

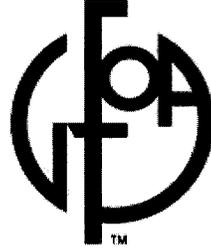
2005-2007 BIENNIUM

THE
GOVERNOR'S
EXECUTIVE BUDGET SUMMARY
AND
BUDGET MESSAGE

John Hoeven, Governor

STATE OF NORTH DAKOTA





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
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State of North Dakota

For the Biennium Beginning

July 1, 2003

President

Executive Director

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JOHN HOEVEN
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Good morning. I wish to welcome the members of the 59th North Dakota Legislative Assembly, elected officials, cabinet members, state employees, First Lady Mikey, and my fellow North Dakotans.

I also want to acknowledge our men and women in uniform, those who are with us today, and those who are defending our nation overseas. Thank you, from the bottom of our hearts, for your service to our state and to our country.

Today, I am pleased to present the executive budget for the 2005-2007 biennium.

First, I want to recognize the Office of Management and Budget, our state agencies, and my staff for their hard work and diligence in constructing our new budget.

Our work has produced a responsive – and fiscally responsible – budget for the people of North Dakota. Thank you to all who have worked so hard on it.

Let me summarize the core of our budget:

- Our budget is conservative. It includes a rainy day fund of more than \$60 million, one of the largest we've ever had.
- Our budget invests in the future of our state to continue the growth of our economy and expand the opportunities available to our citizens.
- Our budget provides for the basic needs of our citizens, who need our help and deserve our support.
- And our budget includes no tax increases.

For the past four years, we have made expanding our economy and creating good paying jobs priority number one.

In the 2001 session, we created a Department of Commerce to streamline our economic development resources and provide one-stop shopping for businesses.

We have forged a statewide economic development strategic plan, which has targeted industries where North Dakota has natural advantages – industries like value-added agriculture, energy, advanced manufacturing, technology and tourism.

We have simplified our corporate income tax, created a variety of new tax incentives to promote economic growth, improved our regulatory environment, and created one of the most competitive business climates not only in America, but in the world.

To make our business climate more widely known, we have launched the most aggressive campaign in our state's history to market North Dakota as a great place to live, work, and do business.

The results are a matter of record.

- Over the past four years, we have balanced our budget when other states couldn't.
- Forty-seven states faced deficits and raised taxes by almost \$10 billion. Many of them, like Minnesota, still face deficits, forcing them to make tough choices between reducing services and raising taxes.
- Here in North Dakota, through aggressive economic development efforts, and with the hard work of people across our state, we have grown and expanded our economy.
- Last year, we led the nation in per capita income growth, and our wage growth was the second fastest in the nation.
- We were the only state in America where household income grew and poverty declined.
- We created jobs when other states lost jobs, and growing sales and income tax revenues reflect a growing economy and a rising standard of living for our citizens.

The results of our sound fiscal management and aggressive economic development efforts were recognized this November by Moody's Investor Services.

Moody's, which rates states' credit worthiness nationwide, has just raised our state's bond rating from Aa3 to Aa2.

This upgrade in North Dakota's credit rating further demonstrates that our approach is producing solid economic and fiscal gains for our state, as well as new opportunities for our people.

We have done these things together, and to our legislators, I say thank you. But, there is more to do.

For the next biennium, we have advanced three priorities in our budget:

- First, to exercise sound fiscal management that will help to ensure the financial health of our state for years to come.
- Second, to stimulate solid, sustainable economic growth for the future.
- Third, to provide for the basic needs of the people who need our help and deserve our support, including our seniors, our children, and our veterans.

We've made progress on all these fronts, but now we need to take our efforts to the next level.

Working together, we can build a brighter future for the people of North Dakota.

GOOD FISCAL MANAGEMENT

Due to our more dynamic economy and good fiscal management during the current biennium, our ending balance will be about \$127 million.

That includes the one-time \$50 million fiscal relief and represents the largest ending balance in 20 years.

In addition, our forecast for the 2005-2007 biennium contains about \$82 million more in revenue growth over this biennium's income. We also have \$41 million growth in the oil trust fund.

As good stewards of the taxpayers' money, we have looked carefully at our revenues and our expenditures to make sure we are spending within our means, and that we have healthy reserves going forward.

To meet our goal, our reserves, or rainy day funds, total more than \$60 million. That includes a \$10 million ending fund balance, \$41 million in the oil trust fund, and \$10 million in reserves at the Bank of North Dakota.

