natural resource programming, and has also added programs in other areas that serve the needs of its constituents. For example, business, information technology, allied health, and general education/liberal arts courses now comprise a majority of the college's inventory of program offerings for students enrolled in transfer, career, and technical curriculums. For over 100 years, as the North Dakota School of Forestry, NDSU-Bottineau, MSU-Bottineau, and Dakota College, the institution has prepared men and women to become contributing members of society. Most recently, the campus has adopted a "Nature, Technology, and Beyond" focus that endeavors to leave students with a care and concern for the environment.

An institutional name change from Minot State University-Bottineau to Dakota College at Bottineau did not change the college's affiliation with Minot State. That affiliation continues to grow stronger.

Major Accomplishments
1. Constructed high tunnel greenhouses and a wash-pack facility that will comprise the facility components of the Entrepreneurial Center for Horticulture (ECH) which will be completed in FY 2013.
2. Continued the Bridges program on the VCSU campus, which allows students who are currently not eligible for admission to VCSU the ability to attend Dakota College at Bottineau (DCB) classes on the Valley City campus until such time as they are eligible. These students become eligible for VCSU admission after the completion of 24 DCB credits.
3. Continued the Passport program on the MiSU campus, which allows students who are currently not eligible for admission to MiSU the ability to attend Dakota College at Bottineau (DCB) classes on the Minot campus until such time as they are eligible. These students become eligible for MiSU admission after the completion of 24 DCB credits.
4. Received accreditation from the Higher Learning Commission (HLC) until 2020. The campus was described by the HLC as follows: The institutional climate at DCB is outstanding. This college may be the most positive, yet smallest, community college the team members have visited. Although DCB is one of the smallest among the numerous North Dakota institutions, its learning resources support student learning and effective teaching in broad sweeping ways comparable to many larger institutions.
5. Sponsored the annual Earth Day learning event, which is attended by students, faculty, staff, community, and area high school students.
6. Developed a capstone program to be implemented in Fall 2012. The purpose of the program is to serve as a resume, assessment tool and reflection of Dakota College's Nature, Technology, and Beyond focus for individuals enrolled in the program.
7. Developed an honors program to be implemented in Fall 2012. The purpose of the program is to stretch and inspire the campus to build enrollment and quality.
8. Developed a land management program and will begin enrolling students in Spring 2013.

Executive Budget Recommendation
- Recommends $395,600 from the general fund for campus backup generator.
- Provides $968,128 from the general fund to equalize funding between the two-year colleges.
- Appropriates $918,511 from the general fund for campus operations at $117.60 per adjusted student credit hour.
- Adds 3.00 FTE for campus security personnel.
- Adds 1.00 FTE for a licensed student mental health counselor.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

243 Dakota College at Bottineau **Bill#: SB2003**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Dakota College at Bottineau	7,222,105	7,994,350	7,580,207	94.8%	15,574,557	8,493,935	106.2%	16,488,285
Total Major Programs	7,222,105	7,994,350	7,580,207	94.8%	15,574,557	8,493,935	106.2%	16,488,285
By Line Item								
Operating Expenses	5,923,784	6,489,750	972,703	15.0%	7,462,453	1,886,639	29.1%	8,376,389
Capital Assets	1,175,932	815,507	(304,192)	(37.3%)	511,315	(304,400)	(37.3%)	511,107
Capital Assets Carryover	668	13,793	(13,793)	(100.0%)	0	(13,793)	(100.0%)	0
Capital Projects non-state funded	24,700	0	7,600,789	100.0%	7,600,789	7,600,789	100.0%	7,600,789
Capital Projects Carryover	0	675,300	(675,300)	(100.0%)	0	(675,300)	(100.0%)	0
Deferred Maintenance	97,021	0	0	0.0%	0	0	0.0%	0
Total Line Items	7,222,105	7,994,350	7,580,207	94.8%	15,574,557	8,493,935	106.2%	16,488,285
By Funding Source								
General Fund	7,197,405	7,319,050	654,718	8.9%	7,973,768	1,568,446	21.4%	8,887,496
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	24,700	675,300	6,925,489	1,025.5%	7,600,789	6,925,489	1,025.5%	7,600,789
Total Funding Source	7,222,105	7,994,350	7,580,207	94.8%	15,574,557	8,493,935	106.2%	16,488,285
Total FTE	34.81	36.12	8.50	23.5%	44.62	4.00	11.1%	40.12

Statutory Authority
ND Constitution, Article VIII, Section 6.

Agency Description
The State Forester has the statutory authority and responsibility to meet the forestry needs in North Dakota. The North Dakota Forest Service administers forestry programs statewide. The agency operates a conifer tree nursery at Towner. Technical and financial assistance for management of private forest lands, state forest lands, urban and community forests, tree planting and wildland fire protection are provided. The North Dakota Forest Service owns and manages approximately 13,278 acres of state forest lands.

Major Accomplishments
1. Assisted six percent of biomass and wood utilization businesses in utilizing forest and municipal wood waste for renewable energy resulting in the installation of a biomass heating system demonstration in a public works facility in Bismarck.
2. Enhanced community wildfire protection resulting in the preparation of 17 County Wildfire Protection Plans encompassing 32 percent of North Dakota's counties.
3. Enhanced rural fire department capacity through wildland firefighter training provided to 379, or 95 percent, of rural fire departments.
4. Provided wildland fire awareness and prevention programs, including firewise concepts, to 53 or 100 percent of North Dakota's counties.
5. Raised public awareness and fostered individual responsibility for conserving forest resources by delivering environmental education to 1,214 K-12 teachers (18 percent) and 32,218 K-12 students (31 percent).
6. Promoted professionalism in the tree care industry through training provided to 84 arborists (37 percent) certified according to International Society of Arboriculture standards.
7. Supplied conservation tree planting needs of customers through the sale of 1,273,151 nursery seedlings.
8. Sustained North Dakota's natural resources through the active forest management and protection services for 87,068 acres or 21 percent of privately-owned forest lands.
9. Ensured the health and sustainability of 640,000 acres of "at risk" forest resources through continuous surveys for damaging pests and agents.
10. Provided quality outdoor state forest experiences on 2,152 acres or 16 percent of the state forests under multiple use management.

Executive Budget Recommendation
- Provides $387,704 from the general fund for a 1.00 FTE forester and operating expenses for the forest restoration initiative.
- Approves $266,894 from the general fund for 4 percent annual salary increases, health insurance premium increases, and the state share of increased retirement contributions.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

244 North Dakota Forest Service **Bill#: SB2003**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Operations	4,224,747	6,051,542	58,540	1.0%	6,110,082	221,270	3.7%	6,272,812
Capital Assets	458,600	144,074	742,136	515.1%	886,210	742,136	515.1%	886,210
Total Major Programs	4,683,347	6,195,616	800,676	12.9%	6,996,292	963,406	15.5%	7,159,022
By Line Item								
Operating Expenses	4,224,747	5,764,681	345,401	6.0%	6,110,082	508,131	8.8%	6,272,812
Capital Assets	413,024	103,791	782,419	753.8%	886,210	782,419	753.8%	886,210
Deferred Maintenance	45,576	0	0	0.0%	0	0	0.0%	0
Biennium Carryover	0	327,144	(327,144)	(100.0%)	0	(327,144)	(100.0%)	0
Total Line Items	4,683,347	6,195,616	800,676	12.9%	6,996,292	963,406	15.5%	7,159,022
By Funding Source								
General Fund	3,780,957	4,287,283	1,059,009	24.7%	5,346,292	1,221,739	28.5%	5,509,022
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	902,390	1,908,333	(258,333)	(13.5%)	1,650,000	(258,333)	(13.5%)	1,650,000
Total Funding Source	4,683,347	6,195,616	800,676	12.9%	6,996,292	963,406	15.5%	7,159,022
Total FTE	26.00	28.00	2.00	7.1%	30.00	1.00	3.6%	29.00

Statutory Authority
North Dakota Century Code Chapter 54-24.

Agency Description
The North Dakota State Library provides statewide leadership to public and school libraries. The State Library provides comprehensive informational resources for all citizens in the state. Services include training librarians, board members, teachers, students, and citizens; collecting, organizing, and cataloging state documents; developing the statewide online library catalog; facilitating interlibrary loan for all libraries and citizens statewide; distributing grants on a competitive basis; and coordinating Online Library Resources for libraries and citizens. State Library staff provide technical assistance and library development services to public and school libraries statewide.

Major Accomplishments
1. Established partnerships through the Library Vision 2014 initiative, which provides a long-range plan for coordinated library services in North Dakota.
2. Assisted in adding additional libraries to the statewide on-line library catalog through the cataloging of materials and training of staff.
3. Continued development of an extensive inter-library loan system, acting as the "hub" for the state; facilitated over 60,000 inter-library loan requests last biennium.
4. Provided professional reference services to librarians and citizens statewide; provided databases available to all North Dakotans.
5. Conducted extensive training for librarians and board members to learn to use the statewide on-line library catalog and the On-line Library Resources available to North Dakota citizens and libraries; provided three statewide training workshops for librarians and board members.
6. Continued the establishment of an electronic state document retrieval and delivery service.
7. Administered Library Vision 2014 (LV2014) grant funds and federal Library Services and Technology Act (LSTA) grant funds; administered the State Aid to Public Libraries grant program.
8. Continued to facilitate Dakota Radio Information Service (DRIS) programing to eastern North Dakota through a partnership with Minnesota; provided DRIS programing to central and western North Dakota; provided Talking Book services to 2,500 registered North Dakotans.
9. Established a department of three professional librarians who provide technical assistance to public and school libraries throughout the state in all areas of librarianship, including long-range planning, disaster planning, policies and procedures establishment, budgeting, and personnel development.

Executive Budget Recommendation
- Increases state aid to public libraries by $266,500, from $1,500,000 to $1,766,500.
- Provides $275,000 for a new pilot program to provide matching grants for library maintenance and repair projects.
- Provides $285,079, of which $262,272 is from the general fund, for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

250 State Library **Bill#: HB1013**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Administration	591,538	613,087	21,929	3.6%	635,016	320,829	52.3%	933,916
Services	4,448,162	5,047,998	289,148	5.7%	5,337,146	361,518	7.2%	5,409,516
Programs	1,548,007	1,737,500	0	0.0%	1,737,500	541,500	31.2%	2,279,000
Total Major Programs	6,587,707	7,398,585	311,077	4.2%	7,709,662	1,223,847	16.5%	8,622,432
By Line Item								
Salaries and Wages	3,089,438	3,450,359	111,077	3.2%	3,561,436	482,347	14.0%	3,932,706
Operating Expenses	1,457,071	1,695,726	200,000	11.8%	1,895,726	200,000	11.8%	1,895,726
Grants	2,041,198	2,252,500	0	0.0%	2,252,500	541,500	24.0%	2,794,000
Total Line Items	6,587,707	7,398,585	311,077	4.2%	7,709,662	1,223,847	16.5%	8,622,432
By Funding Source								
General Fund	4,650,110	5,263,975	76,360	1.5%	5,340,335	957,610	18.2%	6,221,585
Federal Funds	1,868,920	2,042,758	234,717	11.5%	2,277,475	266,237	13.0%	2,308,995
Special Funds	68,677	91,852	0	0.0%	91,852	0	0.0%	91,852
Total Funding Source	6,587,707	7,398,585	311,077	4.2%	7,709,662	1,223,847	16.5%	8,622,432
Total FTE	29.75	29.75	0.00	0.0%	29.75	0.00	0.0%	29.75

Statutory Authority
ND State Constitution Article IX, Section 12; North Dakota Century Code Chapter 25-07.

Agency Description
North Dakota School for the Deaf/Resource Center for Deaf and Hard of Hearing (NDSD/RCDHH) provides education to persons of all ages who are deaf/hard of hearing.

NDSD/RCDHH utilizes specialized methods of instruction and provides a comprehensive program with emphasis on the development of language, both receptive and expressive. NDSD/RCDHH provides a parent/infant program that serves children ages birth to three years of age and their families with specialized instruction in the homes.

Pre-kindergarten to grade 8 educational programming is provided at NDSD/RCDHH. Educational services for grades 9 through graduation are provided in partnership with the district of residence, Devils Lake Public Schools and/or accredited distance education options.

Outreach services include assessments, evaluations, consultations, instruction and in-service training specific to the hearing loss.

NDSD/RCDHH also provides summer camp for children with hearing loss. Siblings are also invited to attend.

NDSD/RCDHH is a statewide comprehensive resource providing services to infants through senior citizens who are deaf/hard of hearing. As per the recommendation of the NDSD/RCDHH Future Services Plan, “The NDSD/RCDHH will be responsible for the maintenance and coordination of existing services, identification and provision of expanded services, expansion of outreach services, development of a model/laboratory school and other related, non-duplicative services for individuals who are deaf or hard of hearing.”

The North Dakota Dual Sensory Project provides technical assistance, resource library and in-service training.

Major Accomplishments
1. Implemented a new name and statewide mission - North Dakota School for the Deaf/Resource Center for Deaf and Hard of Hearing (NDSD/RCDHH).
2. Hired a position specific for adult services statewide.
3. Demolished an apartment house and garages.
4. Renovated the Spears Buildings.
5. Continued partnership for grades 9 to 12 with Devils Lake Public Schools. (Three students graduated on May 27, 2012.)
6. Continued rental of space to Lake Region State College.
7. Developed a working strategic plan.
8. Collected relevant data to identify the number of students, infants and families that are served by NDSD/RCDHH faculty and staff.
9. Contracted with cochlear implant specialist consultant to provide workshops and consultations with NDSD/RCDHH outreach personnel.
10. Provided support and professional development of educational interpreters in the state through the partnership of NDSD/RCDHH and Lake Region College.

Executive Budget Recommendation
- Provides $16,384 special fund authority to increase the construction inflation allowance for extraordinary repair projects.
- Provides $75,176 special funds authority and .67 FTE to expand partial year teacher positions to year round adult services positions.
- Provides $328,495 from the general fund to maintain teachers on the statewide composite salary schedule.
- Provides $427,890, of which $410,774 is from the general fund, for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

252 School for the Deaf **Bill#: HB1013**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Education and Outreach	7,011,607	9,152,389	513,898	5.6%	9,666,287	1,195,269	13.1%	10,347,658
Total Major Programs	7,011,607	9,152,389	513,898	5.6%	9,666,287	1,195,269	13.1%	10,347,658
By Line Item								
Salaries and Wages	4,980,439	5,932,638	447,218	7.5%	6,379,856	1,112,205	18.7%	7,044,843
Operating Expenses	1,383,814	1,633,910	274,884	16.8%	1,908,794	274,884	16.8%	1,908,794
Capital Assets	175,932	1,240,230	(62,593)	(5.0%)	1,177,637	(46,209)	(3.7%)	1,194,021
Capital Construction Carry	232,887	118,677	(118,677)	(100.0%)	0	(118,677)	(100.0%)	0
Deferred Maintenance	65,469	0	0	0.0%	0	0	0.0%	0
Grants	173,066	226,934	(26,934)	(11.9%)	200,000	(26,934)	(11.9%)	200,000
Total Line Items	7,011,607	9,152,389	513,898	5.6%	9,666,287	1,195,269	13.1%	10,347,658
By Funding Source								
General Fund	6,422,806	6,864,382	340,296	5.0%	7,204,678	907,608	13.2%	7,771,990
Federal Funds	288,360	295,676	26,089	8.8%	321,765	47,950	16.2%	343,626
Special Funds	300,441	1,992,331	147,513	7.4%	2,139,844	239,711	12.0%	2,232,042
Total Funding Source	7,011,607	9,152,389	513,898	5.6%	9,666,287	1,195,269	13.1%	10,347,658
Total FTE	43.94	43.94	0.00	0.0%	43.94	0.67	1.5%	44.61

Statutory Authority
ND Constitition, Article IX, Section 12; North Dakota Century Code Chapter 25-06.

Agency Description
North Dakota Vision Services/School for the Blind is a statewide comprehensive resource that works cooperatively with related agencies in providing a full range of services to persons of all ages who are blind or visually impaired, including those with additional disabilities. Services include evaluation, consultation, and instruction in the vision specific related areas (i.e. orientation and mobility, braille, daily living skills, technology, career/vocational, recreation/leisure and functional vision). Services provided via the Vision Resource Center include adaptive materials and equipment, NIMAS, Talking Book Machine Lending Agency, braille productions, the vision services "store," descriptive videos, and the professional and consumer library. Additional services include support to parents and families, adult evaluation and training, summer camp and in-service training.

Major Accomplishments
1. Continued ongoing development of short term center-based programming providing instruction in all areas of academic and disability-specific core curricula based on individualized assessment of needs.
2. Received maximum re-accreditation from National Accreditation Council for Blind and Low Vision Services.
3. Increased services to adults in orientation and mobility, independent living skills, career education, use of assistive technology, and low vision.
4. Strengthened the collaboration with related entities (i.e. vocational rehabilitation counselors, vision rehabilitation specialist, local school personnel, and family members) and development of a cooperative strategic plan with Vocational Rehabilitation.
5. Updated strategic plan.
6. Completed building and grounds master plan.

Executive Budget Recommendation
- Provides $241,500 from the general fund for installation of an elevator to provide access to the second floor of the South Wing of the building.
- Provides $189,000 from the general fund for replacement of existing wall panels in the West Wing of the building with new energy efficient window/wall systems.
- Provides $203,465 from the general fund to maintain teacher salaries on the statewide teacher composite salary schedule.
- Provides $325,705, of which $309,419 is from the general fund, for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

253 ND Vision Services/School for the Blind **Bill#: HB1013**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested		Requested Budget 2013-2015	2013-2015 Recommended		Executive Recommendation 2013-2015
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Education	4,050,211	4,632,331	245,781	5.3%	4,878,112	1,102,890	23.8%	5,735,221
Total Major Programs	4,050,211	4,632,331	245,781	5.3%	4,878,112	1,102,890	23.8%	5,735,221
By Line Item								
Salaries and Wages	3,361,958	3,815,825	209,581	5.5%	4,025,406	636,190	16.7%	4,452,015
Operating Expenses	609,342	751,506	(30,700)	(4.1%)	720,806	(30,700)	(4.1%)	720,806
Capital Assets	21,555	65,000	66,900	102.9%	131,900	497,400	765.2%	562,400
Deferred Maintenance	57,356	0	0	0.0%	0	0	0.0%	0
Total Line Items	4,050,211	4,632,331	245,781	5.3%	4,878,112	1,102,890	23.8%	5,735,221
By Funding Source								
General Fund	3,503,596	3,797,240	246,096	6.5%	4,043,336	1,078,626	28.4%	4,875,866
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	546,615	835,091	(315)	-0.0%	834,776	24,264	2.9%	859,355
Total Funding Source	4,050,211	4,632,331	245,781	5.3%	4,878,112	1,102,890	23.8%	5,735,221
Total FTE	29.50	29.50	0.00	0.0%	29.50	0.00	0.0%	29.50

Statutory Authority
North Dakota Century Code Chapter 15-20.1-3 and Carl D Perkins Vocational and Applied Technology Act of 1998.

Agency Description
The Department of Career and Technical Education (DCTE) provides leadership, technical assistance and fiscal support of career and technical education to public school districts, area career and technology centers, state colleges and universities, state institutions and tribal colleges. DCTE is responsible for administering federal and state legislation and funding. The department believes the effort will be enhanced through the establishment of quality instructional programs that derive standards from industry and use industry certifications to validate both program instruction and student performance. The department also establishes standards for teacher certification, curriculum development, access for special populations, and focuses on equity in programs, activities, and services at all levels of education. The Career and Technical Education governing board recognizes that a qualified, skilled workforce is essential to the economic well being of North Dakota's business, industry and public sector.

Major Accomplishments
1. Integrated student/school data collection into the Department of Public Instruction STARS data collection system, effectively eliminating extra data reporting requirements for local schools.
2. Developed a partnership with the Information Technology Council of North Dakota (ITCND) to promote IT programs of study and IT career awareness.
3. Developed coordinated plans of study to assist students in career planning and qualifying for the new CTE scholarship.
4. Continued to monitor and assist three pilot "virtual" area CTE centers established by the 2007-09 legislature which bring new CTE programming to 48 schools.
5. Adopted and made available to all schools a new 7-12 career planning curricula.

Executive Budget Recommendation
- Provides $22.1 million for general fund grants to secondary and post-secondary CTE programs.
- Adds $500,000 to continue CTE reimbursement percentage rates at the current level.
- Adds $1.0 million to increase CTE course offerings.
- Adds $1.0 million to fund a proposed virtual area CTE center.
- Removes a vacant .5 FTE position.
- Provides $378,311, of which $370,744 is from the general fund, for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

270 Career and Technical Education **Bill#: SB2019**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Administration	3,109,373	3,736,429	58,506	1.6%	3,794,935	446,727	12.0%	4,183,156
Technical Assistance	32,076,270	35,012,138	(613,397)	(1.8%)	34,398,741	1,929,163	5.5%	36,941,301
Total Major Programs	35,185,643	38,748,567	(554,891)	(1.4%)	38,193,676	2,375,890	6.1%	41,124,457
By Line Item								
Salaries and Wages	3,864,289	4,362,974	71,411	1.6%	4,434,385	497,192	11.4%	4,860,166
Operating Expenses	730,517	1,253,339	0	0.0%	1,253,339	0	0.0%	1,253,339
Grants	26,533,583	29,025,000	(626,302)	(2.2%)	28,398,698	1,878,698	6.5%	30,903,698
Postsecondary Grants	357,452	357,452	0	0.0%	357,452	0	0.0%	357,452
Adult Farm Management	699,802	749,802	0	0.0%	749,802	0	0.0%	749,802
Workforce Training	3,000,000	3,000,000	0	0.0%	3,000,000	0	0.0%	3,000,000
Total Line Items	35,185,643	38,748,567	(554,891)	(1.4%)	38,193,676	2,375,890	6.1%	41,124,457
By Funding Source								
General Fund	25,981,008	27,981,679	0	0.0%	27,981,679	2,852,293	10.2%	30,833,972
Federal Funds	9,172,118	10,561,914	(554,891)	(5.3%)	10,007,023	(476,403)	(4.5%)	10,085,511
Special Funds	32,517	204,974	0	0.0%	204,974	0	0.0%	204,974
Total Funding Source	35,185,643	38,748,567	(554,891)	(1.4%)	38,193,676	2,375,890	6.1%	41,124,457
Total FTE	28.50	27.50	0.00	0.0%	27.50	(0.50)	(1.8%)	27.00

Statutory Authority
North Dakota Century Code Titles 19, 23, 25 and 61.

Agency Description
- Works closely with the U.S. Environmental Protection Agency (EPA) to safeguard the quality of North Dakota's air, land and water resources through permitting, inspecting, sampling, analytical services and monitoring activities.
- Enables communities to promote healthy behaviors that prevent injury, illness and disease through various state and federal programs.
- Manages programs leading to the detection, diagnosis, analysis, reporting, intervention/referral and follow-up of diseases.
- Provides leadership and oversight for public health and medical emergency preparedness and response efforts in the state.
- Regulates and supports food and lodging establishments, emergency medical services and healthcare facilities including hospitals, home health agencies, nursing facilities, basic care facilities, intermediate care facilities for the mentally retarded, and clinical laboratory services.

Major Accomplishments
1. Facilitated emergency response during the 2011 flood.
2. Received more than 8,000 calls to the Tobacco Quitline in FY 2011. Maintained more than 1,500 active accounts on QuitNet.
3. Received Gold Certification of the North Dakota Cancer Registry in 2011 and 2012 for data accuracy, completeness and timeliness of reporting.
4. Screened 62 North Dakotans as part of the state funded colorectal cancer screening initiative.
5. Worked with the North Dakota Cancer Coalition to revise the North Dakota Cancer Plan for 2011-16.
6. Exceeded the *Women's Way* Program screening goal of 3,200 women.
7. Developed and implemented a nurse aide registry.
8. Established a statewide worksite wellness program.
9. Completed enrollment of 35 out of 42 eligible hospitals in the State Stroke Registry Program.
10. Maintained a 90.0 percent rate of compliance in the air, waste, water discharge and public water supply programs.
11. Published "Chronic Disease in North Dakota: A Status Report for 2010".
12. Implemented a local public health regional network pilot project.
13. Implemented new Emergency Medical Services Grant Program.
14. Obligated more than $620,000 for projects in the Suicide Prevention Program.
15. Placed 26 health professionals in shortage areas.
16. Collaborated to secure a $4.9 million grant for a mobile simulator training program.
17. Participated in implementation of the ST-Elevation Myocardial Infarction (STEMI) project.
18. Promulgated new state food code regulations.
19. Achieved a 77.6 percent primary series vaccination rate.
20. Investigated three foodborne outbreaks resulting in over 100 people reporting illness.

Executive Budget Recommendation
- Provides 9.00 FTE and $3.3 million, to handle the additional inspection, monitoring and enforcement activities that are a result of the increased oil production. Of that amount, $2.9 million is from the general fund and $390,490 is from special funds. Also included in that amount is $1.2 million to the local public health units in the three western health districts to assist with staff shortages and increased demand for nursing and environmental health services.
- To assist with the increasing number of autopsies, the executive recommendation provides $640,000 from the general fund to contract with the University of North Dakota Medical School to conduct autopsies for counties in the eastern part of the state. This will also provide increased academic and educational opportunities at UND in forensic pathology.
- Provides an additional $1.0 million for universal vaccines. With the new limitations on the use of 317 vaccines, additional population and increasing number of required vaccines, the currently appropriated funding will not be sufficient.
- In an attempt to continue to recruit physicians to practice in North Dakota, funding is provided to continue the loan repayment plans. Provided $270,000 for the medical loans and $180,000 for the dental loans. In addition, the Veterinary Loan program is continued with $155,000.
- Ongoing legal challenges against the Environmental Protection Agency are anticipated to cost an additional $500,000 which is recommended from the general fund.
- Provides funding of $276,600 for a pilot Community Paramedic and Community Healthcare Worker program, of which $141,600 is one-time funding for educational startup costs and $135,000 is for ongoing expenses. The program would coordinate workers to utilize the down time of paramedics between ambulance calls in order to assist Community Health workers.
- Increases funding for rural EMS grants by $2.4 million from the general fund, for a total of $6.6 million to be distributed for the biennium.
- Increases state aid for local public health with $750,000 from the general fund to be distributed to public health units in non-oil producing counties.
- Allows the replacement of the current Food and Lodging licensing management system with $110,000 general funding. The new system will provide on-line license renewals and electronic submitting of field inspection reports.
- Increases funding for colorectal cancer screening by $125,000 from the general fund.
- Provides $4.5 million, of which $2.4 million is from the general fund, for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

301 ND Department of Health **Bill#: SB2004**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Administrative Support	9,176,161	10,873,018	1,165,411	10.7%	12,038,429	7,678,324	70.6%	18,551,342
Medical Services	11,765,942	34,024,362	(18,562,548)	(54.6%)	15,461,814	(16,688,975)	(49.1%)	17,335,387
Health Resources	7,206,807	8,655,103	328,534	3.8%	8,983,637	743,363	8.6%	9,398,466
Community Health	53,309,872	64,521,624	270,705	0.4%	64,792,329	546,326	0.8%	65,067,950
Environmental Health	53,120,992	52,993,754	(6,203,488)	(11.7%)	46,790,266	(3,140,322)	(5.9%)	49,853,432
Emergency Preparedness and Response	21,165,877	18,696,444	(1,216,934)	(6.5%)	17,479,510	1,542,612	8.3%	20,239,056
Special Populations	4,084,582	5,062,599	46,036	0.9%	5,108,635	693,732	13.7%	5,756,331
Total Major Programs	159,830,233	194,826,904	(24,172,284)	(12.4%)	170,654,620	(8,624,940)	(4.4%)	186,201,964
By Line Item								
Salaries and Wages	42,236,883	49,351,659	1,769,766	3.6%	51,121,425	8,797,819	17.8%	58,149,478
Operating Expenses	26,570,760	50,272,030	(15,198,036)	(30.2%)	35,073,994	(12,119,473)	(24.1%)	38,152,557
Capital Assets	1,593,821	1,998,073	(45,785)	(2.3%)	1,952,288	226,215	11.3%	2,224,288
Grants	55,528,571	58,528,038	(6,205,509)	(10.6%)	52,322,529	(1,211,509)	(2.1%)	57,316,529
Tobacco Prevention & Control	5,308,174	6,162,396	(637,873)	(10.4%)	5,524,523	(618,145)	(10.0%)	5,544,251
WIC Food Payments	17,915,331	24,158,109	501,752	2.1%	24,659,861	501,752	2.1%	24,659,861
Contingent Appropriation	0	864,371	(864,371)	(100.0%)	0	(864,371)	(100.0%)	0
Federal Stimulus Funds	10,676,693	3,492,228	(3,492,228)	(100.0%)	0	(3,337,228)	(95.6%)	155,000
Total Line Items	159,830,233	194,826,904	(24,172,284)	(12.4%)	170,654,620	(8,624,940)	(4.4%)	186,201,964
By Funding Source								
General Fund	24,739,222	33,878,151	(301,089)	(0.9%)	33,577,062	12,107,112	35.7%	45,985,263
Federal Funds	119,277,392	126,288,123	(5,456,210)	(4.3%)	120,831,913	(2,716,713)	(2.2%)	123,571,410
Special Funds	15,813,619	34,660,630	(18,414,985)	(53.1%)	16,245,645	(18,015,339)	(52.0%)	16,645,291
Total Funding Source	159,830,233	194,826,904	(24,172,284)	(12.4%)	170,654,620	(8,624,940)	(4.4%)	186,201,964
Total FTE	343.50	344.00	0.00	0.0%	344.00	10.00	2.9%	354.00

Statutory Authority
North Dakota Century Code 23.42.01 through 23.42.08; North Dakota Century Code 54.27.25.

Agency Description
Tobacco Prevention and Control Executive Committee, created by the passage of a statewide initiated measure in November 2008, performs the following essential functions for the state:

- Provides leadership to develop and fully implement a statewide, long-term comprehensive plan to significantly reduce tobacco use, the leading cause of preventable disease and death in North Dakota.
- Monitors and evaluates the effectiveness of the implementation of the statewide plan.
- Provides for an independent review of the plan to assure it is consistent with Center for Disease Control's Best Practices for Comprehensive Tobacco Control Programs, and reports the results to the Governor and State Health Officer each biennium.
- Develops and implements programs and policies that ensure that tobacco use and the sickness, disease, death and economic burden it places on all North Dakota residents, is reduced significantly over a matter of years rather than over many decades.
- Supports other state and local tobacco prevention efforts that are part of the comprehensive plan, including the North Dakota Department of Health tobacco use cessation, surveillance and tribal programs.

Major Accomplishments
1. Managed three grant programs and supported 87 grant awards with a total budget of $8.8 million.
2. Managed professional service contracts totaling $2.7 million and provided oversight for statewide health communications.
3. Assumed funding responsibility for local health unit infrastructure grants, serving all 53 counties.
4. Responded to emerging tobacco prevention issues related to population growth.
5. Increased overall funding to local public health units by 13.0 percent, to $6.9 million.
6. Met with all public health units on how to provide effective tobacco prevention education services to American Indian populations in health unit service areas and with reservation-based programs.
7. Expanded the tobacco state aid grants program in local public health units to include education on secondhand smoke.
8. Increased from 5 to 10 the number of cities voting in favor of comprehensive smoke-free ordinances.
9. Decreased heart attack admissions in Grand Forks by 24.0 percent in the four months following the Grand Forks smoke-free ordinance.
10. Improved air quality from “unhealthy” or “hazardous” to “good” in Grand Forks and Bismarck bars after enactment of their smoke-free ordinances.
11. Increased from 67 to 110 the number of K-12 school districts with comprehensive tobacco-free policies.
12. Increased from 9 to 12 the number of colleges adopting tobacco-free campus policies.
13. Organized communities into four new tobacco prevention coalitions for a total of 31 coalitions and 890 coalition members statewide.
14. Decreased North Dakota adult smoking rates by 6.0 percent in the first year of this comprehensive program.
15. Decreased North Dakota high school students smoking by 13.0 percent the first two years of the program.

Executive Budget Recommendation
- Continues funding of $8.1 million in grants statewide to promote smoking cessation.
- Provides $50,569 of special fund authority, for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

305 Tobacco Prevention and Control **Bill#: SB2024**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Tobacco Prevention and Control Program	8,118,602	12,922,614	14,992	0.1%	12,937,606	93,583	0.7%	13,016,197
Total Major Programs	8,118,602	12,922,614	14,992	0.1%	12,937,606	93,583	0.7%	13,016,197
By Line Item								
Comprehensive Tobacco Control	8,118,602	12,922,614	14,992	0.1%	12,937,606	93,583	0.7%	13,016,197
Total Line Items	8,118,602	12,922,614	14,992	0.1%	12,937,606	93,583	0.7%	13,016,197
By Funding Source								
General Fund	0	0	0	0.0%	0	0	0.0%	0
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	8,118,602	12,922,614	14,992	0.1%	12,937,606	93,583	0.7%	13,016,197
Total Funding Source	8,118,602	12,922,614	14,992	0.1%	12,937,606	93,583	0.7%	13,016,197
Total FTE	4.00	5.00	0.00	0.0%	5.00	0.00	0.0%	5.00

Statutory Authority
North Dakota Century Code Chapters 54-44.6, 54-46, 54-46.1, and 54-59.

Agency Description
Located on 90 acres of land in the picturesque Sheyenne River Valley in Lisbon, ND, the North Dakota Veterans Home stands as a tribute to North Dakota citizens who answered their country's call to duty. Since 1893, the Veterans Home has been serving the veterans and their spouses in North Dakota.

The new Veterans Home has 52 skilled beds and 98 basic care beds. The skilled unit provides round the clock nursing care for residents who need ongoing nursing supervision and/or assistance with activities of daily living. The basic care unit provides care to veterans as long as they are ambulatory and able to care for their own personal needs. The basic care unit does have a nurse available for emergency care 24 hours a day.

Major Accomplishments
1. Provided a home for veterans and/or their spouses.
2. Developed standards of care where residents age in place.
3. Completed construction on a new 150 bed state of the art facility.
4. Improved the quality of life for veterans by building the new facility in the household/neighborhood design with private rooms that will allow residents more dignity and privacy.

Executive Budget Recommendation
- Provides $1.1 million, of which $560,500 is from the general fund, to demolish the old Veterans Home building and provide a cold storage building for the items that will be salvaged.
- Provides $1.2 million from the general fund for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

313 Veterans Home **Bill#: SB2007**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Administration	1,659,846	1,982,717	458,266	23.1%	2,440,983	1,684,077	84.9%	3,666,794
Plant Operations	1,628,999	2,244,489	(61,231)	(2.7%)	2,183,258	1,078,138	48.0%	3,322,627
New Veterans Home	29,494,261	1,934,495	(1,934,495)	(100.0%)	0	(1,934,495)	(100.0%)	0
Dietary	2,140,849	1,673,173	(122,578)	(7.3%)	1,550,595	(108,111)	(6.5%)	1,565,062
Nursing Basic Care	2,340,674	3,865,314	240,573	6.2%	4,105,887	365,807	9.5%	4,231,121
Nursing Skilled Care	4,566,672	7,268,289	76,782	1.1%	7,345,071	269,517	3.7%	7,537,806
Resident Services	386,668	138,215	20,073	14.5%	158,288	23,034	16.7%	161,249
Social Services	777,733	954,748	151,229	15.8%	1,105,977	178,156	18.7%	1,132,904
Housekeeping	788,751	476,730	(40,363)	(8.5%)	436,367	(31,808)	(6.7%)	444,922
Laundry	179,261	256,369	17,096	6.7%	273,465	22,912	8.9%	279,281
Pharmacy	859,268	1,704,602	(193,155)	(11.3%)	1,511,447	(184,448)	(10.8%)	1,520,154
2009 Flood Expenses	193,742	0	0	0.0%	0	0	0.0%	0
Total Major Programs	45,016,724	22,499,141	(1,387,803)	(6.2%)	21,111,338	1,362,779	6.1%	23,861,920
By Line Item								
Salaries and Wages	11,191,191	13,916,861	1,234,587	8.9%	15,151,448	2,864,169	20.6%	16,781,030
Operating Expenses	4,012,102	5,942,285	(483,435)	(8.1%)	5,458,850	(483,435)	(8.1%)	5,458,850
Capital Assets	125,428	705,500	(204,460)	(29.0%)	501,040	916,540	129.9%	1,622,040
Capital Construction Carryover	0	1,602,495	(1,602,495)	(100.0%)	0	(1,602,495)	(100.0%)	0
New Veterans Home	26,454,847	332,000	(332,000)	(100.0%)	0	(332,000)	(100.0%)	0
2009 Flood Expenses	193,742	0	0	0.0%	0	0	0.0%	0
Contingent Appropriation - Ln 55	3,039,414	0	0	0.0%	0	0	0.0%	0
Total Line Items	45,016,724	22,499,141	(1,387,803)	(6.2%)	21,111,338	1,362,779	6.1%	23,861,920
By Funding Source								
General Fund	14,959,581	7,095,449	(1,197,237)	(16.9%)	5,898,212	992,845	14.0%	8,088,294
Federal Funds	14,851,652	29,475	(29,475)	(100.0%)	0	(29,475)	(100.0%)	0
Special Funds	15,205,491	15,374,217	(161,091)	(1.0%)	15,213,126	399,409	2.6%	15,773,626
Total Funding Source	45,016,724	22,499,141	(1,387,803)	(6.2%)	21,111,338	1,362,779	6.1%	23,861,920
Total FTE	120.72	120.72	0.00	0.0%	120.72	0.00	0.0%	120.72

Statutory Authority
North Dakota Century Code Sections 54-36-03 to 54-36-09.

Agency Description
The North Dakota Indian Affairs Commission is the liaison between the executive branch and the tribal nations of North Dakota. Duties include coordination and mediation service with tribal nations and the state and its agencies regarding interagency communication, protocol, and jurisdictional issues. Additionally, the agency works with tribal governments, their people and communities to enhance capacity in working with the state.

The agency also is responsible for the maintenance and publication of several documents, including but not limited to the, Statewide Directory of American Indian Resources, and historical and contemporary information and research about North Dakota's American Indian citizens. These materials are available in print and for download on the website.

Major Accomplishments
1. Established and completed the 2010, 2011 and 2012 ND Indian Youth Leadership Academy. Forty high school students from across North Dakota participated in a five-day leadership camp. During the camp, nationally known native American speakers came and provided sessions on wellness, spirituality, leadership, career development, values and culture.
2. Reorganized the American Indian Business Development Office with the ND Department of Commerce. Completed inventory of all native American owned businesses in North Dakota. Developed the new Indian Business Alliance of North Dakota and hosted Tribal Economic Summits/Conference.
3. Continued creating partnerships and memorandums of agreements and understanding between tribal entities and non-tribal entities.
4. Continued building and fostering working relations between state government agencies and tribal agencies.
5. Updated the Resource Information Guide (formerly called the Indian Affairs Directory) that became available in the fall of 2009. The NDIAC Resource Information Guide can be viewed on the NDIAC website. This guide will be updated every tribal election.
6. Established and continued to co-chair the ND Indian Education Advisory Committee in partnership with ND Department of Instruction, and continued to work directly with all ND Tribal Colleges and the ND University Systems.

Executive Budget Recommendation
- Provides 1.00 FTE and $184,284 from the general fund for an Native American Health System Program Administrator position to act as a liaison between tribal populations and state agencies and programs.
- Provides $47,610 from the general fund for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

316 Indian Affairs Commission **Bill#: SB2005**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Indian Affairs Administration	660,119	825,206	(65,963)	(8.0%)	759,243	208,276	25.2%	1,033,482
Total Major Programs	660,119	825,206	(65,963)	(8.0%)	759,243	208,276	25.2%	1,033,482
By Line Item								
Salaries and Wages	524,460	603,701	18,994	3.1%	622,695	263,513	43.6%	867,214
Operating Expenses	117,659	221,505	(84,957)	(38.4%)	136,548	(55,237)	(24.9%)	166,268
Federal Stimulus Funds-2009	18,000	0	0	0.0%	0	0	0.0%	0
Total Line Items	660,119	825,206	(65,963)	(8.0%)	759,243	208,276	25.2%	1,033,482
By Funding Source								
General Fund	642,119	825,206	(65,963)	(8.0%)	759,243	208,276	25.2%	1,033,482
Federal Funds	18,000	0	0	0.0%	0	0	0.0%	0
Special Funds	0	0	0	0.0%	0	0	0.0%	0
Total Funding Source	660,119	825,206	(65,963)	(8.0%)	759,243	208,276	25.2%	1,033,482
Total FTE	4.00	4.00	0.00	0.0%	4.00	1.00	25.0%	5.00

Statutory Authority
North Dakota Century Code Chapters 37-14 and 37-18.

Agency Description
The North Dakota Department of Veterans Affairs (NDDVA) has the responsibility of ensuring the state's over 61,000 veterans and their dependents not only know about the state and federal benefits to which they are entitled for having served their country, but also assist them in obtaining such benefits.

The department is responsible for the collection, filing, safeguarding and maintaining of North Dakota Veterans DD214 and DD215 discharge documents. The department safeguards these records in fireproof locking cabinets and provides certified and true copies to the veterans upon request.

The department is responsible for assisting counties with training of 65 County Veterans Service Officers (CVSOs) who serve 53 counties, and are appointed by their respective County Commissions, as well as assisting in the training of Tribal Service Officers from three tribes. The department provides training through a minimum of two training seminars each year to keep the CVSOs as current as possible on issues, topics and programs available to and affecting veterans as well as providing initial and continued one-on-one training with the CVSOs either in the NDDVA office or the CVSO's own office.

The department accepts and carries through to completion veterans claims for entitlement from the United States Department of Veterans Affairs (VA) and acts as power of attorney in these claims; counsels veterans on employment and entrepreneurial programs and regulations, educational (high school through graduate level) programs, disability benefits, medical (both physical and mental) care entitlement, nursing home assistance, death benefits, and other related veterans activities. The department is responsible for enforcing the state's veterans preference law.

