

# NORTH DAKOTA OFFICE OF THE STATE AUDITOR

State Auditor Joshua C. Gallion

## Department of Transportation

Audit Report for the Biennium Ended June 30, 2021

Client Code 801





## WHAT WE LOOKED AT AND WHY

North Dakota state law requires that our team perform an audit once every two years. This includes a review of financial transactions and determining that expenditures are correct. Our audit reports any errors, internal control weaknesses or potential violations of law identified in significant or high-risk functions of the agency. We also ensured the Department of Transportation protected the sensitive documents that are required to get a REAL ID. Beginning May 3, 2023, every air traveler age 18 or older will need a REAL ID-compliant driver's license, state-issued enhanced driver's license, or another acceptable form of ID to fly within the United States.

## AUDIT REPORT HIGHLIGHTS

### Access Rights to Personal Information Not Restricted



The Department did not properly assign or restrict access rights to the IDEMIA system which could give employees access to sensitive information.

*Read more on page 5*

### Lack of Monitoring for Inappropriate Access



Procedures have not been implemented to monitor for inappropriate access to sensitive information.

*Read more on page 6*

### No Evidence of Training or Acknowledgement of Confidentiality



We found there is no evidence that employees of the DOT completed training for handling confidential documents.

*Read more on page 7*

# TABLE OF CONTENTS

## INTRODUCTION

Terms Used in Report . . . . . 3

## AUDIT RESULTS

REAL ID Objective . . . . . 4

*Individual Access Rights to IDEMIA Not Correctly Restricted . . . . . 5*

*Lack of Monitoring for Inappropriate Access to IDEMIA . . . . . 6*

*No Evidence of Appropriate Training or Acknowledgement of Confidentiality . . . . . 7*

Primary Objective . . . . . 9

## AUDIT PROCEDURES

REAL ID Objective . . . . . 10

Primary Objective . . . . . 11

Authority and Standards . . . . . 12

## LEGISLATIVE AUDIT AND FISCAL REVIEW COMMITTEE

Responses to LAFRC Audit Questions . . . . . 13

LAFRC Audit Communications . . . . . 14

## FINANCIALS

Revenues and Expenditures . . . . . 15

Appropriations . . . . . 17



## HAVE QUESTIONS? ASK US.

### NORTH DAKOTA STATE AUDITOR'S OFFICE

600 E. Boulevard Ave. Dept. 117  
Bismarck, North Dakota 58505

- 701-328-2241
- [NDSAO@nd.gov](mailto:NDSAO@nd.gov)
- [ND.gov/Auditor](http://ND.gov/Auditor)
- Facebook - [ndsao.link/ebs](https://www.facebook.com/ndsao.link/ebs)
- LinkedIn - [ndsao.link/wsw](https://www.linkedin.com/company/ndsao.link/wsw)
- YouTube - [ndsao.link/f2d](https://www.youtube.com/channel/ndsao.link/f2d)

# Introduction

## Department of Transportation

August 23, 2022

---

**W**e are pleased to submit this audit of the North Dakota Department of Transportation for the biennium ended June 30, 2021. This audit resulted from the statutory responsibility of the State Auditor to audit or review each state agency once every two years. The same statute gives the State Auditor the responsibility to determine the contents of these audits.

The primary consideration in determining the contents of these audits is to produce informative audits to improve government. Statutory audit requirements are an important part of these audits and are addressed by our standard audit objective. Whenever possible, additional audit objectives are included to increase responsiveness and effectiveness of state government.

Lindsey Slappy, CPA, was the audit manager. Inquiries or comments relating to this audit may be directed to the audit manager by calling (701) 328-2241. We wish to express our appreciation to the Department's staff for the courtesy, cooperation, and assistance they provided to us during this audit.

Respectfully submitted,

*/S/*

**JOSHUA C. GALLION**  
**NORTH DAKOTA STATE AUDITOR**

## TERMS USED IN REPORT

**Appropriation:** Sum of money or total of assets devoted to a special purpose.

**Blanket Bond Coverage:** Insurance to state agencies for any default or wrongful act on the part of any public employee or public official.