At the same time, we are proposing to further strengthen BND's capital structure. We recommend raising the floor on the Bank's statutory capital level from \$140 million to \$150 million.

With these substantial reserves in place, we are left with about \$200 million of revenue growth to invest in vital services and growing our economy.

Revenues and reserves, of course, are only part of the picture. The other part is expenditures, and we do have significant additional costs.

Due to North Dakota's growing economy and per capita income, our state has had to assume a larger share of the cost of Medicaid.

That increased share amounts to \$32 million next biennium, an amount equal to the reduction of our federal Medicaid match, or FMAP. In other words, we must replace federal dollars we will no longer receive with state dollars.

Also, the budget includes one-time expenditures of \$11.9 million, and increased funding of more than \$16 million for the legislative and judicial branches, as required by law.

As good stewards of the taxpayers' money, however, we have been careful to ensure that projected revenue growth will exceed the rate of growth in expenditures. Ongoing revenues – that is, revenues excluding transfers – are projected to grow at a rate of 4.3 percent annually.

When we adjust for costs we can't control – like the loss of federal funds for Medicaid, legislative and judicial increases, and committed one-time expenditures – we find we have growth in spending of just 3.6 percent per annum, well below our projected growth of 4.3 percent for revenues.

Also our budget also doesn't rely on reserve funds. Our only significant transfer is \$16.9 million from the health care trust fund for nursing homes.

This is half of what we used last biennium, and we are using it for its dedicated purpose – nursing homes.

Having budgeted conservatively – with revenues exceeding expenditures, and a prudent reserve going forward – we now have the resources we need to further invest in our priorities.

Working together, we can build a brighter future for North Dakota.

INVESTING TO GROW OUR ECONOMY

Investing to grow our economy begins with education.

EDUCATION

A world-class education system encompasses K-12 and Higher Education, but also more broadly, Career and Technical Education, lifelong learning, Workforce Development, and job force training.

K-12 Education

Our budget dedicates an increase of \$37.5 million to K-12 education in the next biennium and fulfills the first installment of our plan to increase support for education by \$75 million over the next four years.

Our plan for K-12 education has three main components: first, to further improve teacher compensation; second, to achieve greater funding equity among schools; and third to provide schools and districts with the funding they need to share resources and economize on costs.

Teacher Compensation

We need to attract and retain the best and brightest teachers to prepare a new generation of North Dakotans for the jobs and opportunities of the future. To do that, we are targeting 70 percent of all state aid and Tuition Apportionment dollars for increased teacher compensation.

We will also introduce legislation to raise beginning teacher salaries by \$1,500 each year of the biennium.

Our ultimate goal is to see this work through the salary schedule to increase average teacher compensation by at least \$3,000 over two years.

Improving School Equity

To improve school funding equity, we are proposing a series of measures:

- First, we propose a 50 percent increase in supplemental payments, increasing our commitment – from \$5 million to \$7.5 million.
- Second, we propose a change in the weighting factors, so that no school, regardless of size, will get less than 100 percent of its authorized per pupil payment.
- Third, we have simplified the weighting-factor categories to group schools according to their appropriate peer group, and thereby provide greater fairness.
- And fourth, we have increased payments to address the unique needs of schools that meet the statutory definition for small and isolated to further achieve equity.

Joint Powers Agreements

In addition to improving equity, we can also do more with Joint Powers Agreements.

Cooperation and sharing among school districts multiplies resources and provides more and better education experiences for our children.

To help school districts further the effort we began last session, we are proposing \$2 million in state support for Joint Powers Agreements.

JPAs not only provide school districts with a blueprint for increasing efficiency and improving curriculum, but also help to reduce the pressure on local property taxes.

These agreements have demonstrated their ability to create educational opportunities for our children and cost savings for our school districts.

JPAs are the most promising plan we have seen to leverage school resources for the benefit of our students.

We call our plan the Quality Schools program, and believe it will become worthy of more funding in the coming years.

Career and Technical Education

In addition to traditional education, to truly benefit from the opportunities created by our growing and increasingly diverse economy, we must

continue to build a workforce with the technical skills and training that they need to compete in a world economy.

Technology, in fact, is a common thread throughout all of the industries we've targeted for growth in North Dakota.

We have, therefore, recommended a total of \$5.7 million for Career and Technical Education, information technology training and services, and continued funding for online resources at our libraries and K-12 schools.

This includes funding for STAGEnet – the state's voice, video, and data network; for Educational Technology Council grants; and for the state's K-12 High Tech Consortiums, which pool resources, equipment, and curriculum to make them available to more North Dakota students.