A Veterans Aid Loan Program, Transportation Program, and Hardship Medical Grant Program are all administered by the department.

The department is responsible for distributing information relating to veterans, veterans programs and veterans issues to the state veteran's population, interested parties and the general public through the use of email, news media, CVSOs, veterans organizations and US mail.

The department, working under the supervision of the Administrative Committee on Veterans Affairs, also monitors legislation and assists others in acquiring information.

Major Accomplishments
1. Provided three training conferences for County Veteran Service Officers (CVSOs) and Tribal Veteran Service Officers (RVSOs).
2. Continued to archive DD214s into electronic data base for safe keeping and easy access.
3. Continued to improve veterans claims management program which allows NDDVA and CVSOs to maintain, track, process and submit claims to the federal VA electronically.
4. Established women's veteran support groups around the state, provided brochures, website information and mailer information.
5. Appointed a NDDVA staff member as the Minority Veterans coordinator. Have established great working relationships with all Native American tribes in North Dakota.
6. Involved in legislative changes that resulted in new veterans indicator on drivers licenses, included unremarried spouses for benefits such as property tax exemptions, free tuition, vehicle excise tax exemptions. Added general fund dollars to be used in lieu of PWTF dollars for biennium, added funding for stand downs and improved veterans preference laws.
7. Worked with ND Supreme Court subcommittee to establish a Veterans Court in North Dakota. Trained many law enforcement officers, attorneys and judges on PTSD and TBI.
8. Worked with Federal VA's Veteran Justice Outreach person to establish treatment for veterans rather than jail.
9. Established non-profit organization and "Yellow Ribbon" license plates to support our Veterans.
10. Established a traveling OEF/OIF memorial in North Dakota. This is being implemented by the American Legion.
11. Filled in for Grand Forks VSO when all CVSO's were removed; trained and re-established new CVSO's without missing service to Veterans of that county.
12. Recognized ND DVA POA Tom Sumers as the first VSO in North Dakota to be approved to practice before that US Court of Appeals for Veterans Claims.

Executive Budget Recommendation
- Provides 1.00 FTE and $115,978 from the general fund, as a National Service Officer (NSO). Veteran service organizations have seen a reduction in memberships, causing it to be difficult to continue to fund the veteran service officers needed to act as power of attorney for veterans.
- Provides $15,000 to continue to upgrade the department website, ultimately enabling the agency to provide information more readily to veterans.
- Provides $73,310 from the general fund for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

321 Department of Veterans Affairs **Bill#: SB2007**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Veterans Affairs Administration	1,033,441	1,417,219	(303,081)	(21.4%)	1,114,138	(74,052)	(5.2%)	1,343,167
Total Major Programs	1,033,441	1,417,219	(303,081)	(21.4%)	1,114,138	(74,052)	(5.2%)	1,343,167
By Line Item								
Technology Project Carry	9,351	0	0	0.0%	0	0	0.0%	0
Veterans' Affairs Administration	1,024,090	1,417,219	(303,081)	(21.4%)	1,114,138	(74,052)	(5.2%)	1,343,167
Total Line Items	1,033,441	1,417,219	(303,081)	(21.4%)	1,114,138	(74,052)	(5.2%)	1,343,167
By Funding Source								
General Fund	1,033,441	1,417,219	(303,081)	(21.4%)	1,114,138	(74,052)	(5.2%)	1,343,167
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	0	0	0	0.0%	0	0	0.0%	0
Total Funding Source	1,033,441	1,417,219	(303,081)	(21.4%)	1,114,138	(74,052)	(5.2%)	1,343,167
Total FTE	7.00	7.00	0.00	0.0%	7.00	1.00	14.3%	8.00

Statutory Authority
North Dakota Century Code Chapters 6-09.16, 12.1-01, 14-08.1, 14-09, 14-10, 14-12.2, 14-13, 14-15, 14-15.1, 14-19, 14-20, 19-03.1, 23-02.1, 25-01, 25-01.1, 25-01.2, 25-02, 25-03.1, 25-03.2, 25-03.3, 25-04, 25-10, 25-11, 25-16, 25-16.1, 25-16.2, 25-17, 25-18, 26.1-36, 26.1-45, 27-20, 27-21, 28-21, 34-15, 50-01, 50-01.1, 50-01.2, 50-03, 50-06, 50-06.1, 50-06.2, 50-06.3, 50-06.4, 50-06.5, 50-08.1, 50-09, 50-10.1, 50-10.2, 50-11, 50-11.1, 50-11.2, 50-11.3,50-12, 50-19, 50-24.1, 50-24.3, 50-24.4, 50-24.5, 50-24.6, 50-24.7, 50-25.1, 50-25.2, 50-27, 50-28, 50-29, 50-30, 50-31, 50-32, 50-33, 54-38, 54-44.8, and 57-15.

Agency Description
The DHS is an umbrella agency headed by an executive director appointed by the Governor. The DHS Cabinet is comprised of seven directors reporting to the executive director. The executive director and the cabinet directors oversee the operations of six organizational components consisting of Program and Policy, Economic Assistance, Medical Services, Regional Human Service Centers/ Institutions, Vocational Rehabilitation/Disability Determination Services and Administration. The appropriation bill itself consists of three major areas consisting of Management, Program/Policy Management and Field Services.

Management includes Fiscal Administration, Human Resources, Information Technology Services, Legal Advisory Unit, Risk Management, and Public Information.

Program/Policy Management is comprised of eight major programs: Economic Assistance Policy (including TANF, SNAP, Low Income Heating Assistance Program, Child Care Assistance), Medical Services (including Traditional Services, Nursing Homes, all Medicaid waiver services along with Home and Community Based Services), Child Support Enforcement, Aging Services (Older Americans Act programs), Children and Family Services, Mental Health/Substance Abuse, Vocational Rehabilitation/Disability Determination Services and the Developmental Disabilities Division. North Dakota's assistance programs are supervised by the state but are directed and administered by the 47 county social service boards. Additionally, many aging and children's services are provided through County Social Service Boards.

Field Services is comprised of eight Human Service Centers located in each of the Governor's designated planning regions providing direct delivery of services to individuals and families, the State Hospital located in Jamestown and the Developmental Center at Westwood Park located in Grafton. The Human Service Centers provide a comprehensive array of outpatient clinical and community services including vocational rehabilitation, mental health services, developmental disabilities services, social services, addiction counseling, and emergency and outreach services. The centers provide supervision and direction to county agencies delivering social services. The State Hospital is a component of the treatment continuum providing treatment for mental illness and substance abuse. The Developmental Center is an educational and training facility for persons with developmental disabilities.

Major Accomplishments
1. Worked with ND Dept. of Agriculture and USDA Food and Nutrition Services to make it possible for farmers markets to accept Supplemental Nutrition Assistance Program (SNAP) EBT cards.
2. Honored by USDA Food and Nutrition Services for excellence in financial management and quality control work in SNAP. North Dakota's program also ranked third best in the nation in payment accuracy and received a performance bonus.
3. Applied for and received supplemental grant funding to build collaboration between the Money Follows the Person (MFP) effort and Aging and Disability Resource Center pilot and to secure additional options counseling resources to support the new Local Contact Agency role in the nursing facility admission process.
4. Reached a milestone: Since 2008, 114 individuals with disabilities have transitioned to community settings through the MFP Demonstration Grant.
5. Received federal approval and launched both the Medicaid Hospice Waiver for Children and an Autism Spectrum Disorder waiver for children ages birth through four years with a confirmed diagnosis.
6. Awarded a federal Centers for Medicare and Medicaid Services (CMS) grant for Nursing Home Transition and Diversion Programs.
7. Launched several alcohol abuse prevention campaigns and partnered with the N.D. Indian Affairs Commission and other State and Tribal agencies to launch a tribal prescription drug abuse prevention campaign.
8. Launched online application and review process for people applying for public assistance programs or renewing their eligibility.
9. Received Joint Commission accreditation for the ND State Hospital and its behavioral health programs. Also received an award of excellence from the Commission for the Post-Discharge Continuing Care Plan rate.
10. Received a four-year accreditation from the national Council on Quality and Leadership (CQL) for the Developmental Center's person-centered community integration plan.
11. Received accreditation from the Commission on Accreditation of Rehabilitation Facilities (CARF) for Ruth Meiers Adolescent Center's residential treatment program for children and adolescents.
12. Received American Psychological Association 5-year accreditation for the Psychology Internship Program at Southeast Human Service Center in Fargo.
13. Launched screening tool to identify possible brain injuries in people served by DHS' eight regional human service centers and received the *Big Strides Award* from the federal Health Resources and Services Administration (HRSA) for traumatic brain injury outreach efforts and activities to build partnerships and collaborations.

14. Helped coordinate through Head Start State Collaboration Office a pediatric dental day at Spirit Lake Reservation to provide free dental care to area children.
15. Received a CMS grant to enhance technology to improve online capabilities for Medicaid and Children's Health Insurance Program enrollment and renewal.
16. Set records in monthly child support collections from income withholding by employers and set an annual collections record at $135.2 million, topping the prior record of $129.0 million set in 2010.
17. Received federal recognition for ranking first in the job entry rate and third in job retention rate of adult Temporary Assistance for Needy Families (TANF) clients among the states for federal fiscal year 2009.
18. Received performance bonus from the federal government for improving access and covering more low-income children through the Medicaid and Children's Health Insurance programs.
19. Issued first state Medicaid incentive funds to a rural critical access hospital in Rolla for implementing electronic health records software.
20. Expanded Integrated Dual Disorder Treatment (IDDT) services to the Jamestown region for people with both substance addiction and significant mental illness.
21. Received federal grant to enhance an employment development initiative for individuals with serious mental illness.
22. Launched online interactive training for mandated reporters of child abuse and neglect.
23. Implemented options counseling for older adults and people with disabilities in the Dickinson, Minot, and Williston regions.
24. Helped organize and staffed a flood recovery center in Devils Lake to help people who walked in with questions. Answer the statewide flood damage hotline.
25. Operated a temporary North Central Human Service Center in north Minot to serve clients during limited access to the main office.
26. Provided support to local shelter and mass care efforts, by working with DES, FEMA, and Red Cross partners to secure cots, food, and water.
27. Implemented a Disaster SNAP program for Ward County households who experienced disaster-related losses due to flooding and issued almost $500,000 in disaster food assistance benefits to affected persons.
28. Awarded a mental health and emotional support grant to provide support to flood-affected residents in a five-county area.
29. Produced a 20-minute video hosted by DHS' medical director on coping with and building resiliency during a disaster.
30. Received second crisis counseling grant to support flood-affected residents in an eight-county area and one reservation.
31. Partnered with Community Action Partnership of Minot and Ward County Social Services to develop a disaster recovery program to replace flood-damaged furnaces of qualifying low-income Ward County homeowners.

Executive Budget Recommendation

- Provides $81.3 million of which $40.9 million is from the general fund, for inflationary increases of 4 percent each year of the biennium, to service providers.
- Provides $27.6 million with $14.9 million from the general fund for a $0.50 wage pass through to staff of nursing facilities, basic care, and developmentally disabled service providers and to qualified service providers (QSPs).
- Includes $2.3 million of which $1.7 million is from the general fund, for mileage differential to qualified service providers (QSPs) for round trips over 20 miles.
- Provides $9.1 million with $4.5 million from the general fund for individuals that are expected to apply for existing Medicaid coverage due to the outreach in the Affordable Care Act.
- Provides $2.7 million for two 4-bed children's homes serving behaviorally challenged individuals.
- Provides $313,883 from the general fund for Department of Corrections referrals to the community based high risk sex offender treatment program.
- Provides $1.2 million from the general fund for increased demand for Developmental Disability Corporate Guardianships and to expand the Aging Services Guardianships.
- Provides $868,498, of which $759,743 is from the general fund to provide funding for two DD case managers to meet licensure requirements, one FTE for the Partnership program, the conversion of 3 temporary employees to FTEs and to maintain temporary staff due to the increased need for services in the southeast region.
- Provides $2.0 million, including $1.4 million from the general fund for two transitional living programs consisting of an 8 and a 16 bed program to support individuals with serious mental illness and chronic addiction, who need an intensive level of care.
- Provides $324,156 from the general fund for 4 additional short-term crisis beds for individuals with mental illness and chemical dependency issues.
- Provides $769,700 of which $407,941 is from the general fund, for an additional 10 beds at a long term residential facility for individuals with mental illness.
- Continues funding for home and community based services, and adds $345,847, of which $266,125 is from the general fund to provide home delivered meals 7 days a week to SPED & ExSPED clients under 60 years old; to extend personal care services for the SPED program by allowing them to administer medications and do other medical tasks; and to allow individuals with a primary diagnosis of dementia or traumatic brain injury (TBI) to receive 24 hour supervision within the daily rate.
- Provides $800,000 to senior services providers for congregate meals, in order to help seniors remain in their homes longer.
- Provides $205,416 including $133,520 from the general fund for post adoption services.

- Continues cost based reimbursements to critical access hospitals for outpatient laboratory and care provided by certified registered nurse anesthetists.
- Provides $1.4 million to rebase rural health clinics to Medicare rates.
- Provides $3.8 million of which $3.3 million is from the general fund to pay an oil patch add-on to staff living in the Williston, Minot and Dickinson areas due to the increases in housing and the cost of living.
- Provides $5.0 million to replace the AIMS and ROAP software systems at the State Hospital and Human Service Centers and to implement Electronic Health Records; and provides $810,000, of which $148,907 is from the general fund, to analyze removing the remaining DHS systems that run on the mainframe.
- Provides the $1.2 million from the general fund to reconstruct a large section of the street on the State Hospital campus, and to demolish two buildings at the Developmental Center.
- Provides $24.4 million, with $16.8 million from the general fund, for the executive compensation package adjustment.
- Adds $93.35 million from the general fund due to the Federal Medical Assistance Percentage (FMAP) decreasing to 50 percent.
- Maintains programs authorized by the 2011 Legislature at a cost of $48.9 million from the general fund.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

325 Department of Human Services **Bill#: HB1012**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Management	73,707,339	147,667,693	(58,042,268)	(39.3%)	89,625,425	(23,605,494)	(16.0%)	124,062,199
Program and Policy	1,869,429,332	2,233,653,071	626,301	0.0%	2,234,279,372	130,631,037	5.8%	2,364,284,108
Human Service Centers	142,069,617	163,277,043	3,818,323	2.3%	167,095,366	12,355,801	7.6%	175,632,844
State Hospital-Traditional	60,700,870	62,674,383	(2,352,594)	(3.8%)	60,321,789	(311,423)	(0.5%)	62,362,960
State Hospital-Secure Services	10,147,788	10,944,114	(72,138)	(0.7%)	10,871,976	182,562	1.7%	11,126,676
Developmental Center	50,570,611	50,305,245	1,186,878	2.4%	51,492,123	2,745,225	5.5%	53,050,470
Total Major Programs	2,206,625,557	2,668,521,549	(54,835,498)	(2.1%)	2,613,686,051	121,997,708	4.6%	2,790,519,257
By Line Item								
Salaries and Wages	59,245,476	66,765,546	3,426,334	5.1%	70,191,880	33,178,786	49.7%	99,944,332
Operating Expenses	117,203,122	198,638,581	(29,319,757)	(14.8%)	169,318,824	(19,351,576)	(9.7%)	179,287,005
Capital Assets	173,882	138,400	77,760	56.2%	216,160	77,760	56.2%	216,160
MMIS Carryover	8,942,739	21,291,536	(21,291,536)	(100.0%)	0	(21,291,536)	(100.0%)	0
Capital Construction Carryover	1,086,352	62,601	(62,601)	(100.0%)	0	(62,601)	(100.0%)	0
Grants	411,095,895	486,292,857	(39,812,977)	(8.2%)	446,479,880	(32,518,727)	(6.7%)	453,774,130
Human Service Centers / Institutions	262,402,534	287,138,184	2,643,070	0.9%	289,781,254	15,034,766	5.2%	302,172,950
Grants-Medical Assistance	1,346,475,557	1,608,193,844	29,504,209	1.8%	1,637,698,053	146,930,836	9.1%	1,755,124,680
Total Line Items	2,206,625,557	2,668,521,549	(54,835,498)	(2.1%)	2,613,686,051	121,997,708	4.6%	2,790,519,257
By Funding Source								
General Fund	627,347,763	942,035,307	131,101,894	13.9%	1,073,137,201	234,834,220	24.9%	1,176,869,527
Federal Funds	1,469,860,415	1,612,444,686	(194,857,556)	(12.1%)	1,417,587,130	(123,626,402)	(7.7%)	1,488,818,284
Special Funds	109,417,379	114,041,556	8,920,164	7.8%	122,961,720	10,789,890	9.5%	124,831,446
Total Funding Source	2,206,625,557	2,668,521,549	(54,835,498)	(2.1%)	2,613,686,051	121,997,708	4.6%	2,790,519,257
Total FTE	2,216.88	2,197.35	(0.27)	-0.0%	2,197.08	(0.27)	-0.0%	2,197.08

Statutory Authority
North Dakota Century Code Chapter 25-01.3.

Agency Description
The Protection and Advocacy Project (P&A) is governed by a seven-member board with appointments being made by Legislative Council, the Governor, the Mental Health Association in North Dakota, the Arc of North Dakota, and an entity selected by the committee.

Current federal programs include the: 1) Developmental Disabilities Advocacy Program; 2) Mental Health Advocacy Program; 3) Protection and Advocacy for Individual Rights; 4) Assistive Technology Advocacy Program; 5) Protection and Advocacy for Beneficiaries of Social Security; 6) Traumatic Brain Injury Advocacy Program; and 7) the Help American Vote Act.

P&A investigates allegations of abuse, neglect and exploitation of individuals with disabilities. P&A works collaboratively with the Vulnerable Adult Protective Services Program, Child Protective Services, and the Long-Term Care Ombudsman Program. P&A engages in proactive activities such as education and training, self advocacy support, and representation on various state and local committees and task forces.

Major Accomplishments
1. Awarded the contract for the Client Assistance Program (CAP) by the Vocational Rehabilitation Division of the ND Dept. of Human Services. This is being carried out using existing staff with services being provided through Advocates in Minot (.10 FTE – NW ND) and Bismarck (.40 FTE – SW ND) as well as an attorney in the Fargo office (.50 FTE – Eastern ND). The Executive Director is currently functioning as the CAP Director (.10 FTE).
2. Chosen by the National Disabilities Rights Network (NDRN) to receive one of the advocacy awards at its annual conference. As stated in the NDRN e-mail message, “North Dakota is being honored for demonstrating solid and consistent protection and advocacy work on a series of cases that involved the devaluing of people with disabilities.” This was a significant honor.
3. Initiated, in collaboration with the ND Dept. of Human Services, Developmental Disabilities Division and Regional DD Program Management, a Medication Error Pilot Project, in FY 2011. The pilot project involved 4 DD service providers in two regions of the state and involved significant changes to the documentation and follow up protocol for medication errors that are determined to be reportable using the Reporting Determination Guidelines, but which present no evidence of actual harm. Effective August 2012, the project went statewide. It is a systemic effort that will help assure medication errors are minimized for individuals receiving services from developmental disabilities service providers.
4. Played a key role in developing and promoting the 8th Annual AT Expo which was held on April 28th, 2011 in Fargo, ND. This is an annual conference that provides a public forum/educational opportunity for increased awareness of assistive technology and its role in making the community more accessible in learning, home, work, and recreational environments. The 2011 AT Expo had the highest attendance numbers to date – there were 651 participants, and 50 AT device/service vendors. The AT Expo also included a preconference workshop on AT funding, which included information on funding within Special Education, State Vocational Rehabilitation Agencies, Private Insurance, Medicaid, Medicare and Social Security Administration’s Plan for Achieving Self-Support. Information was also provided regarding Medicaid Waivers in North Dakota and their funding availability for AT devices and services.
5. Organized Legislative Working Committees (LWC’s) across the state during the 2011 Legislative Session. The LWC is considered "the pipeline" for people with disabilities, family members, and advocates to network and to receive information about disability-related legislation. The groups met weekly during the Session. Facilitators reviewed new bills introduced, the status of pending bills, and upcoming hearing schedules. Participants were encouraged to express their individual experiences and views to legislators and received support and assistance, upon request, with contacting their individual legislators or with preparing testimony. P&A played a significant role in organizing the groups as well as with information dissemination.
6. Tracked 155 bills that had a potential impact on individuals with disabilities and their families. Sixty-four e-mails were sent out during the Session to a distribution list of over 200 individuals and organizations, many of whom pass the information on to others. The ‘Legislative Grid’ (table of the tracked bills) included ‘hot links’ to Internet postings of bills, amendments, engrossments, and fiscal notes. Information was also provided to help individuals understand the Legislative process and how to advocate in a variety of ways. This project is especially valuable to individuals who do not reside in the capitol city of Bismarck. They received up-to-date information 1-3 times/week, including notes from hearings of special interest.

Executive Budget Recommendation
- Provides funding as requested, including the reduction of 1.00 FTE.
- Provides $413,606 from the general fund for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

360 Protection and Advocacy **Bill#: HB1014**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Protection and Advocacy Program	4,226,450	5,104,253	273,416	5.4%	5,377,669	782,094	15.3%	5,886,347
Total Major Programs	4,226,450	5,104,253	273,416	5.4%	5,377,669	782,094	15.3%	5,886,347
By Line Item								
Protection and Advocacy Services	4,226,450	5,104,253	273,416	5.4%	5,377,669	782,094	15.3%	5,886,347
Total Line Items	4,226,450	5,104,253	273,416	5.4%	5,377,669	782,094	15.3%	5,886,347
By Funding Source								
General Fund	1,725,653	1,985,365	158,692	8.0%	2,144,057	667,370	33.6%	2,652,735
Federal Funds	2,500,797	3,118,888	114,724	3.7%	3,233,612	114,724	3.7%	3,233,612
Special Funds	0	0	0	0.0%	0	0	0.0%	0
Total Funding Source	4,226,450	5,104,253	273,416	5.4%	5,377,669	782,094	15.3%	5,886,347
Total FTE	28.50	28.50	(1.00)	(3.5%)	27.50	(1.00)	(3.5%)	27.50

Statutory Authority
North Dakota Century Code Chapters 52-01 through 52-11.

Agency Description
Job Service North Dakota (JSND) is responsible for administering many state and federal employment programs including the state and federal unemployment insurance program, providing labor market information, delivering workforce training and reemployment programs and providing specific services to targeted workforce sectors.

Major Accomplishments
1. Researched, identified, and implemented effective and innovative methodologies to modernize JSND technology systems. Specific to the Unemployment Insurance (UI) area, North Dakota's successful participation within a consortium of four states tasked with determining the feasibility of a jointly developed, multi-state UI technology system has gained attention nationwide and facilitated the awarding of one of two federal grants provided nationwide for UI system development. Subsequent to this award, North Dakota began participating in the WyCAN consortium (Wyoming, Colorado, Arizona and North Dakota), which is a group of states that have joined together to develop a common UI and Tax Benefit system. Great strides have been made towards system development within the WyCAN consortium, vaulting North Dakota and the other participating WyCAN states into a significant leadership position nationwide. Other accomplishments in the Information Technology (IT) area include completion of the mainframe replacement, replacement of the telephone-based UI Interactive Voice Response system as well as IT upgrades of several applications providing increased automation and efficiencies including the Virtual One Stop system (VOS).
2. Administered the Disaster Unemployment Assistance (DUA) program for the state of North Dakota as a result of the major flooding which occurred during 2011. Via the DUA program, JSND was able to provide monetary assistance in the amount of $2.5 million to 1,319 individuals who had become temporarily unemployed as a result of flooding. In addition to providing monetary assistance to individuals, JSND provided logistical support within the Minot community by opening the doors of the Minot Local Office to house state and federal agencies tasked with assisting in the recovery and rebuilding of damaged property. Specifically, a contractor compliance one-stop center was created within the local office which facilitated the registration and licensing of contractors and employees desiring to work in the Minot area. The one-stop center proved to be very successful by helping to ensure that citizens, workers, and employers were protected from fraud and criminal behavior in the wake of a massive influx of rebuilding contractors and workers.
3. Maintained North Dakota's career website, jobsnd.com, which continues to be the tool of choice for connecting job seekers with employers. Jobsnd.com receives on average 65,000 visits per week, the majority of which are job seekers. It is estimated that over 95.0 percent of the jobs available in North Dakota are captured and listed on jobsnd.com. A great deal of this success is due to enhanced online labor exchange services, including a feature referred to as job spidering.
4. Researched workforce needs of high demand sectors of the ND economy and identified potential sources of workers who would benefit when given opportunities to increase their skills. JSND submitted a proposal for a Department of Labor demonstration grant to address the workforce needs of the oilfield and building trades occupations. Target populations of unemployed individuals include Native Americans and Veterans. JSND was successful and awarded a two-year, $2.0 million grant to help address North Dakota's growing workforce needs in the oil industry and building trades. SkillBuildND will help Job Service (1) Reach out to target North Dakota populations (Native Americans and veterans), (2) Connect the target individuals to training for specific in-demand occupations, and (3) Prepare program participants for industry-specific occupations.
5. Assisted job seekers and employers by providing the best and most current labor market information in the state through the Labor Market Information (LMI) Center. Of particular mention is the Quarterly Census of Employment and Wages (QCEW), which provides detailed employment and wage information.
6. Provided financial assistance for training workers through Workforce 20/20, to help employers offset the cost of upgrading workforce skills. For the program year ended June 30, 2012, JSND provided training to 521 individuals.

Executive Budget Recommendation
- Provides $17.7 million of federal fund authority for the continuing development of the unemployment insurance system modernization project, which is being conducted as part of a consortium with Wyoming, Colorado, Arizona and North Dakota.
- Provides $1.5 million of federal fund authority for a Workforce Investment Act (WIA) demonstration project to address North Dakota's growing workforce needs in the oil industry and building trades.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

380 Job Service North Dakota **Bill#: SB2016**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Job Service	56,331,735	74,603,898	5,702,656	7.6%	80,306,554	5,791,695	7.8%	80,395,593
Total Major Programs	56,331,735	74,603,898	5,702,656	7.6%	80,306,554	5,791,695	7.8%	80,395,593
By Line Item								
Salaries and Wages	31,307,441	35,377,784	774,402	2.2%	36,152,186	3,014,192	8.5%	38,391,976
Operating Expenses	9,118,319	13,698,670	4,989,030	36.4%	18,687,700	4,989,030	36.4%	18,687,700
Capital Assets	19,132	20,000	0	0.0%	20,000	0	0.0%	20,000
Grants Benefits and Claims	5,610,750	10,076,284	1,424,946	14.1%	11,501,230	(1,225,787)	(12.2%)	8,850,497
Work Force 20/20	1,296,473	1,531,160	7,278	0.5%	1,538,438	10,764	0.7%	1,541,924
Reed Act - Unemployment	503,562	12,400,000	7,000	0.1%	12,407,000	7,000	0.1%	12,407,000
Federal Stimulus Funds 2009	8,476,058	1,500,000	(1,500,000)	(100.0%)	0	(1,003,504)	(66.9%)	496,496
Total Line Items	56,331,735	74,603,898	5,702,656	7.6%	80,306,554	5,791,695	7.8%	80,395,593
By Funding Source								
General Fund	1,347,615	1,887,092	(3,179)	(0.2%)	1,883,913	28,898	1.5%	1,915,990
Federal Funds	54,608,595	72,200,082	5,634,966	7.8%	77,835,048	5,688,464	7.9%	77,888,546
Special Funds	375,525	516,724	70,869	13.7%	587,593	74,333	14.4%	591,057
Total Funding Source	56,331,735	74,603,898	5,702,656	7.6%	80,306,554	5,791,695	7.8%	80,395,593
Total FTE	284.05	261.76	0.00	0.0%	261.76	(11.00)	(4.2%)	250.76

Statutory Authority
North Dakota Century Code Title 26.1.

Agency Description
The North Dakota Insurance Department is a state regulatory agency headed by the Insurance Commissioner. The Department is made up of seven main divisions: Legal and Enforcement, Product Filing, Consumer Assistance, Examinations and Company Licensing, Agent Licensing, Administration and Special Funds. The Department employs 49.50 full-time staff members. All fees and fines paid by companies or agents are deposited into the insurance regulatory trust fund, from which the money to operate the office is appropriated by the North Dakota Legislative Assembly.

Major Accomplishments
1. Facilitated $803,323 in consumer relief during 2010-11 through consumer assistance (hot-line) calls.
2. Facilitated $8.4 million in consumer relief during 2010-11 through State Health Insurance Counseling (SHIC) and Prescription Connection contacts.
3. Closed out 449 agent and company complaints resulting in $1.8 million in consumer relief during 2010-11.
4. Published consumer information about the 2011 floods around the state. The webpage included information about filing a flood insurance claim, flood disaster and insurance questions and answers, and information on counties eligible for individual assistance.
5. Received number one in the nation ranking in 2010 by the Centers for Medicare and Medicaid Services (CMS) for the second year in a row for the SHIC program. The ranking is based on performance criteria.
6. Investigated 214 insurance fraud referrals in 2010-11.
7. Provided low-cost insurance through the Fire and Tornado Fund to approximately 1,090 state entities and political subdivisions.
8. Provided a 50.0 percent premium credit to all Fire and Tornado Fund policyholders for the new policy year effective July 1, 2010.
9. Implemented statutory changes to surplus lines requirements resulting from the federal enactment of the Non-Admitted and Reinsurance Reform Act.
10. Implemented a successful graduated driver's license law.
11. Completed 15 market analyses per year to identify general market disruptions and specific market conduct problems before they harm consumers.
12. Collected and deposited into the general fund $63.0 million of premium tax and transferred $6.9 million from the Insurance Regulatory Trust Fund to the general fund.
13. Participated in the discussion and implementation of the federal health care reform activities under the Patient Protection and Affordable Care Act (PPACA).

Executive Budget Recommendation
- Provides an increase of $800,000 from the insurance tax distribution fund for grants to fire districts. The total recommended appropriation is $7.0 million for the 2013-15 biennium.
- Provides $459,988 for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

401 Office of the Insurance Commissioner **Bill#: HB1010**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Grants To Local Fire Departments	6,804,486	6,870,000	0	0.0%	6,870,000	800,000	11.6%	7,670,000
Regulatory and Administration	7,419,621	12,174,080	(1,513,751)	(12.4%)	10,660,329	(885,346)	(7.3%)	11,288,734
Total Major Programs	14,224,107	19,044,080	(1,513,751)	(7.9%)	17,530,329	(85,346)	(0.4%)	18,958,734
By Line Item								
Salaries and Wages	5,823,539	6,859,830	772,491	11.3%	7,632,321	1,400,896	20.4%	8,260,726
Operating Expenses	1,391,082	3,431,900	(573,892)	(16.7%)	2,858,008	(573,892)	(16.7%)	2,858,008
Capital Assets	10,000	70,000	(70,000)	(100.0%)	0	(70,000)	(100.0%)	0
Technology Project Carryover	25,000	0	0	0.0%	0	0	0.0%	0
Grants to Fire Districts	6,974,486	7,040,000	0	0.0%	7,040,000	800,000	11.4%	7,840,000
American Health Benefit	0	1,000,000	(1,000,000)	(100.0%)	0	(1,000,000)	(100.0%)	0
Federal Affordable Care Act	0	642,350	(642,350)	(100.0%)	0	(642,350)	(100.0%)	0
Total Line Items	14,224,107	19,044,080	(1,513,751)	(7.9%)	17,530,329	(85,346)	(0.4%)	18,958,734
By Funding Source								
General Fund	0	0	0	0.0%	0	0	0.0%	0
Federal Funds	487,197	3,872,869	(2,519,238)	(65.0%)	1,353,631	(2,486,719)	(64.2%)	1,386,150
Special Funds	13,736,910	15,171,211	1,005,487	6.6%	16,176,698	2,401,373	15.8%	17,572,584
Total Funding Source	14,224,107	19,044,080	(1,513,751)	(7.9%)	17,530,329	(85,346)	(0.4%)	18,958,734
Total FTE	45.50	49.50	0.00	0.0%	49.50	0.00	0.0%	49.50

Statutory Authority
North Dakota Century Code 4-36, 6-09.4, 17-05, 23-29-07.6, 28-32-02, 38-08, 38-08.1, 38-11.2, 38-12, 38-12.1, 38-14.1, 38-15, 38-19, 38-22, 49-24, 54-17, 54-17.2, 54-17.3, 54-17.6, 54-17.7, 54-17-34, 54-17-38, 54-63, and 57-61-01.5.

Agency Description
The Industrial Commission (IC) budget is comprised of three agencies including the Administrative Office, the Public Finance Authority (PFA), and the Department of Mineral Resources (DMR), which includes the Oil and Gas Division (OGD) and the Geological Survey (GS).

The Administrative Office coordinates the activities of the agencies overseen by the IC. The office is the contracting office for the Lignite, Oil and Gas, and Renewable Energy Research Programs. Funding for the Renewable Energy Program is a line item in this budget. This office is the primary contact for the Building Authority.

The DMR is the primary source of information regarding the geology of ND and is responsible for regulating all facets of petroleum production through enforcement of statutes, rules and regulations of the IC with regards to geophysical exploration, permitting of wells, establishing well spacing for producing reservoirs, inspection of facilities, approving enhanced oil recovery operations, ensuring proper plugging and site reclamation of all wells, and conducting hearings on oil and gas matters in a manner that will be most beneficial to the producer, royalty owner and all citizens of the state. The DMR maintains the state's core and sample library in Grand Forks, coordinates the State Fossil Collection, and disseminates geological information via the internet, maps, publications, presentations, tours and field trips. The DMR has statutory regulatory responsibilities for subsurface minerals, underground fluid injection, carbon dioxide underground storage, oil well cores and drilling samples, coal exploration drilling, geothermal and paleontological resources. The DMR determines the geologic suitability of all proposed landfills, reviews a variety of highway improvement projects as well as pipeline and transmission line corridors, and coordinates the State Fossil and State Mineral collections.

The PFA provides market and below market loans to political subdivisions through the purchase and holding of eligible securities and provides financial services in connection with the administration and management of the State Revolving Fund Program as the financial agent for the State Health Department. During the 2011-13 biennium the PFA offered disaster loan assistance to political subdivisions through its Capital Finance Program.

Major Accomplishments
1. Helped coordinate the activities of the Pipeline Authority during an unprecedented level of activity.
2. Provided information on current pipeline construction activities through newsletters, webinars and presentations.
3. Retained Bentek Energy, through the Pipeline Authority, to prepare an analysis of the Williston Basin with the objective of forecasting natural gas production growth through 2025 to determine if adequate natural gas pipeline infrastructure exists in North Dakota.
4. Retained Kadrmas, Lee & Jackson, through a partnership with the Transmission Authority, Basin Electric Cooperative and Montana-Dakota Utilities Co., to study and project future electric load growth in the Williston Basin area.
5. Published 60 articles, maps, and reports; gave 71 presentations on various aspects of North Dakota geology, including the Bakken, Three Forks, Tyler, and Spearfish Formations, evaluation of sand deposits for proppant and the potential of clay deposits for ceramic proppant manufacture, sand and gravel resources, lineaments and oil production, geothermal potential, landslides, shallow gas, and paleontology; issued 233 geothermal, coal exploration, and subsurface mineral permits; prepared the mummified duckbill dinosaur "Dakota" for exhibit; reboxed 24,029 core and sample boxes in an effort to extend the life of the core and sample library; participated in five public fossil digs during the summer of 2009; answered more than 3,021 inquiries; lifted more than 812 tons of rock core off of the shelves in the core and sample library; and reviewed the geologic suitability of 16 pre-applications for oil field wastes.
6. Dealt with an increasing workload with the state experiencing record oil and gas production of approximately 675,000 barrels of oil per day, the highest level of drilling rig activity with the issuance of 2,000 well permits and a record setting number of cases heard (3,000) with orders issued and 15 seismic projects permitted. Completed an assessment of the oil potential of the Three Forks Formation in North Dakota. Enhanced royalty owner access. Co-sponsored the 2012 Williston Basin Petroleum Conference & Expo in Bismarck that drew a record setting 4,700 attendees.
7. Provided funding for litigation initiated by the Attorney General's Office against the State of Minnesota which limits the ability of ND citizens to export electricity to Minnesota.
8. Participated in the ongoing work of the EmPower Commission.
9. Refunded outstanding North Dakota Building Authority bonds which resulted in a savings of over $2.0 million.
10. Leveraged $7.9 million of state dollars with matching funds of $18.8 million for research and educational projects through the three research programs thus far in the 2011-13 biennium.
11. Provided a low cost disaster loan program,through the Public Finance Authority, to assist political subdivisions faced with numerous costs from natural disasters during the 2011-13 biennium.

Executive Budget Recommendation
- Authorizes $390,820 from the general fund for 2.00 FTE engineering technicians field inspector positions and related operating expenses. The two positions were contingently funded for the 2011-13 biennium upon the trigger of

9,300 wells. The trigger had not been reached by the time of the budget submission. However, the agency is anticipating the trigger will be met before January 2013.

- Provides $1.0 million in one-time general fund funding for the purpose of defraying expenses associated with possible litigation and other administrative proceedings involving the federal government's efforts to regulate hydraulic fracturing.
- Authorizes $930,223 from the general fund for 6.00 new FTE and related operating expenses. The new positions include: 4.00 FTE engineering technician positions in the Bismarck office to timely process data submitted to assure compliance with regulations; 1.00 FTE geology analyst position to inspect logs and enter log data into database to ensure safety and environmental considerations are not compromised; and 1.00 FTE account/ budget specialist position to meet the demands of daily accounting and payroll functions as a result of increased FTE and overall agency workload.
- Provides $215,251 from the general fund for 1.00 FTE geology analyst position to conduct pre-application waste disposal site reviews.
- Authorizes $1,581,449 from the general fund for 7.00 new FTE and related operating expenses including additional office space. The new positions include: 3.00 FTE petroleum engineer field inspector positions to inspect drilling rigs, witness well plugging, and address future unit activities in order to ensure compliance with regulations; 3.00 FTE engineering technician field inspectors to perform routine producing well, injection well, and facility inspections; 1.00 FTE engineering technician position located in the core library to pull core samples and to conduct field inspections of geothermal facilities in eastern North Dakota.
- Authorizes $534,900 from the general fund for 4.00 new FTE and related operating expenses. The new positions include: 1.00 FTE petroleum engineer production supervisor to ensure timely and accurate filing and auditing of production data; 1.00 FTE engineering technician measurement analyst to ensure that oil and gas produced in North Dakota is accurately measured to proper standards; 1.00 FTE audit/legal administrative assistant to assist with production audits and legal administrative documents; 1.0 FTE filing/reception administrative assistant to assist with filing documents and performing receptionist duties.
- Authorizes $586,230 from the general fund for 3.00 FTE engineering technician field inspector positions and related operating expenses to perform routine producing well, injection well, and facility inspections. These positions are contingent upon the total number of wells capable of production or injection in the state exceeding 15,000.
- Provides funding to the renewable energy development grant program by allocating one-half of one percent of the revenue credited to the resources trust fund to the renewable energy development grant fund.
- Provides $793,816, of which $730,310 is from the general fund, for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

405 Industrial Commission **Bill#: SB2014**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Administration	40,939,255	47,881,244	(8,038,233)	(16.8%)	39,843,011	(7,153,726)	(14.9%)	40,727,518
Office of Mineral Resources	11,195,279	16,307,098	(1,175,823)	(7.2%)	15,131,275	5,651,026	34.7%	21,958,124
Public Finance Authority	367,249	654,027	7,216	1.1%	661,243	17,306	2.6%	671,333
Total Major Programs	52,501,783	64,842,369	(9,206,840)	(14.2%)	55,635,529	(1,485,394)	(2.3%)	63,356,975
By Line Item								
Salaries and Wages	9,549,262	12,596,406	597,699	4.7%	13,194,105	5,114,224	40.6%	17,710,630
Operating Expenses	2,390,887	4,493,744	(1,362,289)	(30.3%)	3,131,455	1,836,832	40.9%	6,330,576
Capital Assets	37,998	0	0	0.0%	0	5,800	100.0%	5,800
Grants	11,112,752	19,971,300	(471,300)	(2.4%)	19,500,000	(471,300)	(2.4%)	19,500,000
Carbon Dioxide Storage Administration	0	532,000	(532,000)	(100.0%)	0	(532,000)	(100.0%)	0
Mineral Resources Contingency	0	359,186	(359,186)	(100.0%)	0	(359,186)	(100.0%)	0
Bond Payments	26,010,884	25,389,733	(5,579,764)	(22.0%)	19,809,969	(5,579,764)	(22.0%)	19,809,969
State Facility Lignite Proj	400,000	0	0	0.0%	0	0	0.0%	0
Renewable Energy Dev	3,000,000	1,500,000	(1,500,000)	(100.0%)	0	(1,500,000)	(100.0%)	0
Total Line Items	52,501,783	64,842,369	(9,206,840)	(14.2%)	55,635,529	(1,485,394)	(2.3%)	63,356,975
By Funding Source								
General Fund	14,132,076	18,075,613	(3,208,355)	(17.7%)	14,867,258	4,343,505	24.0%	22,419,118
Federal Funds	258,552	263,485	532	0.2%	264,017	21,708	8.2%	285,193
Special Funds	38,111,155	46,503,271	(5,999,017)	(12.9%)	40,504,254	(5,850,607)	(12.6%)	40,652,664
Total Funding Source	52,501,783	64,842,369	(9,206,840)	(14.2%)	55,635,529	(1,485,394)	(2.3%)	63,356,975
Total FTE	61.06	76.06	(1.00)	(1.3%)	75.06	22.69	29.8%	98.75

Statutory Authority
North Dakota Century Code Chapters 14-02.4, 14-02.5, 34-05, 34-06, 34-06.1, 34-07, 34-12, 34-13, 34-14, and Sections 34-01-20 and 34-08-14.