**ConnectND:** The accounting system for North Dakota.

**Emergency Commission:** Group of elected officials that have the authority to transfer or expend money appropriated by the North Dakota Legislative Assembly. Additional information can be found in N.D.C.C. Chapter 54-16.

**Internal Control:** Policies and procedures that ensure reliable financial reporting, safeguard assets, promote accountability and efficiency, and prevent fraud.

**IDEMIA:** The computer system used to store required documents received to issue a REAL ID.

**Noncompliance:** Failure to act in accordance with a wish or command.

**North Dakota Century Code (N.D.C.C.):** Collection of all the statutes passed by the North Dakota Legislative Assembly.

**Performance Audit:** Engagements that provide objective analysis, findings, and conclusion to assist management and those charged with governance and oversight to improve program performance and operations, reduce costs, facilitate decision making, and contribute to public accountability.

**Session Laws:** Published after each regular and special legislative session and contain the laws enacted during that session.

# Audit Results

## Real ID

### OBJECTIVE

Does the Department of Transportation have proper procedures in place to protect sensitive information that is required to receive a REAL ID?

### CONCLUSION

The Department of Transportation (DOT) did not properly assign access rights, perform monitoring for inappropriate access, or complete necessary training for accessing sensitive information needed for the REAL ID.

### BACKGROUND

The DOT is responsible for administering the REAL ID program. This program was created under the federal REAL ID Act passed by Congress in 2005. It established minimum security standards for issuing licenses and identification cards.

North Dakota legislature passed the final implementation bill for REAL ID during the 65th Legislative Assembly in 2017. The federal deadline for implementation of the REAL ID Act is May 3, 2023. After this date, the REAL ID, state-issued enhanced driver's license, or other acceptable form of ID will be required for commercial air travel, accessing certain federal facilities, and entering nuclear power plants.

A person that wants a REAL ID must provide proof of identification, proof of name change if applicable, proof of social security number, and proof of North Dakota residence by presenting two documents. A scanned copy of these records is maintained in the IDEMIA system for an indefinite period.

As of June 30, 2021, the DOT has issued a total of 266,916 REAL ID driver's licenses and identification cards.

### REAL ID Required Personal Documentation\*

- 1 Proof of Identity:**
  - Birth certificate, valid U.S. passport, certificate of citizenship, etc.
- 2 Proof of Name Change:**
  - Marriage certificate, adoption document, etc.
- 3 Proof of Social Security Number:**
  - Social security card, pay stub, etc.
- 4 Proof of North Dakota Residence\*\*:**
  - Tax statement, utility bill, etc.

*\*\*Must provide two of the approved documents*

*\*Information found on DOT website*

**As of June 30, 2021, a total of 266,916 North Dakota residents have submitted this sensitive information to DOT.**



## Individual Access Rights to IDEMIA Not Correctly Restricted

### WHAT HAPPENED

The DOT did not properly assign or restrict individual access rights to the IDEMIA system which could give employees access to sensitive information without being authorized.

### BACKGROUND

The DOT assigned unique access rights to 25 staff but they used shared usernames and passwords for all other staff throughout the state. There were a total of 37 computers that each had one username and password.



The DOT **did not** properly assign or restrict access rights to the IDEMIA system, which could give employees access to **sensitive information** without being authorized.

Of those 25 staff, there were four that either left their position at the DOT or transferred out of the Driver's License division. One of the individuals did not have their access removed immediately after leaving. It took three days to request access rights to be removed. This individual retired and had provided advanced notification of their retirement date. We did verify this individual did not access the system after their retirement.

The DOT does not have a policy on the timing to remove access rights. However, because the DOT is a cabinet agency, it follows the Office of Management and Budget (OMB) Human Resources policies. OMB policy requires that all access rights be removed as soon as termination is

known (OMB HR Policy Chapter 15, Section 12). In addition, the North Dakota Security Plan provided to the federal government indicates that authorization to access information will be based on position assignment. This is also considered proper internal controls as the framework from the Government Accountability Office states that security and confidentiality of information is enhanced by properly restricting access (GAO Greenbook 11.04).