Higher Education

Working to build the best educational system means committing more resources to higher education as well.

There is broad agreement on the importance of our state's higher education system – as a source of both personal enrichment and economic vitality for the future of North Dakota.

Last biennium we called upon our campuses to be partners with us in economic development.

We asked them to leverage state, federal and private resources to drive economic growth and jobs, to provide excellence in education, and to train our young people for higher paying jobs – the careers of the future.

As a result, today they are planning new and innovative career paths for students, and partnering with private industry and government at all levels to help us build a brighter future right here in North Dakota.

For the next biennium, in order to take our efforts to the next level, we are proposing an increase of almost \$29 million in core funding for the North Dakota University System.

This significant increase follows the recommendation of the Higher Education Roundtable that funding for our campuses grow as our economy grows.

We propose to fund our university system at a level equal to 21 percent of recurring revenues, which will help to keep tuition and the cost of a college education affordable for all.

Centers of Excellence

To expand and strengthen the bridge between our universities and the business community, we are proposing a significant expansion of our *Centers of Excellence* initiative as a \$50 million, multi-biennium program with the Bank of North Dakota.

BND will be repaid through funding from the Department of Commerce, and we have included \$5 million in that agency's biennial budget for that purpose.

The state's funding authority would be matched with resources from the private- and public-sector to create up to \$150 million for development of *Centers of Excellence* on campuses throughout North Dakota.

Centers of Excellence bring everyone together to work on economic development – our campuses, business communities, local developers and students, as well as local, state and federal government partners.

Most importantly, *Centers of Excellence* mean better paying jobs, more dynamic campuses, and a more vibrant economy for communities all across our state.

It is an investment that will pay for itself many times over, and when you look at what other states are doing, it is an investment we must make or we will simply be left behind.

We look forward to working with legislators, our university system, our businesses, and community leaders to build these *Centers of Excellence*, and with them, a better standard of living and a brighter future for North Dakota.

ENERGY AND AGRICULTURE

At the same time, we need to continue our investments in energy and agriculture, two of the industries we've targeted for growth in North Dakota.

The fact is, energy in North Dakota is all around us, literally on the wind and in the land, and we are working hard to harness all of these sources for the good of our state and our nation.

Biofuels are the point at which value-added agriculture and energy development intersect.

In the coming biennium, we will continue funding for our ethanol incentive program, designed to boost both production and consumption of ethanol in North Dakota..

We will also continue to work with the Corn Council and other renewable fuel groups to develop additional means to encourage greater use of ethanol and biodiesel in North Dakota.

At the same time, we will also continue our work with Lignite Vision 21 to advance both wind and coal generated energy production in North Dakota.

So far, we have enrolled three major companies in Lignite Vision 21, a public sector, private sector joint venture to build new clean coal-fired power plants in the state.

Thanks in large part to the wind energy incentives we together put in place over the past two sessions, two major projects generating 60 megawatts of electricity have been completed in Edgeley and Kulm.

North Dakota Transmission Authority

The bottleneck in our efforts to expand both lignite and wind energy, however, is a lack of transmission capacity, which prevents us from getting our product to markets outside North Dakota.

Earlier this fall, we recommended that the Industrial Commission submit legislation to establish a North Dakota Transmission Authority.

This transmission authority would serve as a catalyst for new investment, provide low-cost financing to help North Dakota compete with surrounding states, and serve as a partner to investors, providing access to public sector financing not available otherwise.

Transmission is the key to unlocking our potential as a state for further development of our abundant sources of electricity, both wind and coal, and the creation of new, good paying jobs.

North Dakota Trade Office

Just as we seek solutions to growing our economy and creating good paying jobs within our state, we also need to look outward. We need to fully engage in the global marketplace.

To accomplish that, we have budgeted up to \$500,000 to leverage North Dakota products in foreign markets, and we ask North Dakota exporters and export service professionals to match that amount for a total of \$1 million.

Over the past year alone, North Dakota trade missions have reaped more than \$12 million in foreign sales of agriculture and manufactured products to Taiwan, Japan, Cuba and China.

The North Dakota Trade Office has provided a good return on our investment for North Dakota citizens, and now we need to expand our efforts in cooperation with the private sector to build on our initial successes.

Public Service Commission Rail Rate Complaint Case

As we expand our opportunities, both at home and abroad, in energy and agriculture, we will work on behalf of our agricultural producers to ensure fair trade and transportation practices.