Agency Description
The Department of Labor is responsible for administering statutory provisions relating to labor standards, including wage and hour issues, child labor, and labor-management relations. The Department is also responsible for improving working and living conditions of employees and advancing their opportunities for employment; fostering, promoting, and developing the welfare of wage earners and industries in the state; promoting cooperative relations between employers and employees; cooperating with other governmental agencies to encourage the development of new and existing industries; representing the state in dealings with the U.S. Department of Labor, with the federal mediation and conciliation service, and the U.S. veteran's administration with regard to job training programs; acquiring and providing information on subjects connected with labor, relations between employers and employees, hours of labor, and working conditions; and encourage and assist in the adoption of practical methods of vocational training, retraining, and vocational guidance.

The Department of Labor also has statutory regulatory responsibilities with respect to human rights. This includes receiving and investigating complaints of discrimination in employment and housing; adopting rules necessary to implement the law; fostering prevention of discrimination through education; emphasizing conciliation to resolve complaints; publishing, in even-numbered years, a written report recommending legislative or other action to carry out the purposes of the chapters; and conducting studies relating to the nature and extent of discriminatory practices in the state.

The Human Rights Division within the Department of Labor is responsible for promoting the human rights of all North Dakota citizens through leadership, education, prevention, and enforcement of state laws prohibiting discriminatory practices in the state. Specifically, the department investigates complaints alleging violations of law in the areas of employment, housing, public services, public accommodations, and credit transactions.

Major Accomplishments
1. Maintained a stabilized caseload in all areas, even with a significant increase in wage claims.
2. Provided human rights related training for agency staff.
3. Attended training and policy conferences sponsored by the Equal Opportunity Commission and the Department of Housing and Urban Development each year.
4. Attended training at the National Fair Housing Training Academy.
5. Began developing two new public service announcements regarding housing discrimination to help educate the public and create awareness of the Human Rights Division.
6. Updated agency brochures and completed redesigning the department’s website.
7. Provided numerous educational presentations across the state.

Executive Budget Recommendation
- Authorizes an additional 1.00 FTE and $110,963, of which $91,150 is from the general fund, for a compliance investigator position to address an increase in wage claims as a result of the growth of economic activity in the state.
- Provides $155,437 from the general fund for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

406 Office of the Labor Commissioner **Bill#: HB1007**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Office of Labor Commissioner	1,702,507	2,140,036	(124,084)	(5.8%)	2,015,952	185,107	8.6%	2,325,143
Total Major Programs	1,702,507	2,140,036	(124,084)	(5.8%)	2,015,952	185,107	8.6%	2,325,143
By Line Item								
Salaries and Wages	1,478,916	1,648,342	51,316	3.1%	1,699,658	353,107	21.4%	2,001,449
Operating Expenses	223,591	481,694	(165,400)	(34.3%)	316,294	(158,000)	(32.8%)	323,694
Technology Carryover	0	10,000	(10,000)	(100.0%)	0	(10,000)	(100.0%)	0
Total Line Items	1,702,507	2,140,036	(124,084)	(5.8%)	2,015,952	185,107	8.6%	2,325,143
By Funding Source								
General Fund	1,321,993	1,550,125	47,714	3.1%	1,597,839	337,092	21.7%	1,887,217
Federal Funds	380,514	589,911	(171,798)	(29.1%)	418,113	(151,985)	(25.8%)	437,926
Special Funds	0	0	0	0.0%	0	0	0.0%	0
Total Funding Source	1,702,507	2,140,036	(124,084)	(5.8%)	2,015,952	185,107	8.6%	2,325,143
Total FTE	12.00	12.00	0.00	0.0%	12.00	1.00	8.3%	13.00

Statutory Authority
ND Constitution Article V, Sections 2 and 5; Article XII, Section 13; North Dakota Century Code Chapters 19-01, 24-01, 24-09, 36-05, 38-14.1, 38-14.2, 38-18, 40-05, 40-33, 40-34, 51-05.1, 54-06, 54-44.8, 57-61; Title 49 (except Chapter 49-16), Title 60 (except Chapter 60-01) and Title 64.

Agency Description
The Public Service Commission is a constitutional agency with varying degrees of statutory authority over electric and gas utilities, telecommunication companies, energy generation plant and transmission line siting, railroads, grain elevators, auctioneers and auction clerks, weighing and measuring devices, pipeline safety and coal mine reclamation. The Commission is comprised of three Commissioners who are elected on a state-wide basis to staggered six year terms.

Major Accomplishments
1. Processed 1,372 cases; 96.0 percent of all formal cases were process without the need for a formal hearing.
2. Received and approved 41 interconnection agreements and 13 interconnection agreement amendments.
3. Conducted 172 inspections (120 standard inspections, 1 compliance follow-up, 24 design/testing and construction inspections). During the biennium, 19 violations were found resulting in the issuance of 9 compliance orders.
4. Monitored 21,185 devices, conducted 50 quality control inspections and investigated 29 complaints.
5. Completed 393 grain warehouse inspections and 25 roving grain buyer inspections. Granted 44 requests to discontinue business and issued 52 new licenses. At the end of the biennium there were 290 grain warehouses and 111 facility based grain buyers. The commission was involved in 6 grain warehouse or grain buyer insolvencies during the biennium and is presently administrating 3 insolvencies. Issued 157 auctioneer licenses and 422 auction clerk licenses.
6. Conducted 1,310 routine mine inspections, 235 complete inspections covering all aspects of the mining and reclamation operations and 1,075 partial inspections. There were 3 notices of violations and $3,250 in civil penalties assessed. There were 14 bond release applications approved and commission terminated its jurisdiction on 3,877 acres. Helped sponsor the “American Society for Mining and Reclamations 2011 Annual Meeting and Conference” in Bismarck.
7. Conducted major drilling and grouting projects in underground mind voids beneath residential areas and public roads near Williston, Beulah, Garrison, Wilton and Zap in order to stabilize and prevent mine collapse. There were 360 hazardous sinkholes filled in the western North Dakota caused by collapse underground mine sites.
8. Conducted hearings on three petitions, involving 10 railroad crossings, requesting that a horn be sounded at private railroad crossings based on safety concerns of the public pursuant to North Dakota Century Code 49-11-22 during the 2009-11 biennium. One request was withdrawn, eight resulted in the commission ordering audible warnings to continue, and one to cease the audible warning.
9. Processed or in the process of completing 12 electric service area agreements, including one recent agreement between two cooperatives, since the 2007 enactment of North Dakota Century Code Section 49-03-06 authorizing service area agreements to encourage harmony and operational efficiency among electric providers. As a result, there are now service area agreements filed for areas within and around the cities of Mandan, Kenmare, Bottineau, Williston, Garrison, Jamestown, Stanley, Wahpeton, Casselton, and Kindred.

Executive Budget Recommendation
- Repurposes 2.00 FTE from the Weights and Measures program to 1.00 FTE pipeline safety inspector and 1.00 FTE public utility analyst to address the needs of increased energy development in the state resulting in a net general fund savings of $106,605.
- Provides $489,070, of which $308,114 is from the general fund, for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

408 Public Service Commission **Bill#: HB1008**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Administration	2,135,501	3,030,401	272,099	9.0%	3,302,500	818,460	27.0%	3,848,861
Testing, Licensing and Certification	1,579,020	2,727,562	(14,895)	(0.5%)	2,712,667	9,953	0.4%	2,737,515
Public Utilities	1,162,575	1,980,582	(650,938)	(32.9%)	1,329,644	(424,880)	(21.5%)	1,555,702
Reclamation Programs	6,425,195	11,346,918	1,972	0.0%	11,348,890	156,310	1.4%	11,503,228
Total Major Programs	11,302,291	19,085,463	(391,762)	(2.1%)	18,693,701	559,843	2.9%	19,645,306
By Line Item								
Salaries and Wages	6,501,704	7,485,674	254,790	3.4%	7,740,464	1,173,570	15.7%	8,659,244
Operating Expenses	1,468,559	1,972,572	0	0.0%	1,972,572	4,825	0.2%	1,977,397
Capital Assets	117,950	53,000	7,665	14.5%	60,665	35,665	67.3%	88,665
Grants	8,000	16,000	4,000	25.0%	20,000	4,000	25.0%	20,000
AML Contractual Services	3,087,004	8,000,000	0	0.0%	8,000,000	0	0.0%	8,000,000
Rail Rate Complaint Case	0	900,000	0	0.0%	900,000	0	0.0%	900,000
Federal Stimulus Funds 2009	119,074	658,217	(658,217)	(100.0%)	0	(658,217)	(100.0%)	0
Total Line Items	11,302,291	19,085,463	(391,762)	(2.1%)	18,693,701	559,843	2.9%	19,645,306
By Funding Source								
General Fund	5,172,968	6,023,815	87,698	1.5%	6,111,513	539,408	9.0%	6,563,223
Federal Funds	6,127,781	12,036,648	(479,460)	(4.0%)	11,557,188	20,435	0.2%	12,057,083
Special Funds	1,542	1,025,000	0	0.0%	1,025,000	0	0.0%	1,025,000
Total Funding Source	11,302,291	19,085,463	(391,762)	(2.1%)	18,693,701	559,843	2.9%	19,645,306
Total FTE	43.00	43.00	0.00	0.0%	43.00	0.00	0.0%	43.00

Statutory Authority
North Dakota Century Code Chapters 2-05, 2-06, 2-08, 57-40.5, 57-43.3.

Agency Description
The Aeronautics Commission encourages the establishment and maintenance of airports and navigational facilities; cooperates with federal and local governments in the development and coordination of all aeronautical activities; and represents the state and industry in all matters relating to aeronautical activities.

Major Accomplishments
1. Provided technical and financial assistance to the 89 public owned airports across the state.
2. Coordinated financial assistance through the FAA/State Capital Improvement Plan for 54 federal airports in North Dakota which belong to the National Plan of Integrated Systems (NPIAS).
3. Provided grants through the Air Carrier Grant Program and General Aviation Grant Programs.
4. Provided grants to community airports to not only make runway/taxiway and pavement improvements, but to purchase snow removal equipment and buildings to provide shelter to the snow removal equipment plus other grounds repair and grooming equipment.
5. Increased the Flight Instructor Assistance Program (FTAP) to offer to rural public use airports not served by an active flight instructor to help defray the cost of flight instructors' travel to and from their airports. This program provided a means for airports to train new pilots at their airports by defraying the costs of bringing in a flight instructor from elsewhere. This program was boosted significantly by using a billboard along a western highway. Increased funding has allowed the program to grow further.
6. Continued the Air Carrier Intern Program for the eight communities that have airline service. This program provided funding to each airport that wanted to create an internship for airport management, and is being expanded due to its popularity.
7. Presented the first completion awards for the Airport Passport Program to encourage pilots to visit all of the state's airports. This initiative with the tourism division has been very popular.
8. Served as the Governor's coordinator of the "Real World Design Challenge" encouraging high school students to pursue careers in science, technology, engineering and math related fields. The fourth group of high school students have represented ND in the national competition.
9. Distributed aviation charts, airport directories, balsa gliders, and the "Imagine Being A Pilot" brochure to numerous career day events throughout the state.
10. Provided support to all eight airline serviced communities which helped increase airline boardings to all-time record numbers in each community.
11. Developed a state economic impact report for all aviation communities, showing the benefits from aviation in each city.
12. Provided funding to enable internet connection to the Automated Weather Observation System (AWOS) that reports wind speed, current weather, ceiling and visibility, increasing flight safety.
13. Educated 89 public airport sponsors through airport inspections, training conferences, safety and security information, federal grant assurances, and community meetings.

Executive Budget Recommendation
- Provides a total of $9.5 million in airport and education grants, of which $7.9 million is from special funds, $987,000 is federal funds, and $550,000 is from the general fund.
- Provides $52,271 from special funds for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

412 Aeronautics Commission **Bill#: SB2006**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Regulatory and Administration	1,175,984	1,757,188	325,346	18.5%	2,082,534	398,951	22.7%	2,156,139
Airport Development and Maintenance	5,706,069	12,582,645	(1,721,645)	(13.7%)	10,861,000	(1,721,645)	(13.7%)	10,861,000
Total Major Programs	6,882,053	14,339,833	(1,396,299)	(9.7%)	12,943,534	(1,322,694)	(9.2%)	13,017,139
By Line Item								
Salaries and Wages	746,861	1,005,639	70,846	7.0%	1,076,485	144,451	14.4%	1,150,090
Operating Expenses	1,698,669	2,262,549	(285,500)	(12.6%)	1,977,049	(285,500)	(12.6%)	1,977,049
Capital Assets	75,081	780,000	(390,000)	(50.0%)	390,000	(390,000)	(50.0%)	390,000
Construction Carryover	0	1,251,645	(1,251,645)	(100.0%)	0	(1,251,645)	(100.0%)	0
Grants	4,361,442	9,040,000	460,000	5.1%	9,500,000	460,000	5.1%	9,500,000
Total Line Items	6,882,053	14,339,833	(1,396,299)	(9.7%)	12,943,534	(1,322,694)	(9.2%)	13,017,139
By Funding Source								
General Fund	550,000	554,500	(4,500)	(0.8%)	550,000	(4,500)	(0.8%)	550,000
Federal Funds	1,554,504	4,696,000	(2,419,000)	(51.5%)	2,277,000	(2,419,000)	(51.5%)	2,277,000
Special Funds	4,777,549	9,089,333	1,027,201	11.3%	10,116,534	1,100,806	12.1%	10,190,139
Total Funding Source	6,882,053	14,339,833	(1,396,299)	(9.7%)	12,943,534	(1,322,694)	(9.2%)	13,017,139
Total FTE	6.00	6.00	0.00	0.0%	6.00	0.00	0.0%	6.00

Statutory Authority
North Dakota Century Code Titles 6, 13 and 51.

Agency Description
The Department of Financial Institutions is a self-funded regulatory agency responsible for the oversight of state banks, trust companies, building and loan associations, mutual investment corporations, mutual savings corporations, banking institutions, credit unions and other financial corporations doing business under the laws of the State of North Dakota. The Department conducts examinations to determine the soundness of the financial institutions and monitor compliance with applicable rules and regulations.

Major Accomplishments
1. Retained national accreditation for the bank and credit union divisions.
2. Maintained bank and credit union examination frequency within the requirements set by statute and federal regulations.
3. Issued administrative orders to problem institutions and closely supervised these institutions to ensure corrective programs were implemented
4. Issued an increasing number of licenses to money brokers, collection agencies, loan originators, deferred presentment service providers (payday lenders), and money transmitters.
5. Revised procedures to issue licenses in a more efficient manner.
6. Continued use of EDMS to enhance office work flow.

Executive Budget Recommendation
- Recommends the budget as submitted.
- Provides special fund authority to support current FTE level and operations of the agency.
- Provides $355,863 from special funds for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

413 Dept of Financial Institutions **Bill#: SB2008**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Dept of Financial Inst	5,646,214	6,836,318	338,679	5.0%	7,174,997	803,976	11.8%	7,640,294
Total Major Programs	5,646,214	6,836,318	338,679	5.0%	7,174,997	803,976	11.8%	7,640,294
By Line Item								
Salaries and Wages	4,533,463	5,356,855	233,697	4.4%	5,590,552	698,994	13.0%	6,055,849
Operating Expenses	1,112,751	1,459,463	(31,018)	(2.1%)	1,428,445	(31,018)	(2.1%)	1,428,445
Contingency	0	20,000	136,000	680.0%	156,000	136,000	680.0%	156,000
Total Line Items	5,646,214	6,836,318	338,679	5.0%	7,174,997	803,976	11.8%	7,640,294
By Funding Source								
General Fund	0	0	0	0.0%	0	0	0.0%	0
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	5,646,214	6,836,318	338,679	5.0%	7,174,997	803,976	11.8%	7,640,294
Total Funding Source	5,646,214	6,836,318	338,679	5.0%	7,174,997	803,976	11.8%	7,640,294
Total FTE	29.00	29.00	0.00	0.0%	29.00	0.00	0.0%	29.00

Statutory Authority
North Dakota Century Code Chapters 10-04, 43-10.1, 51-19, and 51-23.

Agency Description
The North Dakota Securities Department is a regulatory agency that serves the citizens of North Dakota through the administration and enforcement of the North Dakota Securities Act (10-04), the North Dakota Commodities Act (51-23), the Franchise Investment Law (51-19) and Pre-Need Funeral Services Law (43-10.1).

Investor protection begins with registration of investment securities, sales firms and agents, franchise offerings and pre-need funeral plan sales. Fees collected are a revenue source for the State of North Dakota. The agency fosters the formation of capital by legitimate North Dakota businesses.

Investigation of fraud and misrepresentation results in money returned to North Dakota investors through rescission, recovery and restitution. Enforcement actions generate state revenues through statutory civil penalties, and consent orders and agreements. Education programs help investors make wise investment decisions and avoid fraud and abuse.

Major Accomplishments
1. Assisted 37 North Dakota companies seeking to raise $140.7 million in capital through securities offerings.
2. Opened 59 investigations of fraud and misconduct perpetrated against North Dakota investors.
3. Returned $664,643 to victimized North Dakota investors through restitution, rescission and disgorgement.
4. Referred 4 enforcement matters to State's Attorneys for criminal prosecution. Continue to assist with prosecution.

Executive Budget Recommendation
- Provides general and special fund authority to support current FTE level and operations of the agency.
- Provides $116,064 from the general fund for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

414 Securities Department **Bill#: HB1011**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Investor Protection	1,933,786	2,226,419	(117,493)	(5.3%)	2,108,926	94,623	4.3%	2,321,042
Total Major Programs	1,933,786	2,226,419	(117,493)	(5.3%)	2,108,926	94,623	4.3%	2,321,042
By Line Item								
Salaries and Wages	1,336,849	1,519,978	29,706	2.0%	1,549,684	215,972	14.2%	1,735,950
Operating Expenses	596,937	706,441	(147,199)	(20.8%)	559,242	(121,349)	(17.2%)	585,092
Total Line Items	1,933,786	2,226,419	(117,493)	(5.3%)	2,108,926	94,623	4.3%	2,321,042
By Funding Source								
General Fund	1,637,200	1,909,220	29,706	1.6%	1,938,926	215,972	11.3%	2,125,192
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	296,586	317,199	(147,199)	(46.4%)	170,000	(121,349)	(38.3%)	195,850
Total Funding Source	1,933,786	2,226,419	(117,493)	(5.3%)	2,108,926	94,623	4.3%	2,321,042
Total FTE	9.00	9.00	0.00	0.0%	9.00	0.00	0.0%	9.00

Statutory Authority
North Dakota Century Code Chapter 6-09.

Agency Description
The Bank of North Dakota serves as the development bank for agriculture, commerce, and industry in North Dakota. The strategic objectives of the Bank include delivering quality programs and services to expand the economy of North Dakota; providing a culture that develops the skills of its people and is a model of efficient business and government; and generating a consistent financial return to the State of North Dakota while maintaining the strength and financial integrity of BND.

Major Accomplishments
1. Experienced tremendous asset growth. As of June 30, 2011, BND's asset size was $4.73 billion. Today BND's asset size is $5.72 billion, an increase of 21.0 percent. Over the past 5 years, BND's assets have nearly doubled while its FTE count has remained the same.
2. Closed 2011 with a nearly $3.00 billion loan portfolio, up a modest 6.4 percent over 2010. BND's loan portfolio concentrates on 4 main loan program areas: agriculture, commercial, residential, and student loans. Overall, loans totaled $2.99 billion after $178.0 million in new loan growth for the year 2011.
3. Launched a Loan Sub-Participation initiative in 2012 in response to strong loan demand from oil impacted western ND counties and as part of BND's efforts to manage loan concentration risk. This initiative provides for BND to sell loans to ND banks from its portfolio.
4. Participated in 291 North Dakota business and industrial projects in 2011. BND spurred economic development by funding or renewing $573.0 million of commercial participation with financial institution partners in the $1.04 billion commercial loan portfolio.
5. Increased BND's residential portfolio by over $100.0 million in 2011. BND made 25 loans through two new rural housing programs, accounting for $3.8 million of its $574.0 million portfolio. BND also started a conventional mortgage loan origination program approved by the 2011 legislature that was just starting to see usage at the end of 2011.
6. Disbursed over $103.0 million in student loans in 2011 and the total portfolio increased by 1.8 percent to $1.09 billion. The loss of the Federal Family Education Loan (FFEL) Program in 2010 impacted the overall portfolio's growth, but was replaced by increased activity in BND's Dakota Education Alternative Loan (DEAL) Program. DEAL volume increased by 6.0 percent in 2011. BND disbursed over $47.7 million in DEAL loans in the first 6 months of 2012.
7. Grew the agriculture loan portfolio by 4.0 percent in 2011 to $289.0 million. Increased activity in farm real estate loans contributed to the overall growth of the Ag portfolio in 2011.
8. Grew BND's earnings in 2011 by 13.7 percent over 2010 to $70.3 million. BND's return on average equity was 19.3 percent, which reflects the state's return on its investment in BND.
9. Established the College Planning Center to consolidate programs including College Save, Dollars for Scholars, NDCAN and education outreach under one entity. Created a new user friendly website to help North Dakotans plan for college from cradle to career.
10. Entered into a service contract with the Missouri Higher Education Loan Authority (MOHELA) to service BND's allotment of Federal Direct Student Loans. This agreement will result in BND recognizing additional earnings of approximately $625,000 the first 4 years and $250,000 thereafter.
11. Implemented the Rebuilders Loan Program, which was authorized during the 2011 Special Session by designating $50.0 million to help flood-impacted homeowners rebuild or purchase a home in the same community. The Rebuilders Loan Program allowed homeowners to apply for up to $30,000 to cover qualifying expenses. The first $30.0 million of this program was funded with BND's retained earnings. At the end of 2011, nearly $10.0 million in loans were closed or in process for 322 homeowners. As of August 31, 2012, BND has made 1,094 loans totaling nearly $32.0 million, with 284 more loans in process.
12. Received an upgraded credit rating, from A+ to AA-, in 2011 by Standard and Poors (S&P), putting BND in a rating category with the highest-rated U.S. banks. The rating of AA- was affirmed in July, 2012.
13. Acquired two adjacent properties for $517,020 in December 2011 at the direction of the 2011 Legislature.

Executive Budget Recommendation
- Provides for a $38.0 million transfer from BND's retained earnings to the PACE and Beginning Farmer programs - $16.0 million PACE/Flex PACE, $12.0 million Flex PACE for affordable housing, $2.0 million Agriculture PACE, $2.0 million Biofuels PACE, and $6.0 million Beginning Farmer Loan Program.
- Continues $3.0 million in federal fund authority to provide education and outreach services for those pursuing higher education.
- Authorizes 1.00 FTE and $217,702 in special funds for a loan officer position to meet the demands of BND's growing loan portfolio.
- Authorizes 1.00 FTE and $165,534 in special funds for a compliance officer position to address the increasing regulatory demands placed on financial institutions.
- Authorizes 1.00 FTE and $120,462 in special funds for a collection officer position for student loans to ensure delinquency rates are kept at a manageable level.
- Provides $1.7 million in special funds for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

471 Bank of North Dakota **Bill#: SB2014**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Bank of North Dakota Operations	47,238,957	91,253,155	(31,713,592)	(34.8%)	59,539,563	(38,800,227)	(42.5%)	52,452,928
Total Major Programs	47,238,957	91,253,155	(31,713,592)	(34.8%)	59,539,563	(38,800,227)	(42.5%)	52,452,928
By Line Item								
Capital Assets	318,510	1,266,000	(521,000)	(41.2%)	745,000	(521,000)	(41.2%)	745,000
Western Area Water Supply	0	35,000,000	(35,000,000)	(100.0%)	0	(35,000,000)	(100.0%)	0
PACE Fund	8,000,000	6,000,000	0	0.0%	6,000,000	(6,000,000)	(100.0%)	0
Agriculture PACE Prog.	1,400,000	1,000,000	0	0.0%	1,000,000	(1,000,000)	(100.0%)	0
Beginning Farmer Prog.	0	1,400,000	0	0.0%	1,400,000	(1,400,000)	(100.0%)	0
Biofuels PACE	700,000	1,000,000	0	0.0%	1,000,000	(1,000,000)	(100.0%)	0
BND Operations	36,820,447	45,587,155	3,807,408	8.4%	49,394,563	6,120,773	13.4%	51,707,928
Total Line Items	47,238,957	91,253,155	(31,713,592)	(34.8%)	59,539,563	(38,800,227)	(42.5%)	52,452,928
By Funding Source								
General Fund	10,100,000	34,400,000	(25,000,000)	(72.7%)	9,400,000	(34,400,000)	(100.0%)	0
Federal Funds	693,244	3,000,000	0	0.0%	3,000,000	7,918	0.3%	3,007,918
Special Funds	36,445,713	53,853,155	(6,713,592)	(12.5%)	47,139,563	(4,408,145)	(8.2%)	49,445,010
Total Funding Source	47,238,957	91,253,155	(31,713,592)	(34.8%)	59,539,563	(38,800,227)	(42.5%)	52,452,928
Total FTE	176.50	176.50	0.00	0.0%	176.50	3.00	1.7%	179.50

Statutory Authority
North Dakota Century Code Chapter 54-17.

Agency Description
North Dakota Housing Finance Agency is a public financial institution established to develop and administer affordable housing finance and assistance programs for eligible parties.

Major Accomplishments
1. Funded more than $2.60 billion (37,006) in home loans.
2. Administered rental assistance and compliance oversight for 3,433 Housing and Urban Development (HUD) and 4,540 Low Income Housing Tax Credit (LIHTC) affordable apartment units.
3. Assisted in the development of 6,256 LIHTC rental units.
4. Administered the housing incentive fund, which has committed just under $11.0 million of the authorized $15.0 million fund as of May 31, 2012, adding 570 units of much needed affordable housing.
5. Assisted impacted communities with their housing recovery as the lead of the Housing Task Force for Disaster Recovery and chair of the Housing and Individual Assistance subcommittee of the State Disaster Task Force during the 2011 flooding.
6. Undertook an update of the Statewide Housing Needs Assessment to give local and state leaders accurate information to formulate housing plans.
7. Continued to partner with rural communities to help identify housing shortages and challenges and work toward effective planning.

Executive Budget Recommendation
- Recommends the base budget as submitted by the agency.
- Provides for a $30.0 million general fund transfer to the housing incentive fund for the biennium ending June 30, 2013 to promote affordable housing projects in North Dakota.
- Increases the allowable tax credits for contributions into the housing incentive fund from $15.0 million to $20.0 million.
- Provides $470,148 from special funds for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

473 ND Housing Finance Agency **Bill#: SB2014**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
ND Housing Finance Agency	52,530,417	46,522,446	(6,284,973)	(13.5%)	40,237,473	(5,660,407)	(12.2%)	40,862,039
Total Major Programs	52,530,417	46,522,446	(6,284,973)	(13.5%)	40,237,473	(5,660,407)	(12.2%)	40,862,039
By Line Item								
Salaries and Wages	5,486,489	6,516,277	296,388	4.5%	6,812,665	920,954	14.1%	7,437,231
Operating Expenses	4,060,063	5,114,849	(1,323,091)	(25.9%)	3,791,758	(1,323,091)	(25.9%)	3,791,758
Grants	32,270,291	33,799,920	(4,266,870)	(12.6%)	29,533,050	(4,266,870)	(12.6%)	29,533,050
HFA Contingency	14,602	100,000	0	0.0%	100,000	0	0.0%	100,000
Federal Stimulus Funds 2009	10,698,972	991,400	(991,400)	(100.0%)	0	(991,400)	(100.0%)	0
Total Line Items	52,530,417	46,522,446	(6,284,973)	(13.5%)	40,237,473	(5,660,407)	(12.2%)	40,862,039
By Funding Source								
General Fund	0	0	0	0.0%	0	0	0.0%	0
Federal Funds	41,730,447	31,166,320	(3,700,520)	(11.9%)	27,465,800	(3,700,520)	(11.9%)	27,465,800
Special Funds	10,799,970	15,356,126	(2,584,453)	(16.8%)	12,771,673	(1,959,887)	(12.8%)	13,396,239
Total Funding Source	52,530,417	46,522,446	(6,284,973)	(13.5%)	40,237,473	(5,660,407)	(12.2%)	40,862,039
Total FTE	46.00	46.00	0.00	0.0%	46.00	0.00	0.0%	46.00

Statutory Authority
North Dakota Century Code Chapter 54-18.

Agency Description
The North Dakota State Mill & Elevator Association started operations in 1922 and serves as a foundation for value-added economic development in the state, promotes the export of North Dakota wheat and returns 50 percent of its annual profits to the state's general fund. The Mill is located in Grand Forks.

Major Accomplishments
1. Achieved sales of 11.6 million hundredweight in fiscal year 2012.
2. Purchased and ground more than 24.4 million bushels of spring wheat and durum in fiscal year 2012.
3. Achieved profits of $8.0 million in fiscal year 2012.

Executive Budget Recommendation
- Recommends a $52.3 million budget funded entirely from mill profits.
- Authorizes 1.00 FTE and $194,488 from special funds for a supervisor for the second shift in the warehouse to address increased production volume.
- Authorizes 1.00 FTE information systems analyst position and $144,413 from special funds to address information technology needs as a result of increased production and increased sophistication of systems for milling operations.
- Authorizes 1.00 FTE and $121,374 for a car checker position to staff the third shift in order to ensure adequate number of rail cars are available to keep up with increased production.
- Authorizes 1.00 FTE sales representative position and $162,403 from special funds to promote continued sales growth.
- Continues funding of agriculture promotion expenses through a special line item.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

475 ND Mill and Elevator Association **Bill#: SB2014**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested		Requested Budget 2013-2015	2013-2015 Recommended		Executive Recommendation 2013-2015
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Flour Mill and Grain Terminal Operations	36,502,868	47,071,877	4,116,641	8.7%	51,188,518	5,183,247	11.0%	52,255,124
Total Major Programs	36,502,868	47,071,877	4,116,641	8.7%	51,188,518	5,183,247	11.0%	52,255,124
By Line Item								
Salaries and Wages	22,337,465	26,018,008	2,764,510	10.6%	28,782,518	3,831,116	14.7%	29,849,124
Operating Expenses	14,090,453	20,443,869	1,352,131	6.6%	21,796,000	1,352,131	6.6%	21,796,000
Agriculture Promotion	74,950	210,000	0	0.0%	210,000	0	0.0%	210,000
Contingency	0	400,000	0	0.0%	400,000	0	0.0%	400,000
Total Line Items	36,502,868	47,071,877	4,116,641	8.7%	51,188,518	5,183,247	11.0%	52,255,124
By Funding Source								
General Fund	0	0	0	0.0%	0	0	0.0%	0
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	36,502,868	47,071,877	4,116,641	8.7%	51,188,518	5,183,247	11.0%	52,255,124
Total Funding Source	36,502,868	47,071,877	4,116,641	8.7%	51,188,518	5,183,247	11.0%	52,255,124
Total FTE	131.00	131.00	0.00	0.0%	131.00	4.00	3.1%	135.00

Statutory Authority
North Dakota Century Code Title 65.

Agency Description
Workforce Safety & Insurance (WSI) was established in 1919 as an exclusive state fund for workers compensation insurance. Employers operating within the state are required to secure workers compensation insurance through WSI, a state agency. Employers are not allowed to purchase this insurance through a private insurance carrier and cannot self-insure for workers compensation purposes. Claims for occupational injury and disease are filed with WSI and adjudicated by in-house agency claims analysts. WSI services approximately 20,000 employers with a covered workforce of approximately 340,000 workers. WSI processes approximately 20,000 claims per year.

Major Accomplishments
1. Remained financially stable and granted a 50.0 percent dividend credit in June 2012 as surplus levels exceeded the statutory limit. Dividend credits of nearly $600.0 million have been granted to policyholders in seven of the past eight years.
2. Continued to enhance benefit levels in recent legislative sessions. North Dakota's benefit structure is set by statute and compares very favorably to other jurisdictions.
3. Retained stable premium rates, which continue to be among the lowest in the nation.
4. Experienced a low incidence of time-loss claims accounting for only 12.0 percent of the total claims in North Dakota compared to 20.0 percent in most jurisdictions. North Dakota employees have a good work ethic and if injured, want to get back to work. WSI's Return to Work program greatly enhance these efforts.
5. Continued to provide and enhance policyholder safety and loss control programs, helping both employers and employees recognize and correct safety hazards. In June 2012, the WSI Board of Directors earmarked an additional $15.0 million in fund surplus to be allocated toward safety education programs.
6. Continued to maintain a low administrative expense ratio of 9.3 percent for Fiscal Year 2011. Workers' compensation industry expense ratios typically range between 25.0 percent and 35.0 percent. As a monopolistic workers compensation agency, North Dakota does not incur marketing expense, broker fees, tax expense or other fees typically incurred by private workers compensation insurers.
7. Maintained a low litigation average. Overall litigation requests represent less than one percent of total claims filed.

Executive Budget Recommendation
- Authorizes $1.3 million in special funds for 7.00 FTE and related operating expenses to address the increased workload as a result of energy development and construction activity in the state. The new positions include: claims adjuster, claims supervisor, vocational rehabilitation supervisor, medical case manager supervisor, underwriter, compliance officer, and loss control specialist.
- Authorizes the transfer of 4.00 FTE information technology positions and $753,275 in special fund authority to the Information Technology Department.
- Provides an additional $1.2 million in special fund authority for a policy information technology system replacement project.
- Provides $3.5 million from special funds for data warehousing and web portal information technology projects.
- Provides $1.0 million from special funds for post-implementation enhancements to the integrated worker's compensation system.
- Provides $2.7 million from special funds for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

485 Workforce Safety and Insurance **Bill#: HB1021**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Executive and Other Services	6,631,991	8,523,553	378,723	4.4%	8,902,276	3,230,594	37.9%	11,754,147
Administrative Services	16,565,206	20,667,622	(3,063,114)	(14.8%)	17,604,508	(2,509,724)	(12.1%)	18,157,898
Injury Services	17,261,415	20,966,226	1,392,050	6.6%	22,358,276	2,633,929	12.6%	23,600,155
Employer Services	7,127,744	8,255,892	684,156	8.3%	8,940,048	1,363,315	16.5%	9,619,207
Total Major Programs	47,586,356	58,413,293	(608,185)	(1.0%)	57,805,108	4,718,114	8.1%	63,131,407
By Line Item								
Workforce Safety Operations	47,586,356	58,413,293	(608,185)	(1.0%)	57,805,108	4,718,114	8.1%	63,131,407
Total Line Items	47,586,356	58,413,293	(608,185)	(1.0%)	57,805,108	4,718,114	8.1%	63,131,407
By Funding Source								
General Fund	0	0	0	0.0%	0	0	0.0%	0
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	47,586,356	58,413,293	(608,185)	(1.0%)	57,805,108	4,718,114	8.1%	63,131,407
Total Funding Source	47,586,356	58,413,293	(608,185)	(1.0%)	57,805,108	4,718,114	8.1%	63,131,407
Total FTE	247.14	247.14	0.00	0.0%	247.14	3.00	1.2%	250.14

Statutory Authority
North Dakota Century Code Title 39, Sections 2-05-14, 11-19-19, 11-19.1-06, 20.1-01-04, 20.1-13-14, 27-04-09, 29-06-02 and 44-08-20, and Chapter 28-32.

Agency Description
The primary duty of the ND Highway Patrol (NDHP) is to keep the motoring public safe as they travel the state's 70,000 square miles. This is accomplished through law enforcement and services including implementation of public education programs to reduce crashes and encourage safe driving practices; enforcement of laws to protect the highway system including size and weight requirements; and inspection of vehicles for safety equipment including school buses. The NDHP is the main authority for enforcing laws and regulations relating to the commercial vehicle industry. The department provides security and protection for the Governor, the Governor's immediate family and the state Capitol, including the Supreme Court, the Legislative Assembly and other elected government officials. The NDHP assists local agencies with responses to calls for service when situations arise which exceed the limits of local resources. The NDHP oversees the operation, maintenance and administration of the Law Enforcement Training Academy. The Academy provides basic and advanced training for all law enforcement officers in North Dakota.

Major Accomplishments
1. Implemented the E-permits system, which is an online permitting system. All permit types are now available online. A contract was awarded to implement an automated routing system. The routing module, along with the in-house oversize/overweight permitting application, will allow the motor carrier industry to purchase and route their permit with limited intervention from NDHP personnel. The new routing component will bring added convenience to the customer by allowing permit purchases 24 hours a day, seven days a week. The project is scheduled to be completed by July 2013.
2. Awarded international accreditation status for another three-year period on July 28, 2012. The NDHP has been accredited since 1989.
3. Began undergoing a change in organizational structure in order to streamline management and improve efficiency. Through attrition, the agency will transition from four regional administrative commanders in the field (one per region) to two (eastern and western). Each of the four regions will retain one regional operations commander to oversee first-line supervisors.
4. Shifted resources to Motor Carrier Operations to address the demands in the energy sector. These resources include two semi-portable trailer scale systems that provide the opportunity to weigh more commercial vehicles while minimizing time delays to the driver. The NDHP has also enhanced enforcement activities by transitioning more motor carrier enforcement troopers to the western part of the state.
5. Logged a total of 199,954 events in the Computer aided dispatch (CAD) system for the two-year period ending June 30, 2012. Since its inception, the CAD application has provided the agency with new tracking abilities for all events including traffic stops which increases officer safety. During FY11 the NDHP conducted 73,127 traffic stops; during FY2012 a total of 76,575 traffic stops were conducted.
6. Conducted criminal interdiction efforts. These efforts include conducting high volume traffic enforcement, supporting our agency's overall mission of traffic safety. Troopers receive specialized training that enhances their ability to detect indicators of criminal activity. They investigate the indicators until the suspicious circumstances are alleviated or criminal activity is discovered. The NDHP's K9 program is critical to the success rate of drug interdiction efforts. The K9 program consists of nine canine teams that are strategically located around the state to maximize availability. During 2011, K9 teams conducted 140 narcotic searches, five tracks for missing or fleeing subjects and 37 school searches. The teams also accounted for 99 misdemeanor arrests, 32 felony arrests, the seizure of 128 pounds of marijuana and the discovery of drug paraphernalia in 23 incidents. The NDHP has one aircraft that provides air support for special enforcement programs and assists in search operations. The aircraft is equipped with specialized equipment that allows both day and night operation capabilities, further enhancing interdiction and search and rescue operations.

Executive Budget Recommendation
- Authorizes 15.00 FTE and $3.8 million of funding, of which $3.4 million is from the general fund, for additional sworn officers. Six of the additional FTE's are for motor carrier troopers focusing on enforcing size and weight limitations. Nine of the additional FTE's are traffic troopers to provide enhanced coverage across the state, backfilling locations that have been vacated as resources have been moved west, as well as augmenting current staffing levels in the western area of the state.
- Provides one-time funding of $6.7 million, of which $5.8 million is from the general fund, for the construction of an emergency vehicle operations course and an indoor weapons training range for the Law Enforcement Training Academy.
- Provides $1.8 million, of which $1.5 million is from the general fund, for motor pool rate increases and additional patrol miles.
- Provides $672,000 of one-time funding, of which $585,000 is from the general fund and $87,000 in special funds, for the replacement of patrol vehicle light bars, which are obsolete and no longer supported by the vendor.
- Replaces current Tasers, which have a recommended life of five years of service and are due for replacement in 2013, with a one-time $176,000 general fund and $26,000 special fund appropriation.
- Provides $2.3 million, of which $1.8 million is from the general fund, for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

504 Highway Patrol **Bill#: SB2011**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Administration	2,898,961	3,159,842	174,427	5.5%	3,334,269	443,068	14.0%	3,602,910
Field Operations	36,347,749	41,888,139	(945,236)	(2.3%)	40,942,903	9,604,724	22.9%	51,492,863
Law Enforcement Training Academy	1,464,799	1,602,488	40,115	2.5%	1,642,603	6,891,039	430.0%	8,493,527
Total Major Programs	40,711,509	46,650,469	(730,694)	(1.6%)	45,919,775	16,938,831	36.3%	63,589,300
By Line Item								
Deferred Maintenance	97,877	0	0	0.0%	0	0	0.0%	0
Administration	2,898,961	3,159,842	174,427	5.5%	3,334,269	443,068	14.0%	3,602,910
Field Operations	36,249,872	41,888,139	(945,236)	(2.3%)	40,942,903	9,604,724	22.9%	51,492,863
Law Enforcement Training Academy	1,464,799	1,602,488	40,115	2.5%	1,642,603	6,891,039	430.0%	8,493,527
Total Line Items	40,711,509	46,650,469	(730,694)	(1.6%)	45,919,775	16,938,831	36.3%	63,589,300
By Funding Source								
General Fund	30,825,439	35,125,144	(495,088)	(1.4%)	34,630,056	14,680,479	41.8%	49,805,623
Federal Funds	5,335,345	6,499,563	(180,011)	(2.8%)	6,319,552	114,818	1.8%	6,614,381
Special Funds	4,550,725	5,025,762	(55,595)	(1.1%)	4,970,167	2,143,534	42.7%	7,169,296
Total Funding Source	40,711,509	46,650,469	(730,694)	(1.6%)	45,919,775	16,938,831	36.3%	63,589,300
Total FTE	194.00	198.00	0.00	0.0%	198.00	15.00	7.6%	213.00

Statutory Authority
North Dakota Century Code Chapters 12-21, 12-44.1, 12-46, 12-47, 12-48, 12-48.1, 12-51, 12-52, 12-55, 12-59, 54-23.3, and 54-23.4.

Agency Description
The Department of Corrections and Rehabilitation (DOCR) is responsible for the care and custody of both adult and juvenile offenders. Adult offenders are sentenced to the DOCR by the State's district courts. Juvenile offenders who are determined to be unruly and delinquent are committed to the DOCR by the State's juvenile courts. The DOCR is structured into three major program areas, Central Office, Division of Adult Services, and Division of Juvenile Services.