### RECOMMENDATION

We recommend the Department of Transportation properly assign and restrict individual access rights to the IDEMIA system.

### DEPARTMENT OF TRANSPORTATION RESPONSE

NDDOT agrees with the recommendation. Driver License (DL) will follow the OMB policy requiring all access rights be removed as soon as termination is known. As of 7/2/2021, unique access accounts were created in IDEMIA for each examiner that logs activity. On 8/12/2022, all shared usernames and passwords were inactivated, and shared access was removed from all computers at the front counters. All examiners must log in to review any document or photo with their individual secure login.

NDDOT will review and assign access to individuals based on position assignment when they start employment or transfer to a new role.

## Lack of Monitoring for Inappropriate Access to IDEMIA

### WHAT HAPPENED

The DOT has not designed and implemented procedures to identify inappropriate access to sensitive personal information in IDEMIA – which could occur, and could go undetected. This creates the potential for an individual to use sensitive information for personal gain.



The DOT **has not** implemented procedures to stop inappropriate access to sensitive personal data. This allows employees to see **sensitive information** about individuals.

### BACKGROUND

The IDEMIA system generates a report that could be used to monitor employees with individual usernames. This report is not currently being used. Also, the current process of using shared usernames and passwords prevents the DOT from being able to monitor inappropriate access for most staff. The department would only be able to identify the computer where inappropriate access occurred but not a specific individual.

The Government Accountability Office internal control framework says ongoing monitoring should be part of the normal course of operations. This includes procedures over access to protect the entity from inappropriate access and unauthorized use of the system (GAO Greenbook Sections 16.05 and 11.12).

### RECOMMENDATION

We recommend the Department of Transportation design and implement procedures to identify potentially inappropriate access, review the activity, and conclude on whether it was needed based on job responsibilities.

### DEPARTMENT OF TRANSPORTATION RESPONSE

NDDOT agrees with the recommendation and will develop a procedure to monitor IDEMIA access. Our new card system is expected to launch summer of 2023. A report will be created to show examiner attempts to access issuance records in I3BO, where there was no issuance for the customer. This report will be reviewed monthly, any discrepancies will be reviewed with management.

Until the new system goes live, DL management will design a procedure to randomly review examiner access and transactions. Any discrepancies will be reviewed with the manager to determine if further research and/or actions are necessary.



## No Evidence of Appropriate Training or Acknowledgement of Confidentiality

### WHAT HAPPENED

The DOT did not have proper procedures in place to track required training. They also did not have procedures in place to track annual confidentiality policy acknowledgements. Without these procedures in place, employees may not receive appropriate training for the handling of confidential documents and are not acknowledging the required confidentiality for this information.

### BACKGROUND

The Department does not have evidence that employees completed required training for handling of confidential documents or evidence that employees have signed annual confidentiality forms.



The DOT **does not** have evidence that employees completed training for handling **confidential documents.**

The NDDOT Security Plan provided to the federal government states that all employees that handle confidential documents will receive training upon initial access and a refresher training at least annually. It states additional training would be provided if it was determined necessary. The Security Plan also indicates that each person who has access to driver's license data will sign an annual confidentiality policy indicating they understand how to handle confidential documents.

The training is included as part of a PowerPoint presentation given to new employees, but the DOT does not have records that any individuals completed their initial training. Without these records, we cannot determine if each employee received this required training.

The DOT has not developed an annual refresher training to provide all employees like stated in the NDDOT Security Plan. Instead, the DOT indicated the need for additional training would be identified during the annual performance review if a staff member did not meet all required competencies. This process does not agree with the information provided in the Security Plan which states that all staff will receive a refresher training at least annually.

The Security Plan also mentions an annual confidentiality form. Seven of the eight employees we reviewed did not have a signed confidentiality policy on file. The agency indicated that this was not being required for all staff during our audit period.

### RECOMMENDATION

We recommend the DOT:

- Develop procedures to track the completion of all required trainings.
- Develop and require an annual document handling training as outlined in the Security Plan.
- Require employees to review and acknowledge the confidentiality policy annually, as documented in the Security Plan.