On behalf of our shippers, especially our wheat farmers and elevator operators, we have budgeted \$900,000 for the Public Service Commission to press a rail rate complaint before the federal Surface Transportation Board.

Economic Development Accountability

As we expand our economic development efforts in all of these areas, we also need strong accountability measures.

In cooperation with legislators and North Dakota's economic development community, we will advance a plan to require the reporting of specific data regarding our progress.

To help us implement the plan, we have budgeted more than \$100,000 to gather, analyze and make available statistical data concerning economic development projects in North Dakota.

All of these investments – investments in education and training, *Centers of Excellence*, energy development, a transmission authority, value-added agriculture, and the North Dakota Trade Office – they all represent

investments in building our economy, creating jobs, and building a better standard of living for our citizens. Working together, we can build a brighter future for North Dakota.

CARING FOR PEOPLE

Good financial stewardship and a commitment to economic development have provided our state with solid revenue growth.

As we take a portion of these revenues to reinvest in our state, we must also dedicate a portion to honor one of our most important obligations – taking care of our people in need.

That means:

- Providing for our elderly, our children, and people with disabilities.
- It means tax relief for our seniors.
- It means ensuring law enforcement agencies and courts have the tools they need to keep North Dakotans safe.
- It means providing a pay increase for state employees.
- And it means financial assistance to show our veterans and their families that we are grateful for the sacrifices they have made and are continuing to make for our state and our nation.

Veterans Benefits

America is at war, and in time of war, no one makes greater sacrifices than our military and their families.

We must find real and practical ways not only to say thank you, but also to help them and their loved ones get through challenging times.

To do that, we are proposing \$5 million for a Veterans Bonus Program to help those who have served in Iraq, Afghanistan, Somalia, Bosnia, Kosovo and here at home.

Our plan will provide \$100 for each month of overseas service, up to \$1,800, and \$50 for each month of domestic service, up to \$900. It also provides \$2,500 for Purple Heart recipients and for the families of those who made the ultimate sacrifice in the service of their nation.

Further, we are proposing another \$1 million in funding to expand the Tuition Assistance Program for National Guard members, doubling student

aid from \$500 per semester to \$1,000, in addition to the 25 percent tuition discount provided by the University System.

Our men and women in the North Dakota military are making a tremendous effort for all of us, and we must do all we can to recognize their sacrifices.

Senior Security

We also recognize the need to take care of another group of North Dakotans to whom we owe so much – our seniors.

Our budget includes a range of initiatives we call Senior Security, which will not only say thank you, but will also make a real difference in the lives of the elderly.

Homestead Tax Credit

First, we propose to provide our seniors with property tax relief.

To do that, we are proposing more than \$3 million to enhance the Homestead Tax Credit for the elderly and those with disabilities.

Under the plan, homeowners 65 years of age or older would be eligible for a \$3,600 reduction in their home's tax valuation, depending on income and assets.

The maximum benefit would be raised from the first \$44,000 of a home's value to allow the full reduction on an \$80,000 house.

Seniors and people with disabilities under 65 who rent, rather than own, would also qualify, and receive a partial refund on their rent.

Social Security/Unemployment Insurance Offset

Also, we are proposing legislation to repeal the Social Security offset for unemployment insurance, which our seniors currently incur. The cost is about \$700,000.

Our retired seniors should not be penalized for continuing to participate in the North Dakota workforce. They should be treated fairly, like all other employees, for contributing their talents and experience to North Dakota.

Nursing Home Reimbursement Rates

Our budget recommendation for nursing homes is designed to maintain quality, cost-effective services for our seniors.

Working closely with industry leaders, our plan includes a new formula that works better for nursing homes and for the state.

First, we have agreed to compensation for direct care reimbursement based on the median percentile method plus a percentage, rather than the old cost-plus-a-percentage method.

Second, we have fully funded their operating margin and their incentive payments to promote greater efficiency.

And third, we will re-base nursing home reimbursement rates to reflect the industry's current cost structure.

Home and Community Based Care

In addition, our budget expands funding for seniors who can and desire to stay in their homes and communities. To help meet the needs of these seniors, we have increased funding for Home and Community Based Care.

It is money well spent, and well deserved.

Human Services and Medicaid

Further, it is vitally important that we adequately fund Medicaid to care for our poor and our elderly. Our Department of Human Services budget does just that.

The increase for the Department of Human Services budget includes \$32 million, which is the cost of making up the reduction in the federal share of Medicaid.

The balance of the increase for the Human Services budget will fund all current programs at existing eligibility factors.