The Central Office provides for the executive leadership of the DOCR and also provides for departmental management in the areas of human resources, training, fiscal management, information technology, research, plant services and medical services.

The Division of Adult Services (DAS) operates the North Dakota State Penitentiary, the James River Correctional Center, and the Missouri River Correctional Center. The DAS provides for the care and custody of female inmates through a contractual relationship with the Dakota Women's Correctional Rehab Center (DWCRC). The DAS also has regional offices located statewide. Through these offices, parole and probation officers supervise adult offenders that are sentenced to probation by the district courts or that are released on parole by the ND Parole Board. In addition, the DAS manages community-based programs that help divert offenders from prison and that assist offenders after release from incarceration. The DAS is also responsible for the operation of Roughrider Industries, for the management of victim compensation programs, and for providing administrative support to ND Parole Board and the ND Pardon Advisory Board.

The Division of Juvenile Services (DJS) operates the North Dakota Youth Correctional Center and regional community based services offices located statewide. The Community Services staff provide comprehensive case management as well as community based correctional services to youth who are placed across the continuum of care. Community Services, in cooperation with the Division of Child and Family Services, North Dakota Association of Counties, and the Department of Public Instruction provides an array of placement options and services for troubled adolescents.

Major Accomplishments
1. Evacuated and sandbagged the Missouri River Correctional Center, saving the facility from historic flooding along the Missouri River.
2. Joined multi-agency Fugitive Task Force to allow for swift apprehension of probation violators.
3. Expanded the use of Secure Continuous Remote Alcohol Monitoring (SCRAM), an electronic device placed on an offender's ankle that monitors for use of alcohol.
4. Commenced a $64.0 million addition and renovation project to the North Dakota State Penitentiary.
5. Implemented ADVANCE, an employee mentoring program to enhance the professional development of employees and spread organizational knowledge to employees at all levels.
6. Maintained one of the lowest juvenile recidivism rates in the nation with an average of 14.0 percent.
7. Trained 45 service dogs for people with disabilities through the Inmate/Canine Assistance Program (ICAP) at the James River Correctional Center.
8. Implemented electronic logbooks for use in documenting facility activities.
9. Redesigned treatment programs to ensure that policies, protocols, and practices are supported by research to reduce recidivism and criminality.
10. Accepted responsibility to supervise sex offenders released into the community on civil commitment.
11. Created and implemented the Electronic Document Storage system (EDGAR) used by Parole and Probation, successfully converting paper files to electronic files.
12. Piloted a Restorative Justice program as a way to increase victim satisfaction with criminal justice and corrections process.

Executive Budget Recommendation
- Recommends 20 new FTE: 11.00 FTE correctional officers and 3.00 FTE caseworkers to staff the expanded Penitentiary; 6.00 FTE parole and probation officers to address the increased number of offenders under supervision.
- Provides $21.2 million for contract treatment and transition programs.
- Provides $8.9 million for continuation of the contract with the Dakota Women's Correctional and Rehab Center for housing the state's female inmates.
- Provides $2.3 million for extraordinary repairs - $996,150 for regular, ongoing repairs, and $1.3 million for one-time repairs.
- Provides $349,950 for a flood mitigation project at the Missouri River Correctional Center.
- Provides $552,900, $254,900 from the general fund and $298,000 from Roughrider Industries funds, for equipment purchases.
- Provides $652,900 for information technology systems and equipment upgrades.
- Provides $8.9 million, of which $8.4 million is from the general fund, for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

530 Dept of Corrections and Rehabilitation **Bill#: SB2015**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Juvenile Services	25,658,072	27,661,005	183,997	0.7%	27,845,002	2,488,703	9.0%	30,149,708
Adult Services	161,132,171	210,866,082	(46,426,822)	(22.0%)	164,439,260	(30,358,710)	(14.4%)	180,507,372
Total Major Programs	186,790,243	238,527,087	(46,242,825)	(19.4%)	192,284,262	(27,870,007)	(11.7%)	210,657,080
By Line Item								
Capital Construction Carryover	721,713	47,346,185	(47,346,185)	(100.0%)	0	(47,346,185)	(100.0%)	0
Deferred Maintenance	1,196,991	0	0	0.0%	0	0	0.0%	0
Federal Stimulus Funds - 2009	609,200	0	0	0.0%	0	0	0.0%	0
Shelter and Assessment Program	200,000	0	0	0.0%	0	0	0.0%	0
Adult Services	159,000,407	163,587,497	851,763	0.5%	164,439,260	16,919,875	10.3%	180,507,372
Juvenile Services	25,061,932	27,593,405	251,597	0.9%	27,845,002	2,556,303	9.3%	30,149,708
Total Line Items	186,790,243	238,527,087	(46,242,825)	(19.4%)	192,284,262	(27,870,007)	(11.7%)	210,657,080
By Funding Source								
General Fund	162,428,046	162,386,740	88,128	0.1%	162,474,868	17,596,985	10.8%	179,983,725
Federal Funds	8,681,827	8,249,468	(2,379,440)	(28.8%)	5,870,028	(2,373,506)	(28.8%)	5,875,962
Special Funds	15,680,370	67,890,879	(43,951,513)	(64.7%)	23,939,366	(43,093,486)	(63.5%)	24,797,393
Total Funding Source	186,790,243	238,527,087	(46,242,825)	(19.4%)	192,284,262	(27,870,007)	(11.7%)	210,657,080
Total FTE	735.29	794.29	0.00	0.0%	794.29	20.00	2.5%	814.29

Statutory Authority
North Dakota Century Code Chapter 37.

Agency Description
The Office of Adjutant General includes both the North Dakota National Guard and the Department of Emergency Services.

The North Dakota National Guard is a community-based defense force made up of quality North Dakota citizens, trained and available to protect the vital interests of our state and nation.

The Department of Emergency Services has two divisions, the Homeland Security Division and the Division of State Radio. Together, the divisions provide the organizational base for emergency preparedness, response, and recovery operations for the state, 54 local emergency management organizations, and four tribal management organizations.

Major Accomplishments
1. Responded in force to historical flooding across North Dakota with more than 3,000 guardsmen serving flood duty in 2011.
2. Received the 2011 Air Force Outstanding Unit Award for the ND Air National Guard's 119th Wing--the 14th time the unit has won this prestigious award.
3. Received the coveted 2010 Itschner Award for the Bismarck-based 957th Engineer Company, which is presented each year to the most outstanding active duty, Reserve and National Guard Engineer units throughout the Army.
4. Provided support during a severe winter storm that impacted most of North Dakota in March 2011. Through a partnership with other ND agencies, 70 soldiers worked through the night providing search and rescue support. More than 800 individuals were at shelters along I-94 and Highway 83.
5. Completed construction of the Regional Training Institute at the Camp Grafton Training Center at Devils Lake.
6. Constructed a Joint Operations Center at the ND Air National Guard at Hector Field in Fargo.
7. Completed the Readiness Center Addition/Alteration in April 2012 at the Raymond J Bohn Armory Complex in Bismarck.
8. Opened the Fargo Military Service Center in Fargo to provide a wealth of resources for current and former service members and their families.
9. Activated the state's emergency operations center (EOC) in 2011 in response to two presidentially-declared disasters.
10. Provided $9.0 million in snow removal grants for townships, cities and counties.
11. Secured $7.9 million in federal Homeland Security Grants that are shared and disbursed regionally to build and sustain preparedness and response capability.
12. Established and operated an emergency response materials, equipment and supplies warehouse that proved vital in saving lives and protecting property in 2010 and 2012.
13. Coordinated the state's efforts for federally-mandated compliance for interoperable communication, frequency narrow banding, Next Generation 911, and National Broadband (FirstNet).

Executive Budget Recommendation
- Provides $600,000 from the general fund to continue the Veteran's Bonus Program.
- Recommends $110,000 from the general fund to continue providing full tuition reimbursement to eligible guard soldiers.
- Provides $130,020 from the general fund for a temporary employee to coordinate the North Dakota National Guard Military Funeral Honors program.
- Recommends $83,160 special fund authority for a temporary maintenance worker at the North Dakota Veteran's Cemetery.
- Approves $60,000 from the general fund for increased rental payments to city-owned armories.
- Provides $40,000 from the general fund for increased operating costs of the Civil Air Patrol.
- Recommends $1.8 million, of which $1.3 million is from the general fund, for the final phase of the statewide seamless base map project.
- Approves $1.5 million from the general fund for additional State Radio towers in existing service coverage gap areas.
- Appropriates $1.2 million from the general fund to expand the State Radio Communications Center at Fraine Barracks.
- Adds $416,922, of which $375,228 is from the general fund, for 4.00 FTE communication specialists in the State Radio dispatch center.
- Provides $360,000 from the general fund for increased maintenance and repair costs for new state radio towers.
- Authorizes $340,000 to upgrade the computer aided dispatch (CAD) system.
- Adds $150,000 to replace the State Radio voice incident recorder.
- Provides $210,000 to replace the State Radio water-based fire suppression system with a chemical-based system.
- Recommends $1.5 million from the disaster relief fund for contracted disaster recovery planning and technical services.
- Adds $400,000 special fund authority for contracted volunteer disaster coordination services.
- Appropriates $2.2 million, of which $748,487 is from the general fund, for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

540 Office of the Adjutant General **Bill#: HB1016**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
National Guard	72,425,500	95,443,013	(10,809,816)	(11.3%)	84,633,197	(5,801,053)	(6.1%)	89,641,960
Dept of Emergency Services	244,813,920	560,373,913	(372,269,365)	(66.4%)	188,104,548	(368,146,556)	(65.7%)	192,227,357
Total Major Programs	317,239,420	655,816,926	(383,079,181)	(58.4%)	272,737,745	(373,947,609)	(57.0%)	281,869,317
By Line Item								
Salaries and Wages	14,843,011	16,517,630	(1,375,919)	(8.3%)	15,141,711	1,897,514	11.5%	18,415,144
Operating Expenses	11,909,682	13,992,913	(2,350,534)	(16.8%)	11,642,379	(10,534)	(0.1%)	13,982,379
Capital Assets	2,293,918	2,982,099	(2,142,367)	(71.8%)	839,732	(688,227)	(23.1%)	2,293,872
Construction Carryover	10,373,471	15,151,653	(15,151,653)	(100.0%)	0	(15,151,653)	(100.0%)	0
Grants	89,072,749	72,517,541	(52,694,780)	(72.7%)	19,822,761	(52,034,780)	(71.8%)	20,482,761
2009 Flood Disaster	136,297,311	458,736,927	(308,115,037)	(67.2%)	150,621,890	(311,006,573)	(67.8%)	147,730,354
Civil Air Patrol	514,731	243,353	4,414	1.8%	247,767	47,418	19.5%	290,771
Radio Communications	983,898	4,040,165	(4,040,165)	(100.0%)	0	(330,165)	(8.2%)	3,710,000
Tuition Fees	2,293,932	2,407,500	0	0.0%	2,407,500	110,000	4.6%	2,517,500
Air Guard Contract	7,991,308	10,989,323	688,653	6.3%	11,677,976	758,804	6.9%	11,748,127
Army Guard Contract	35,045,516	56,110,757	2,166,604	3.9%	58,277,361	2,423,235	4.3%	58,533,992
Reintegration Program	1,372,471	1,550,149	(58,578)	(3.8%)	1,491,571	(48,556)	(3.1%)	1,501,593
ND Veterans Cemetary	429,962	576,916	(9,819)	(1.7%)	567,097	85,908	14.9%	662,824
Federal Stimulus Funds 2009	3,817,460	0	0	0.0%	0	0	0.0%	0
Total Line Items	317,239,420	655,816,926	(383,079,181)	(58.4%)	272,737,745	(373,947,609)	(57.0%)	281,869,317
By Funding Source								
General Fund	32,657,460	33,202,913	(8,979,415)	(27.0%)	24,223,498	(1,407,279)	(4.2%)	31,795,634
Federal Funds	252,908,200	543,588,766	(313,956,935)	(57.8%)	229,631,831	(311,734,337)	(57.3%)	231,854,429
Special Funds	31,673,760	79,025,247	(60,142,831)	(76.1%)	18,882,416	(60,805,993)	(76.9%)	18,219,254
Total Funding Source	317,239,420	655,816,926	(383,079,181)	(58.4%)	272,737,745	(373,947,609)	(57.0%)	281,869,317
Total FTE	232.00	242.00	0.00	0.0%	242.00	4.00	1.7%	246.00

Statutory Authority
North Dakota Century Code Chapters 4-14.1 and 10-30.5, 54-34.3, 54-34.4, 54-44.5, 54-60, 54-62.

Agency Description
The North Dakota Department of Commerce has four divisions: Community Services, Economic Development & Finance, Tourism and Workforce Development that work together to expand the economy of North Dakota, support community development and provide services to low income people.

Our challenge is to make North Dakota a better place to live, work, do business, and play, for all of the people that choose to make North Dakota their home.

Major Accomplishments
1. Developed 15 new primary sector projects during the 2007-09 biennium.
2. Developed nine new primary sector projects during the first year of the 2009-11 biennium.
3. Brought $176.9 million new dollars from visitor expenditures into North Dakota in 2010 through the Division of Tourism's media advertising at a cost $1.9 million, resulting in a 91:1 return on investment.
4. Achieved positive revenue per available hotel room in 2011, up 14.3 percent. North Dakota led the nation in growth in all four areas measured by US Travel Association: travel generated spending, jobs, payroll and taxes
5. Measured strong increases in airline boardings and lodging tax collected. North Dakota State University research indicated Tourism's contribution to the state's economy grew 4.6 percent with $4.60 billion spent by visitors in 2010. This makes the tourism industry the third strongest contributor behind Agriculture ($7.46 billion) and Oil ($7.30 billion).
6. Led effort to improve North Dakota's statewide energy policy through Empower ND Commission.
7. Led efforts in growth of and accountability for the Centers of Excellence program.
8. Led efforts to attract, retain, and expand workforce through out-of-state recruitment efforts, Operation Intern, Youth Office, Relocation Program and statewide workforce strategy development.
9. Led efforts to assist out-of-state job seekers in relocation to North Dakota. Direct impact: 231 individuals and families notified the department that they relocated to ND from July 2010 - July 2012; Indirect impact: 7,816 individuals served in calendar year 2012.
10. Administered Operation Intern program to connect North Dakota students with North Dakota careers via internship placements. For the biennium, as of July 2012, 21 students have notified the department that they secured full time employment with a North Dakota employer following their internship experience. Sixty-five students have notified the department of North Dakota employment following their internship since program inception.
11. Tourism's media included 61 press releases and 100 specialty pitches prepared for 175 media entities resulting in $5.6 million in advertising value.

Executive Budget Recommendation
- Provides $498,852 from the general fund for 1.00 FTE and related operating expenses for the North Dakota Census Office, which was moved to the department during the 2011-13 biennium.
- Recommends $1.5 million from the general fund to enhance tourism-related marketing and research for the state.
- Approves $100,000 from the general fund for Innovate ND to enhance services provided to program participants.
- Appropriates $600,000 from the general fund for internship matching funds and operating expenses of Operation Intern program.
- Provides $193,215 from the general fund for the administrative costs of the HOME program.
- Recommends $12.0 million from the general fund for Research North Dakota.
- Includes a one-time appropriation of $2.0 million from the general fund for workforce enhancement grants.
- Approves a one-time appropriation of $1.3 million from the general fund for large infrastructure grants to attract, retain, and entertain North Dakota citizens and visitors to the state.
- Appropriates $5.0 million from the general fund to political subdivisions for new or expanded licensed childcare facilities.
- Provides $5.0 million from the general fund to continue pursuing Federal Aviation Administration designation as an Unmanned Aerial System Airspace Integration Test Site.
- Approves $1.5 million for matching grants to assist in base retention efforts in communities with air force bases.
- Recommends $1.0 million from the general fund for the North Dakota Planning Initiative.
- Establishes a continuing appropriation from the resources trust fund for energy conservation grants.
- Provides $353,441, of which $272,149 is from the general fund, for the executive compensation package.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

601 Department of Commerce **Bill#: SB2018**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Commerce Administration	8,903,074	10,341,623	(628,250)	(6.1%)	9,713,373	631,498	6.1%	10,973,121
Innovation and Entrepreneurship	20,756,100	15,939,692	(13,811,916)	(86.7%)	2,127,776	5,798,631	36.4%	21,738,323
North Dakota Tourism	11,868,610	10,409,212	(869,964)	(8.4%)	9,539,248	1,990,451	19.1%	12,399,663
ND Workforce Development	4,393,203	5,788,691	(1,922,401)	(33.2%)	3,866,290	5,700,402	98.5%	11,489,093
Economic Development and Finance	6,332,154	9,049,232	(2,080,587)	(23.0%)	6,968,645	(2,020,771)	(22.3%)	7,028,461
Division of Community Services	83,052,398	328,733,540	(280,626,672)	(85.4%)	48,106,868	(267,796,136)	(81.5%)	60,937,404
Total Major Programs	135,305,539	380,261,990	(299,939,790)	(78.9%)	80,322,200	(255,695,925)	(67.2%)	124,566,065
By Line Item								
Salaries and Wages	9,355,525	10,858,251	669,224	6.2%	11,527,475	1,538,719	14.2%	12,396,970
Operating Expenses	13,564,925	14,026,650	(555,014)	(4.0%)	13,471,636	2,407,951	17.2%	16,434,601
Capital Assets	15,072	70,018	(60,018)	(85.7%)	10,000	(60,018)	(85.7%)	10,000
Grants	46,673,885	65,662,630	(19,339,680)	(29.5%)	46,322,950	(6,514,680)	(9.9%)	59,147,950
ND Development Fund	1,299,700	0	0	0.0%	0	0	0.0%	0
Discretionary Grants	749,589	1,641,775	(713,693)	(43.5%)	928,082	(713,693)	(43.5%)	928,082
Workforce Enhancement Fund	1,000,000	375,000	(375,000)	(100.0%)	0	1,625,000	433.3%	2,000,000
Economic Develop Initiatives	173,508	186,846	0	0.0%	186,846	0	0.0%	186,846
Flood Impact Loans/Grants	0	235,000,000	(235,000,000)	(100.0%)	0	(223,217,134)	(95.0%)	11,782,866
Agric. Products Util. Comm. (APUC)	1,641,112	4,258,626	(1,018,859)	(23.9%)	3,239,767	(1,012,090)	(23.8%)	3,246,536
Research ND (Centers of Excellence)	19,464,000	12,000,000	(12,000,000)	(100.0%)	0	0	0.0%	12,000,000
North Dakota Trade Office	2,000,000	2,613,400	0	0.0%	2,613,400	0	0.0%	2,613,400
Partner Programs	2,015,580	2,072,044	(50,000)	(2.4%)	2,022,044	(50,000)	(2.4%)	2,022,044
Equine Processing Study	24,725	0	0	0.0%	0	0	0.0%	0
Federal Stimulus Funds - 2009	37,327,918	31,496,750	(31,496,750)	(100.0%)	0	(30,699,980)	(97.5%)	796,770
ND Planning Initiative	0	0	0	0.0%	0	1,000,000	100.0%	1,000,000
Total Line Items	135,305,539	380,261,990	(299,939,790)	(78.9%)	80,322,200	(255,695,925)	(67.2%)	124,566,065
By Funding Source								
General Fund	51,115,426	48,790,286	(19,490,919)	(39.9%)	29,299,367	7,534,745	15.4%	56,325,031
Federal Funds	79,766,241	321,868,602	(280,321,158)	(87.1%)	41,547,444	(267,644,230)	(83.2%)	54,224,372
Special Funds	4,423,872	9,603,102	(127,713)	(1.3%)	9,475,389	4,413,560	46.0%	14,016,662
Total Funding Source	135,305,539	380,261,990	(299,939,790)	(78.9%)	80,322,200	(255,695,925)	(67.2%)	124,566,065
Total FTE	68.00	68.25	0.00	0.0%	68.25	1.00	1.5%	69.25

Statutory Authority
North Dakota Century Code Chapters 4-01, 4-05.1, 4-09, 4-12.2, 4-3.1, 4-13.2, 4-14, 4-14.1, 4-14.2, 4-21.1, 4-27, 4-28, 4-30, 4-32, 4-33, 4-35, 4-35.1, 4-37, 4-38, 4-39, 4-40, 4-41, 4.1-14, 4.1-47, 6-09.10, 19-13.1, 19-14, 19-18,19-20.1, 19-20.2, 19-20.3, 36-01, 36-04, 36-05, 36-05.1, 36-07, 36-14, 36-14.1, 36-15, 36-21.1, 36-24, 36.25, 61.31 and 63-01.1.

Agency Description
The commissioner is statutorily responsible for enforcing laws and regulations pertaining to pesticides, fertilizers, anhydrous ammonia, livestock sales, dairy production, noxious weed control, plant export certification, and beekeeping. The commissioner is also responsible for the registration of pesticides, fertilizers, animal feeds, and veterinary medicines; the administration of fair and timely mediation services to farmers and ranchers; the collection and elimination of unusable pesticides; the promotion and marketing of North Dakota products; and the administration of a state meat inspection program. The responsibilities have expanded to include a leadership role in the formation of policies affecting the state's agricultural industries; the advocacy of the needs and concerns of farmers and ranchers on state and national levels; and the distribution of information concerning agricultural issues to the Governor, legislature, and the general public. The agriculture commissioner works collaboratively with the Board of Animal Health to protect the health of domestic animals and nontraditional livestock of the state.

Major Accomplishments
1. Obtained a university study to help North Dakota farmers, ranchers and farm organizations better understand the economic impact and other possible effects of proposed federal legislation establishing a “cap and trade" system for greenhouse gases.
2. Called and chaired the first meeting of the Advisory Committee on Sustainable Agriculture to provide ideas and advice on developing a sustainable agriculture certification program and on the marketing and packaging of certified products.
3. Helped draft and pass “Meat the Need" at the National Association of State Departments of Agriculture to help U.S. pork and dairy producers.
4. Collected 189,996 pounds of old and unwanted pesticides in 2011 through Project Safe Send. There were 215,594 pounds collected in 2010.
5. Worked collaboratively with local authorities in the long term sheltering of over 500 pets during and following the Souris River flooding of 2011.
6. Developed a grant program for qualifying wineries to promote and develop the state’s growing wine industry.
7. Developed an Age and Source Verification program as directed by legislative intent.
8. Developed a mediation program to address energy development issues.
9. Developed a dispute resolution program to address deer depredation.
10. Led international trade missions to Vietnam, Southeast Asia, and China with North Dakota agriculture businesses meeting with new buyers and increased sales opportunities for the companies.
11. Increased Hunger Free North Dakota Garden Project participation to 68 food pantries and feeding programs across the state with 500,000 pounds of fresh food being donated from home and community gardens.
12. Increased Pride of Dakota members to over 500 and assisted them to enhance strategic planning, online marketing, and other marketing activities.
13. Developed and launched the first Community Orchard Grant program to allow communities and schools the opportunity to access fresh fruits.

Executive Budget Recommendation
- Approves $114,664 from the general fund for an emergency program specialist and related operating expenses to enable proactive disaster response planning, more effective mobilization of agency resources, and enhanced coordination with federal, state and local emergency organizations.
- Provides $30,000 from the general fund for operating costs to enhance the state veterinarian's ability to proactively detect and monitor animal disease occurrences and to prevent disease introductions.
- Approves $64,596 from the general fund to fund 50.0 percent of an existing marketing specialist position to support the increasing needs of state-sponsored programs.
- Recommends $112,975 from the environmental and rangeland protection fund for a livestock development administrative assistant, utilizing a vacant FTE.
- Provides $24,574 from the general fund for 20.0 percent for the existing livestock pollution prevention coordinator's work on the North Dakota Verified Livestock program.
- Appropriates $50,000 from the general fund for the energy development mediation required in 2011 House Bill 1462.
- Authorizes an $80,000 grant from the general fund for the Centennial Farm Program.
- Provides $48,000 from the general fund for desktop support services.
- Recommends $146,632 from the general fund in lieu of increased funding from the Game & Fish fund for Wildlife Services and the State Board of Animal Health.
- Provides $838,407, of which $469,508 is from the general fund, for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

602 Department of Agriculture **Bill#: HB1009**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Administrative Services	2,608,904	2,838,721	(34,382)	(1.2%)	2,804,339	977,157	34.4%	3,815,878
Plant Industries	2,747,832	3,643,005	(107,327)	(2.9%)	3,535,678	(80,643)	(2.2%)	3,562,362
Livestock Development	5,834,124	7,164,621	121,349	1.7%	7,285,970	249,937	3.5%	7,414,558
Marketing and Information	2,638,313	3,855,560	141,859	3.7%	3,997,419	316,109	8.2%	4,171,669
State Veterinarian	1,640,652	2,218,561	(137,464)	(6.2%)	2,081,097	(82,758)	(3.7%)	2,135,803
Pesticide and Fertilizer	2,612,921	3,378,138	192,394	5.7%	3,570,532	243,204	7.2%	3,621,342
Total Major Programs	18,082,746	23,098,606	176,429	0.8%	23,275,035	1,623,006	7.0%	24,721,612
By Line Item								
Salaries and Wages	7,508,083	9,712,364	382,084	3.9%	10,094,448	1,545,955	15.9%	11,258,319
Operating Expenses	5,090,450	6,451,453	(827,191)	(12.8%)	5,624,262	(679,191)	(10.5%)	5,772,262
Capital Assets	0	17,000	(5,000)	(29.4%)	12,000	(5,000)	(29.4%)	12,000
Grants	2,532,348	3,206,828	764,000	23.8%	3,970,828	844,000	26.3%	4,050,828
Board of Animal Health	1,640,652	2,218,561	(137,464)	(6.2%)	2,081,097	(82,758)	(3.7%)	2,135,803
Wildlife Services	1,267,399	1,417,400	0	0.0%	1,417,400	0	0.0%	1,417,400
Crop Harmonization Board	43,814	75,000	0	0.0%	75,000	0	0.0%	75,000
Total Line Items	18,082,746	23,098,606	176,429	0.8%	23,275,035	1,623,006	7.0%	24,721,612
By Funding Source								
General Fund	7,488,728	8,261,355	76,443	0.9%	8,337,798	1,250,711	15.1%	9,512,066
Federal Funds	5,834,767	7,479,497	(86,291)	(1.2%)	7,393,206	39,893	0.5%	7,519,390
Special Funds	4,759,251	7,357,754	186,277	2.5%	7,544,031	332,402	4.5%	7,690,156
Total Funding Source	18,082,746	23,098,606	176,429	0.8%	23,275,035	1,623,006	7.0%	24,721,612
Total FTE	74.50	77.00	0.00	0.0%	77.00	0.00	0.0%	77.00

Statutory Authority
North Dakota Century Code Chapters 4-10, 4-26 and 4.1-53.

Agency Description
The North Dakota State Seed Department (NDSSD) provides services to the North Dakota agricultural industry and concentrates its activities in enforcement of seed laws, certification, promotion and marketing of field seeds and potatoes. A nine-member Seed Commission, that represents the agricultural industries using the department services, serves as the board of directors. This board establishes policy, approves major program changes recommended by administration, appoints a manager and approves budgets. The department employs 30 full-time and 40-50 temporary and part-time staff in Fargo, a regional office in Grafton, and throughout the state on a seasonal basis. The NDSSD is a self-funded agency with revenues generated by service fees.

The department operates four primary programs as part of its role in North Dakota agriculture. The four major programs are the Seed Regulatory Program, Potato Program, Field Seeds Program, and the Laboratory Services Program.

Major Accomplishments
1. Maintained financial stability during the past decade, despite adverse circumstances in the agriculture economy.
2. Completed, and annually reviewed, a strategic planning process that will guide agency program development.
3. Introduced web-based information systems in a secure online form designed to provide inspection results to producers and seed companies quickly and reliably. An online application for services is being integrated.
4. Expanded laboratory test services in response to industry demands, including those related to specific genetic modification events and crop diseases common to this region.
5. Experienced expansion in production and sale of nuclear seed stocks developed in tissue culture and greenhouse facilities.
6. Received accreditation and licensing to issue phytosanitary certificates in potato program, in cooperation with the North Dakota Department of Agriculture designated authority for Animal and Plant Health Inspection Service (APHIS) phyto issues.
7. Initiated the integration of key components of International Standards Organization (ISO) quality programs in the Field Seed, Regulatory and Laboratory Services programs. Potato programs are currently under development.
8. Implemented Good Handling Practices/Good Agriculture Practices audit services through cooperative agreement with US Department of Agriculture-Agricultural Marketing Service primarily on commercial potato farms throughout North Dakota.
9. Responded to industry needs by developing Round-up Ready sugar beet inspection and audit programs.
10. Expanded focus and scope of Regulatory Program enforcement to assist variety owners in Plant Variety Protection efforts.
11. Implemented variety identification testing program in major crop areas to benefit commercial production of spring wheat, field peas and barley.

Executive Budget Recommendation
- Eliminates the appropriated budget in accordance with NDCC 4.1-53-62, as revised by Chapter 69 of the 2011 Session Laws, which provides a continuing appropriation for all agency expenditures.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

616 State Seed Department

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Administration	461,968	730,692	(730,692)	(100.0%)	0	(730,692)	(100.0%)	0
Seed Regulatory Program	441,293	620,356	(620,356)	(100.0%)	0	(620,356)	(100.0%)	0
Potato Program	1,722,529	2,205,342	(2,205,342)	(100.0%)	0	(2,205,342)	(100.0%)	0
Field Seeds	1,305,253	1,795,964	(1,795,964)	(100.0%)	0	(1,795,964)	(100.0%)	0
Lab Services	1,171,993	1,541,657	(1,541,657)	(100.0%)	0	(1,541,657)	(100.0%)	0
Total Major Programs	5,103,036	6,894,011	(6,894,011)	(100.0%)	0	(6,894,011)	(100.0%)	0
By Line Item								
Seed Operations	5,103,036	6,894,011	(6,894,011)	(100.0%)	0	(6,894,011)	(100.0%)	0
Total Line Items	5,103,036	6,894,011	(6,894,011)	(100.0%)	0	(6,894,011)	(100.0%)	0
By Funding Source								
General Fund	0	0	0	0.0%	0	0	0.0%	0
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	5,103,036	6,894,011	(6,894,011)	(100.0%)	0	(6,894,011)	(100.0%)	0
Total Funding Source	5,103,036	6,894,011	(6,894,011)	(100.0%)	0	(6,894,011)	(100.0%)	0
Total FTE	30.00	30.00	(30.00)	(100.0%)	0.00	(30.00)	(100.0%)	0.00

Statutory Authority
North Dakota Century Code Chapter 54-53.

Agency Description
The Upper Great Plains Transportation Institute (UGPTI) was created by the North Dakota legislature in 1967 as part of North Dakota State University to foster a better understanding of the role of transportation in the economy. The UGPTI allows North Dakota firms to more effectively compete by providing businesses, private sector organizations, and government agencies with the knowledge, information, and the intellectual capital necessary to make better business decisions and develop sound public policy. In addition to economic and policy analysis, the UGPTI explores ways to employ cutting edge communication and sensing technology to enhance the mobility of freight and people. The Institute's vision is to excel as one of the premier university transportation centers in the United States.

Major Accomplishments
1. Updated county and township road infrastructure studies to reflect continued growth in the oil patch and long-run agricultural trends, providing the legislature and state and local governments with vital information about traffic levels and investments needed during the next 20 years.
2. Developed a *Western North Dakota Traffic Forecasting Model* for the ND Department of Transportation to assist in analyzing state highway investment needs in the oil patch.
3. Provided ND tribal agencies with truck traffic forecasts and other information to help them make planning and investment decisions.
4. Collected and analyzed more than 4,000 monthly grain shipment forms from ND elevators in collaboration with other state agencies to provide important insights into grain marketing patterns and trends.
5. Facilitated local and regional transit coordination in a pilot project in North Dakota's west central and south central regions, involving 19 counties and 8 rural transit operators.
6. Provided 35 training sessions to more than 3,422 workers in state, local, tribal and private agencies in FY 2011-12 to help agencies meet federal requirements for worker training in work zone safety, work zone traffic control and traffic sign reflectivity requirements.
7. Conducted 36 training sessions for 1,500 transit workers and managers in 10 different states and 21 different cities in topics ranging from principles of transit management to ethics and risk management.
8. Sponsored 61 graduate course credits through the Transportation & Logistics program at NDSU.
9. Managed a student design staff that developed construction plans for more than $25.0 million of construction projects per year, while providing undergraduate students with hands-on experience that results in multiple job offers and opportunities after graduation.
10. Assisted the Fargo-Moorhead, Bismarck-Mandan, and Grand Forks-East Grand Forks metropolitan planning organizations (MPO) in developing and updating trip surveys and travel demand models, which are used by the MPOs to develop federally required long-range transportation plans.
11. Updated the statewide Intelligent Transportation Systems (ITS) plan and architecture, which serve as a roadmap for the deployment of ITS projects including dynamic message signs, bridge deicing systems, traffic signal control systems and other technologies that improve traffic safety and reduce congestion.
12. Conducted traffic safety evaluations of county roads that have resulted in the identification of low-cost safety countermeasures and the prioritization of safety improvements in seven North Dakota counties.
13. Provided technical assistance to oil-impacted counties in the areas of road repair strategies, long-term repairs, dust suppression, traffic management, truck size and weight impacts, and safety, including on-site services provided by newly-hired field staff.

Executive Budget Recommendation
- Approves $750,000 from the general fund to match new federal grants received by the agency.
- Provides $601,821, of which $96,291 is from the general fund, for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

627 Upper Great Plains Transportation Inst. **Bill#: SB2020**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Core Program	14,928,793	24,429,907	1,428,658	5.8%	25,858,565	923,722	3.8%	25,353,629
Total Major Programs	14,928,793	24,429,907	1,428,658	5.8%	25,858,565	923,722	3.8%	25,353,629
By Line Item								
Transportation Institute	14,928,793	24,419,961	1,438,604	5.9%	25,858,565	933,668	3.8%	25,353,629
Biennium Carryover	0	9,946	(9,946)	(100.0%)	0	(9,946)	(100.0%)	0
Total Line Items	14,928,793	24,429,907	1,428,658	5.8%	25,858,565	923,722	3.8%	25,353,629
By Funding Source								
General Fund	1,579,848	1,929,574	1,394,511	72.3%	3,324,085	899,001	46.6%	2,828,575
Federal Funds	12,591,692	17,665,513	(177,286)	(1.0%)	17,488,227	(199,648)	(1.1%)	17,465,865
Special Funds	757,253	4,834,820	211,433	4.4%	5,046,253	224,369	4.6%	5,059,189
Total Funding Source	14,928,793	24,429,907	1,428,658	5.8%	25,858,565	923,722	3.8%	25,353,629
Total FTE	52.30	51.75	2.00	3.9%	53.75	2.00	3.9%	53.75

Statutory Authority
North Dakota Century Code Chapter 4-05.1.

Agency Description
Dickinson Research Extension Center (DREC)

The NDSU Dickinson Research Extension Center has an established record of service to the people in the 13-county region south and west of the Missouri River. The DREC operates 4,916 acres of owned land within the region as well as annual land leases needed to accommodate ongoing projects. The land base provides opportunities for a broad perspective in evaluating various agricultural systems that can serve as engines for economic development. Currently, the DREC assists agricultural producers in solving production problems with agronomy, animal science and range science, while integrating new developments. Five major areas are served: agronomy, beef management, bio-security, range management, and sustainable agricultural practices. Faculty and staff are committed to engaging people of the region and to the identification of current economic opportunities, while sustaining natural resources for future generations as directed by the mission statement and Advisory Board.

Central Grasslands Research Extension Center (CGREC)

The CGREC conducts research for the Coteau region of North Dakota, an area bounded by the Missouri River on the west and the James River on the east and extends from Divide and Burke counties in northwestern North Dakota in a southeasterly direction through Dickey County. CGREC is located between two counties which rank in the top 10 counties for the production of livestock and forages. The area served by CGREC contains 5.0 million acres (44 percent) of the state's rangeland where 42 percent of the state's livestock is raised on 38 percent of the state's farms.

Research objectives must increase the range-carrying capacity of native range emphasizing conservation and preservation, stabilize grass production to compensate for the vagaries of the weather and precipitation as it influences forage production in the dryland agriculture, identify the impact of different management systems upon beef production in the central region and explore the increased use of crop residues and byproducts for the maintenance of the cow herd. CGREC's primary focus is management of grassland acreage which occupies about one-third of the agricultural land in the state and aims to improve production and increase returns to cattle producers.

Hettinger Research Extension Center (HREC)

The HREC is a semi-arid site located in southwest North Dakota, providing the most southerly NDSU location in the non-glaciated portion of North Dakota as a site for its agronomy research program. The HREC also is located at the center of the North Dakota sheep industry, the focus of one of its animal research programs, and in an area of rapidly growing livestock feeding ventures, another focus of animal research at the HREC. Additionally, the HREC is located in a region where much of the land base is in the Conservation Reserve Program, which has resulted in additional research evaluating potential changes in the CRP program and how these changes may affect upland native and game bird populations. A new research program evaluating low-cost rangeland monitoring strategies on U.S. Forest Service lands and wildlife/livestock interactions has resulted in a significant increase in the quantity of rangeland research conducted at the HREC. Research at HREC involves the disciplines of animal science, range science, wildlife science, agronomy, and agri-business and applied economics. Collaboration is with Main Station scientists, Branch Station scientists, U.S. Forest Service, grazing associations, university scientists from WY, SD, and MT, and USDA research entities in these research disciplines to improve productivity of livestock, grazing, and cropping systems, and to improve economic development of the region.

Langdon Research Extension Center (LREC)

The Langdon Research Extension Center (LREC) is located one mile east of Langdon on US highway five. The agricultural land base at the station consists of 389 owned acres and an additional 320 acres under lease agreement. The LREC serves a nine-county region located in northeast North Dakota and has North Dakota's highest precipitation rates, coolest temperatures, and richest productive soils. The climate creates high levels of diverse crop production and recurring disease problems.

The LREC has a strong tradition of assisting the region's producers to meet agricultural production challenges throughout the course of its existence. In 1993, the LREC redirected much of its research programming to focus on the significant increase of disease and insect pressure associated with its climate. This redirected applied research programming has provided producers with proven cultural practices and advances in chemical applications that minimize disease and insect pressures in all regions of North Dakota.

Since 2001, the LREC has significantly enhanced its overall agricultural research programming with the addition of a crop protection scientist, a director that also serves the region with an emphasis in rural economic/community development, increased foundation seed stocks program and a farm business management instructor. Finally, additional programming has been created that is working to employ LREC resources as an engine for rural community and economic development in partnership with the region's economic developers.

North Central Research Extension Center (NCREC)

The NCREC was established in 1945 and is located one mile south of Minot on Highway 83. The 1,200-acre center specializes in crop research and extension

education activities and foundation seed production. Approximately 1,500 owned, rented, and contracted acres are planted for foundation seed production each year. The NCREC evaluates conventional and new crops for production in the region and explores weed management and cropping systems to improve the economic potential of crop production in the north central region. The NCREC is a leader in North Dakota on production and disease research of canola, pea, lentil, and chickpea crops, in addition to the conventional crops of hard red spring and durum wheat, barley, flax, sunflower, and oats. The NCREC works closely with business and economic development leaders in the region to improve the economic vitality of north central North Dakota.

Williston Research Extension Center (WREC)

The Williston Research Extension Center, established in 1907 and relocated to the present site in 1954, is an 800-acre rain-fed farm located in northwest North Dakota. In 2001, an additional 160 acres were purchased in the Nesson Valley and an irrigated research and development project was established. WREC research studies are conducted on crop variety evaluation, herbicide performance and other cultural management research, cropping systems and soil and water conservation practices. The main dryland crops are spring wheat and durum. Barley, oats, safflower, pea, lentil, chickpea, canola, flax, alfalfa and other alternative crops are also grown as cash crops or for livestock feed.

WREC research is intended to increase the producer's net profit, support crop diversification and encourage more intensive cropping and irrigation development. Research on soil and crop management systems for sprinkler irrigation, on alternative irrigated high value and value-added crops and on western malting barley programs are conducted. WREC also conducts variety development research on safflower, winter wheat, and durum and variety evaluations in cooperation with NDSU Main Station scientists. WREC produces and supplies foundation seed to area farmers of new and old varieties adapted to the region.

Carrington Research Extension Center (CREC)

The Carrington Research Extension Center was established in 1960. CREC operates on a land base of around 1,700 acres and has infrastructure to irrigate about 260 acres with center-pivot systems and 120 acres by surface methods. The balance of the acreage is managed as traditional dryland and is utilized primarily for dryland field crop research activities.

The research effort at CREC focuses on these general program areas: traditional crop variety evaluation, crop production and management, plant disease management, alternative crop development, cropping systems, irrigation, integration of crop and livestock production, intensive cow/calf production, beef cattle feeding, feedlot management, livestock waste and nutrient management, foundation seedstocks production, and development of new agricultural enterprises. Through these efforts, the CREC research program has gained a national reputation for its involvement in agriculturally-based economic development and study of a wide range of crops and cropping systems.

CREC maintains a strong Extension program as five extension specialists base their educational programming from the center. The extension program emphasis areas addressed by these specialists include: agronomy, plant pathology, irrigation, livestock, and livestock waste - nutrient management.

Major Accomplishments

Dickinson Research Extension Center (DREC)

1. Continued work in agronomy, beef and range management, and sustainable agricultural practices.
2. Reported conventional and organic agronomic research and extension information regarding various management techniques.
3. Investigated tillage systems, cropping systems, pest control systems, variety development and cover crops.
4. Studied various management techniques involving grass cultivars, ornamental xeriscape, soil mineral nitrogen, prairie ecosystems, drought, grassland restoration, grazing systems, burning and the integration of beef cattle.
5. Reported beef research and extension information regarding various management practices.