### DEPARTMENT OF TRANSPORTATION RESPONSE

NDDOT agrees with the recommendation. NDDOT has developed training and will draft procedures for tracking the policy reviews.

Since January 2022, all new employees are automatically enrolled in the Driver License Confidentiality Policy

and SSA Security Training. An annual review and acknowledgement for all existing employees is required and documentation is logged upon completion of the review.

New employees are required to take the fraudulent training through the LMS. Annual document training will be conducted at in-service or online and documented accordingly.



## Primary Objective

### ▼ OBJECTIVE

Are there any errors, internal control weaknesses, or potential violations of law for significant and high-risk functions of the agency?

### CONCLUSION

No were concerns were identified.



# Audit Procedures

## Real ID Objective

### INTERNAL CONTROL

We obtained an understanding of internal control through inquiries, observations, and inspection of documentation and electronic data records. We planned our audit work to assess the design, implementation, and operating effectiveness of those internal controls that were significant to our audit objective.

The specific internal control testing completed for this audit objective is identified below:

- Access rights are properly assigned based on job duties.
- Access rights are removed upon termination.

The deficiencies were identified in Findings 2021-01 and 2021-02.

### SCOPE

Our audit period was July 1, 2019 - June 31, 2021.

REAL IDs are issued by the Driver's License division staff at the main office, main districts, and district sections. The DOT has 8 main districts in the following locations: Bismarck, Devils Lake, Dickinson, Fargo, Grand Forks, Minot, Valley City, and Williston. Each main district includes additional district sections with remote locations.

The policies related to the REAL ID are included in the Security. The requirements and implementation of the Security Plan is completed by the main office. In addition, the issuance, deletion, and monitoring of access is the responsibility of the main office.

All this activity was included as part of the scope of our audit.

### METHODOLOGY

To meet this objective, we:

- Interviewed appropriate agency personnel about processes and procedures surrounding the issuance of REAL IDs and use of the IDEMIA system.
- Selected a random sample of employees to determine that required source document handling training was completed.
- Selected a random sample of employees to determine required threat identification training is completed annually.
- Selected a random sample of employees to determine a confidentiality policy was signed annually.
- Reviewed the individual access rights and determined they were properly assigned based on job duties.
- Tested all terminated employees to determine that access rights were terminated timely.

## Primary Objective

### INTERNAL CONTROL

We obtained an understanding of internal control through inquiries, observations, and inspection of documentations and electronic data records. We planned our audit work to assess the design, implementation, and operating effectiveness of those internal controls that were significant to our audit objectives.

The specific internal control testing completed for this audit objective is identified below:

- Segregated preparation and approval of expenditures is tested statewide in the State of North Dakota Annual Financial Report.
- Purchase card expenditures and the related receipts are reviewed and approved by an appropriate individual.
- Purchase card statements are reconciled to the transaction detail report by a non-card holder.
- Proper level of procurement training was completed by the purchasing employee.
- Supervisor approval of timesheets in relation to shift differential pay.
- Annual physical inventory was taken by appropriate individuals without access to the fixed asset records.
- Proper approval for any fixed asset deletions.

There were no deficiencies identified.

### SCOPE

This audit was for the biennium ended June 30, 2021.

The DOT has its central office in Bismarck and eight district offices. All offices were included in the scope of the audit:

- Central Office
- District 1 — Bismarck
- District 2 — Valley City
- District 3 — Devils Lakes
- District 4 — Minot
- District 5 — Dickinson
- District 6 — Grand Forks
- District 7 — Williston
- District 8 — Fargo

### METHODOLOGY

To meet this objective, we:

- Performed detailed analysis procedures including computer-assisted auditing techniques. These procedures were used to identify high-risk transactions and potential problem areas for additional testing.
- Used non-statistical samples and projected the results to the population. Where applicable, populations were stratified to ensure that appropriate agency personnel were interviewed.
- Observed the Department's processes and procedures.
- Interviewed appropriate agency personnel.
- Analyzed and tested expenditures to determine the Department of Transportation did not expend more than appropriated (N.D.C.C. 54-16-03, 2019 Session Laws House Bill 1012).
- Analyzed accounts charged by appropriation class to determine that expenditures were not charged to an inappropriate class to circumvent appropriation authority including any credits to appropriations (N.D.C.C. 54-16-03).
- Analyzed expenditures and determined \$1,300,000 one-time funding was used for Minot and Williston driver's license facility maintenance (2019 Session Laws House Bill 1012 Section 2).