Central Grasslands Research Extension Center (CGREC)

1. Conducted studies on plant respiration and photosynthesis in response to grazing.
2. Continued projects on control of invasive grass species through grazing.
3. Collaborated with multiple on-campus faculty and scientists at other REC's on livestock projects evaluating breeding systems, range supplementation, and meat quality.
4. Conducted research projects evaluating a multitude of forage species for use in the northern plains. Additionally, continued forage based biofuels research at sites across the state.
5. Obtained funding to develop management practices allowing for increased use of distillers dried grains with solubles in range settings.

Hettinger Research Extension Center (HREC)

1. Distributed foundation seed produced at NDSU research centers to southwest North Dakota producers.
2. Conducted crop trials and pesticide trials on site as well as at six off-station locations.
3. Evaluated new varieties and technologies to grow drought tolerant crops, wheat stem sawfly resistance, and new and emerging bio-fuels.

4. Conducted multiple land use research evaluating sharp-tailed grouse habitat, reclamation of low-quality farmland, and grazing systems.
5. Collaborated with Sitting Bull College on the Standing Rock Sioux Reservation, USDA-ARS, NDSU, and SDSU on a new multi-agency project evaluating the reclamation of lands degraded by prairie dogs.

Langdon Research Extension Center (LREC)

1. Fostered strong research partnerships with agricultural input companies, commodity groups and others to give producers better information regarding which inputs to employ and which crops to grow in their operation.
2. Produced the high quality foundation grade seed of the major crops grown in our region.
3. Pursued value-added agricultural opportunities that may lead to new high value cropping system opportunities for producers and economic enhancement for rural communities.
4. Provided dependable support for main station breeding programs and other cropping system research.
5. Added two new Extension outreach programs in agronomy and soil health that bring a strong outreach program to address critical needs to the regions producers.

North Central Research Extension Center (NCREC)

1. Produced, conditioned, and distributed foundation seed of 15 varieties of five crops grown in the region.
2. Researched new crop protection products for eight minor crops grown in ND.
3. Researched new products for controlling noxious weeds in non-cropland areas.
4. Conducted residue trials with the USDA IR-4 that will lead to registration of new pesticides for controlling weeds and insects in minor crops.
5. Conducted studies in several crops to identify weed control alternatives in response to development of weed resistance.

Williston Research Extension Center (WREC)

1. Evaluated the performance and adaptation of new and established crop cultivars and crop cultural practices to improve productivity of agricultural products.
2. Conducted research and demonstration projects on potatoes, malting barley, safflower, spring wheat, and winter wheat variety developments, safflower disease control, pulse crop production and variety selection, horticultural crops, sprinkler irrigation, water and crop management.
3. Conducted bioenergy crop research on barley and sugar beets for ethanol and biomass production from switchgrass and other perennial herbaceous crops.
4. Developed a 160-acre irrigated site in the Nesson Valley as an irrigated research and development station on sustainable cropping systems for western ND.
5. Collaborated with NDSU researchers and seed companies to evaluate grapes, floral and vegetable crops.

Carrington Research Extension Center (CREC)

1. Investigated practices to optimize corn fertilizer management with intensive management, in-furrow, top-dress and secondary fertilizer research projects.
2. Assessed response and economics of soybean production strategies that utilize combinations of cultural practices and crop production inputs.
3. Established grain and forage crops across a soil salinity gradient to assess tolerance based on plant survival and performance.
4. Provided training for over 50 private and cooperative crop consultants during the 2011 CREC Crop Management Field School.
5. Determined that self-feeding is a viable option for smaller-scale cattle producers who want to finish cattle in a collaborative project with the HREC.

Executive Budget Recommendation

- Recommends $360,000 from the general fund to enhance crop development and protection efforts.
- Adds $200,000 from the general fund and 1.00 FTE for a weed scientist at the Hettinger Research Extension Center to focus on control of weeds and plant pathogens.
- Provides $450,000 from the general fund and 3.00 FTE for new research technicians at the Central Grasslands, North Central and Carrington Research Extension Centers.
- Approves $560,000 from the general fund, or $80,000 at each of the research extension centers, for added operational support.
- Authorizes $800,000 from the general fund to replace declining oil revenues at the Dickinson Research Extension Center.
- Provides $855,157, of which $711,781 is from the general fund, for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

628 Branch Research Centers **Bill#: SB2020**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Dickinson Research Center	5,081,008	6,388,562	16,437	0.3%	6,404,999	(157,237)	(2.5%)	6,231,325
Central Grasslands Research Center	2,217,891	2,865,847	537,891	18.8%	3,403,738	431,712	15.1%	3,297,559
Hettinger Research Center	2,866,340	3,373,175	1,447,444	42.9%	4,820,619	1,373,059	40.7%	4,746,234
Langdon Research Center	1,891,791	2,378,807	560,997	23.6%	2,939,804	507,956	21.4%	2,886,763
North Central Research Center	3,328,225	4,399,821	113,748	2.6%	4,513,569	261,858	6.0%	4,661,679
Williston Research Center	2,735,001	3,410,089	629,300	18.5%	4,039,389	458,934	13.5%	3,869,023
Carrington Research Center	6,103,933	7,126,488	852,706	12.0%	7,979,194	927,807	13.0%	8,054,295
Total Major Programs	24,224,189	29,942,789	4,158,523	13.9%	34,101,312	3,804,089	12.7%	33,746,878
By Line Item								
Dickinson Research Center	5,081,008	6,388,562	16,437	0.3%	6,404,999	(157,237)	(2.5%)	6,231,325
Central Grasslands Research Center	2,217,891	2,865,847	537,891	18.8%	3,403,738	431,712	15.1%	3,297,559
Hettinger Research Center	2,866,340	3,373,175	1,447,444	42.9%	4,820,619	1,373,059	40.7%	4,746,234
Langdon Research Center	1,891,791	2,378,807	560,997	23.6%	2,939,804	507,956	21.4%	2,886,763
North Central Research Center	3,328,225	4,399,821	113,748	2.6%	4,513,569	261,858	6.0%	4,661,679
Williston Research Center	2,735,001	3,410,089	629,300	18.5%	4,039,389	458,934	13.5%	3,869,023
Carrington Research Center	6,103,933	7,126,488	852,706	12.0%	7,979,194	927,807	13.0%	8,054,295
Total Line Items	24,224,189	29,942,789	4,158,523	13.9%	34,101,312	3,804,089	12.7%	33,746,878
By Funding Source								
General Fund	12,367,190	14,945,208	3,356,366	22.5%	18,301,574	2,779,804	18.6%	17,725,012
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	11,856,999	14,997,581	802,157	5.3%	15,799,738	1,024,285	6.8%	16,021,866
Total Funding Source	24,224,189	29,942,789	4,158,523	13.9%	34,101,312	3,804,089	12.7%	33,746,878
Total FTE	95.49	103.04	12.00	11.6%	115.04	4.00	3.9%	107.04

Statutory Authority
North Dakota Century Code Chapter 4-08.

Agency Description
The North Dakota State University (NDSU) Extension Service is part of a nationwide, university-based educational system that provides research-based educational programs to citizens in all 53 counties and four American Indian reservations in North Dakota. Programs focus on selected needs and issues affecting the state's agriculture, youth, families, communities and natural resources. The staff is located at state, area and local/county offices. The NDSU Extension Service combines funding from federal, state, county and grant sources to specifically address local concerns.

Major Accomplishments
1. Enabled ND growers to efficiently produce over $6.00 billion of crops through recommendations of best management practices.
2. Supported the beef industry with training and information to improve production, efficiency and economics.
3. Assisted communities across ND to prepare for and recover from the floods of 2011.
4. Enhanced value-added agriculture, developed community leadership and addressed poverty of rural communities.
5. Provided educational assistance and technical support to rural western ND communities impacted by oil development.
6. Provided over 6,550 parents with educational assistance through Parent Resource Centers and Gearing Up for Kindergarten.
7. Targeted ND families at risk for food insecurity, diabetes, obesity, eye disease and other health issues.
8. Engaged more than 21,000 ND youth in 4-H club, summer camp and after-school activities.
9. Engaged 3,500 youth from 35 ND counties in the Junior Master Gardener program.
10. Made over 500,000 face-to-face educational contacts in ND during the 2011 programming year.

Executive Budget Recommendation
- Recommends $250,000 from the general fund for summer internships, with a 1:1 other fund matching requirement.
- Approves $220,000 from the general fund and 1.00 FTE for a livestock extension specialist.
- Provides $150,000 from the general fund for operating support for livestock production economics.
- Adds $150,000 from the general fund for partial salary support for the existing integrated pest management (IPM) and plant diagnostic lab coordinator.
- Adds $110,000 from the general fund for partial salary support for the existing state water quality specialist.
- Recommends $150,000 from the general fund and 1.00 FTE for a technical support position in the weed science program.
- Includes $110,000 from the general fund for replacement of video conference equipment.
- Approves a $75,000 increase from the general fund for the Soil Conservation Committee.
- Provides $2.1 million, of which $1.0 million is from the general fund, for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

630 NDSU Extension Service **Bill#: SB2020**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
COOP Extension Service	42,941,520	48,014,454	4,145,782	8.6%	52,160,236	6,073,604	12.6%	54,088,058
Total Major Programs	42,941,520	48,014,454	4,145,782	8.6%	52,160,236	6,073,604	12.6%	54,088,058
By Line Item								
NDSU Extension Service	42,103,720	47,026,654	3,995,782	8.5%	51,022,436	5,998,604	12.8%	53,025,258
Soil Conservation Committee	837,800	987,800	150,000	15.2%	1,137,800	75,000	7.6%	1,062,800
Total Line Items	42,941,520	48,014,454	4,145,782	8.6%	52,160,236	6,073,604	12.6%	54,088,058
By Funding Source								
General Fund	22,000,412	24,885,644	3,800,528	15.3%	28,686,172	3,765,000	15.1%	28,650,644
Federal Funds	6,051,887	6,733,729	403,425	6.0%	7,137,154	891,787	13.2%	7,625,516
Special Funds	14,889,221	16,395,081	(58,171)	(0.4%)	16,336,910	1,416,817	8.6%	17,811,898
Total Funding Source	42,941,520	48,014,454	4,145,782	8.6%	52,160,236	6,073,604	12.6%	54,088,058
Total FTE	255.75	256.26	6.00	2.3%	262.26	2.00	0.8%	258.26

Statutory Authority
North Dakota Century Code Chapter 4-14.2.

Agency Description
The Northern Crops Institute (NCI) is a cooperative effort between North Dakota, Minnesota, Montana and South Dakota to support the promotion and market development of crops grown in this four-state region. NCI is an international meeting and learning center that brings together customers, commodity traders, technical experts, agricultural producers, and food and industrial processors for education, discussion and technical services. NCI provides technical and marketing assistance through specialized training courses and technical services that facilitate domestic and international market development and expanded sales of northern grown crops. Representatives from more than 128 countries have visited NCI since its inception. It is located on the campus of North Dakota State University.

Major Accomplishments
1. Contributed to state's economy through marketing activities for agricultural crops (increase and maintain crop sales) and by bringing many course participants and processors to North Dakota (hotels, meals, shopping, etc).
2. Contributed to market development and global awareness of North Dakota and four-state regional crop quality and availability.
3. Hosted and promoted regional agriculture to visitors, short course participants and lecturers from over 33 countries.
4. Educated over 265 participants of short courses and trade teams, and hundreds more through domestic and international outreach programs.
5. Offered courses in partnership with U.S. Wheat Associates, American Soybean Association, U.S. Grains Council, US Dry Bean Council, American Pulse Association, USA Dry Pea and Lentil Association, Association of Oil Chemists Society, USDA/FAS Cochran Program, USDA Federal Grain Inspection Service (FGIS), Minneapolis Grain Exchange, NDSU Extension Service, ND Grain Dealers, Midwest Shippers Association, and many commodity check-off organizations.
6. Continued strong annual enrollments in grain procurement management courses.
7. Provided customized courses for regional and multi-national companies.
8. Continued strong enrollment in pasta technology courses.
9. Conducted feed production programs for domestic and international animal feed manufacturers.
10. Conducted courses on the use of distillers dried grains with soluables (DDGS) to domestic and international animal feed nutritionists.
11. Developed and conducted courses for the use of soy flour, flax and canola in food products, and the use of DDGS and soybean products in aquaculture feeds.
12. Provided lectures and demonstrations for NDSU, SDSU and other regional universities.
13. Developed and offered specialized courses/workshops upon request.
14. Hosted and provided lectures for international trade teams regularly.
15. Produced complete feeds, concentrates, supplements and custom premixes for use in animal research. Feed production for FY 2011-12 was 2,761 tons, mostly for NDSU Experiment Station and Research and Extension Centers. Feed for main station experimental livestock research is manufactured at NCI feed production center.
16. Provided technical expertise in crop quality and utilization in locations around the world.
17. Held leadership roles in many national/international professional organizations including the American Association of Cereal Chemists International, Wheat Quality Council, International Association of Operative Millers, American Feed Industry Association, Analytical Oil Chemists Society, and Institute for Food Technologists.

Executive Budget Recommendation
- Approves $135,000 from the general fund for 1.14 existing FTE food technologist and crop quality specialist.
- Provides $102,846, of which $79,191 is from the general fund, for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

638 Northern Crops Institute **Bill#: SB2020**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Farm Product Development, Mktg. and Util	3,216,684	3,347,307	517,150	15.4%	3,864,457	527,344	15.8%	3,874,651
Total Major Programs	3,216,684	3,347,307	517,150	15.4%	3,864,457	527,344	15.8%	3,874,651
By Line Item								
Northern Crops Institute	3,216,684	3,347,307	517,150	15.4%	3,864,457	527,344	15.8%	3,874,651
Total Line Items	3,216,684	3,347,307	517,150	15.4%	3,864,457	527,344	15.8%	3,874,651
By Funding Source								
General Fund	1,439,221	1,692,582	266,644	15.8%	1,959,226	381,762	22.6%	2,074,344
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	1,777,463	1,654,725	250,506	15.1%	1,905,231	145,582	8.8%	1,800,307
Total Funding Source	3,216,684	3,347,307	517,150	15.4%	3,864,457	527,344	15.8%	3,874,651
Total FTE	11.00	12.00	0.00	0.0%	12.00	0.00	0.0%	12.00

Statutory Authority
ND Constitution Article XIX; North Dakota Century Code Chapter 4-05.1.

Agency Description
The North Dakota State University Main Research Station is located on the campus of the North Dakota State University of Agriculture and Applied Science. The station is the administrative location of the North Dakota Agricultural Experiment Station. The station conducts research and coordinates all research activities of the Agricultural Experiment Station. The purpose of the research is the development and dissemination of technology important to the production and utilization of food, feed, fiber, and fuel from crop and livestock enterprises. The research provides for an enhancement of economic development, quality of life, sustainability of production, and protection of the environment. The Main Research Station keeps detailed records of all activities and publishes the information that will be of value to the residents of this state.

Major Accomplishments
1. Released high yielding, disease resistant, and high quality hard red spring wheat cultivars Prosper (eastern ND), Velva (central ND), and Elgin (western ND).
2. Released Jury, an oat variety well adapted throughout eastern and central ND, with high yield potential, improved disease resistance, and high quality traits, including high beta-glucan levels.
3. Released the durum cultivar Carpio, high yielding and excellent quality traits for central and western ND.
4. Released the red bean Rio Rojo, a high yielding, disease resistant small red bean that meets both domestic and export markets.
5. Developed, maintained, and improved disease forecasting systems that are important tools for crop disease management.
6. Reduced leafy spurge infestation from its peak of 1.5 million acres to 600,000 acres by 2011, the lowest amount since 1971, providing an estimated $14.0 million in additional revenue due to landowners.
7. Developed and implemented an early detection and rapid response system to prevent invasive weeds from establishing in the state.
8. Determined that nutrient intake of the mother influences progeny performance of livestock via epigenetic modification of gametes.
9. Identified methods to reduce the cost of feeding cattle using the new Beef Cattle Research Complex.
10. Developed in-house assays that target the detection of petroleum byproducts in rumen contents.
11. Established the nation's first Pulse Quality Lab that works with both the breeding program and with the industry to evaluate the level of quality of the ND pulse crop.
12. Identified improved genetic resistance to many plant diseases found in the state, saving the ND farmer millions in lost yield.
13. Investigated the feasibility of using CRP biomass for ethanol production while preserving and enhancing the production, diversity, and stability of CRP.
14. Developed low cadmium durum wheat lines, which is highly desired in some global markets.

Executive Budget Recommendation
- Recommends $800,000 from the general fund for increased operating support of crop development and protection efforts.
- Approves $355,000 from the general fund and 2.00 FTE for a nematologist and technician.
- Includes $300,000 from the general fund and 1.00 FTE for technical support and increased operating costs for the North Dakota Agricultural Weather Network (NDAWN).
- Adds $400,000 from the general fund to purchase critical veterinary diagnostic lab equipment.
- Removes $142,837 from the general fund and .52 FTE for for the North Dakota Census Office that has been transferred to the Commerce Department.
- Provides $4.3 million to construct agronomy laboratories at the Hettinger and Carrington Research Extension Centers.
- Provides $3.2 million, of which $1.9 million is from the general fund, for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

640 NDSU Main Research Center **Bill#: SB2020**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested		Requested Budget 2013-2015	2013-2015 Recommended		Executive Recommendation 2013-2015
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Agricultural Research	105,050,273	103,407,933	12,367,780	12.0%	115,775,713	6,885,389	6.7%	110,293,322
Total Major Programs	105,050,273	103,407,933	12,367,780	12.0%	115,775,713	6,885,389	6.7%	110,293,322
By Line Item								
Deferred Maintenance	450,000	0	0	0.0%	0	0	0.0%	0
Main Research Center	104,350,273	103,407,933	12,367,780	12.0%	115,775,713	6,885,389	6.7%	110,293,322
Grape & Wine Prog Comm	250,000	0	0	0.0%	0	0	0.0%	0
Total Line Items	105,050,273	103,407,933	12,367,780	12.0%	115,775,713	6,885,389	6.7%	110,293,322
By Funding Source								
General Fund	63,828,496	56,605,041	6,438,585	11.4%	63,043,626	432,696	0.8%	57,037,737
Federal Funds	5,760,728	5,346,416	1,035,202	19.4%	6,381,618	1,438,837	26.9%	6,785,253
Special Funds	35,461,049	41,456,476	4,893,993	11.8%	46,350,469	5,013,856	12.1%	46,470,332
Total Funding Source	105,050,273	103,407,933	12,367,780	12.0%	115,775,713	6,885,389	6.7%	110,293,322
Total FTE	329.26	349.01	12.00	3.4%	361.01	2.48	0.7%	351.49

Statutory Authority
North Dakota Century Code Chapter 4-05.1.

Agency Description
The Agronomy Seed Farm (ASF) is a 590 acre farm located near Casselton, which has been a part of the North Dakota Agriculture Experiment Station (NDAES) since it was gifted to the state in 1950. It was the result of a fund drive conducted by the North Dakota Crop Improvement Association, which solicited farmers, seed companies and many others throughout the state to help establish a farm whose main purpose is to increase seed of new varieties as they are developed by the plant breeding and supporting departments of the NDAES. The ASF also propagates seed of older but still desirable varieties for the seedsmen of the area.

Major Accomplishments
1. Produced 25,000 to 50,000 bushels of seed for availability to the seed industry annually.
2. Conditioned 35,000 to 50,000 bushels of seed for availability to the seed industry annually.

Executive Budget Recommendation
- Approves the budget as requested.
- Maintains current staffing levels and funding sources.
- Includes $278,000 for necessary equipment purchases.
- Provides $26,197 special fund authority for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

649 Agronomy Seed Farm **Bill#: SB2020**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Agricultural Research	1,275,208	1,435,168	2,995	0.2%	1,438,163	39,793	2.8%	1,474,961
Total Major Programs	1,275,208	1,435,168	2,995	0.2%	1,438,163	39,793	2.8%	1,474,961
By Line Item								
Agronomy Seed Farm	1,275,208	1,435,168	2,995	0.2%	1,438,163	39,793	2.8%	1,474,961
Total Line Items	1,275,208	1,435,168	2,995	0.2%	1,438,163	39,793	2.8%	1,474,961
By Funding Source								
General Fund	0	0	0	0.0%	0	0	0.0%	0
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	1,275,208	1,435,168	2,995	0.2%	1,438,163	39,793	2.8%	1,474,961
Total Funding Source	1,275,208	1,435,168	2,995	0.2%	1,438,163	39,793	2.8%	1,474,961
Total FTE	3.00	3.00	0.00	0.0%	3.00	0.00	0.0%	3.00

Statutory Authority
North Dakota Century Code Chapter 4-02.1.

Agency Description
The North Dakota State Fair Association produces the State Fair for North Dakota. This nine day event includes the production of horse shows, 4H State Championship competitions, FFA State Championship competitions, several junior stock shows, and open class competitions for hundreds of categories. The annual budget for the State Fair and All Seasons Arena complex is over $8.1 million.

State Fair provides the facilities, administration, staffing judges, equipment, prizes and recognition for those who bring over 45,000 entries from every community in North Dakota.

The Association provides educational and entertaining exhibits along with special attractions that bring North Dakotan's together to celebrate their heritage and lifestyle each year.

Major Accomplishments
1. Generated revenues to operate facilities through admissions, rents, and gifts from friends.
2. Solicited $22.0 million in capital construction from non-state revenues for capital improvements.
3. Generated revenue of $9.3 million for capital improvements from admissions and rents.
4. Received international awards for excellence in the fair agricultural program.
5. Hosted 45,863 competitive entries from 4H, FFA, and open class in 2012.
6. Received entries from nearly every community in North Dakota.
7. Recognized state wide, regionally and nationally as a great attraction and The Show Place of North Dakota.

Executive Budget Recommendation
- Provides $3.5 million in one-time general fund dollars to repair flood damage to the state fairgrounds.
- Provides an inflationary increase for exhibitor premiums of $26,000 from the general fund.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

665 ND State Fair **Bill#: SB2009**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
State Support	15,697,150	730,000	(210,000)	(28.8%)	520,000	3,316,000	454.2%	4,046,000
Total Major Programs	15,697,150	730,000	(210,000)	(28.8%)	520,000	3,316,000	454.2%	4,046,000
By Line Item								
Capital Assets	15,210,000	210,000	(210,000)	(100.0%)	0	3,290,000	1,566.7%	3,500,000
Premiums	487,150	520,000	0	0.0%	520,000	26,000	5.0%	546,000
Total Line Items	15,697,150	730,000	(210,000)	(28.8%)	520,000	3,316,000	454.2%	4,046,000
By Funding Source								
General Fund	15,697,150	730,000	(210,000)	(28.8%)	520,000	3,316,000	454.2%	4,046,000
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	0	0	0	0.0%	0	0	0.0%	0
Total Funding Source	15,697,150	730,000	(210,000)	(28.8%)	520,000	3,316,000	454.2%	4,046,000
Total FTE	0.00	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00

Statutory Authority
North Dakota Century Code 53-06.2-01 to 53-06.2-16.

Agency Description
The North Dakota Racing Commission is the regulatory agency in charge of regulating live and simulcast racing, and account deposit wagering. The Commission administers four special funds for the benefit of the horse racing industry in North Dakota. The Commission is made up of five members appointed by the Governor and has an office staff of a Director and an Administrative Staff Officer.

Major Accomplishments
1. Regulated live, simulcast, and account deposit wagering industry in North Dakota.
2. Promoted and supported live horse racing.
3. Assisted in support of the monthly operation at Horse Race North Dakota and provided support and guidance to re-establish live horse racing in Fargo in 2012.
4. Responded to issues related to live horse racing and account deposit wagering.
5. Drafted rule change to assess a 0.125 percent fee for the use of the Mad Scramble wager, which was adopted into law effective July 1, 2011. Initiated the process to revise the regulations for live horse racing.
6. Executed the duties required by the North Dakota Century Code.
7. Approved and licensed live racing via licenses provided to tracks, associations, owners, trainers and jockeys.
8. Approved and licensed simulcast racing, including account deposit wagering companies, totalizators, service providers, site operators, and simulcast employees.
9. Monitored live racing by contracting to provide veterinarians, stewards, compliance investigator, and other individuals required to assure compliance with the Administrative Code.
10. Administered the promotion fund monies to promote live racing and provided oversight to ensure compliance with promotion awards.
11. Approved and disbursed the purse fund grants to live horse racing associations.
12. Contracted with an independent contractor to administer the North Dakota Breeders' Fund Horse Registry and licensing at live race meets.
13. Contracted with an independent accounting agency to provide oversight, evaluate and review all pari-mutuel activities.

Executive Budget Recommendation
- Provides general and special fund authority to support current FTE level and operations of the agency.
- Provides $27,842 from the general fund for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

670 ND Horse Racing Commission **Bill#: SB2023**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested		Requested Budget 2013-2015	2013-2015 Recommended		Executive Recommendation 2013-2015
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
By Major Program								
Horse Racing Administration	390,597	447,501	42,303	9.5%	489,804	116,466	26.0%	563,967
Total Major Programs	390,597	447,501	42,303	9.5%	489,804	116,466	26.0%	563,967
By Line Item								
Racing Commission	390,597	447,501	42,303	9.5%	489,804	116,466	26.0%	563,967
Total Line Items	390,597	447,501	42,303	9.5%	489,804	116,466	26.0%	563,967
By Funding Source								
General Fund	294,894	317,501	5,897	1.9%	323,398	80,059	25.2%	397,560
Federal Funds	0	0	0	0.0%	0	0	0.0%	0
Special Funds	95,703	130,000	36,406	28.0%	166,406	36,407	28.0%	166,407
Total Funding Source	390,597	447,501	42,303	9.5%	489,804	116,466	26.0%	563,967
Total FTE	2.00	2.00	0.00	0.0%	2.00	0.00	0.0%	2.00

Statutory Authority
North Dakota Century Code Chapters 55-01, 55-02, 55-03, 55-05, 55-06, 55-09, 55-10, 55-11, and 55-12.

Agency Description
The State Historical Society of North Dakota is responsible for identifying, preserving, interpreting, and promoting the heritage of North Dakota and its people. The agency was founded in 1895 and accomplishes its mission through five divisions, as follows:

- Support Services Division provides support and coordination for all functions of the agency through budgeting, accounting, purchasing, human resource management, inventory control, concession sales, communications services, building and site security, and general supervision.
- Communication and Education Division is responsible for agency publications and the development of educational programs and curriculum.
- Museum Division presents the history of North Dakota through planning, fabrication and installation of exhibits, including traveling exhibits and those located in the Heritage Center in Bismarck, Pembina State Museum and Historic Sites.
- State Archives preserves and makes accessible to the public records of North Dakota government; makes available the collections of books, microfilm, newspapers, maps, photographs, manuscripts, and other two-dimensional historical materials to both staff and public through reference services and programs of preservation.
- Historic Preservation Division services include evaluating architectural and archaeological properties, providing assistance to historic property owners, nominating properties to the National Register of Historic Places and State Historic Sites Registry, administering the Preservation Tax Credit Program, reviewing the impact of federally-related projects on historic properties, and providing information about historic preservation and restoration. This division also provides for the management, maintenance, repair and operation of all Historical Society land and buildings other than the North Dakota Heritage Center.

Major Accomplishments
1. Began work on the North Dakota Heritage Center expansion. Construction began in March 2011 and is scheduled for completion by the summer of 2013. New exhibit galleries are in development and are scheduled to begin opening in July 2013 and culminate on November 2, 2014 with the 125 anniversary of statehood celebration.
2. Expanded and enhanced the Society's social media presence to better promote the Society and provide the public with additional access to the state's collections.
3. Continued to work with other states and NDSU on the ContentDM project which provides access to photographs and other items than can be digitized.
4. Continued to develop exhibits, interpretative and educational programs for the public.
5. Provided grants through the Cultural Heritage Grant program to help support county and local historical society programs.
6. Began working with the Corps of Engineers on the stabilization of the river bank at the Fort Abercrombie State Historic Site. Work is expected to be completed during the winter of 2012-13.
7. Began working on the stabilization of the hospital building located at the Fort Totten State Historic Site.

Executive Budget Recommendation
- Continues Cultural Heritage Grant Program with a $504,500 general fund appropriation.
- Recommends 6.00 FTE related to the expansion of the Heritage Center and State Archives. Positions include a technology coordinator, exhibit and collections specialist, education programs developer, multimedia/web developer, visitor services security officer, and archives specialist.
- Adds $183,549 to provide for increases in seasonal hourly wages of approximately $1 per year.
- Adds $60,000 to provide for the maintenance and upkeep of an expanded exhibit area.
- Provides $250,000 to contract for traveling exhibits to be displayed in the new Governor's Gallery.
- Provides $50,000 to address housing and compensation issues for staff located in western North Dakota.
- Provides $150,000 to complete the development of updated 8th grade curriculum for North Dakota Studies.
- Provides $150,000 for grants, planning, and events related to the celebration of the 125th anniversary of North Dakota's statehood.
- Provides $845,498, of which $752,493 is from the general fund, for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

701 Historical Society **Bill#: HB1018**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Support Services	2,880,848	3,251,014	(114,491)	(3.5%)	3,136,523	1,257,244	38.7%	4,508,258
Museum	1,320,101	1,439,531	100,655	7.0%	1,540,186	335,246	23.3%	1,774,777
Communication and Education	974,191	1,258,778	(12,523)	(1.0%)	1,246,255	452,336	35.9%	1,711,114
SA & HRL	1,593,693	1,811,807	247,294	13.6%	2,059,101	425,237	23.5%	2,237,044
Historic Sites	10,633,616	52,461,745	(48,207,308)	(91.9%)	4,254,437	(47,632,734)	(90.8%)	4,829,011
Historic Preservation Division	2,134,164	3,476,126	(25,293)	(0.7%)	3,450,833	11,544	0.3%	3,487,670
Total Major Programs	19,536,613	63,699,001	(48,011,666)	(75.4%)	15,687,335	(45,151,127)	(70.9%)	18,547,874
By Line Item								
Salaries and Wages	8,233,757	9,541,410	331,192	3.5%	9,872,602	2,666,731	27.9%	12,208,141
Operating Expenses	1,973,338	2,677,916	(71,900)	(2.7%)	2,606,016	138,100	5.2%	2,816,016
Capital Assets	2,301,398	2,835,736	(1,136,011)	(40.1%)	1,699,725	(821,011)	(29.0%)	2,014,725
Capital Construction Carryover	614,275	736,481	(736,481)	(100.0%)	0	(736,481)	(100.0%)	0
Heritage Center Addition	5,326,534	46,373,466	(46,373,466)	(100.0%)	0	(46,373,466)	(100.0%)	0
Grants	403,783	1,025,000	(25,000)	(2.4%)	1,000,000	(25,000)	(2.4%)	1,000,000
Cultural Heritage Grants	470,457	504,500	0	0.0%	504,500	0	0.0%	504,500
Yellowstone-Missouri-Ft Union Comm	4,492	4,492	0	0.0%	4,492	0	0.0%	4,492
Federal Stimulus Funds - 2009	208,579	0	0	0.0%	0	0	0.0%	0
Total Line Items	19,536,613	63,699,001	(48,011,666)	(75.4%)	15,687,335	(45,151,127)	(70.9%)	18,547,874
By Funding Source								
General Fund	17,838,867	48,148,588	(35,592,438)	(73.9%)	12,556,150	(32,847,217)	(68.2%)	15,301,371
Federal Funds	1,632,432	3,550,413	(419,228)	(11.8%)	3,131,185	(303,910)	(8.6%)	3,246,503
Special Funds	65,314	12,000,000	(12,000,000)	(100.0%)	0	(12,000,000)	(100.0%)	0
Total Funding Source	19,536,613	63,699,001	(48,011,666)	(75.4%)	15,687,335	(45,151,127)	(70.9%)	18,547,874
Total FTE	62.00	63.00	0.00	0.0%	63.00	6.00	9.5%	69.00

Statutory Authority
North Dakota Century Code 54-54.

Agency Description
The North Dakota Council on the Arts was established by state statute in 1967. Its board is comprised of nine citizens appointed by the Governor to serve five-year terms. The First Lady is an ex-officio member of the board. The purpose of the Council is to establish policies, programs, and partnerships to encourage the study and presentation of the performing and fine arts and to encourage public interest in the cultural heritage of the state. The Council functions as a community partner and a catalyst for artists and organizations. The Council re-grants National Endowment for the Arts funds and state appropriated funds to North Dakota communities, schools, individuals, and organizations through its various grant programs. It offers educational opportunities and technical advice, collects and disseminates arts information, and acts as the state's foremost arts advocate.

Major Accomplishments
1. Completed a touring exhibition based on the "Sundogs and Sunflowers" publication (currently touring over 25 libraries in ND).
2. Received a grant for a second conference for artists with disabilities and organizations that serve them or utilize their services.
3. Added three community assisted living centers to the Art for Life program, making the number of communities involved a total of eight.
4. Conducted a full evaluation of the NDCA arts in education program with the assistance of a national consultant.
5. Completed an Icelandic residency with schools in both Iceland and North Dakota.
6. Produced an on-line newsletter (nine issues per year) and hard copy newsletter (three issues per year) and increased the number of subscriptions by over 10.0 percent.
7. Successfully organized a pilot project involving the community of Wahpeton in an effort to develop a model economic development plan utilizing the arts.
8. Partnered with ND Parks and Recreation in establishing three residencies in state parks.
9. Received state and national recognition for the "Sundogs and Sunflowers" publication, named one of the nation's noteable documents.

Executive Budget Recommendation
- Provides $50,000 from the general fund for grants to support arts organizations.
- Provides $10,000 from the general fund for updating and printing a statewide Cultural Guide to direct visitors to cultural attractions across the state.
- Provides $55,469 from the general fund for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

709 Council on the Arts **Bill#: SB2010**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Council on the Arts	3,163,255	3,218,462	(89,563)	(2.8%)	3,128,899	40,599	1.3%	3,259,061
Total Major Programs	3,163,255	3,218,462	(89,563)	(2.8%)	3,128,899	40,599	1.3%	3,259,061
By Line Item								
Salaries and Wages	677,814	741,580	(3,011)	(0.4%)	738,569	67,151	9.1%	808,731
Operating Expenses	247,704	275,575	62,448	22.7%	338,023	72,448	26.3%	348,023
Grants	1,947,737	2,201,307	(149,000)	(6.8%)	2,052,307	(99,000)	(4.5%)	2,102,307
Federal Stimulus Funds - 2009	290,000	0	0	0.0%	0	0	0.0%	0
Total Line Items	3,163,255	3,218,462	(89,563)	(2.8%)	3,128,899	40,599	1.3%	3,259,061
By Funding Source								
General Fund	1,277,781	1,363,602	20,382	1.5%	1,383,984	150,542	11.0%	1,514,144
Federal Funds	1,878,790	1,791,345	(109,945)	(6.1%)	1,681,400	(109,943)	(6.1%)	1,681,402
Special Funds	6,684	63,515	0	0.0%	63,515	0	0.0%	63,515
Total Funding Source	3,163,255	3,218,462	(89,563)	(2.8%)	3,128,899	40,599	1.3%	3,259,061
Total FTE	5.00	5.00	0.00	0.0%	5.00	0.00	0.0%	5.00

Statutory Authority
North Dakota Century Code Title 20.1.

Agency Description
The North Dakota Game and Fish Department manages publicly owned wildlife resources for the state of North Dakota. The Game and Fish Department consists of five major divisions, as follows:

- Administrative Services provides policy, planning, and support services and is responsible for all game and fish licensing.
- Fisheries manages the state's fisheries.
- Enforcement provides enforcement of the laws and regulations governing the use of the state's wildlife resources and recreational waters.
- Conservation and Communication informs the public of rules, regulations, and guidelines for safe, lawful hunting, fishing, trapping, and boating.
- Wildlife provides for the management of wildlife resources in the state.

Major Accomplishments
1. Continued the private land initiative (PLI) offering a wide variety of programs maximizing landowner participation.
2. Emphasized biological control of leafy spurge and other noxious weeds.
3. Continued the special spring snow goose hunting season and expanded Canada goose hunting opportunities.
4. Initiated several wildlife research projects to better guide the agency with management decisions.
5. Created a new department website enhancing on-line communication with the hunting and fishing public and increasing on-line licensing.
6. Provided hunter safety education to 6,000 youth in 200 communities.
7. Expanded the department's shooting range grants program to fund larger shooting range projects throughout the state.
8. Increased the number of recreational fishing lakes in North Dakota to over 350.
9. Continued to improve the Aquatic Nuisance Species Program to protect North Dakota's waterways.
10. Continued to improve boating access throughout the state.
11. Upgraded and renovated the Game and Fish Department Conservation and Outdoor Skills Park at the State Fair after 2011 flooding.
12. Increased coordination with oil and gas industry to reduce wildlife impacts.

Executive Budget Recommendation
- Provides authority to spend $150,000 from federal funds to construct a heated storage building or addition at the Lonetree Wildlife Management Area.
- Provides $1.7 million for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

720 Game and Fish Department **Bill#: HB1017**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Administrative Services	13,746,180	11,672,674	(478,267)	(4.1%)	11,194,407	(114,378)	(1.0%)	11,558,296
Fisheries	9,792,505	14,031,870	(3,370,574)	(24.0%)	10,661,296	(3,044,712)	(21.7%)	10,987,158
Enforcement	6,387,112	8,448,558	243,458	2.9%	8,692,016	809,389	9.6%	9,257,947
Communications and Conservation	5,403,200	7,529,198	189,048	2.5%	7,718,246	509,925	6.8%	8,039,123
Wildlife	22,719,860	25,861,860	1,574,034	6.1%	27,435,894	2,387,353	9.2%	28,249,213
Total Major Programs	58,048,857	67,544,160	(1,842,301)	(2.7%)	65,701,859	547,577	0.8%	68,091,737
By Line Item								
Salaries and Wages	21,299,732	24,019,028	747,463	3.1%	24,766,491	2,835,262	11.8%	26,854,290
Operating Expenses	10,222,921	12,524,493	572,747	4.6%	13,097,240	572,747	4.6%	13,097,240
Capital Assets	3,623,554	4,183,170	(298,109)	(7.1%)	3,885,061	(298,109)	(7.1%)	3,885,061
Capital Construction Carryover	1,032,622	198,880	(198,880)	(100.0%)	0	(198,880)	(100.0%)	0
Grants-Game and Fish	6,810,319	10,218,500	(3,296,000)	(32.3%)	6,922,500	(3,296,000)	(32.3%)	6,922,500
Land Habitat & Deer Depredation	11,922,624	12,062,224	600,000	5.0%	12,662,224	688,879	5.7%	12,751,103
Noxious Weed Control	490,819	600,000	50,000	8.3%	650,000	50,000	8.3%	650,000
Missouri River Enforcement	0	200,000	70,000	35.0%	270,000	80,902	40.5%	280,902
Grant-Gift-Donation	203,366	800,000	0	0.0%	800,000	0	0.0%	800,000
Nongame Wildlife Conservation	113,211	120,000	0	0.0%	120,000	0	0.0%	120,000
Lonetree Reservoir	1,360,889	1,749,065	10,478	0.6%	1,759,543	212,776	12.2%	1,961,841
Wildlife Services	968,800	868,800	(100,000)	(11.5%)	768,800	(100,000)	(11.5%)	768,800
Total Line Items	58,048,857	67,544,160	(1,842,301)	(2.7%)	65,701,859	547,577	0.8%	68,091,737
By Funding Source								
General Fund	0	0	0	0.0%	0	0	0.0%	0
Federal Funds	26,043,475	32,402,607	(3,152,968)	(9.7%)	29,249,639	(2,217,974)	(6.8%)	30,184,633
Special Funds	32,005,382	35,141,553	1,310,667	3.7%	36,452,220	2,765,551	7.9%	37,907,104
Total Funding Source	58,048,857	67,544,160	(1,842,301)	(2.7%)	65,701,859	547,577	0.8%	68,091,737
Total FTE	157.00	157.00	0.00	0.0%	157.00	0.00	0.0%	157.00

Statutory Authority
North Dakota Century Code Chapters 39-24, 39-29, 55-08 and 55-11.

Agency Description
The North Dakota Park Service was created in 1965. In 1977, it was renamed the North Dakota Parks and Recreation Department when it merged with the State Outdoor Recreation Agency. The Department currently operates within three major program areas, as follows:

- Administration, which provides support services, such as accounting, human resource management, information technology, media relations, risk management, ADA coordination, and budget functions.
- Recreation, which consists of recreation grants coordination, snowmobile and off highway vehicle trail and safety programs, statewide comprehensive outdoor recreation and trail planning
- Natural Resources, which encompasses state park operations and coordinates state park system planning, park improvements and enhancements, state nature preserve oversight, and state park natural resource management.

In addition, as trustee for the state of North Dakota, NDPRD has general supervision over the lands comprising the ND portion of the International Peace Garden.

Major Accomplishments
1. Completed 2011 flood recovery.
2. Completed Grahams Island State Park road raise project and maintained access to the park.
3. Increased park visitation and revenue collections.
4. Developed a comprehensive trail system in the Pembina Gorge.
5. Completed IT infrastructure upgrades at Turtle River and Lake Metigoshe State Parks.
6. Completed the 2013-17 State Comprehensive Outdoor Recreation Plan.