- Analyzed expenditures and determined \$22,500,000 one-time funding was used for Driver’s license system project (2019 Session Laws House Bill 1012 Section 2).
- Analyzed expenditures and determined \$2,500,000 from the general fund was used for enhancing the short line railroad program (2019 Session Laws House Bill 1012 Section 5).
- Reviewed non-appropriated fund activity to ensure the DOT had legislative approval for non-appropriated expenditures (N.D.C.C. 54-44.1-09).
- Analyzed compliance with the documented intent of appropriation adjustments (N.D.C.C. 54-16-03).
- Reviewed adequacy of blanket bond coverage by comparing coverage to state bonding guidelines (N.D.C.C. 26.1-21-08, N.D.C.C. 26.1-21-10(1)).
- Selected a random sample of purchase card expenditures to ensure they were properly supported, reviewed, approved, coded, and reconciled (N.D.C.C. 44-08-05.1).
- Selected a random sample of refunds related to Drivers Licenses or Motor Vehicle and determined the payments were proper and supported (N.D.C.C. 54-44.1-10).
- Analyzed and selected random expenditures related to special funds to ensure charges were in accordance with fund restrictions, accurate recording of payments in the state’s accounting system related to class, fund and account, and reasonableness of purchase. The tested legislatively restricted funds included:
  - o Highway Fund (North Dakota Constitution, Article X, Section 11).
  - o Fleet Services (N.D.C.C. 24-02-03.5).
- Performed an analysis of the states accounting system transactions for possible duplicate payments and performed a test of potential duplicates (N.D.C.C. 44-08-05.1, 54-44.1-10).
- Analyzed and selected a sample of high-risk procurement expenditures to determine if good and services were properly approved in accordance with competitive requirements (N.D.C.C. 54-44.4, N.D.A.C. Title 4-12, and OMB State Procurement Manual policies and guidelines).
- Selected a random sample of payments made for “Shift Differential/Regional Pay Differential” category and determined they were properly supported and approved (Department of Transportation Human Resource policy 14.25).
- Selected a random sample of items from the departments fixed asset inventory and traced to the applicable annual inventory (N.D.C.C. 44-04-07).
- Selected a random sample of items removed from the departments fixed asset inventory and ensured the items was properly disposed of (N.D.C.C. 54-44-04.6).

#### **AUTHORITY AND STANDARDS**

This biennial audit of the North Dakota Department of Transportation has been conducted by the Office of the State Auditor pursuant to authority within North Dakota Century Code Chapter 54-10.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The standards used to evaluate internal control are published in the publication *Standards for Internal Control in the Federal Government* issued by the Comptroller General of the United States (Green Book, GAO-14-704G).





# Responses to LAFRC Audit Questions

## **1. WHAT TYPE OF OPINION WAS ISSUED ON THE FINANCIAL STATEMENTS?**

Revenues, expenditures and appropriation information was not prepared by the Department of Transportation in accordance with generally accepted accounting principles so an opinion is not applicable. The agency's transactions were tested and included in the state's basic financial statements on which an unmodified opinion was issued.

## **2. WAS THERE COMPLIANCE WITH STATUTES, LAWS, RULES, AND REGULATIONS UNDER WHICH THE AGENCY WAS CREATED AND IS FUNCTIONING?**

Other than the findings of this report, the Department of Transportation was in compliance with significant statutes, laws, rules, and regulations under which it was created and is functioning.

## **3. WAS INTERNAL CONTROL ADEQUATE AND FUNCTIONING EFFECTIVELY?**

Other than the findings of this report, we did not identify any deficiencies in internal control that were significant within the context of our audit objectives.

## **4. WERE THERE ANY INDICATIONS OF LACK OF EFFICIENCY IN FINANCIAL OPERATIONS AND MANAGEMENT OF THE AGENCY?**

No.