Executive Budget Recommendation
- Provides $264,000 to increase hourly wages by approximately $1.00 per year for seasonal temporary staff.
- Provides $100,000 for updating strategic master plans at various state parks.
- Provides $200,000 to increase the operations grant to the International Peace Garden from $773,699 per biennium to $973,699 per biennium.
- Provides $1.1 million for extraordinary repairs - $875,094 from the general fund for ongoing repairs and maintenance and $182,800 from special funds for one-time projects.
- Provides $3.7 million, of which $3.0 million is from the general fund, for capital projects.
- Provides $750,000 for equipment purchases - $450,000 from the general fund for and $300,000 from special funds for one-time equipment purchases.
- Provides 1.00 FTE for an administrative assistant to be located in one of the parks.
- Provides $672,790, of which $659,333 is from the general fund, for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

750 Parks and Recreation Department **Bill#: HB1019**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Administration	2,145,890	2,484,885	29,845	1.2%	2,514,730	234,437	9.4%	2,719,322
Recreation	3,218,187	7,743,091	3,267,832	42.2%	11,010,923	(1,733,650)	(22.4%)	6,009,441
Natural Resources	14,849,772	19,079,918	(5,149,485)	(27.0%)	13,930,433	154,104	0.8%	19,234,022
Peace Garden	2,728,454	1,040,699	(267,000)	(25.7%)	773,699	(67,000)	(6.4%)	973,699
Total Major Programs	22,942,303	30,348,593	(2,118,808)	(7.0%)	28,229,785	(1,412,109)	(4.7%)	28,936,484
By Line Item								
Capital Construction Carryover	758,144	841,505	(841,505)	(100.0%)	0	(841,505)	(100.0%)	0
Deferred Maintenance	835,400	0	0	0.0%	0	0	0.0%	0
Administration	2,148,104	2,484,885	29,845	1.2%	2,514,730	234,437	9.4%	2,719,322
Natural Resources	12,936,976	18,238,413	(4,307,980)	(23.6%)	13,930,433	995,609	5.5%	19,234,022
Recreation	3,209,449	7,743,091	3,267,832	42.2%	11,010,923	(1,733,650)	(22.4%)	6,009,441
Peace Garden	2,728,454	1,040,699	(267,000)	(25.7%)	773,699	(67,000)	(6.4%)	973,699
Federal Stimulus Funds - 2009	325,776	0	0	0.0%	0	0	0.0%	0
Total Line Items	22,942,303	30,348,593	(2,118,808)	(7.0%)	28,229,785	(1,412,109)	(4.7%)	28,936,484
By Funding Source								
General Fund	15,221,148	17,649,765	(5,393,775)	(30.6%)	12,255,990	(505,116)	(2.9%)	17,144,649
Federal Funds	2,956,456	4,786,631	3,338,722	69.8%	8,125,353	(2,056,724)	(43.0%)	2,729,907
Special Funds	4,764,699	7,912,197	(63,755)	(0.8%)	7,848,442	1,149,731	14.5%	9,061,928
Total Funding Source	22,942,303	30,348,593	(2,118,808)	(7.0%)	28,229,785	(1,412,109)	(4.7%)	28,936,484
Total FTE	53.00	54.00	0.00	0.0%	54.00	1.00	1.9%	55.00

Statutory Authority
North Dakota Century Code Chapters 61-01 through 61-32.

Agency Description
The State Water Commission consists of the Governor as chairman, the Commissioner of Agriculture as an ex-officio member, and seven members appointed by the Governor. The Commission appoints a Secretary/State Engineer, to employ staff to carry out the goals of the Commission. The agency budget is comprised of two major program areas: administrative and support services, and water and atmospheric resources.

The Commission has three primary functions: regulation, development, and education. Regulatory functions include water rights, drainage, floodplain management, sovereign land management, and dam safety. Water development functions include large state projects, such as the southwest pipeline project, the northwest area water supply, and Devils Lake flood control; and several types of medium and small projects, including dams and drains. The Commission promotes water development by providing cost-share assistance for many local projects such as dams, dikes, drains, and water supplies and by conducting studies of potential projects. The third primary function of the Commission involves educating teachers and the public regarding the nature and occurrence of the state's water resources.

Major Accomplishments
1. Provided water service through Northwest Area Water Supply (NAWS) to Sherwood, Mohall, and All Seasons Water Users District near Antler, and Upper Souris Water District near Sherwood from an interim supply from Minot's water treatment plant.
2. Continued to provide technical assistance relating to legal actions affecting the advancement of the Northwest Area Water Supply.
3. Completed a 350 cfs emergency outlet from East Devils Lake (the maximum total discharge of the West and East Devils Lake outlets is now 600 cfs).
4. Completed a Tolna Coulee Control Structure in the summer of 2012, in cooperation with the U.S. Army Corps of Engineers.
5. Completed construction of the Oliver, Mercer, North Dunn (OMND) Water Treatment Plant (WTP), and completed construction of two potable water reservoirs, one at the OMND WTP site and the other in Oliver County as part of the Southwest Pipeline Project (SWPP).
6. Completed construction of a SWPP Main Transmission Line (MTL) in Mercer and Oliver County.
7. Continued work through the Silver Jackets program to identify comprehensive, long term flood solutions through a collaborative, interagency effort between state and federal authorities.
8. Conducted extensive ground and surface water evaluations in the northwest portion of the state to address water needs of the oil development industry.
9. Provided state funding assistance through the state's water supply program for Burke, Divide, Williams Water System; Crosby Water Supply; Grand Forks-Traill Water District expansion; Fargo water supply; McKenzie County Regional Water System (Phase II and Phase IV); the city of Parshall water supply; North Central Rural Water Consortium (Anamoose-Benedict); North Central Rural Water Consortium (Berthold-Carpio); Northwest Area Water Supply; South Central Regional Water District (Emmons County); R&T Water Supply Water Treatment; Southwest Pipeline Project; Stutsman Rural Water District expansion; Traill Rural Water District Phase III; Valley City Water Treatment; and Western Area Water Supply.
10. Provided funding assistance through the Municipal, Rural, and Industrial water supply program for projects involving the Northwest Area Water Supply, South Central Regional Water District (Emmons County), and SWPP (Oliver, Mercer, North Dunn).
11. Contributed toward the advancement of large-scale community, and numerous rural flood control projects throughout the state.
12. Continued implementation of North Dakota's Sovereign Land Management Plan.
13. Provided support toward the advancement of the Fargo-Moorhead Metro Area flood control project EIS.
14. Deployed remote telemetry water metering systems as part of a pilot study in oil producing areas of the state.
15. Participated with the International Souris River Board, Souris Basin Task Force to review Souris River operating plans for water supply and flood control.
16. Worked with water project sponsors throughout the state to identify water project funding needs for the 2013-15 biennium, and beyond.

Executive Budget Recommendation
- Authorizes 1.00 FTE and $164,430 from the general fund for a water resource engineer position in the water appropriation division to address the increase in water permit applications as a result of energy development in western North Dakota.
- Authorizes 1.00 FTE and $143,026 from the general fund for a water resource project manager position in the water appropriation division to address the backlog of conditional water permit inspections as a result of energy development in western North Dakota. This position will inspect water meters, process water use data, and conduct field measurements of pumping rates.
- Authorizes 1.00 FTE and $118,051 from special funds for an engineering technician position to support the operations of the Devils Lake outlets as a result of the addition of the east Devils Lake outlet.
- Provides $1.1 million, of which $971,118 is from the general fund, for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

770 Water Commission **Bill#: HB1020**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Administrative and Support Services	2,787,361	3,229,873	306,252	9.5%	3,536,125	812,911	25.2%	4,042,784
Water and Atmospheric Resources	152,216,675	506,185,547	299,817,945	59.2%	806,003,492	316,910,701	62.6%	823,096,248
Total Major Programs	155,004,036	509,415,420	300,124,197	58.9%	809,539,617	317,723,612	62.4%	827,139,032
By Line Item								
Grants - Local Cost Share	2,431,132	500,000	(500,000)	(100.0%)	0	(500,000)	(100.0%)	0
Beaver Bay Feasibility Study	83,594	0	0	0.0%	0	0	0.0%	0
Administrative and Support Services	2,787,361	3,229,873	306,252	9.5%	3,536,125	812,911	25.2%	4,042,784
Water and Atmospheric Resources	145,892,399	498,413,774	307,589,718	61.7%	806,003,492	324,682,474	65.1%	823,096,248
Federal Stimulus Funds 2009	3,809,550	7,271,773	(7,271,773)	(100.0%)	0	(7,271,773)	(100.0%)	0
Total Line Items	155,004,036	509,415,420	300,124,197	58.9%	809,539,617	317,723,612	62.4%	827,139,032
By Funding Source								
General Fund	13,328,190	14,995,199	256,443	1.7%	15,251,642	2,784,445	18.6%	17,779,644
Federal Funds	23,317,203	53,984,383	(16,720,200)	(31.0%)	37,264,183	(16,661,806)	(30.9%)	37,322,577
Special Funds	118,358,643	440,435,838	316,587,954	71.9%	757,023,792	331,600,973	75.3%	772,036,811
Total Funding Source	155,004,036	509,415,420	300,124,197	58.9%	809,539,617	317,723,612	62.4%	827,139,032
Total FTE	86.00	87.00	0.00	0.0%	87.00	3.00	3.4%	90.00

Statutory Authority
North Dakota Century Code Sections 24-01 through 24-15, 39-02, and 49-17.1-2.

Agency Description
The North Dakota State Highway Department was created in 1917. In 1990, the name was changed to the North Dakota Department of Transportation (NDDOT). NDDOT oversees the development of surface transportation, including highways, rail service, and transit services in North Dakota. NDDOT's central office is in Bismarck, with eight district offices located strategically across the state.

NDDOT is headed by a director appointed by the Governor. The director is assisted by a deputy director for business support, a deputy director for engineering, and a deputy director of vehicle services. In addition, the central office staff provides planning, programming, design, construction, maintenance, safety, drivers license, motor vehicle and business support services.

Major Accomplishments
1. Spent approximately $1.14 billion in 2011 and 2012 to maintain and improve state highways.
2. Invested $142.0 million in county road improvements.
3. Completed other major construction projects including:
   - Super 2 construction on US 85 between Watford City and Williston, providing additional passing and turning lanes.
   - Major construction and widening projects on highways ND 8, ND 22, ND 23 and US 85.
   - Expediting repairs on damaged pavement of several state highways in Williston and Watford City areas.
   - Completing West Fargo Main Street project.
   - Completing northwest and northeast temporary truck-reliever routes for the city of Williston.
   - Adding centerline and edge-line rumble stripes on two-lane highways.

Executive Budget Recommendation
- Provides $1.16 billion in one-time funding from a transfer from the general fund for enhanced state highway investments including: extraordinary state highway maintenance and repair, truck reliever routes around cities, upgrading two-lane highways to four-lane highways, and constructing underpasses.
- Provides $142.0 million in one-time funding from a transfer from the general fund to address extraordinary county road reconstruction needs in counties impacted by increased oil and gas production.
- Provides $100.0 million in one-time funding from the general fund for the biennium ending June 30, 2013 for transportation distributions to non-oil producing counties, cities and townships.
- Authorizes $2.4 million in special funds for 16.00 new FTE. The new FTE include: one engineer II and four engineer III positions to provide management and oversight of preliminary and construction consultant engineering services; four transportation technicians to enhance roadway maintenance and snow removal in the western part of the state; one accounting/budget specialist position to meet the demand of increased volume in accounting activity as a result of the growth in the transportation program; two drivers license supervisors to meet the demands of the growth for licensing and testing services in the western part of the state; four motor vehicle licensing specialists to meet the demand in the growth of motor vehicle licensing services.
- Provides $10.0 million from the general fund to match a federal TIGER III grant to rebuild a 20-mile segment of railroad track and two bridges near Churchs Ferry.
- Includes $9.7 million in special funds for a motor vehicle registration and titling system information technology project.
- Includes $6.0 million in one-time special fund dollars for the final phase of asbestos abatement in the central office headquarters building.
- Provides $9.7 million in special and federal fund authority for the executive compensation package adjustment.

REQUEST/RECOMMENDATION COMPARISON SUMMARY

801 Dept of Transportation **Bill#: SB2012**

Biennium: 2013-2015

Description	Expenditures Prev Biennium 2009-2011	Present Budget 2011-2013	2013-2015 Requested Incr(Decr)	2013-2015 Requested % Chg	Requested Budget 2013-2015	2013-2015 Recommended Incr(Decr)	2013-2015 Recommended % Chg	Executive Recommendation 2013-2015
By Major Program								
Administration	30,642,972	42,803,094	8,283,793	19.4%	51,086,887	18,499,311	43.2%	61,302,405
Drivers and Vehicle Services	28,780,352	33,024,952	12,733,912	38.6%	45,758,864	13,849,486	41.9%	46,874,438
Highways	1,048,439,081	2,017,515,864	(823,469,045)	(40.8%)	1,194,046,819	494,455,956	24.5%	2,511,971,820
Fleet Services	66,717,408	68,158,535	17,290,506	25.4%	85,449,041	17,396,380	25.5%	85,554,915
Total Major Programs	1,174,579,813	2,161,502,445	(785,160,834)	(36.3%)	1,376,341,611	544,201,133	25.2%	2,705,703,578
By Line Item								
Salaries and Wages	149,304,729	165,966,396	17,094,263	10.3%	183,060,659	32,856,230	19.8%	198,822,626
Operating Expenses	191,215,234	270,176,521	21,845,194	8.1%	292,021,715	186,645,194	69.1%	456,821,715
Capital Assets	609,625,421	1,419,392,691	(605,681,484)	(42.7%)	813,711,207	391,118,516	27.6%	1,810,511,207
Capital Improvements-Carryover	10,723,931	13,790,401	(13,790,401)	(100.0%)	0	(13,790,401)	(100.0%)	0
Grants	52,493,382	126,056,861	(38,508,831)	(30.5%)	87,548,030	(28,508,831)	(22.6%)	97,548,030
County & Township Road Program	0	142,000,000	(142,000,000)	(100.0%)	0	0	0.0%	142,000,000
Federal Stimulus Funds - 2009	156,617,116	24,119,575	(24,119,575)	(100.0%)	0	(24,119,575)	(100.0%)	0
General Fund Transfer	4,600,000	0	0	0.0%	0	0	0.0%	0
Total Line Items	1,174,579,813	2,161,502,445	(785,160,834)	(36.3%)	1,376,341,611	544,201,133	25.2%	2,705,703,578
By Funding Source								
General Fund	4,600,000	5,850,000	(5,850,000)	(100.0%)	0	4,150,000	70.9%	10,000,000
Federal Funds	691,089,140	1,039,427,983	(349,520,182)	(33.6%)	689,907,801	(347,940,784)	(33.5%)	691,487,199
Special Funds	478,890,673	1,116,224,462	(429,790,652)	(38.5%)	686,433,810	887,991,917	79.6%	2,004,216,379
Total Funding Source	1,174,579,813	2,161,502,445	(785,160,834)	(36.3%)	1,376,341,611	544,201,133	25.2%	2,705,703,578
Total FTE	1,054.50	1,063.50	0.00	0.0%	1,063.50	16.00	1.5%	1,079.50

OPTIONAL ADJUSTMENT REQUESTS
OPTIONAL ADJUSTMENT PACKAGE
Biennium: 2013-2015

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
101	**Office of the Governor**					
	Base Budget Request	18.00	3,771,192	0	0	3,771,192
	Total	**18.00**	**3,771,192**	**0**	**0**	**3,771,192**
108	**Secretary of State**					
	Base Budget Request	28.00	5,844,684	4,610,183	1,224,909	11,679,776
	01 Public Printing Operational Changes	0.00	10,500	0	0	10,500
	02 3 FTEs	3.00	283,754	0	0	283,754
	03 AC100 - Compression	0.00	165,000	0	0	165,000
	04 Credit Card Costs	0.00	100,000	0	0	100,000
	05 Multipurpose Copier	0.00	10,000	0	0	10,000
	06 Overtime	0.00	200,000	0	0	200,000
	07 Annual Leave Pay-outs - Retirement	0.00	28,000	0	0	28,000
	08 Election FTE	0.00	118,585	0	0	118,585
	Total	**31.00**	**6,760,523**	**4,610,183**	**1,224,909**	**12,595,615**
110	**Office of Management and Budget**					
	Base Budget Request	131.50	29,104,802	0	7,790,609	36,895,411
	Administration	0.00	600,000	0	0	600,000
	Business Development Engine	0.00	6,859,044	0	0	6,859,044
	Central Services	0.00	40,000	0	500,000	540,000
	HRMS	0.00	171,348	0	0	171,348
	ND Anniversary Coordinator	0.00	190,000	0	0	190,000
	Prairie Public	0.00	337,138	0	0	337,138
	Prairie Public-Optional	0.00	2,277,500	0	0	2,277,500
	Risk Management	0.00	0	0	20,000	20,000
	Student Intern-Optional	0.00	75,000	0	0	75,000
	02 Parking Lot Remodel	0.00	11,000,000	0	0	11,000,000
	03 Exterior Signage for Capitol Grounds	0.00	1,400,000	0	0	1,400,000
	04 Capitol South Entrance Remodel	0.00	1,000,000	0	0	1,000,000
	05 Repair and Cleaning in Capitol & J-Wing	0.00	1,200,000	0	0	1,200,000
	06 Exterior Restoration of Legislative & J-Wing	0.00	1,500,000	0	0	1,500,000
	Total	**131.50**	**55,754,832**	**0**	**8,310,609**	**64,065,441**
112	**Information Technology**					
	Base Budget Request	336.30	17,475,180	3,225,000	136,524,453	157,224,633
	02 CJIS - SAVIN	0.00	342,976	0	0	342,976
	03 HIE Implementation	0.00	0	4,500,000	0	4,500,000
	04 CDE Education Commission Recommendation	0.00	1,670,886	0	(1,670,886)	0
	05 CJIS Projects	0.00	1,779,630	0	0	1,779,630
	06 GIS Optional	0.00	577,693	0	0	577,693
	07 Broadband Mapping Grant	0.00	0	2,300,000	0	2,300,000

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
	08 ETC Grants	0.00	200,000	0	0	200,000
	09 Electronic Records Archiving Study	0.00	100,000	0	0	100,000
	Total	**336.30**	**22,146,365**	**10,025,000**	**134,853,567**	**167,024,932**
117	**Office of the State Auditor**					
	Base Budget Request	50.80	7,274,551	967,309	1,721,873	9,963,733
	02 Restore Funding	0.00	90,413	0	0	90,413
	03 Raises for Existing Staff	0.00	569,272	0	0	569,272
	04 Add 2 Performance Auditors	2.00	257,234	0	0	257,234
	05 Add 2 Financial Auditors	2.00	257,234	0	0	257,234
	06 Add 2 Information Systems Auditors	2.00	257,234	0	0	257,234
	07 Renovating the Vault	0.00	45,000	0	0	45,000
	08 Add 1 Minerals Royality Auditor	1.00	0	164,321	0	164,321
	Total	**57.80**	**8,750,938**	**1,131,630**	**1,721,873**	**11,604,441**
120	**Office of the State Treasurer**					
	Base Budget Request	7.00	1,450,399	0	0	1,450,399
	01 Add FTE 1	1.00	207,388	0	0	207,388
	02 Add One-Time IT Funding	0.00	191,516	0	0	191,516
	03 Add FTE 2	1.00	157,223	0	0	157,223
	Total	**9.00**	**2,006,526**	**0**	**0**	**2,006,526**
125	**Office of the Attorney General**					
	Base Budget Request	195.50	31,788,538	9,137,334	18,302,056	59,227,928
	01 Federal Stimulus FTE"s	7.00	1,037,590	0	58,000	1,095,590
	02 Western Oil Impact Staff	3.00	457,146	0	69,650	526,796
	03 Inflation increases	0.00	541,471	0	0	541,471
	04 IT Progamming Staff	3.00	507,274	0	76,100	583,374
	05 Synthetic Drugs Forensic Scientist	1.00	146,039	0	0	146,039
	06 Hay Grade Minimums & Compression	0.00	639,944	6,008	0	645,952
	07 2013-15 General Fund Capital Assets	0.00	198,000	0	0	198,000
	08 Oil Impact Assistance	0.00	135,090	0	0	135,090
	09 Forensic Scientist Increases	0.00	85,401	0	0	85,401
	10 National Instant Check System FTE"s	2.00	307	0	240,022	240,329
	11 Uniform Crime Reporting Assistance	1.00	0	0	113,456	113,456
	12 Organized Crime Investigator	1.00	0	0	211,471	211,471
	13 Legal staff	1.00	0	0	239,853	239,853
	Total	**214.50**	**35,536,800**	**9,143,342**	**19,310,608**	**63,990,750**
127	**Office of State Tax Commissioner**					
	Base Budget Request	134.00	43,315,028	125,000	0	43,440,028
	01 GenTax system support & maintenance	0.00	1,000,000	0	0	1,000,000

OPTIONAL ADJUSTMENT REQUESTS
OPTIONAL ADJUSTMENT PACKAGE
Biennium: 2013-2015

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
	02 Salary adjustment for compression	0.00	1,865,612	0	0	1,865,612
	03 Continue current service level	0.00	407,364	0	0	407,364
	04 Cat5 wiring	0.00	23,500	0	0	23,500
	05 Taxpayer Access Point (TAP) Projects	0.00	1,000,000	0	0	1,000,000
	06 Oil impact adjustments	0.00	112,364	0	0	112,364
	Total	**134.00**	**47,723,868**	**125,000**	**0**	**47,848,868**
140	**Office of Administrative Hearings**					
	Base Budget Request	5.00	0	0	2,746,849	2,746,849
	Total	**5.00**	**0**	**0**	**2,746,849**	**2,746,849**
150	**Legislative Assembly**					
	Base Budget Request	0.00	14,336,364	0	0	14,336,364
	Total	**0.00**	**14,336,364**	**0**	**0**	**14,336,364**
160	**Legislative Council**					
	Base Budget Request	34.00	11,671,030	0	70,000	11,741,030
	Total	**34.00**	**11,671,030**	**0**	**70,000**	**11,741,030**
180	**Judicial Branch**					
	Base Budget Request	359.00	93,478,285	1,808,091	367,500	95,653,876
	Total	**359.00**	**93,478,285**	**1,808,091**	**367,500**	**95,653,876**
188	**Commission on Legal Counsel for Indigents**					
	Base Budget Request	30.00	9,942,262	0	2,483,641	12,425,903
	02 Oil Impact	0.00	1,500,000	0	0	1,500,000
	03 Attorney II	1.00	192,859	0	0	192,859
	04 3 Legal Assistant II	3.00	343,941	0	0	343,941
	05 Bismarck Admin I	1.00	85,766	0	0	85,766
	Total	**35.00**	**12,064,828**	**0**	**2,483,641**	**14,548,469**
190	**Retirement and Investment Office**					
	Base Budget Request	18.00	0	0	4,383,163	4,383,163
	Total	**18.00**	**0**	**0**	**4,383,163**	**4,383,163**
192	**Public Employees Retirement System**					
	Base Budget Request	33.00	0	0	7,229,157	7,229,157
	01 Salary Compression	0.00	0	0	316,831	316,831
	Total	**33.00**	**0**	**0**	**7,545,988**	**7,545,988**
201	**Dept of Public Instruction**					

OPTIONAL ADJUSTMENT REQUESTS
OPTIONAL ADJUSTMENT PACKAGE
Biennium: 2013-2015

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
	Base Budget Request	99.75	1,040,243,624	294,410,464	855,872,940	2,190,527,028
	01 AC300 General Fund Salary Dollars	0.00	281,360	0	0	281,360
	02 General Fund Operating Increases	0.00	61,550	0	0	61,550
	03 General Fund IT Increases/Projects	0.00	893,000	0	0	893,000
	04 Common Core State Standards	0.00	500,000	0	0	500,000
	05 Statewide Teacher & Principal Evaluation System	0.00	400,000	0	0	400,000
	06 ACT Testing	0.00	188,900	0	0	188,900
	07 Safe & Drug Free Salary Funds	0.00	209,621	0	0	209,621
	08 Title I School Improvement Grants	0.00	7,500,000	0	0	7,500,000
	09 Continuing Education Grants	0.00	50,000	0	0	50,000
	10 Statewide Accreditation System	0.00	606,250	0	0	606,250
	11 ND Museum of Arts	0.00	35,000	0	0	35,000
	12 Red River Valley Writing Project	0.00	15,000	0	0	15,000
	13 We the People Program	0.00	(2,000)	0	0	(2,000)
	14 Young Entrepreneur Education Program	0.00	80,000	0	0	80,000
	15 North Central Council of School Televisions	0.00	50,000	0	0	50,000
	16 North Dakota Governor''s School	0.00	150,000	0	0	150,000
	17 Northern Plains Writing Project	0.00	35,000	0	0	35,000
	18 ND Teacher Center Network	0.00	45,000	0	0	45,000
	19 Education Standards & Practices Board	0.00	200,000	0	0	200,000
	20 ND Lead Center	0.00	20,000	0	0	20,000
	21 Gearing Up for Kindergarten	0.00	365,000	0	0	365,000
	22 ESPB National Board Certification	0.00	120,000	0	0	120,000
	Total	**99.75**	**1,052,047,305**	**294,410,464**	**855,872,940**	**2,202,330,709**
215	**ND University System**					
	Base Budget Request	135.31	134,093,808	1,295,168	1,004,744	136,393,720
	Total	**135.31**	**134,093,808**	**1,295,168**	**1,004,744**	**136,393,720**
226	**Department of Trust Lands**					
	Base Budget Request	24.75	0	0	106,642,268	106,642,268
	01 New 1/4 FTE - Administrative Assistant	0.25	0	0	45,285	45,285
	01 New FTE - EIIO Director (Contracts Officer)	1.00	0	0	196,900	196,900
	01 New FTE - Land Management Specialist	1.00	0	0	170,830	170,830
	01 Temporary - Programmer Analyst	0.00	0	0	7,611	7,611
	02 NEW FTE - EIIO Account Budget Specialist	1.00	0	0	168,126	168,126
	02 New FTE - Mineral Title Specialist	1.00	0	0	168,756	168,756
	02 Temporary - Legal Assistant	0.00	0	0	9,111	9,111
	03 New FTE - Audit Technician	1.00	0	0	123,862	123,862
	03 Temporary - Administrative Assistant	0.00	0	0	7,611	7,611
	03 Temporary - EIIO Compliance Inspector	0.00	0	0	41,561	41,561
	04 New FTE - Land Management Specialist	1.00	0	0	170,830	170,830
	04 Temporary - EIIO Engineer	0.00	0	0	46,561	46,561

OPTIONAL ADJUSTMENT REQUESTS
OPTIONAL ADJUSTMENT PACKAGE
Biennium: 2013-2015

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
	04 Temporary - Programmer Analyst	0.00	0	0	6,361	6,361
	05 New FTE - Account Budget Specialist II	1.00	0	0	174,756	174,756
	06 New FTE - Administrative Assistant I	1.00	0	0	116,014	116,014
	07 New FTE - Unclaimed Property Auditor I	1.00	0	0	176,800	176,800
	Total	**34.00**	**0**	**0**	**108,273,243**	**108,273,243**
227	**Bismarck State College**					
	Base Budget Request	136.96	51,388,017	0	20,404,000	71,792,017
	Total	**136.96**	**51,388,017**	**0**	**20,404,000**	**71,792,017**
228	**Lake Region State College**					
	Base Budget Request	43.22	15,920,040	0	0	15,920,040
	Total	**43.22**	**15,920,040**	**0**	**0**	**15,920,040**
229	**Williston State College**					
	Base Budget Request	49.15	24,224,083	0	0	24,224,083
	Total	**49.15**	**24,224,083**	**0**	**0**	**24,224,083**
230	**University of North Dakota**					
	Base Budget Request	648.90	205,977,284	0	67,487,262	273,464,546
	Total	**648.90**	**205,977,284**	**0**	**67,487,262**	**273,464,546**
232	**UND Medical Center**					
	Base Budget Request	156.55	58,923,808	0	0	58,923,808
	Total	**156.55**	**58,923,808**	**0**	**0**	**58,923,808**
235	**North Dakota State University**					
	Base Budget Request	511.21	176,328,192	0	3,755,000	180,083,192
	Total	**511.21**	**176,328,192**	**0**	**3,755,000**	**180,083,192**
238	**ND State College of Science**					
	Base Budget Request	176.62	45,689,218	0	1,350,000	47,039,218
	Total	**176.62**	**45,689,218**	**0**	**1,350,000**	**47,039,218**
239	**Dickinson State University**					
	Base Budget Request	109.82	25,215,105	0	0	25,215,105
	Total	**109.82**	**25,215,105**	**0**	**0**	**25,215,105**
240	**Mayville State University**					
	Base Budget Request	65.78	22,189,373	0	0	22,189,373

OPTIONAL ADJUSTMENT REQUESTS
OPTIONAL ADJUSTMENT PACKAGE
Biennium: 2013-2015

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
	Total	**65.78**	**22,189,373**	**0**	**0**	**22,189,373**
241	**Minot State University**					
	Base Budget Request	204.76	42,594,005	0	11,801,785	54,395,790
	Total	**204.76**	**42,594,005**	**0**	**11,801,785**	**54,395,790**
242	**Valley City State University**					
	Base Budget Request	100.29	22,919,145	0	4,706,837	27,625,982
	Total	**100.29**	**22,919,145**	**0**	**4,706,837**	**27,625,982**
243	**Dakota College at Bottineau**					
	Base Budget Request	44.62	7,973,768	0	7,600,789	15,574,557
	Total	**44.62**	**7,973,768**	**0**	**7,600,789**	**15,574,557**
244	**North Dakota Forest Service**					
	Base Budget Request	30.00	5,346,292	0	1,650,000	6,996,292
	Total	**30.00**	**5,346,292**	**0**	**1,650,000**	**6,996,292**
250	**State Library**					
	Base Budget Request	29.75	5,340,335	2,277,475	91,852	7,709,662
	01 Increase State Aid to Public Libraries to reach formula	0.00	266,500	0	0	266,500
	02 Public Library Repair and Maintenance matching grants	0.00	275,000	0	0	275,000
	Total	**29.75**	**5,881,835**	**2,277,475**	**91,852**	**8,251,162**
252	**School for the Deaf**					
	Base Budget Request	43.94	7,204,678	321,765	2,139,844	9,666,287
	01 Loss of Federal Funding Contingency DS PR	0.00	210,001	0	0	210,001
	02 Increase Existing Position FTE value	2.35	226,559	8,760	0	235,319
	03 ADA Accessible Entry with Elevator	0.00	1,845,000	0	0	1,845,000
	04 Hayes and wage compression issues AC100	0.00	180,528	0	0	180,528
	05 Parking Lot, Concrete, Window Replacement	0.00	107,315	0	0	107,315
	Total	**46.29**	**9,774,081**	**330,525**	**2,139,844**	**12,244,450**
253	**ND Vision Services/School for the Blind**					
	Base Budget Request	29.50	4,043,336	0	834,776	4,878,112
	01 Equity Adjustments	0.00	40,097	0	0	40,097
	02 Elevator South Wing	0.00	241,500	0	0	241,500
	03 West Wing Window Replacement	0.00	189,000	0	0	189,000
	Total	**29.50**	**4,513,933**	**0**	**834,776**	**5,348,709**
270	**Career and Technical Education**					

OPTIONAL ADJUSTMENT REQUESTS
OPTIONAL ADJUSTMENT PACKAGE
Biennium: 2013-2015

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
	Base Budget Request	27.50	27,981,679	10,007,023	204,974	38,193,676
	01 Cost to Continue Funding	0.00	500,000	0	0	500,000
	02 New & Expanded programs, Distance Delivery, Emerging Tec	0.00	900,000	0	0	900,000
	03 Funding for EbD or PLTW Curriculum	0.00	350,000	0	0	350,000
	04 Equity funding for FACS programs	0.00	320,000	0	0	320,000
	05 New Virtual Area Center funding from SE Educ Coop	0.00	1,000,000	0	0	1,000,000
	Total	**27.50**	**31,051,679**	**10,007,023**	**204,974**	**41,263,676**
301	**ND Department of Health**					
	Base Budget Request	344.00	33,577,062	120,831,913	16,245,645	170,654,620
	02 State and Local Public Health Oil Impact Support	12.00	3,245,108	0	542,542	3,787,650
	03 EPA Legal Fees	0.00	500,000	0	0	500,000
	04 Medical Examiner"s Office	1.00	624,145	0	0	624,145
	05 Public Health Emergency Preparedness - Volunteer Coverag	0.00	84,000	0	0	84,000
	06 Universal Vaccine	0.00	1,000,000	0	0	1,000,000
	07 Salary Equity Package	0.00	2,737,500	912,500	0	3,650,000
	08 Healthy North Dakota	0.00	345,748	(174,664)	0	171,084
	09 Physician & Mid Level Practioners Loan Repayment	0.00	270,000	0	0	270,000
	10 Nurse Telephone Triage	0.00	671,000	0	3,979,000	4,650,000
	11 Dental Loan Repayment & Dental Non-profit Programs	0.00	360,000	0	0	360,000
	12 ARRA Continued Funding	0.00	0	155,000	0	155,000
	13 Healthy Communities	0.00	1,364,911	0	0	1,364,911
	14 Community Paramedic/Community Health Care Worker Pilot P	1.00	276,600	0	0	276,600
	15 Office of Health Equity	0.00	292,263	(27,250)	0	265,013
	16 Leadership Training For Ambulance Service Directors	0.00	220,000	0	0	220,000
	17 Trauma System	0.00	709,000	0	0	709,000
	18 ND Early Hearing Detection and Intervention Program	0.00	300,000	0	0	300,000
	19 Rural EMS Assistance Fund for Grants	0.00	1,750,000	0	0	1,750,000
	20 EMS Database Systems	0.00	480,000	0	0	480,000
	21 Safe Sleep Campaign/Cribs for Kids	0.00	475,000	0	0	475,000
	22 Local Public Health Networks	0.00	4,000,000	0	0	4,000,000
	23 CSHS Client Server Application	0.00	647,108	0	0	647,108
	24 Stroke System of Care	0.00	383,000	0	0	383,000
	25 NDIIS Analytical/Data Quality Support	0.00	254,609	0	0	254,609
	26 Local Public Health Support State Aid Increase	0.00	1,500,000	0	0	1,500,000
	27 Food & Lodging Licensing Management System	0.00	110,000	0	0	110,000
	28 Maven Maintenance	0.00	80,000	0	0	80,000
	29 Veterinarian Loan Repayment Program	0.00	135,000	0	0	135,000
	30 Senior Falls Prevention Program	0.00	122,675	0	0	122,675
	31 New Lab Equipment & IT Domain Replacement	0.00	695,680	0	47,500	743,180

OPTIONAL ADJUSTMENT REQUESTS
OPTIONAL ADJUSTMENT PACKAGE
Biennium: 2013-2015

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
	Total	**358.00**	**57,210,409**	**121,697,499**	**20,814,687**	**199,722,595**
305	**Tobacco Prevention and Control**					
	Base Budget Request	5.00	0	0	12,937,606	12,937,606
	AC100	0.00	0	0	45,000	45,000
	Additional FTE	3.00	0	0	0	0
	Ongoing Contracts and Grant Costs	0.00	0	0	1,297,780	1,297,780
	Total	**8.00**	**0**	**0**	**14,280,386**	**14,280,386**
313	**Veterans Home**					
	Base Budget Request	120.72	5,898,212	0	15,213,126	21,111,338
	02 Resident Workshop	0.00	740,200	0	48,000	788,200
	03 Demolition of old Veterans Home	0.00	1,121,000	0	0	1,121,000
	Total	**120.72**	**7,759,412**	**0**	**15,261,126**	**23,020,538**
316	**Indian Affairs Commission**					
	Base Budget Request	4.00	759,243	0	0	759,243
	02 Native American Health System Program Administrator	1.00	184,284	0	0	184,284
	Total	**5.00**	**943,527**	**0**	**0**	**943,527**
321	**Department of Veterans Affairs**					
	Base Budget Request	7.00	1,114,138	0	0	1,114,138
	01 Training Position	1.00	124,298	0	0	124,298
	02 NSO Position	1.00	115,978	0	0	115,978
	02 Website Upgrade	0.00	20,000	0	0	20,000
	03 Veterans Organizations NSO Position	3.00	322,794	0	0	322,794
	04 Veterans Organizations NSO Office Funding	0.00	400,000	0	0	400,000
	05 Website Calendar	0.00	5,000	0	0	5,000
	06 Marketing/Advertising	0.00	20,000	0	0	20,000
	07 Salary Compression Funding	0.00	13,842	0	0	13,842
	08 Salary Equity Funding	0.00	5,785	0	0	5,785
	Total	**12.00**	**2,141,835**	**0**	**0**	**2,141,835**
325	**Department of Human Services**					
	Base Budget Request	2,197.08	1,073,137,201	1,417,587,130	122,961,720	2,613,686,051
	02 Previously Eligible "Woodwork Effect"	0.00	4,536,578	4,536,618	0	9,073,196
	03 Staff Retention - 90% of Market	0.00	9,058,260	3,990,228	0	13,048,488
	04 Staff Retention - Williston, Minot and Dickinson Regions	0.00	3,253,008	514,992	0	3,768,000
	05 Street Reconstruction State Hospital	0.00	864,714	0	0	864,714
	06 15 Bed Long Term Housing for SMI/CD – SC HSC	0.00	312,000	0	0	312,000
	06 16 Unit Transitional Living Facility- SEHSC	0.00	975,000	325,000	0	1,300,000
	06 8 Unit Transitional Living program - LR HSC	0.00	401,414	270,326	58,000	729,740

OPTIONAL ADJUSTMENT REQUESTS
OPTIONAL ADJUSTMENT PACKAGE
Biennium: 2013-2015

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
	06 Children's ICF/ID	0.00	1,438,782	1,299,692	0	2,738,474
	06 DD Case Management- SEHSC	2.00	137,341	103,611	0	240,952
	06 DD Corporate Guardianship	0.00	179,379	0	0	179,379
	06 Employment Benefits Planning	0.00	540,000	0	0	540,000
	06 Extended Services	0.00	201,600	0	0	201,600
	06 Medical Detoxification – BL HSC	0.00	30,000	0	0	30,000
	06 Mental Illness Long Term Residential – WC HSC	0.00	407,941	361,759	0	769,700
	06 Mental Illness/Chemical Dependency Crisis Residential –	0.00	324,156	0	0	324,156
	06 Mental Illness/Chemical Dependency Transitional Employme	0.00	308,000	0	0	308,000
	06 Partnership & Mental Illness Case Management – SE HSC	4.00	222,649	0	0	222,649
	06 Sex Offender High Risk Treatment	0.00	313,883	0	0	313,883
	06 Temp Staff due to Client Service Demand - SE HSC	0.00	399,753	5,144	0	404,897
	07 Child Welfare Provider Inflation	0.00	2,385,376	3,110,836	999,293	6,495,505
	07 Human Service Center Inflation	0.00	1,616,296	88,160	1,336	1,705,792
	07 Long-Term Care Provider Inflation	0.00	25,065,167	24,198,739	35,195	49,299,101
	07 Medicaid Provider Inflation	0.00	11,290,119	11,887,805	94,850	23,272,774
	07 Program & Policy Other Inflation	0.00	513,248	0	0	513,248
	08 Field Services Electronic Health Records System Replacem	0.00	5,000,000	0	0	5,000,000
	08 Mainframe Migration	0.00	148,907	93,093	568,000	810,000
	09 Expand Home Delivered Meals to SPED and ExSPED	0.00	66,587	0	2,374	68,961
	09 Extend Personal Care Services for SPED	0.00	128,982	0	6,792	135,774
	09 Peer Support	0.00	300,000	0	0	300,000
	09 Personal Care with Supervision	0.00	70,556	70,556	0	141,112
	09 Post Adoption Services	0.00	133,520	71,896	0	205,416
	09 QSP Oversight Pilot Project	0.00	78,884	21,500	2,702	103,086
	09 Robinson Recovery Center – Sharehouse	0.00	296,684	0	0	296,684
	10 Demolish Pleasant View Building – Developmental Center	0.00	120,000	0	0	120,000
	10 Demolish Refectory Building – Developmental Center	0.00	240,000	0	0	240,000
	Total	**2,203.08**	**1,144,495,985**	**1,468,537,085**	**124,730,262**	**2,737,763,332**
360	**Protection and Advocacy**					
	Base Budget Request	27.50	2,144,057	3,233,612	0	5,377,669
	01 Compensation Equity	0.00	388,560	0	0	388,560
	Total	**27.50**	**2,532,617**	**3,233,612**	**0**	**5,766,229**
380	**Job Service North Dakota**					
	Base Budget Request	261.76	1,883,913	77,835,048	587,593	80,306,554
	01 Add AARA Funding	0.00	0	496,496	0	496,496
	02 Oil Patch Add-on	0.00	0	127,829	0	127,829

OPTIONAL ADJUSTMENT REQUESTS
OPTIONAL ADJUSTMENT PACKAGE
Biennium: 2013-2015

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
	Total	**261.76**	**1,883,913**	**78,459,373**	**587,593**	**80,930,879**
401	**Office of the Insurance Commissioner**					
	Base Budget Request	49.50	0	1,353,631	16,176,698	17,530,329
	Total	**49.50**	**0**	**1,353,631**	**16,176,698**	**17,530,329**
405	**Industrial Commission**					
	Base Budget Request	75.06	14,867,258	264,017	40,504,254	55,635,529
	01 Inflation/Restoration	0.00	1,155,023	0	0	1,155,023
	02 (2) FTE Eng Tech Field Inspectors	2.00	390,820	0	0	390,820
	03 Possible Litigation with EPA	0.00	1,000,000	0	0	1,000,000
	04 Market Equity	0.00	450,000	0	0	450,000
	05 (6) FTEs: 4) Eng Tech, 1) Petrol Eng, 1) Acct/Bud Spec	6.00	930,223	0	0	930,223
	06 (1) FTE Geologist	1.00	215,251	0	0	215,251
	07 (7) FTEs 3)PE, 4)ET, Add Space	7.00	1,581,449	0	0	1,581,449
	08 Housing Allowance	0.00	400,000	0	0	400,000
	09 Architect	0.00	25,000	0	0	25,000
	10 Renewable Energy Development	0.00	3,000,000	0	0	3,000,000
	11 (4) FTEs 1)PE, 1)ET, 2) Admin Assist	4.00	534,900	0	0	534,900
	12 Oil Bearing Rocks	0.00	80,000	0	0	80,000
	13 Temperature Profiles	0.00	50,000	0	0	50,000
	14 Wide Bed Plotter	0.00	5,800	0	0	5,800
	15 (3) FTE 3) Coningency Eng Tech	3.00	586,230	0	0	586,230
	16 (0.69) FTE Admin Assist I	0.69	0	0	78,159	78,159
	Total	**98.75**	**25,271,954**	**264,017**	**40,582,413**	**66,118,384**
406	**Office of the Labor Commissioner**					
	Base Budget Request	12.00	1,597,839	418,113	0	2,015,952
	02 Compression Salary Increase	0.00	24,554	0	0	24,554
	Total	**12.00**	**1,622,393**	**418,113**	**0**	**2,040,506**
408	**Public Service Commission**					
	Base Budget Request	43.00	6,111,513	11,557,188	1,025,000	18,693,701
	01 FTE - Gas Pipeline Safety Inspector	1.00	111,389	167,085	0	278,474
	02 FTE - Public Utility Analyst	1.00	195,542	0	0	195,542
	03 Hydraulic Soil Probe	0.00	10,080	17,920	0	28,000
	04 Increased Travel Costs	0.00	164,956	11,199	0	176,155
	05 Additional Legal Work	0.00	236,000	64,000	0	300,000
	06 Market Analysis Salary Adjustments	0.00	221,955	224,646	0	446,601
	07 FTE - Paralegal	1.00	92,050	61,369	0	153,419
	Total	**46.00**	**7,143,485**	**12,103,407**	**1,025,000**	**20,271,892**