## **5. HAS ACTION BEEN TAKEN ON FINDINGS AND RECOMMENDATIONS INCLUDED IN PRIOR AUDIT REPORTS?**

There were no recommendations included in the prior audit report.

## **6. WAS A MANAGEMENT LETTER ISSUED? IF SO, PROVIDE A SUMMARY BELOW, INCLUDING ANY RECOMMENDATIONS AND THE MANAGEMENT RESPONSES.**

No, a management letter was not issued.



# LAFRC Audit Communications

## **7. IDENTIFY ANY SIGNIFICANT CHANGES IN ACCOUNTING POLICIES, ANY MANAGEMENT CONFLICTS OF INTEREST, ANY CONTINGENT LIABILITIES, OR ANY SIGNIFICANT UNUSUAL TRANSACTIONS.**

There were no significant changes in accounting policies, management conflicts of interest, contingent liabilities, or significant unusual transactions identified.

## **8. IDENTIFY ANY SIGNIFICANT ACCOUNTING ESTIMATES, THE PROCESS USED BY MANAGEMENT TO FORMULATE THE ACCOUNTING ESTIMATES, AND THE BASIS FOR THE AUDITOR'S CONCLUSIONS REGARDING THE REASONABLENESS OF THOSE ESTIMATES.**

The Department of Transportation's revenues, expenditures and appropriation information does not include any significant accounting estimates.

## **9. IDENTIFY ANY SIGNIFICANT AUDIT ADJUSTMENTS.**

Significant audit adjustments were not necessary.

## **10. IDENTIFY ANY DISAGREEMENTS WITH MANAGEMENT, WHETHER OR NOT RESOLVED TO THE AUDITOR'S SATISFACTION RELATING TO A FINANCIAL ACCOUNTING, REPORTING, OR AUDITING MATTER THAT COULD BE SIGNIFICANT TO THE FINANCIAL STATEMENTS.**

None.

## **11. IDENTIFY ANY SERIOUS DIFFICULTIES ENCOUNTERED IN PERFORMING THE AUDIT.**

None.

## **12. IDENTIFY ANY MAJOR ISSUES DISCUSSED WITH MANAGEMENT PRIOR TO RETENTION.**

This is not applicable for audits conducted by the Office of the State Auditor.

## **13. IDENTIFY ANY MANAGEMENT CONSULTATIONS WITH OTHER ACCOUNTANTS ABOUT AUDITING AND ACCOUNTING MATTERS.**

None.

## **14. IDENTIFY ANY HIGH-RISK INFORMATION TECHNOLOGY SYSTEMS CRITICAL TO OPERATIONS BASED ON THE AUDITOR'S OVERALL ASSESSMENT OF THE IMPORTANCE OF THE SYSTEM TO THE AGENCY AND ITS MISSION, OR WHETHER ANY EXCEPTIONS IDENTIFIED IN THE SIX AUDIT REPORT QUESTIONS TO BE ADDRESSED BY THE AUDITORS ARE DIRECTLY RELATED TO THE OPERATIONS OF AN INFORMATION TECHNOLOGY SYSTEM.**

ConnectND Finance, Human Resource Management System (HRMS), State Title and Registration System (STARS), Construction Automated Records System (CARS), Contract Management System (CMS), Preliminary Automated Construction Electronic Records (PACER), Drivers License Master (DL3), Motor Carrier Systems, Idemia, and Fleet Management Systems are high-risk information technology systems critical to the North Dakota Department of Transportation.