OPTIONAL ADJUSTMENT REQUESTS
OPTIONAL ADJUSTMENT PACKAGE
Biennium: 2013-2015

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
412	**Aeronautics Commission**					
	Base Budget Request	6.00	550,000	2,277,000	10,116,534	12,943,534
	02 Airport Grants for Oil Impacted Airports	0.00	57,526,500	0	0	57,526,500
	Total	**6.00**	**58,076,500**	**2,277,000**	**10,116,534**	**70,470,034**
413	**Dept of Financial Institutions**					
	Base Budget Request	29.00	0	0	7,174,997	7,174,997
	Total	**29.00**	**0**	**0**	**7,174,997**	**7,174,997**
414	**Securities Department**					
	Base Budget Request	9.00	1,938,926	0	170,000	2,108,926
	02 1 FTE - Investigator	1.00	158,282	0	0	158,282
	03 IT - Upgrade/replace	0.00	25,850	0	0	25,850
	04 Retirement salaries and wages	0.00	38,927	0	0	38,927
	Total	**10.00**	**2,161,985**	**0**	**170,000**	**2,331,985**
471	**Bank of North Dakota**					
	Base Budget Request	176.50	9,400,000	3,000,000	47,139,563	59,539,563
	02 Optional Request for PACE/Flex PACE Funds	0.00	22,000,000	0	0	22,000,000
	03 New FTE - Loan Officer	1.00	0	0	217,702	217,702
	04 New FTE - Compliance Officer	1.00	0	0	165,534	165,534
	05 New FTE - Collection Officer II (CSR)	1.00	0	0	120,462	120,462
	06 Optional Request for Beginning Farmer Fund	0.00	4,600,000	0	0	4,600,000
	07 Optional Request for Ag Pace Funds	0.00	1,000,000	0	0	1,000,000
	08 Optional Request for Biofuels PACE Program	0.00	1,000,000	0	0	1,000,000
	Total	**179.50**	**38,000,000**	**3,000,000**	**47,643,261**	**88,643,261**
473	**ND Housing Finance Agency**					
	Base Budget Request	46.00	0	27,465,800	12,771,673	40,237,473
	Total	**46.00**	**0**	**27,465,800**	**12,771,673**	**40,237,473**
475	**ND Mill and Elevator Association**					
	Base Budget Request	131.00	0	0	51,188,518	51,188,518
	01 Add 1 FTE Second Shift Supervisor position	1.00	0	0	194,488	194,488
	02 Add 1 FTE Information Analyst position	1.00	0	0	144,413	144,413
	03 Add 1 FTE car checker position	1.00	0	0	121,374	121,374
	04 Add 1 FTE Sales Representative position	1.00	0	0	162,403	162,403
	Total	**135.00**	**0**	**0**	**51,811,196**	**51,811,196**
485	**Workforce Safety and Insurance**					
	Base Budget Request	247.14	0	0	57,805,108	57,805,108

OPTIONAL ADJUSTMENT REQUESTS
OPTIONAL ADJUSTMENT PACKAGE
Biennium: 2013-2015

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
	01 Additional FTE Request	16.00	0	0	2,627,332	2,627,332
	02 IT Policy	0.00	0	0	1,225,000	1,225,000
	03 AC100	0.00	0	0	2,800,000	2,800,000
	04 STEP Employee Retention Plan & Equity	0.00	0	0	700,000	700,000
	Total	**263.14**	**0**	**0**	**65,157,440**	**65,157,440**
504	**Highway Patrol**					
	Base Budget Request	198.00	34,630,056	6,319,552	4,970,167	45,919,775
	02 Restore Unfunded Expenses	0.00	834,000	0	124,520	958,520
	03 Increase in State Fleet Mileage Rate Per Mile	0.00	1,541,000	0	231,000	1,772,000
	04 Salary Compression/Market Adjustment	0.00	1,044,963	85,905	156,132	1,287,000
	05 Energy Impact Allowance	0.00	261,000	0	39,000	300,000
	06 Fifteen New Sworn Officer FTEs	15.00	3,410,578	0	433,191	3,843,769
	07 Training Facility Phase I	0.00	5,786,000	0	865,000	6,651,000
	08 Purchase of Emergency Lighting Equipment	0.00	585,000	0	87,000	672,000
	09 Purchase of Taser Equipment	0.00	176,000	0	26,000	202,000
	10 Training Facility Phase II	0.00	18,806,000	0	2,810,000	21,616,000
	11 Two Trailer Scale Systems	0.00	131,000	0	19,000	150,000
	12 Extraordinary Repairs - LETA	0.00	105,000	0	16,000	121,000
	13 Upgrade to Contacts/Case Management System	0.00	196,000	0	29,000	225,000
	Total	**213.00**	**67,506,597**	**6,405,457**	**9,806,010**	**83,718,064**
530	**Dept of Corrections and Rehabilitation**					
	Base Budget Request	794.29	162,474,868	5,870,028	23,939,366	192,284,262
	01 Hay Group Implementation	0.00	10,309,887	0	0	10,309,887
	02 NDSP Staffing	15.00	1,646,875	0	0	1,646,875
	03 Parole and Probation Staffing	11.00	1,358,132	0	0	1,358,132
	04 ITAG Application Upgrade	0.00	478,900	0	0	478,900
	05 DOCSTARS Application Upgrade	0.00	160,000	0	0	160,000
	06 Oil Impact	0.00	266,352	0	0	266,352
	07 Community Housing and Programming	0.00	1,851,876	0	0	1,851,876
	08 DWCRC	0.00	1,201,500	0	0	1,201,500
	09 JRCC Master Plan	0.00	200,000	0	0	200,000
	10 JRCC Extraordinary Repairs	0.00	2,439,370	0	0	2,439,370
	11 YCC Extraordinary Repairs	0.00	605,997	0	0	605,997
	12 NDSP Extraordinary Repairs	0.00	1,995,820	0	0	1,995,820
	13 ITAG Servers	0.00	14,000	0	0	14,000
	14 Equipment Over $5,000	0.00	459,600	0	298,000	757,600
	15 MRCC Flood Mitigation	0.00	349,950	0	0	349,950
	16 Repayment of NDSP Bldg Project Loan	0.00	900,000	0	200,000	1,100,000
	Total	**820.29**	**186,713,127**	**5,870,028**	**24,437,366**	**217,020,521**

OPTIONAL ADJUSTMENT REQUESTS
OPTIONAL ADJUSTMENT PACKAGE
Biennium: 2013-2015

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
540	**Office of the Adjutant General**					
	Base Budget Request	242.00	24,223,498	229,631,831	18,882,416	272,737,745
	01 Agency Equity Package NG & DES #1	0.00	371,559	298,130	43,692	713,381
	01 Veterans Bonus Program NG #3	0.00	600,000	0	0	600,000
	02 NG Tuition Program Increase NG #2	0.00	110,000	0	0	110,000
	02 State Radio Facilties/Equipment Expansion Project DES #	0.00	1,201,240	0	0	1,201,240
	03 2 Comm Spec I & 2 Comm Spec II DES #2	4.00	375,228	0	41,694	416,922
	03 CAD Upgrade DES #6	0.00	340,000	0	0	340,000
	04 Maintenance Worker II - Fargo AFRC NG #4	1.00	38,014	77,181	0	115,195
	04 Statewide Seamless Basemap Phase III DES #11	0.00	1,200,000	500,000	0	1,700,000
	05 Custodial Staff - Fraine Barracks NG Headquarters NG #5	2.00	112,211	0	0	112,211
	05 State Radio Towers DES #10	0.00	1,500,000	0	0	1,500,000
	06 Energy Projects for State Buildings NG #8	0.00	885,000	200,000	0	1,085,000
	06 Military Funieral Honors (MFH) Admin Staff Officer I NG	1.00	142,814	0	0	142,814
	07 NDDES Warehouse Facility DES #12	0.00	1,500,000	0	0	1,500,000
	07 Outreach Officers (5 FTE) Admin Officer I NG #7	5.00	103,999	0	0	103,999
	08 HLS Public Assistance Program Mgr DES #3	1.00	0	124,246	41,416	165,662
	08 State Radio Voice/Incident Recorder DES #13	0.00	150,000	0	0	150,000
	09 HLS Disaster Closeout Specialist DES #4	1.00	0	107,166	35,723	142,889
	09 State Radio Suppression Project DES #15	0.00	210,000	0	0	210,000
	10 State Radio Tower Maintenance DES #7	0.00	420,000	0	0	420,000
	10 VHF Radios for Emergency Operations NG #12	0.00	97,000	0	0	97,000
	11 Disaster Coordination Contract DES #14	0.00	1,500,000	0	0	1,500,000
	11 TAG Admin Staff Officer I NG #9	1.00	142,814	0	0	142,814
	12 National Guard 20 Year Awards NG #10	0.00	15,000	0	0	15,000
	13 Army Recruiting Marketing Services NG #11	0.00	140,000	0	0	140,000
	14 HLS Hazardous Chemical Responder DES #8	1.00	82,830	0	82,832	165,662
	15 IT Temporary - State Radio DES #9	0.00	91,520	0	0	91,520
	16 $60,000 for City-Owned Armories NG #13	0.00	60,000	0	0	60,000
	17 Maint Worker II - Veterans Cemetery NG #14	1.00	0	0	114,286	114,286
	18 Fire & Tornado Insurance Increase NG #15	0.00	12,000	0	0	12,000
	19 GIS Software and Hardware - NDNG NG #16	0.00	90,000	0	0	90,000
	20 Civil Air Patrol Operational Costs DES #16	0.00	40,000	0	0	40,000
	21 2-1-1 Call Services DES #18	0.00	200,000	0	0	200,000
	22 Volunteer Disaster Coordination Services DES #17	0.00	400,000	0	0	400,000
	23 Add Increased Specials & Taxes NG #17	0.00	42,900	0	0	42,900
	Total	**260.00**	**36,397,627**	**230,938,554**	**19,242,059**	**286,578,240**
601	**Department of Commerce**					
	Base Budget Request	68.25	29,299,367	41,547,444	9,475,389	80,322,200
	02 Census Office	1.00	516,752	0	0	516,752

OPTIONAL ADJUSTMENT REQUESTS
OPTIONAL ADJUSTMENT PACKAGE
Biennium: 2013-2015

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
	03 Centers of Research Excellence	0.00	20,000,000	0	0	20,000,000
	04 Workforce Enhancement Program	0.00	2,000,000	0	0	2,000,000
	05 Tourism Enhancement	0.00	2,952,374	0	0	2,952,374
	06 Operation Intern Enhancement	0.00	1,100,000	0	0	1,100,000
	07 Enhancing ND"s Image	0.00	567,000	0	63,000	630,000
	08 Workforce Recruitment Strategy	0.00	292,500	0	32,500	325,000
	09 Innovate ND	0.00	100,000	0	0	100,000
	10 Strategic Workforce Initiatives	0.00	130,000	0	0	130,000
	11 Home Program	0.00	193,215	0	0	193,215
	12 Trade Office	0.00	400,000	0	0	400,000
	13 Flood CDBG Carryover	0.00	0	11,782,866	0	11,782,866
	14 Stimulus Carryover	0.00	0	796,770	0	796,770
	Total	**69.25**	**57,551,208**	**54,127,080**	**9,570,889**	**121,249,177**
602	**Department of Agriculture**					
	Base Budget Request	77.00	8,337,798	7,393,206	7,544,031	23,275,035
	04 Emergency Program Specialist	0.00	137,244	0	0	137,244
	05 Animal Disease Investigating and Surveillance	0.00	30,000	0	0	30,000
	06 Marketing Specialist	0.00	64,596	0	0	64,596
	07 Livestock Development Admin Support	0.00	112,975	0	0	112,975
	08 ND Verified Livestock	0.00	24,574	0	0	24,574
	09 Energy Development Mediation Services	0.00	50,000	0	0	50,000
	10 Wine and Grape Development	0.00	110,000	0	0	110,000
	11 Centennial Farms	0.00	80,000	0	0	80,000
	12 Livestock Auction Market News Reporting	0.00	10,000	0	0	10,000
	13 ITD Desktop Support	0.00	48,000	0	0	48,000
	14 Salary Compression Relief - AC100	0.00	25,136	37,956	20,143	83,235
	Total	**77.00**	**9,030,323**	**7,431,162**	**7,564,174**	**24,025,659**
616	**State Seed Department**					
	Base Budget Request	0.00	0	0	0	0
	Total	**0.00**	**0**	**0**	**0**	**0**
627	**Upper Great Plains Transportation Inst.**					
	Base Budget Request	53.75	3,324,085	17,488,227	5,046,253	25,858,565
	Total	**53.75**	**3,324,085**	**17,488,227**	**5,046,253**	**25,858,565**
628	**Branch Research Centers**					
	Base Budget Request	115.04	18,301,574	0	15,799,738	34,101,312
	Total	**115.04**	**18,301,574**	**0**	**15,799,738**	**34,101,312**
630	**NDSU Extension Service**					

OPTIONAL ADJUSTMENT REQUESTS
OPTIONAL ADJUSTMENT PACKAGE
Biennium: 2013-2015

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
	Base Budget Request	262.26	28,686,172	7,137,154	16,336,910	52,160,236
	Total	**262.26**	**28,686,172**	**7,137,154**	**16,336,910**	**52,160,236**
638	**Northern Crops Institute**					
	Base Budget Request	12.00	1,959,226	0	1,905,231	3,864,457
	Total	**12.00**	**1,959,226**	**0**	**1,905,231**	**3,864,457**
640	**NDSU Main Research Center**					
	Base Budget Request	361.01	63,043,626	6,381,618	46,350,469	115,775,713
	Total	**361.01**	**63,043,626**	**6,381,618**	**46,350,469**	**115,775,713**
649	**Agronomy Seed Farm**					
	Base Budget Request	3.00	0	0	1,438,163	1,438,163
	Total	**3.00**	**0**	**0**	**1,438,163**	**1,438,163**
665	**ND State Fair**					
	Base Budget Request	0.00	520,000	0	0	520,000
	01 Exhibitor Premium Funding	0.00	26,000	0	0	26,000
	02 Grounds Asphalt Overlay Project	0.00	2,881,500	0	0	2,881,500
	03 Gravel Parking Lot Project	0.00	619,650	0	0	619,650
	04 Expo Barn Roof Project	0.00	353,882	0	0	353,882
	05 4-H Barn Roof Project	0.00	30,000	0	0	30,000
	Total	**0.00**	**4,431,032**	**0**	**0**	**4,431,032**
670	**ND Horse Racing Commission**					
	Base Budget Request	2.00	323,398	0	166,406	489,804
	Total	**2.00**	**323,398**	**0**	**166,406**	**489,804**
701	**Historical Society**					
	Base Budget Request	63.00	12,556,150	3,131,185	0	15,687,335
	02 Additional Staff	22.00	3,013,098	0	0	3,013,098
	03 Salary and Benefits Equity Funding	0.00	1,107,271	0	0	1,107,271
	04 Operating Increase	0.00	538,749	0	0	538,749
	05 Temporary Salary Funding Increase	0.00	511,394	0	0	511,394
	06 Cultural Heritage Grants	0.00	100,000	0	0	100,000
	07 Fort Totten Building Repairs	0.00	327,228	0	0	327,228
	08 Stutsman County Courthouse Repairs	0.00	250,000	0	0	250,000
	09 Traveling Exhibit	0.00	250,000	0	0	250,000
	10 Detailed Business Analysis	0.00	172,294	0	0	172,294
	11 Housing Allowance	0.00	50,000	0	0	50,000
	12 Web Content Management System	0.00	173,454	0	0	173,454

OPTIONAL ADJUSTMENT REQUESTS
OPTIONAL ADJUSTMENT PACKAGE
Biennium: 2013-2015

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
	13 Complete 8th Grade Curriculm Development	0.00	150,000	0	0	150,000
	14 Historic Sites Exhibits and Conservation of 1st ND Infan	0.00	65,000	0	0	65,000
	15 State"s 125th Celebration	0.00	150,000	0	0	150,000
	16 Archeological Field School and Native American Consultat	0.00	125,000	0	0	125,000
	17 North Dakota Trails Development	0.00	150,000	0	0	150,000
	Total	**85.00**	**19,689,638**	**3,131,185**	**0**	**22,820,823**
709	**Council on the Arts**					
	Base Budget Request	5.00	1,383,984	1,681,400	63,515	3,128,899
	01 Increase for Pilot Arts in Education project	0.00	250,000	0	0	250,000
	02 Increased Grant Funds	0.00	50,000	0	0	50,000
	03 Expenses for Cultural Guide	0.00	10,000	0	0	10,000
	Total	**5.00**	**1,693,984**	**1,681,400**	**63,515**	**3,438,899**
720	**Game and Fish Department**					
	Base Budget Request	157.00	0	29,249,639	36,452,220	65,701,859
	01 Enforcement Game Warden New FTE Request	1.00	0	20,088	175,819	195,907
	Total	**158.00**	**0**	**29,269,727**	**36,628,039**	**65,897,766**
750	**Parks and Recreation Department**					
	Base Budget Request	54.00	12,255,990	8,125,353	7,848,442	28,229,785
	01 FTE salary increases to address Hay Group compression is	0.00	1,160,064	0	0	1,160,064
	01 Optional One-time Sakakawea Marina Purchase	0.00	0	0	800,000	800,000
	02 Increase park temporary seasonal salaries	0.00	528,000	0	0	528,000
	02 Optional one time equipment purchase	0.00	450,000	0	0	450,000
	03 Add new FTE administrative assistant positions	3.00	261,517	0	0	261,517
	04 Funding source switch for IT costs	0.00	119,000	0	(119,000)	0
	05 Add New Information Technology position	1.00	110,383	0	0	110,383
	06 Add funding for trail crew	0.00	65,200	0	0	65,200
	07 Add New Community Grants Pogram	0.00	1,000,000	0	0	1,000,000
	08 Add new Recreation Educator position	1.00	0	0	132,929	132,929
	09 Add funding for Strategic/Master/Marketing Plans	0.00	100,000	0	0	100,000
	10 Increase G&F Coop Agreement funding	0.00	0	70,000	0	70,000
	11 Add new capital projects	0.00	3,080,000	250,000	870,000	4,200,000
	12 Optional Extraordinary Repair Projects	0.00	1,778,000	0	0	1,778,000
	20 Optional operating increase for Peace Garden	0.00	200,000	0	0	200,000
	21 Add Peace Garden optional capital projects	0.00	4,716,000	0	0	4,716,000
	30 Add optional Capital projects	0.00	150,000	0	0	150,000
	Total	**59.00**	**25,974,154**	**8,445,353**	**9,532,371**	**43,951,878**

OPTIONAL ADJUSTMENT REQUESTS
OPTIONAL ADJUSTMENT PACKAGE
Biennium: 2013-2015

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
770	**Water Commission**					
	Base Budget Request	87.00	15,251,642	37,264,183	757,023,792	809,539,617
	02 Hay Compression Increase	0.00	502,577	28,714	57,429	588,720
	03 Optonal Change - WR Eng II Approp	1.00	164,430	0	0	164,430
	04 Optional Change - WR Project Manager	1.00	143,026	0	0	143,026
	05 Optional Change - Eng Tech III	1.00	0	0	118,051	118,051
	06 Optional Change - Travel	0.00	201,545	0	0	201,545
	07 Optional Change - Empl Funding	0.00	250,187	0	(250,187)	0
	08 Optional Change - IT Equipment & Software	0.00	191,008	0	0	191,008
	09 Optional Change - O.T. & Temp	0.00	48,180	0	0	48,180
	10 Optional Change - Excavator	0.00	243,200	0	0	243,200
	11 Optional Change - Building Repairs	0.00	45,000	0	0	45,000
	Total	**90.00**	**17,040,795**	**37,292,897**	**756,949,085**	**811,282,777**
801	**Dept of Transportation**					
	Base Budget Request	1,063.50	0	689,907,801	686,433,810	1,376,341,611
	01 Additional infrastructure investment	0.00	0	0	1,161,600,000	1,161,600,000
	02 Additional FTE	16.00	0	0	2,357,876	2,357,876
	03 County and Township Road Reconstruction Program	0.00	0	0	142,000,000	142,000,000
	04 TIGER III match from non-Hwy Funds	0.00	10,000,000	0	0	10,000,000
	Total	**1,079.50**	**10,000,000**	**689,907,801**	**1,992,391,686**	**2,692,299,487**
	Total All Agencies	**11,692.13**	**4,156,963,103**	**3,159,481,081**	**4,651,728,383**	**11,968,172,567**

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2013-2015

Agency/Fund Source	2011-2013 Appropriation	2013-2015 Request	2013-2015 Recommendation
101 Office of the Governor			
Education Jobs Fund Program	9,284,248	0	0
State Fiscal Government Services	3,017,478	0	0
Total	**12,301,726**	**0**	**0**
108 Secretary of State			
Federal Fund Budget	0	0	7,627
HHS-HAVA	300,000	275,000	275,000
Title II HAVA Fund - Post 1-1-07	700,000	0	0
Title II Fed Election Funds	4,806,812	4,335,183	4,338,313
Total	**5,806,812**	**4,610,183**	**4,620,940**
110 Office of Management and Budget			
Federal Fund Budget	0	0	1,000,000
Total	**0**	**0**	**1,000,000**
112 Information Technology			
Broadband Mapping	2,900,000	2,000,000	4,300,000
CJIS Savin Grant	750,000	650,000	650,000
E911 Grant	1,090,000	0	0
GIS Grant	75,000	75,000	75,000
HIE Grant	5,100,000	0	4,500,000
RUS Grant	410,000	500,000	500,000
Total	**10,325,000**	**3,225,000**	**10,025,000**
117 Office of the State Auditor			
Federal Fund Budget	0	0	68,083
Royalty Audit Program	918,583	967,309	1,150,876
Total	**918,583**	**967,309**	**1,218,959**
125 Office of the Attorney General			
2006 Project Safe Neighborhood	192,000	192,000	192,000
Bulletproof Vest Partnership Progra	5,000	5,000	5,000
Convicted Offender DNA Backlog	500,691	500,691	500,691
Cops Rural Meth Initiative 06	1,057,170	1,106,200	1,106,200
Coverdell - Natl Forensic Improve F	780,000	560,175	560,175
Crime Lab Forensic Casework DNA	635,900	484,000	484,000
Crime Lab Improvement Project	200,000	200,000	200,000
DOT Hwy. Safety Plan	275,001	446,650	446,650
DOT Safety 24/7	83,520	83,520	83,520
Federal Fund Budget	0	0	23,866

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2013-2015

Agency/Fund Source	2011-2013 Appropriation	2013-2015 Request	2013-2015 Recommendation
ICAC 2009 Stimulus	565,804	0	0
ICAC Stimulus	0	54,000	54,000
Internet Crimes Against Children 20	599,000	545,000	545,000
JAG Grant	2,913,434	1,904,932	1,904,932
JAG Stimulus	1,006,182	0	0
Justice Assistance Grant (JAG)	0	67,513	67,513
Justice Assistance Grants	316,943	0	0
Midwest HIDTA	588,023	215,123	215,123
Midwest HIDTA 2010	642,531	934,773	940,739
NARIP - National Instant Check Syst	585,859	0	0
Project Safe Neighborhood	0	5,000	5,000
RLEA-Rural Crime Stimulus	359,975	0	0
Residential Substance Abuse Tr	320,000	250,000	250,000
SMART (Sex Offenses)	875,304	281,304	281,304
State Domestic Preparedness Grant	330,382	546,453	550,282
Statistical Analysis Center	630,762	500,000	500,000
Statistical Analysis Center	0	255,000	255,000
Total	**13,463,481**	**9,137,334**	**9,170,995**
127 Office of State Tax Commissioner			
Motor Fuel Tax Grant	10,000	125,000	125,000
Total	**10,000**	**125,000**	**125,000**
180 Judicial Branch			
Child Support	1,276,058	1,222,940	1,222,938
Crt. Improvement Basic	193,254	197,649	197,649
Crt. Improvement Data Share	194,123	194,343	194,344
Crt. Improvement Training	193,340	193,159	193,159
Total	**1,856,775**	**1,808,091**	**1,808,090**
201 Dept of Public Instruction			
21st Century/After School Learning	11,304,361	11,187,739	11,193,139
ARRA Stimulus Diesel Fuel	21	21	21
Adult Education	2,088,436	2,419,681	2,426,394
Child Care Food Program	22,452,089	23,416,125	23,427,364
Child Nutr/Distrib-Cnp Team Nutr	196,592	110,013	110,376
Child Nutrition ARRA	932	932	932
Consolidated School Health Programs	3,653,338	1,741,426	1,757,827
Deaf-Blind Children & Youth	130,000	130,000	130,000
Direct Certification Grant	204,781	320,693	322,369
Drug-Free Schools	41,954	32,708	32,708

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2013-2015

Agency/Fund Source	2011-2013 Appropriation	2013-2015 Request	2013-2015 Recommendation
Education Jobs Fund	9,385,921	25,000	25,000
Eisenhower/Univ System	9,237	18,811	19,225
Eng Lang Acq/State Formula Grnt Pro	990,212	1,199,518	1,206,366
Enhance Ed Thru Tech	979,823	946,895	948,173
Enhancing Education Thru Technology	587,213	0	0
Even Start Family Literacy	608,498	14,100	14,100
Federal Fund Budget	0	0	896,226
Food Distribution on Indian Res	2,212,576	2,498,615	2,501,055
Fresh Fruits and Vegatables Program	2,846,813	4,344,724	4,347,070
Homeless Children	526,850	372,782	374,898
IDEA B	86,766,704	62,646,318	62,687,808
IDEA B ARRA Funds	2,787,439	2,787,439	2,787,439
Improving Teacher Quality	27,148,680	20,786,725	20,790,453
Incentive Award Grans	337,343	337,343	337,343
Indirect Cost Pool	3,360,494	2,806,107	2,846,769
Indiv w/Disabil Educ Act/Preschool	1,874,469	1,798,234	1,801,194
Learn & Serve America State Educ Ag	83,476	0	0
Longitudinal Data Grant	5,988,200	6,002,861	6,008,391
NAEP State Coordinator	165,171	178,104	181,193
NCES	175,000	175,000	175,000
NDSLEDS	1,163,212	1,178,449	1,179,009
Preschool ARRA Funds	156,649	156,649	156,649
Refugee Children School Impact	266,546	299,400	299,400
Restricted SAE Funds	155,815	176,087	178,568
Robert Byrd Honors Scholarship	205,000	156,000	156,000
SAE School Food And Nutrition	1,715,964	1,812,142	1,829,054
School Food Prog Gnt	40,314,547	45,352,084	45,352,084
School Improvement	3,274,910	3,210,595	3,212,812
Spec Ed Personnel Development	1,043,723	1,536,578	1,539,440
Striving Readers	95,000	103,922	105,412
Summer Food Service Program	1,020,830	1,202,581	1,202,655
Supplemental Commodity Asst Program	552,062	360,353	360,511
Temp Emerg Food Asst Program	354,040	353,040	353,040
Title I ARRA	4,969,607	4,969,607	4,969,607
Title I Grants To Lea'S	10,000	10,000	10,000
Title I Migrant Education	1,123,171	927,641	929,473
Title I Neg/Delnq	160,020	154,422	154,422
Title I State Administration	82,382,285	76,680,276	76,700,037
Title II/No Child Left/Math & Scien	1,810,975	1,785,203	1,786,609
Title VI-Rural & Low-Income Schools	53,000	50,500	50,500
Title VI/State Assessmnts/Related A	7,703,040	7,637,021	7,664,290
Total	**335,437,019**	**294,410,464**	**295,538,405**

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2013-2015

Agency/Fund Source	2011-2013 Appropriation	2013-2015 Request	2013-2015 Recommendation
215 ND University System			
College Access Grant	208,067	0	0
ND Partners in Progress	131,000	0	0
State Approving Agency	288,696	288,696	288,696
Title II	1,006,472	1,006,472	1,006,472
Total	**1,634,235**	**1,295,168**	**1,295,168**
240 Mayville State University			
Undetermined Federal Fund	76,500	0	0
Total	**76,500**	**0**	**0**
250 State Library			
Federal Fund Budget	0	0	22,807
LSTA	0	236,988	236,988
Libraries LSTA	515,000	515,000	515,000
Public Libraries	1,527,758	1,360,487	1,369,200
Public Library Services	0	165,000	165,000
Total	**2,042,758**	**2,277,475**	**2,308,995**
252 School for the Deaf			
Deaf Blind FY 11-12	145,791	196,959	200,428
Deaf/Blind IDEA-B	28,635	6,000	6,000
Deaf/Blind Services Project	35,575	36,017	36,017
Federal Fund Budget	0	0	17,116
IDEA-B	54,000	51,114	52,390
Matchmaker	10,000	10,000	10,000
School Breakfast	2,000	2,000	2,000
School Lunch	19,675	19,675	19,675
Total	**295,676**	**321,765**	**343,626**
270 Career and Technical Education			
Carl Perkins Funds	10,178,070	9,623,179	9,694,100
Federal Fund Budget	0	0	7,567
Mine Safety	133,218	133,218	133,218
WIA Youth Career Exploration	250,626	250,626	250,626
Total	**10,561,914**	**10,007,023**	**10,085,511**
301 ND Department of Health			
ARRA Funding	3,492,228	0	155,000
Administrative Services Federal Fun	4,262,640	5,247,743	5,260,849

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2013-2015

Agency/Fund Source	2011-2013 Appropriation	2013-2015 Request	2013-2015 Recommendation
Community Health Federal Funds	54,143,557	54,716,985	54,806,481
Emergency Prep & Response Fed Fd	11,706,625	11,085,015	11,114,828
Environmental Health Federal Funds	34,342,877	29,741,612	29,976,185
Federal Fund Budget	0	0	2,047,776
Health Resources Federal Funds	5,182,396	5,337,703	5,431,928
Medical Services Federal Funds	10,691,046	11,796,448	11,858,758
Special Populations Federal Funds	2,466,754	2,906,407	2,919,605
Total	**126,288,123**	**120,831,913**	**123,571,410**
313 Veterans Home			
V.A. Reimbursement	29,475	0	0
Total	**29,475**	**0**	**0**
325 Department of Human Services			
ARRA Stimulus Funding	519,175	0	0
Aging Services	14,649,154	13,624,483	13,624,481
Child Care	18,628,613	19,708,552	19,730,863
Child Support	22,050,694	20,685,430	21,016,240
Child Welfare	41,740,371	40,208,690	41,769,000
DHS Federal Funds	0	0	7,551,256
Disability Services	44,244,589	39,938,063	40,297,942
Food And Nutrition Services	253,097,561	208,791,482	208,829,559
Low Income Heating & Energy Asst	40,777,930	42,308,182	42,320,465
Medicaid	1,061,220,258	902,675,423	962,275,004
Mental Health And Substance Abuse	19,879,029	22,799,326	22,799,326
Refugee	2,779,890	2,947,762	2,948,377
Social Service Block Grant	7,151,034	7,365,396	7,365,396
State Childrens Health Insur Prog	33,861,101	37,530,375	37,530,376
Temporary Asst For Needy Families	51,845,287	59,003,966	60,759,999
Total	**1,612,444,686**	**1,417,587,130**	**1,488,818,284**
360 Protection and Advocacy			
Assistive Technology	120,000	106,226	106,226
Client Assistance	227,235	227,236	227,236
DD Program	796,175	913,308	913,309
HAVA Program	231,607	290,564	290,564
MI Program	936,163	883,841	883,841
Medicaid Title 19	70,041	78,829	78,829
NDRN	4,000	4,000	4,000
PABSS - Rep Payee	20,000	20,000	20,000
PABSS Program	218,667	167,463	167,463

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2013-2015

Agency/Fund Source	2011-2013 Appropriation	2013-2015 Request	2013-2015 Recommendation
PAIR Program	370,000	413,982	413,981
TBI Program	125,000	128,163	128,163
Total	**3,118,888**	**3,233,612**	**3,233,612**
380 Job Service North Dakota			
ARRA	1,500,000	0	496,496
Department of Human Services Funds	2,648,576	2,320,037	2,339,048
Federal Fund Budget	0	0	2,741,486
Labor Statistics	1,883,842	1,616,034	1,469,792
Other Federal Grants	1,394,757	3,165,990	2,872,409
Reed Act Distribution	12,400,000	12,407,000	12,407,000
Trade Assistance	2,903,266	2,574,131	2,850,898
Unemployment Insurance	27,510,293	34,942,372	29,626,504
Veterans Programs	1,396,831	1,042,310	1,067,611
Wagner-Peyser	11,758,303	11,128,042	11,036,412
Wagner-Peyser	0	100,203	103,064
Workforce Investment Act	8,804,214	8,538,929	10,877,826
Total	**72,200,082**	**77,835,048**	**77,888,546**
401 Office of the Insurance Commissioner			
Federal Fund Budget	0	0	22,999
Health Insurance Premium Review	2,060,986	660,000	660,000
State Health Insurance Counseling	1,811,883	693,631	703,151
Total	**3,872,869**	**1,353,631**	**1,386,150**
405 Industrial Commission			
Federal Fund Budget	0	0	15,877
Geo Formation for C02 Sequestration	24,484	0	0
NCRDS-Coal	13,000	30,383	31,024
PSC Coal	16,000	9,835	10,037
Statemap	0	13,792	14,074
UIC Oil & Gas	210,001	210,007	214,181
Total	**263,485**	**264,017**	**285,193**
406 Office of the Labor Commissioner			
Equal Employ Opp. Comm.	37,060	166,064	173,924
Fair Housing	552,851	252,049	264,002
Total	**589,911**	**418,113**	**437,926**
408 Public Service Commission			
AML Admin Grant	981,952	723,829	733,101

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2013-2015

Agency/Fund Source	2011-2013 Appropriation	2013-2015 Request	2013-2015 Recommendation
AML Construction	0	245,344	245,344
AML Construction Grant	8,395,000	8,451,922	8,459,576
ARRA Funding	658,217	0	0
Federal Fund Budget	0	0	180,956
Gas Safety Grant	120,484	136,348	312,006
Indirect Cost Recovery	579,627	723,924	739,294
Mine Mapping Grant	15,000	15,000	15,000
ND Permanent Program	0	0	89,309
One Call	13,589	13,589	13,589
Reclamation Grant	1,272,779	1,247,232	1,268,908
Total	**12,036,648**	**11,557,188**	**12,057,083**
412 Aeronautics Commission			
Aviation Economic Impact Study	380,000	40,000	40,000
IPG Runway Rejuvenation	95,000	90,000	90,000
IPG Terminal and Fencing	199,100	187,600	187,600
Multi Pavement Project	3,109,500	1,047,000	1,047,000
Pavement Condition Index 2012	589,400	589,400	589,400
SASP I Aims 2009	323,000	323,000	323,000
Total	**4,696,000**	**2,277,000**	**2,277,000**
471 Bank of North Dakota			
NDCAN	3,000,000	3,000,000	3,007,918
Total	**3,000,000**	**3,000,000**	**3,007,918**
473 ND Housing Finance Agency			
Home Investments Partnership Prog	795,000	800,000	800,000
Housing Counseling Assistance	168,000	150,000	150,000
Lower Inc Housing Assist Prog Sec 8	1,426,040	1,440,600	1,440,600
Neighborhood Stabilization Program	5,124,000	0	0
Rent Supplements Contract Admin	22,661,880	25,075,200	25,075,200
Tax Credit Assistance Program	424,700	0	0
Tax Credit Exchange Program	566,700	0	0
Total	**31,166,320**	**27,465,800**	**27,465,800**
504 Highway Patrol			
Alcohol Saturation OT	300,000	297,622	297,621
Border Inspection Program	750,000	780,890	790,619
Construction Zone OT	200,000	185,111	185,111
Federal Body Armor	100,000	100,000	100,000
Federal Fund Budget	0	0	228,121

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2013-2015

Agency/Fund Source	2011-2013 Appropriation	2013-2015 Request	2013-2015 Recommendation
Federal NDDOT Equipment	750,000	750,000	750,000
Fusion Center Program	250,000	191,511	195,251
Mtr Carrier Safety Assistance Progr	2,759,563	2,852,031	2,895,382
New Entrant Program	600,000	621,297	631,186
PRISM	100,000	100,000	100,000
Prevention Services Program	200,000	200,000	200,000
Seat Belt OT	210,000	201,090	201,090
Sobriety Checkpoint OT	100,000	40,000	40,000
Underage Drinking OT	180,000	0	0
Total	**6,499,563**	**6,319,552**	**6,614,381**
530 Dept of Corrections and Rehabilitation			
(WIA) Youth Services - YCC	14,000	0	0
Adult Educ/Pen	60,723	93,000	93,000
Adult Education - YCC	42,000	50,001	50,988
Crime Victims Advocacy-DJS	60,000	53,195	54,172
FEMA Disaster Assistance	15,637	0	0
FY 01 Fed Voca Grant	3,635,359	2,677,586	2,677,586
FY 2000 Federal Cvc Grant	560,424	647,915	647,915
IV-E/IV-A Reimbursements	421,450	634,622	634,622
Institutional Care (Federal) - YCC	176,958	135,672	137,612
JAG-Drug and Violent Crime	67,561	0	0
JAIBG - DJS	731,124	313,500	313,500
Medicaid Reimb-Title XIX	408,000	0	0
OJJDP - Challenge Funds	42,000	26,000	26,000
OJJDP - Formula Funds	1,250,000	800,000	800,000
OJJDP - Title V Funds	135,000	0	0
SCAAP-BJA	96,000	0	0
School Lunch - YCC	192,000	192,000	192,000
Title I - YCC	134,000	147,837	148,862
Voc Ed (Carl Perkins) - YCC	15,500	14,100	14,100
Voc Ed (Incarcerated) - YCC	40,000	40,000	41,005
Vocational/Tech Education	23,890	44,600	44,600
WIA Job Service-Adult	76,534	0	0
Youth Training-US Dept Educ	51,308	0	0
Total	**8,249,468**	**5,870,028**	**5,875,962**
540 Office of the Adjutant General			
Air Guard Contracts	8,994,764	9,528,292	9,558,754
Army Guard Contracts	67,132,507	56,615,213	56,928,393
Emergency Mgmt Performance Grants	6,052,076	6,017,553	6,051,824
Federal Fund Budget	0	0	1,298,845

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2013-2015

Agency/Fund Source	2011-2013 Appropriation	2013-2015 Request	2013-2015 Recommendation
Federal Stimulus Grants	45,000	0	0
Hazard Mitigation Grants	17,223,400	43,926,840	43,933,187
Hazardous Material Emergency Prep	485,000	403,261	403,901
Homeland Security Grants	16,525,022	11,509,137	11,544,311
Public Assistance Grants	427,130,997	101,631,535	102,135,214
Total	**543,588,766**	**229,631,831**	**231,854,429**
601 Department of Commerce			
APUC Rural Business Enterp. Grants	300,000	300,000	300,000
Community Development Block Grant	11,217,656	8,390,655	8,395,063
Community Services Block Grant	0	3,740	3,740
Community Services Block Grt.	7,046,285	7,047,004	7,050,540
DOE Weatherization Asst for Low Inc	7,194,606	7,121,465	7,123,859
Disaster Community Dev Block Grant	235,000,000	0	11,782,866
ESGP 2000	480,477	1,073,457	1,074,987
Federal Fund Budget	0	0	56,551
HOME Program	7,434,934	7,057,316	7,057,316
HOME Program	0	217,779	222,823
Indirect Cost	548,668	653,524	665,831
LI Energy Assist - Weatherization	194,606	123,190	125,515
Low Inc Energy Asst Prog Emer Rprs	7,000,000	7,000,000	7,000,000
Neighborhood Stabilization Prog	11,164,344	74,010	76,008
Shelter Plus Care	450,000	450,000	450,000
Shelter Plus Care	0	50,000	50,000
State Energy Program	348,311	392,300	395,193
State Heating Oil and Propane Prog	6,064	6,064	6,064
Stimulus Comm Devel Block Grant	200,000	(6,827)	(6,827)
Stimulus DOE Weatherization	9,100,000	(58,991)	(58,991)
Stimulus Energy Eff Comm Block Grt	11,796,750	77,035	873,805
Stimulus Homelessness Prev and Hous	1,250,000	6,827	6,827
Stimulus Smart Grid Energy Assur	150,000	5,104	5,104
Stimulus State Energy Program	9,000,000	(23,148)	(23,148)
WFD NDCNCS	1,747,344	1,586,940	1,591,246
Workforce Development	238,557	0	0
Total	**321,868,602**	**41,547,444**	**54,224,372**
602 Department of Agriculture			
Ag Mediation Services	478,253	526,923	457,592
Animal Disease Trace (ADT)	172,368	72,364	72,364
Coop Agricultural Pest Survey Prog	505,631	529,002	532,222
Cooperative Weed Mgmt	216,193	187,728	188,053
Federal Fund Budget	0	0	176,066

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2013-2015

Agency/Fund Source	2011-2013 Appropriation	2013-2015 Request	2013-2015 Recommendation
Foreign Animal Disease(BSE/NAHEMS)	389,637	349,146	349,147
Market News 2010	77,462	67,462	67,462
Meat Inspection	1,154,630	1,234,528	1,256,365
Medicated Feed/Bse Inspections	171,955	115,500	116,163
ND Livestock Pollution Prev Prog	1,538,417	1,540,311	1,516,596
Organic Certification	383,701	373,701	373,701
Pesticide Enforcement	1,007,103	971,551	986,683
Specialty Crops Grant	1,384,147	1,406,878	1,408,495
USDA Dairy Plant Inspections	0	18,112	18,481
Total	**7,479,497**	**7,393,206**	**7,519,390**
627 Upper Great Plains Transportation Inst.			
Federal Fund Budget	0	0	324,983
University Transportation Centers	17,665,513	17,488,227	17,140,882
Total	**17,665,513**	**17,488,227**	**17,465,865**
630 NDSU Extension Service			
Federal Fund Budget	0	0	359,211
USDA/CREES Smith Lever	6,733,729	7,137,154	7,266,305
Total	**6,733,729**	**7,137,154**	**7,625,516**
640 NDSU Main Research Center			
Federal Fund Budget	0	0	288,345
USDA/CREES Animal Health	44,961	44,964	46,688
USDA/CREES Hatch 7 Multi-State	4,885,435	6,028,364	6,135,907
USDA/CREES Mcintire Stennis	416,020	308,290	314,313
Total	**5,346,416**	**6,381,618**	**6,785,253**
701 Historical Society			
Beacon Island - SAT	100,000	0	0
Bureau of Land Management Grant	0	80,000	80,000
Bureau of Reclamation	0	25,000	25,000
Corp of Eng	650,000	0	0
FEMA Chateau	20,000	0	0
Federal Fund Budget	0	0	93,005
Highway Hub of History	0	25,000	25,000
Historic Preservation 6100	2,489,413	2,621,185	2,643,498
IMLS Grant	60,000	0	0
NDHC	16,000	0	0
NHPRC Advisory Board	20,000	30,000	30,000
Newspaper Digitization	180,000	350,000	350,000

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2013-2015

Agency/Fund Source	2011-2013 Appropriation	2013-2015 Request	2013-2015 Recommendation
Space Grant	15,000	0	0
Total	**3,550,413**	**3,131,185**	**3,246,503**
709 Council on the Arts			
Basic State Partnership	1,791,345	1,681,400	1,681,402
Total	**1,791,345**	**1,681,400**	**1,681,402**
720 Game and Fish Department			
DOI - Bureau Of Reclamation	0	0	38,972
DOI - Bureau of Reclamation	1,774,571	1,773,304	1,936,630
DOI - Sportfish Restoration	12,202,312	9,062,158	9,125,846
DOI - Wildlife Restoration	14,071,080	15,579,484	15,672,108
Federal Fund Budget	0	0	557,020
Misc Federal Funds	2,392,934	500,000	500,000
State Wildlife Grants	248,640	299,350	303,742
State Wildlife Grants	692,648	730,650	730,650
USCG - Boating Safety	1,020,422	1,304,693	1,319,665
Total	**32,402,607**	**29,249,639**	**30,184,633**
750 Parks and Recreation Department			
2010-11 LWCF	938,075	2,288,075	488,075
Energy Grant	58,590	29,295	29,295
Federal Fund Budget	0	0	6,728
Game and Fish Coop Agreement	0	0	(80,000)
LWCF 1992 Projects	10,000	10,000	10,000
Plant Conservation Program	50,000	50,000	50,000
RTP	1,639,966	3,399,966	(100,034)
RTP 2010-11	1,500,000	1,565,854	1,567,390
Scenic Byways	590,000	782,163	758,453
Total	**4,786,631**	**8,125,353**	**2,729,907**
770 Water Commission			
Cap Program	246,000	274,429	279,599
FEMA Cooperating Technical Partn	3,581,909	3,581,909	3,581,909
FEMA Map Modernization Mgmt	235,428	248,306	251,962
Fed Fund Transfer from Another Agen	353,115	423,315	423,315
Federal Fund Budget	0	0	45,168
MR&I Administration	179,940	143,777	146,163
Northwest Area Water Supply (NAWS)	25,000,000	15,489,337	15,489,337
Southwest Pipeline	24,053,691	16,781,918	16,781,918
State Dam Safety Grant Program	159,775	159,775	159,775

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2013-2015

Agency/Fund Source	2011-2013 Appropriation	2013-2015 Request	2013-2015 Recommendation
Wet Non-Point Source Program	174,525	161,417	163,431
Total	**53,984,383**	**37,264,183**	**37,322,577**
801 Dept of Transportation			
Alcohol Traffic Safety	2,868,000	2,864,297	2,867,942
CVISN	211,500	126,728	127,952
Drivers License Security Grants	101,500	111,194	111,433
Enforcing Underage Drinking Laws Gr	60,000	60,000	60,000
Fed Hwy Admin Planning & Construc	1,000,699,974	650,489,402	650,887,768
Fed Transit Admin Cap Asst Program	500,000	0	0
Fed Transit Admin Cap Invest Grants	500,000	0	0
Fed Transit Admin Formula Grants No	13,124,575	15,735,524	15,735,524
Fed Transit Admin Metro Planning G	5,000,000	6,000,000	6,000,000
Federal Emergency Management Admin	7,000,000	7,000,000	7,000,000
Federal Fund Budget	0	0	1,167,701
Highway Beautification	1,100	100	100
Job Access Reverse Comm	600,000	600,000	600,000
Motorcycle Safety	150,000	150,000	150,000
New Freedom Program	450,000	0	0
Railroad Development Fund	2,000,000	906,614	906,614
State & Community Highway Safety	68,000	52,814	53,798
State Traffic Safety Info Impr	754,000	753,241	753,314
State and Comm Highway Safety	5,339,334	5,057,887	5,065,053
Total	**1,039,427,983**	**689,907,801**	**691,487,199**
Total All Agencies	**4,317,811,882**	**3,085,136,885**	**3,182,587,000**

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2013-2015

Agency/Fund Source	Fund No	2011-2013 Appropriation	2013-2015 Request	2013-2015 Recommendation
108 Secretary of State				
SOS General Services Fund 263	263	682,698	695,107	695,107
HAVA Election Ref.Matching Fund 283	283	400,000	529,802	529,802
Total		**1,082,698**	**1,224,909**	**1,224,909**
110 Office of Management and Budget				
Special Fund Budget	003	0	0	208,957
Capital Grounds Planning Fund 251	251	25,000	25,000	25,000
Risk Management Workers' Comp Fund	275	290,446	288,260	291,909
State Risk Management Fund 288	288	1,146,843	1,158,058	1,190,373
OMB Unemp/Payroll Cl Fund 461	461	1,500,000	1,500,000	1,500,000
Central Dup Serv Fund 790	790	4,952,172	4,819,291	5,373,156
Capitol Renovation Fund 902	902	2,600,000	0	0
Total		**10,514,461**	**7,790,609**	**8,589,395**
112 Information Technology				
Independent Study Operating Fd 274	274	4,023,843	3,309,709	1,977,527
Health Information Exchange Fund	325	13,596,266	4,402,748	4,413,722
ITD Service Fund 780	780	136,477,651	128,811,996	133,874,637
Total		**154,097,760**	**136,524,453**	**140,265,886**
117 Office of the State Auditor				
Special Fund Budget	003	0	0	102,124
State Auditors Operating Fund 246	246	1,508,939	1,721,873	1,752,592
Total		**1,508,939**	**1,721,873**	**1,854,716**
125 Office of the Attorney General				
Special Fund Budget	003	0	0	405,712
Insurance Regulatory Trust Fund	239	660,000	660,000	660,000
Attorney General Refund Fund 250 F	250	4,064,745	7,324,173	7,866,553
Lottery Fund 292	292	3,700,242	4,101,199	4,133,821
Attorney General Fund 322	322	5,203,869	5,251,324	5,808,679
AG Multijurisdictional Taskforce	367	54,340	55,360	56,703
Reduced Cigarette Ignition Propensi	374	324,175	300,000	300,000
Fire Prevention & Public Safety Fun	386	100,000	100,000	100,000
Gaming And Excise Tax Alloc 446	446	510,000	510,000	510,000
Total		**14,617,371**	**18,302,056**	**19,841,468**
140 Office of Administrative Hearings				
Administrative Hearings Fund 266	266	1,827,199	2,746,849	2,824,295
Total		**1,827,199**	**2,746,849**	**2,824,295**

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2013-2015

Agency/Fund Source	Fund No	2011-2013 Appropriation	2013-2015 Request	2013-2015 Recommendation
160 Legislative Council				
Insurance Regulatory Trust Fund 239	239	70,000	70,000	69,999
Total		**70,000**	**70,000**	**69,999**
180 Judicial Branch				
Judicial Conduct Comm. Fund 328	328	325,499	367,500	367,499
Total		**325,499**	**367,500**	**367,499**
188 Commission on Legal Counsel for Indigents				
Indigent Defense Admin. Fund	282	1,970,852	2,483,641	2,501,677
Total		**1,970,852**	**2,483,641**	**2,501,677**
190 Retirement and Investment Office				
Retirement and Investment Fund 207	207	4,232,954	4,383,163	4,648,730
Total		**4,232,954**	**4,383,163**	**4,648,730**
192 Public Employees Retirement System				
Public Employee Retirement Sys 483	483	7,465,228	7,229,157	7,715,503
Total		**7,465,228**	**7,229,157**	**7,715,503**
201 Dept of Public Instruction				
Displaced Homemakers Fund 201F	235	251,896	228,389	228,477
National Board Certification Fund	377	500,000	0	0
Public Instruction Fund 201F	391	107,782,713	141,470,713	141,470,713
Property Tax Relief Sustainability	495	0	714,173,838	714,173,838
Total		**108,534,609**	**855,872,940**	**855,873,028**
215 ND University System				
Higher Ed Special Rev Fund 215F	340	1,421,994	1,004,744	1,004,744
Total		**1,421,994**	**1,004,744**	**1,004,744**
226 Department of Trust Lands				
Trust Lands Maint. Fund	206	5,694,918	6,325,580	7,493,880
Energy Development Impact Fund	238	104,778,269	100,316,688	214,010,406
Total		**110,473,187**	**106,642,268**	**221,504,286**
227 Bismarck State College				
Bismarck State College Fund 227C	387	10,085,334	20,404,000	0
Total		**10,085,334**	**20,404,000**	**0**

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2013-2015

Agency/Fund Source	Fund No	2011-2013 Appropriation	2013-2015 Request	2013-2015 Recommendation
229 Williston State College				
UND- Williston Center Fund 229C	389	12,385,258	0	0
Total		**12,385,258**	**0**	**0**
230 University of North Dakota				
UND Fund 230C	341	74,661,715	67,487,262	67,487,262
Total		**74,661,715**	**67,487,262**	**67,487,262**
235 North Dakota State University				
NDSU Fund 235C	344	81,669,942	3,755,000	39,159,356
Total		**81,669,942**	**3,755,000**	**39,159,356**
238 ND State College of Science				
ND Science School Fund-N 238C	347	10,700,000	1,350,000	1,350,000
Total		**10,700,000**	**1,350,000**	**1,350,000**
239 Dickinson State University				
Dickinson State Univ. Fund 239C	348	136,921	0	0
Total		**136,921**	**0**	**0**
240 Mayville State University				
Mayville State Univ. Fund 240C	349	931,145	0	0
Total		**931,145**	**0**	**0**
241 Minot State University				
Minot State Univ. Fund 241C	350	25,063,347	11,801,785	11,801,785
Total		**25,063,347**	**11,801,785**	**11,801,785**
242 Valley City State University				
Valley City State Univ. Fund 242c	351	1,473,983	4,706,837	4,806,837
Total		**1,473,983**	**4,706,837**	**4,806,837**
243 Dakota College at Bottineau				
NDSU - Bottineau Fund 243c	345	675,300	7,600,789	7,600,789
Total		**675,300**	**7,600,789**	**7,600,789**
244 North Dakota Forest Service				
Forest Service Fund 244c	326	875,745	750,000	750,000

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2013-2015

Agency/Fund Source	Fund No	2011-2013 Appropriation	2013-2015 Request	2013-2015 Recommendation
Cent. Tree Prog. Trust Fund	451	1,032,588	900,000	900,000
Total		**1,908,333**	**1,650,000**	**1,650,000**
250 State Library				
Library Commission Fund - 390	390	91,852	91,852	91,852
Total		**91,852**	**91,852**	**91,852**
252 School for the Deaf				
School for the Deaf Fund - 353	353	1,992,331	2,139,844	2,232,042
Total		**1,992,331**	**2,139,844**	**2,232,042**
253 ND Vision Services/School for the Blind				
Special Fund Budget	003	0	0	16,286
School for the Blind Fund - 354	354	835,091	834,776	843,069
Total		**835,091**	**834,776**	**859,355**
270 Career and Technical Education				
Vocational Education Fund - 393	393	204,974	204,974	204,974
Total		**204,974**	**204,974**	**204,974**
301 ND Department of Health				
Abandoned Vehicle Fund 202	202	250,000	250,000	250,000
Insurance Tax Distribution Fund	240	1,250,000	1,250,000	1,250,000
EHPL Administrators Fund 313	313	3,000	3,000	3,000
ND Health Care Trust Fund 315	315	155,000	167,725	167,724
Community Health Trust Fund 316	316	4,565,995	3,985,854	3,985,854
Health & Consolidated Lab Fund 370	370	27,807,780	9,962,266	10,361,913
Wastewater Operators Cert. Fund 371	371	23,545	21,100	21,101
Environment & Rangeland Prot 376	376	265,310	265,700	265,699
Domestic Violence Prev Fund 462	462	340,000	340,000	340,000
Total		**34,660,630**	**16,245,645**	**16,645,291**
305 Tobacco Prevention and Control				
Tobacco Prevention and Control	369	12,922,614	12,937,606	13,016,197
Total		**12,922,614**	**12,937,606**	**13,016,197**
313 Veterans Home				
Melvin Norgard Memorial Fund	289	211,500	10,000	10,000
Soldiers Home Fund 380	380	15,162,717	15,203,126	15,763,626
Total		**15,374,217**	**15,213,126**	**15,773,626**

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2013-2015

Agency/Fund Source	Fund No	2011-2013 Appropriation	2013-2015 Request	2013-2015 Recommendation
325 Department of Human Services				
Compuls Gambling & Prevention 285	285	400,000	400,000	400,000
ND Health Care Trust Fund 315	315	946,786	0	0
Provider Assessment Fund 355	355	9,799,203	10,771,200	10,771,200
Human Services Department Fund 360	360	102,204,759	111,099,710	112,969,435
Childrens Trust Fund 419	419	690,808	690,810	690,811
Total		**114,041,556**	**122,961,720**	**124,831,446**
380 Job Service North Dakota				
Job Service North Dakota Fund	362	516,724	587,593	591,057
Total		**516,724**	**587,593**	**591,057**
401 Office of the Insurance Commissioner				
Special Fund Budget	003	0	0	436,989
Unsatisfied Judgement Fund 209	209	27,348	26,846	27,379
State Bonding Fund 210	210	46,769	42,765	43,451
State Fire & Tornado Fund 211	211	1,611,572	1,631,786	1,656,507
Petroleum Rel. Comp. Fund 233	233	100,225	101,155	102,791
Insurance Reg. Trust Fund 239	239	6,515,297	7,504,146	7,635,467
Insurance Tax Distrib. Fund 240	240	6,870,000	6,870,000	7,670,000
Total		**15,171,211**	**16,176,698**	**17,572,584**
405 Industrial Commission				
Special Fund Budget	003	0	0	47,629
Industrial Commission Fund 305	305	25,877,944	20,343,011	20,433,702
Lignite Research Fund 314	314	19,971,300	19,500,000	19,500,000
Public Finance Authority	900	654,027	661,243	671,333
Total		**46,503,271**	**40,504,254**	**40,652,664**
408 Public Service Commission				
PSC Valuation Revolving Fund 248	248	125,000	125,000	125,000
State Rail Fund 277	277	900,000	900,000	900,000
Total		**1,025,000**	**1,025,000**	**1,025,000**
412 Aeronautics Commission				
Aeronautics Comm. Spec Fund 324	324	9,089,333	10,116,534	10,190,139
Total		**9,089,333**	**10,116,534**	**10,190,139**
413 Dept of Financial Institutions				

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2013-2015

Agency/Fund Source	Fund No	2011-2013 Appropriation	2013-2015 Request	2013-2015 Recommendation
Financial Inst Regulatory Fund 242	242	6,836,318	7,174,997	7,640,294
Total		**6,836,318**	**7,174,997**	**7,640,294**
414 Securities Department				
Investor Education & Technology	244	317,199	170,000	195,850
Total		**317,199**	**170,000**	**195,850**
471 Bank of North Dakota				
Oil Tax Resources Trust Fund	469	10,000,000	0	0
Bank of North Dakota	998	43,853,155	47,139,563	49,445,010
Total		**53,853,155**	**47,139,563**	**49,445,010**
473 ND Housing Finance Agency				
Housing Finance Agency-Fees	473	15,356,126	12,771,673	13,396,239
Total		**15,356,126**	**12,771,673**	**13,396,239**
475 ND Mill and Elevator Association				
Mill and Elevator Fund	475	47,071,877	51,188,518	52,255,124
Total		**47,071,877**	**51,188,518**	**52,255,124**
485 Workforce Safety and Insurance				
Workmens Compensation Fund 213	213	58,413,293	57,805,108	63,131,407
Total		**58,413,293**	**57,805,108**	**63,131,407**
504 Highway Patrol				
Highway Tax Distribution Fund - 400	400	5,025,762	4,970,167	7,169,296
Total		**5,025,762**	**4,970,167**	**7,169,296**
530 Dept of Corrections and Rehabilitation				
Special Fund Budget	003	0	0	442,573
Probation Violation Transp - 321	321	175,000	175,000	175,000
Penitentiary Industries - 365	365	15,170,824	15,369,947	15,764,526
Pen.- Land Replacement - 366	366	44,534,196	0	0
Crime Victims Gift Fund - 372	372	95,000	175,000	175,000
Dept of Corrections Oper - 379	379	7,915,859	8,219,419	8,240,294
Total		**67,890,879**	**23,939,366**	**24,797,393**
540 Office of the Adjutant General				
Special Fund Budget	003	0	0	154,101
Disaster Relief Fund 352	352	70,404,629	14,903,559	13,903,595

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2013-2015

Agency/Fund Source	Fund No	2011-2013 Appropriation	2013-2015 Request	2013-2015 Recommendation
Radio Communications Fund 373	373	1,363,954	1,413,201	1,468,456
Emergency Management Fund 375	375	5,070,581	50,000	50,000
State Hazardous Chemical Fund 378	378	345,736	442,726	446,793
National Guard Fund 383	383	1,591,647	1,784,634	1,819,918
Veterans Cemetery Fund 433	433	248,700	288,296	376,391
Total		**79,025,247**	**18,882,416**	**18,219,254**
601 Department of Commerce				
Special Fund Budget	003	0	0	24,741
Alcohol Motor Vehicle Fuel Fund 224	224	1,575,051	1,238,284	1,738,284
Economic Dev. Fund 330	330	1,268,030	1,257,835	1,272,518
Intergovernmental Assist. Fund 342	342	6,397,021	6,616,270	6,618,119
Department of Tourism Fund 443	443	363,000	363,000	363,000
Strategic Invest & Improvement Fund	493	0	0	4,000,000
Total		**9,603,102**	**9,475,389**	**14,016,662**
602 Department of Agriculture				
Special Fund Budget	003	0	0	192,834
State Waterbank Fund 236	236	116,106	108,061	108,061
Agriculture Department Fund 308	308	1,090,349	1,092,422	1,024,488
Game and Fish Funds	309	1,068,261	1,115,432	968,796
Environment & Rangeland Prot 376	376	5,083,038	5,228,116	5,395,977
Total		**7,357,754**	**7,544,031**	**7,690,156**
616 State Seed Department				
Seed Department Fund 329	329	6,894,011	0	0
Total		**6,894,011**	**0**	**0**
627 Upper Great Plains Transportation Inst.				
Special Fund Budget	003	0	0	180,547
Oil & Gas Impact Fund	238	350,000	0	0
Transportation Institute Fund 352	352	4,484,820	5,046,253	4,878,642
Total		**4,834,820**	**5,046,253**	**5,059,189**
628 Branch Research Centers				
Special Fund Budget	003	0	0	143,376
Central Grasslands Expr. Station	323	1,076,058	1,253,237	1,254,745
Hettinger Expr. Station Fund	332	1,714,157	2,500,000	2,512,060
Langdon Expr. Station Fund	333	983,243	1,299,491	1,302,118
North Central Expr. Station Fund	335	2,729,566	2,588,790	2,602,697
Williston Expr. Station Fund	336	1,051,932	1,346,892	1,355,706

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2013-2015

Agency/Fund Source	Fund No	2011-2013 Appropriation	2013-2015 Request	2013-2015 Recommendation
Carrington Expr. Station Fund	337	4,212,822	4,311,328	4,343,220
Dickinson Exper. Station Fund	359	3,229,803	2,500,000	2,507,944
Total		**14,997,581**	**15,799,738**	**16,021,866**
630 NDSU Extension Service				
Special Fund Budget	003	0	0	697,294
Extension Division Fund 357	357	16,395,081	16,336,910	17,114,604
Total		**16,395,081**	**16,336,910**	**17,811,898**
638 Northern Crops Institute				
Special Fund Budget	003	0	0	23,655
Northern Crops Institute Fund 243	243	1,654,725	1,905,231	1,776,652
Total		**1,654,725**	**1,905,231**	**1,800,307**
640 NDSU Main Research Center				
Special Fund Budget	003	0	0	1,057,262
Ag Research Fund 338	338	2,000,000	2,000,000	750,000
Main Experiment Station Fund 358	358	39,456,476	44,350,469	44,663,070
Total		**41,456,476**	**46,350,469**	**46,470,332**
649 Agronomy Seed Farm				
Special Fund Budget	003	0	0	26,197
Agronomy Seed Farm Fund 226	226	1,435,168	1,438,163	1,448,764
Total		**1,435,168**	**1,438,163**	**1,474,961**
670 ND Horse Racing Commission				
Horse Racing Operating Funds 334	334	130,000	166,406	166,407
Total		**130,000**	**166,406**	**166,407**
701 Historical Society				
Historical Soc Gift & Beq. - 415	415	12,000,000	0	0
Total		**12,000,000**	**0**	**0**
709 Council on the Arts				
Arts & Humanities Fund - 399	399	63,515	63,515	63,515
Total		**63,515**	**63,515**	**63,515**
720 Game and Fish Department				
Non-Game Wildlife Fund 216	216	120,000	120,000	120,000
Game & Fish Department Fund 222	222	32,566,555	33,658,422	35,113,306

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2013-2015

Agency/Fund Source	Fund No	2011-2013 Appropriation	2013-2015 Request	2013-2015 Recommendation
Habitat and Depredation Fund 488	488	2,454,998	2,673,798	2,673,798
Total		**35,141,553**	**36,452,220**	**37,907,104**
750 Parks and Recreation Department				
Special Fund Budget	003	0	0	6,729
Snowmobile Fund - 261	261	827,000	746,760	746,760
State Parks Gift Fund - 265	265	94,070	94,070	144,070
Parks & Recreation Fund - 398	398	6,442,727	6,389,049	7,543,849
Trail Tax Transfer Fund - 441	441	548,400	618,563	620,520
Total		**7,912,197**	**7,848,442**	**9,061,928**
770 Water Commission				
Water Development Trust Fund 267	267	37,189,734	44,250,000	44,250,000
NAWS Operations Fund	381	730,000	1,200,000	1,202,210
Water Commission Fund 397	397	402,366,104	711,423,792	726,434,601
NAWS Project Reserve Fund 413	413	150,000	150,000	150,000
Total		**440,435,838**	**757,023,792**	**772,036,811**
801 Dept of Transportation				
Special Fund Budget	003	0	0	8,563,147
Highway Fund - 200	200	1,021,698,921	562,846,558	1,871,353,336
Motor Vehicle Operating - 201	201	12,837,102	24,598,432	25,197,615
Highway Rail Grade Crossing Safety	203	1,431,000	0	0
Motorcycle Safety Fund - 205	205	580,680	630,680	630,680
Dealer Enforcement Fund	217	548,224	544,099	551,686
Special Road Fund - 230	230	2,670,000	2,665,000	2,665,000
Public Transportation Fund - 232	232	8,300,000	9,100,000	9,100,000
State Rail Fund - 277	277	0	600,000	600,000
Fleet Services Fund - 700	700	68,158,535	85,449,041	85,554,915
Total		**1,116,224,462**	**686,433,810**	**2,004,216,379**
Total All Agencies		**2,940,588,972**	**3,320,085,634**	**4,815,875,773**

Account – A subdivision of a fund. An account is a classification by which information on particular financial transactions and financial resources is recorded and arranged.

Addition – Extension, enlargement, or expansion made to an existing asset.

Agency Budget Number – The three-digit number assigned to each Business Unit by OMB.

Agency or Business Unit – A principal, functional, and administrative entity created by statute within state government.

Allotment – A procedure under which appropriated funds are restricted when resources appear insufficient to cover appropriations. Allotment, authorized by NDCC 54-44.1-12, is intended to assure that expenditures do not exceed available resources during a biennium.

Appropriation – A legislative authorization to expend resources. An appropriation specifies the amount of money to be used for a particular purpose during a period of time, usually one biennium.

Appropriation Authority – Authorization in an Appropriation Act for an agency to expend funds.

Appropriation Bill – A bill through which appropriations are given legal effect.

Balanced Budget – A budget in which estimated expenditures for the fiscal year are equal to or less than projected revenues for the same period. In certain situations, a balanced budget may include the beginning balance in projected revenues.

IBARS – Internet Budget Analysis and Reporting System.

Base Budget Request – The statement with accompanying explanations in which a state agency sets forth its financial requirements and plans for a biennium within constraints set by the Governor.

Biennium – The period of two state fiscal years for which the budget is written. For example, the 2013-15 budget covers the period July 1, 2013 to June 30, 2015.

Budget – The complete financial plan for the state for the fiscal period, as proposed in the executive recommendation and modified and adopted by the Legislature in appropriation and revenue acts.

Budget Account Code – A six digit code used for accounting and budgeting purposes, in lieu of a written description, to describe the specific items anticipated to be purchased in the budget, or purchased within various expenditure categories. Codes are assigned by OMB. A budget account code is a rollup of detail account codes.

Budget Document – The instrument used by OMB and the Governor to present a comprehensive financial program to the Legislature. The budget document consists of three parts. The first contains a summary of proposed expenditures and the means of financing them. The second consists of schedules supporting the summary. The third part is the necessary legislation to put the budget into effect including appropriation, revenue, and borrowing measures.

Budget Message – A general discussion of the proposed budget as presented in writing by the Governor to the Legislature. The budget message contains an explanation of the principal budget items, an outline of the government's experience during the past period, its financial status at the time of the message and recommendations regarding the financial policy for the coming biennium.

Budget Request – The statement with accompanying explanations that a state agency uses to set forth its financial requirements and plans for a biennium.

Budget Request Summary – The IBARS subschedule that summarizes the budget request by reporting level.

Budget Stabilization Fund (Rainy Day Fund) – A special fund with reserve dollars to be used only in time of great need.

Capital Assets – Expenditures for capital projects, extraordinary repairs and equipment over $5,000. In IBARS, capital assets are the subschedules that summarize the budget request for capital projects, extraordinary repairs, equipment over $5,000, IT equipment and software over $5,000, and other capital payments.

Capital Budget – The portion of the budget devoted to proposed additions and repair of buildings and land and the means of financing those assets. The capital budget portion of the budget includes money for building new state facilities and making improvements to existing facilities.

Capital Projects – Expenditures for new construction, additions, restorations, and demolitions of buildings and infrastructure.

Capital Carryover – The unexpended balance of an appropriation, remaining at the end of the biennium, approved for expenditure by the carryover committee.

Comprehensive Annual Financial Report (CAFR) – The official annual report of a government, prepared in conformity with GAAP and organized into a financial reporting pyramid.

Continuing Appropriation – Statutory authorization for an agency to accept revenue and make expenditures that are not subject to the biennial appropriation process. In IBARS, the subschedule that provides the statutory authority and the estimated revenues and expenditures for each continuing appropriation fund.

Debt Limitation – Constitutionally or statutorily imposed limits on state obligations.

Debt Service – A category of appropriations and expenditures used for the payment of principal and interest on debt.

Dedicated Fund – A fund that receives and expends revenue collected by the state for a specific purpose.

Dedicated Tax – A tax levied to support a specific government program or purpose.

Deficiency Appropriation – An appropriation used to meet obligations not foreseen when the biennial budget was enacted and for which the costs would exceed available spending authorizations. It might add to a previously authorized appropriation anticipated to be inadequate, or provide a new appropriation to finance an existing or anticipated liability for which no appropriation exists.

Deficit – The amount by which spending exceeds income within a given fiscal period.

Demolition – All expenditures associated with tearing down an existing building or structure.

Department ID – Provides a means for entering and tracking accounting data. It is the lowest level of detail for accumulating costs.

Direct Costs – Costs specifically traceable to certain goods, services, units, programs, activities, or functions. Direct costs differ from indirect costs in that the latter cannot be specifically traced and so must be allocated on some systematic and rational basis.

Enterprise Resource Planning (ERP) – An administrative software system that covers the entire enterprise.

Executive Recommendation –The Governor's constitutionally mandated plan of appropriations, expenditures, and cash disbursements, along with estimates of revenues and cash receipts expected to be available to support those expenditures.

Expenditure – Decreases in net financial resources. Expenditures include current operating expenses requiring the present or future use of net current assets, debt service and capital outlays, and intergovernmental grants, entitlements and shared revenues. An expenditure occurs when the liability is incurred for goods and services received regardless of when the money is disbursed.

Extraordinary Repair – Relatively large expenditures for repairs that benefit more than one operating cycle or period. Extraordinary repairs are non-recurring in nature and increase the value or service life of the asset.

Federal Funds – Funds received or requested directly from the federal government, or federal funds passed through from another state entity.

Fiscal Note –The statement of fiscal impact (revenue and/or expenditure) that a proposed bill will have on the state, its political subdivisions, or the citizens of the state.

Fiscal Year –The state fiscal year runs from July 1 through June 30. The federal fiscal year runs from October 1 through September 30. The fiscal year for counties and cities is the calendar year.

Fringe Benefits – Payments made by the state for retirement, social security, health insurance, workers compensation, and unemployment insurance.

Full-time Equivalent (FTE) Position – A full-time position approved by the Legislature. A full-time work year is 40 hours per week, 52 weeks per year.

Fund – A fiscal entity segregating the financial resources of the state. Monies in a fund may be used for a specific purpose as provided by law. Each fund is a self-balancing set of accounts recording resources, obligations, reserves, and equities in accordance with GAAP.

Fund Number – A three-digit code assigned by OMB to each fund for accounting purposes.

Funding – The source of operating revenue for a department. The three categories for funding are general, federal, and special.

General Fund – The major operating fund of the state that receives all state income not earmarked for a particular program or activity and not specified by law to be deposited into another fund.

Generally Accepted Accounting Principles (GAAP) – Uniform minimum standards and guidelines for financial accounting and reporting.

Goal – A long-term (multi-year) vision of the future; the general end towards which efforts are directed.

Governmental Accounting Standards Board (GASB) – An independent, professional body that establishes standards for accounting and financial reporting applicable to state and local governmental entities.

Improvement (or betterment) – The removal of a major part or component of an asset and the substitution of a different part or component having significantly improved and superior performance capabilities.

Indirect Costs – The elements of cost necessary in the production of goods or services that are not directly traceable to the product or service.

Internal Controls – Methods and measures adopted within an organization to safeguard its assets, check the accuracy and reliability of its accounting data, promote operational efficiency, and encourage adherence to prescribed managerial

policies. Internal controls encompass both internal administrative controls and internal accounting controls.

Large IT Project – Information Technology (IT) projects with a budget in excess of $250,000. In IBARS, these projects are reported through the Large IT Projects subschedule.

Line Item (Class [PS]) – A line item is a subdivision of an appropriation such as salaries and wages, operating expenses, and capital assets.

Matching Funds – A type of grant requiring the government or agency receiving the grant to commit a certain amount of funding to the program before funds will be made available by the granting entity.

Mission – A broad statement of the overall purpose of an agency's existence including what they do, why they do it, and for whom they do it.

Non-appropriated – Revenues or expenditures of governmental entities that are not subject to the appropriation process.

Non-recurring Revenues –Revenues available during a fiscal period that will not be available in subsequent fiscal periods.

Operating Budget – Plans of current expenditures and the proposed means of financing them. For the State of North Dakota, this is the proposed plan of funds necessary to run a program, excluding the cost of capital construction.

Operating Maintenance – Expenditures for maintenance and ordinary repairs to keep assets in usable condition. Operating maintenance is either recurring or incurred on a continuous basis, not capitalized, and involves dollar amounts less than $1,500. Examples include paint, floor wax, lubrication, cleaning supplies, and air filters.

Optional Request – The statement with accompanying explanations in which a state agency sets forth its financial requirements that exceed the base budget constraints set by the Governor.

Other Funds – Non-general fund amounts appropriated by the Legislature, which include all federal and special funds.

Peoplesoft Financials – Name of the computerized system used in North Dakota state government to account for all financial transactions.

Peoplesoft HR/Payroll – Name of the computerized system used in North Dakota state government to account for all human resource and payroll transactions.

Performance Measure – The gauge used to measure progress towards a stated goal.

Program – A functional unit of activity representing the basic budget unit used to describe and account for services provided by state government. Programs have an identifiable objective that can be evaluated for performance.

Program Objective – The ultimate purpose of a program, towards which efforts are directed, stated in terms of a measurable result.

Receipts – A general term for cash received which may either satisfy a receivable, or be a conversion of another asset or a refund of a prior expenditure.

Receivable – An anticipated sum of money treated as revenue even though it is not in hand. Such sums are available for expenditure by state agencies when properly authorized. The establishment of a receivable amount results in an increase in an asset balance.

Renovation – Substantial changes to an asset bringing it to a condition better than it was when originally built.

Replacement – Involves the removal of a major part or component of an asset and the substitution of a new part or component of essentially the same type and performance capabilities.

Restoration – An expenditure to bring an asset back to its original condition or state.

Revenue Estimates – Projections of anticipated state revenue for the current and future biennia.

Revolving Fund (Account) –A fund (or an account within any fund) established to finance (1) state activities of a business or commercial nature or (2) the operation of an intra governmental service agency or enterprise, which generates receipts (income) from the sale of commodities or services. Such receipts are available for the continuing operation of the activity or enterprise.

Special Funds – Monies derived from sources such as local governmental units, special funds, departmental collections, and private contributors.

Strategic Plan – An action-oriented guide developed through an examination of internal and external factors that directs goal-setting and resource allocation to achieve meaningful results over time.

Success Indicator – The gauge used to measure progress towards a stated goal.

Surplus – The amount income exceeds spending within a given fiscal period.

Transfers – The movement of cash or other resources between funds, as legally authorized.

Trust Funds – Funds used to account for assets held by a government in a trustee capacity for individuals, private organizations, other governments, or other funds.

Unexpended Appropriated Balance – The appropriated authority minus actual expenditures. The same amount as the portion of an appropriation not yet expended.

User Taxes and Fees – Charges associated with using a particular service or facility (e.g., park entrance fees, highway tolls).

Veto – The constitutional authority of the Governor to disapprove bills passed by the Legislature. The *line item veto* is the authority of the Governor to disapprove any item or items of appropriation while approving the rest of the appropriation bill. The Legislature may override a veto or line item veto with a vote of at least two-thirds of the members of each House.

MANAGEMENT AND FISCAL ANALYSTS

Budget No.	Agency	OMB Analyst	Leg Council Analyst
101	Office of the Governor	Joe Morrissette	Roxanne Woeste
108	Secretary of State	Tad H. Torgerson	Sheila M. Sandness
110	Office of Management and Budget	Lori Laschkewitsch	Brady Larson
112	Information Technology	Lori Laschkewitsch	Roxanne Woeste
117	Office of the State Auditor	Tad H. Torgerson	Sheila M. Sandness
120	Office of the State Treasurer	Lori Laschkewitsch	Becky J. Keller
125	Office of the Attorney General	Tad H. Torgerson	Becky J. Keller
127	Office of State Tax Commissioner	Joe Morrissette	Becky J. Keller
140	Office of Administrative Hearings	Tad H. Torgerson	Sheila M. Sandness
150	Legislative Assembly	Lori Laschkewitsch	Roxanne Woeste
160	Legislative Council	Lori Laschkewitsch	Roxanne Woeste
180	Judicial Branch	Tad H. Torgerson	Becky J. Keller
188	Commission on Legal Counsel for Indigents	Tad H. Torgerson	Becky J. Keller
190	Retirement and Investment Office	Lori Laschkewitsch	Brittani Quick
192	Public Employees Retirement System	Lori Laschkewitsch	Brittani Quick
201	Dept of Public Instruction	Joe Morrissette	Sheila M. Sandness
215	ND University System	Tammy R. Dolan	Brady Larson
226	Department of Trust Lands	Joe Morrissette	Becky J. Keller
227	Bismarck State College	Tammy R. Dolan	Roxanne Woeste
228	Lake Region State College	Tammy R. Dolan	Roxanne Woeste
229	Williston State College	Tammy R. Dolan	Roxanne Woeste
230	University of North Dakota	Tammy R. Dolan	Brady Larson
232	UND Medical Center	Tammy R. Dolan	Brady Larson
235	North Dakota State University	Tammy R. Dolan	Brady Larson
238	ND State College of Science	Tammy R. Dolan	Roxanne Woeste
239	Dickinson State University	Tammy R. Dolan	Brady Larson
240	Mayville State University	Tammy R. Dolan	Brady Larson
241	Minot State University	Tammy R. Dolan	Brady Larson
242	Valley City State University	Tammy R. Dolan	Brady Larson
243	Dakota College at Bottineau	Tammy R. Dolan	Brady Larson
244	North Dakota Forest Service	Tammy R. Dolan	Brady Larson
250	State Library	Joe Morrissette	Sheila M. Sandness
252	School for the Deaf	Joe Morrissette	Sheila M. Sandness
253	ND Vision Services/School for the Blind	Joe Morrissette	Sheila M. Sandness
270	Career and Technical Education	Joe Morrissette	Brittani Quick
301	ND Department of Health	Lori Laschkewitsch	Sheila M. Sandness
305	Tobacco Prevention and Control	Lori Laschkewitsch	Sheila M. Sandness
313	Veterans Home	Lori Laschkewitsch	Sheila M. Sandness
316	Indian Affairs Commission	Lori Laschkewitsch	Sheila M. Sandness
321	Department of Veterans Affairs	Lori Laschkewitsch	Sheila M. Sandness
325	Department of Human Services	Lori Laschkewitsch	Roxanne Woeste
360	Protection and Advocacy	Lori Laschkewitsch	Brady Larson
380	Job Service North Dakota	Tad H. Torgerson	Roxanne Woeste
401	Office of the Insurance Commissioner	Joe Morrissette	Brittani Quick
405	Industrial Commission	Tad H. Torgerson	Becky J. Keller
406	Office of the Labor Commissioner	Tad H. Torgerson	Sheila M. Sandness

MANAGEMENT AND FISCAL ANALYSTS

Budget No.	Agency	OMB Analyst	Leg Council Analyst
408	Public Service Commission	Tad H. Torgerson	Brittani Quick
412	Aeronautics Commission	Tad H. Torgerson	Roxanne Woeste
413	Dept of Financial Institutions	Tad H. Torgerson	Brady Larson
414	Securities Department	Tad H. Torgerson	Brady Larson
471	Bank of North Dakota	Tad H. Torgerson	Becky J. Keller
473	ND Housing Finance Agency	Tad H. Torgerson	Becky J. Keller
475	ND Mill and Elevator Association	Tad H. Torgerson	Becky J. Keller
485	Workforce Safety and Insurance	Tad H. Torgerson	Roxanne Woeste
504	Highway Patrol	Tad H. Torgerson	Brady Larson
530	Dept of Corrections and Rehabilitation	Joe Morrissette	Becky J. Keller
540	Office of the Adjutant General	Tammy R. Dolan	Roxanne Woeste
601	Department of Commerce	Tammy R. Dolan	Brittani Quick
602	Department of Agriculture	Tammy R. Dolan	Brady Larson
616	State Seed Department	Tammy R. Dolan	Brittani Quick
627	Upper Great Plains Transportation Inst.	Tammy R. Dolan	Brittani Quick
628	Branch Research Centers	Tammy R. Dolan	Brittani Quick
630	NDSU Extension Service	Tammy R. Dolan	Brittani Quick
638	Northern Crops Institute	Tammy R. Dolan	Brittani Quick
640	NDSU Main Research Center	Tammy R. Dolan	Brittani Quick
649	Agronomy Seed Farm	Tammy R. Dolan	Brittani Quick
665	ND State Fair	Tad H. Torgerson	Sheila M. Sandness
670	ND Horse Racing Commission	Tad H. Torgerson	Brady Larson
701	Historical Society	Joe Morrissette	Becky J. Keller
709	Council on the Arts	Joe Morrissette	Becky J. Keller
720	Game and Fish Department	Joe Morrissette	Brady Larson
750	Parks and Recreation Department	Joe Morrissette	Becky J. Keller
770	Water Commission	Tad H. Torgerson	Sheila M. Sandness
801	Dept of Transportation	Tad H. Torgerson	Brady Larson