# Financials

## Revenues and Expenditures

REVENUES AND OTHER SOURCES	JUNE 30, 2021	JUNE 30, 2020
Federal Revenue	\$ 338,776,591	\$ 321,380,514
Motor Vehicle Excise Tax	153,759,334	131,064,409
License, Permits, and Fees	113,532,325	110,504,528
Fleet Services	29,020,074	24,695,573
Political Subdivisions Cost Share	27,255,594	38,001,207
Drivers License (Net of refunds)	5,386,358	4,766,351
Sales of Assets	4,878,873	3,409,417
Indirect Cost Recoveries	1,340,334	1,399,900
Highway Damage Claims	467,225	629,837
Interest on Investment	393,706	1,087,836
Miscellaneous Revenue	1,392,418	1,317,474
Transfers In	275,808,379	170,450,897
<b>Total Revenues and Other Sources</b>	<b>\$ 952,011,211</b>	<b>\$ 808,707,943</b>

Source: ConnectND Financials

Continued on following page

# Financials

## Revenues and Expenditures

EXPENDITURES AND OTHER USES	JUNE 30, 2021	JUNE 30, 2020
Highway, Contractor, and Easement Payments	\$ 437,137,279	\$ 425,531,316
Salaries and Benefits	94,476,136	91,584,850
Engineers/Engineering Consultants	50,737,539	35,156,928
Grants	36,438,431	24,330,662
IT Services/Equipment	24,042,777	10,116,594
Building, Grounds, Vehicle Supply	19,745,278	22,333,790
Travel	16,786,238	14,018,165
Motor Vehicles	14,492,581	13,495,564
Other Professional Fees and Services	11,778,461	8,951,538
Repairs	10,519,654	10,377,620
Supplies and Equipment	6,652,551	4,145,079
Utilities	2,742,297	2,692,259
Building Construction/Land Purchases	2,729,889	5,090,172
Operating Fees and Services	2,456,522	2,170,269
Postage	1,207,123	996,131
Miscellaneous Expenditures	2,371,944	2,115,264
Transfers Out	1,573,206	539,836
<b>Total Expenditures and Other Uses</b>	<b>\$ 735,887,906</b>	<b>\$ 673,646,037</b>

Source: ConnectND Financials

# Appropriations

For the Biennium Ended June 30, 2021

EXPENSES BY LINE ITEM	FINAL APPROPRIATION	EXPENDITURES	UNEXPENDED APPROPRIATIONS
Salaries and Wages	\$ 197,837,564	\$ 186,070,035	\$ 11,767,529
Operating Expenses	276,273,464	233,745,276	42,528,188
Capital Improvements	1,019,657,291	798,448,966	221,208,325
Construction Carryover	12,769,640	10,464,498	2,305,142
COVID-19 Capital Assets	317,000,000	-	317,000,000
HB 1015 Discretionary Match	100,000,000	-	100,000,000
Enhanced State Highway Invest	125,731,726	115,631,428	10,100,298
Grants	114,143,641	59,676,201	54,467,440
Short Line Railroad Program	2,500,000	2,500,000	-
COVID-19 Transportation Grants	61,584,858	1,541,942	60,042,916
County & Township Road Program	-	-	-
Grants to Township	750,000	-	750,000
COVID-19 Grants	1,609,357	-	1,609,357
COVID-19 Enhanced Mobility	115,202	-	115,202
<b>Totals</b>	<b>\$ 2,229,972,743</b>	<b>\$ 1,408,078,346</b>	<b>\$ 821,894,397</b>

EXPENSES BY SOURCE	FINAL APPROPRIATION	EXPENDITURES	UNEXPECTED APPROPRIATIONS
General	\$ 15,500,000	\$ 15,500,000	\$ -
Other	2,214,472,743	1,392,578,346	821,894,397
<b>Totals</b>	<b>\$ 2,229,972,743</b>	<b>\$ 1,408,078,346</b>	<b>\$ 821,894,397</b>

Source: ConnectND Financials




NORTH DAKOTA STATE AUDITOR  
JOSHUA C. GALLION

**NORTH DAKOTA STATE AUDITOR'S OFFICE**


600 E. Boulevard Ave. Dept. 117 | Bismarck, North Dakota 58505

 [ND.gov/Auditor](https://nd.gov/Auditor)

 [NDSAO@nd.gov](mailto:NDSAO@nd.gov)

 701-328-2241

 Facebook - [ndsao.link/ebs](https://www.facebook.com/ndsao.link/ebs)

 YouTube - [ndsao.link/f2d](https://www.youtube.com/ndsao.link/f2d)

 LinkedIn - [ndsao.link/wsw](https://www.linkedin.com/ndsao.link/wsw)