It will also cover all costs not controlled by the department, such as rate setting rules, federal mandates, insurance premiums, and drug costs.

In addition, we have funded the replacement of the Department of Human Service's outdated Medicaid Management Information System at a cost of \$3.7 million, to be matched by more than \$25 million in federal money.

At the same time, our budget recognizes the needs of our medical professionals and organizations that provide Medicaid services.

To better support their efforts, we have included a 4 percent increase for all providers over the next biennium.

We have worked hard to find cost-effective ways to meet the growing costs of health care services faced by our state. It is truly a challenge, and we look forward to working with the Legislature to continue to meet that challenge.

Corrections and Public Safety

As our veterans and military protect our homeland, our law enforcement and corrections professionals protect our state.

Although North Dakota remains the safest state in the nation, we must never grow complacent. We are not immune from serious offenses.

Just over one year ago, our state and nation were outraged by the Dru Sjodin murder, and moved by the grief and dignity of her family in the aftermath of such a horrible crime.

Over the past year, we have held a series of task force meetings with corrections officials, law enforcement professionals, judges, prosecutors and other concerned citizens to see how we could strengthen our criminal justice system to better protect our citizens from violent criminals.

Although we can never ensure that such a terrible crime doesn't happen again, we can take aggressive steps to make sure that we have done everything possible to prevent it.

We must also meet the demands of a significantly larger and growing prison population.

Meeting these needs requires an increase of more than \$20 million in new money for our Department of Corrections budget, and more than \$3 million in our Human Services budget.

This funding will cover expanded monitoring of sex offenders, enhanced civil commitments in both the community and at the State Hospital, and an increased number of treatment officers and sex offender specialists at our prisons.

Our plan includes such measures as mandatory supervised probation and DNA testing for all felony sex offenders; enhanced sentencing for the most heinous sexual crimes; and enforcement of our tough standards for offenders who relocate from other states.

Our budget invests in the kinds of technology and treatment methods that will improve the safety of our citizens.

We propose to add three field service professionals to monitor sex offenders and five new sex offender specialists.

Our plan also includes funding to monitor sex offenders with Global Positioning System devices that can track an offender 24 hours a day, 7 days a week.

Enhanced treatment and monitoring not only reduce the risk to the public, but also reduce costs by cutting the recidivism rate and the need for prison beds.

In addition, we have proposed \$1 million in equity funding to address salary issues in the Department of Corrections budget.

State Employee Compensation

This brings us to the issue of our hard-working state employees.

All across our state, these employees work hard for the citizens of North Dakota, and they deserve an increase in compensation.

Last legislative session, we were able to absorb an increase in health care premiums for state employees, but they did not receive a salary increase.

We support following the recommendation of the State Employee Compensation Committee to allow an increase of four percent in each year of the 2005-2007 biennium.

The full four percent compensation increase is funded in the first year of the biennium and a three percent increase is funded in the second year of the biennium.

The additional one percent in the second year of the biennium can be provided by agencies to their employees, but they must find cost savings

and efficiencies to fund it. This approach is both supportive of our state employees and prudent for taxpayers.

In addition, our budget follows the committee's recommendation to fully fund family health insurance premiums for state employees, as well as the establishment of a \$5 million state equity pool, split between the general fund and special funds, to address equity issues within state agencies.

State Aid Distribution

Finally, good fiscal management and a growing economy have also enhanced our ability to meet the needs of our cities and counties, and provide additional property tax relief.

In the current biennium, our cities and counties will have received \$4 million more in revenue sharing than was anticipated, and in the next biennium, they will see an additional \$4.3 million.

Improved state aid distribution, along with our proposed increase in state aid to education, will help reduce pressure on property taxes.

PLANNING FOR THE FUTURE

Caring for our people, investing in our future, and sound fiscal management are the principles we've built into our budget.

Today, I ask you join with me to summon the vision, leadership, and resolve to invest in the people of North Dakota – to invest in their talents, their ingenuity, their energy and their outstanding work ethic.

Wherever I travel in North Dakota – from Grand Forks to Williston to Crosby – from Fargo to Rugby to Dickinson – in large towns and small – I sense a new attitude:

- We can create more, good paying jobs and careers.
- We can grow and diversify our state's economy.
- We can build upon our state's agricultural and energy base.
- We can take our place as a state where technology, tourism, and advanced manufacturing thrive.
- We can retain our outstanding quality of life and use it to help us grow and prosper.
- And at the same time, we can provide for the needs of our people – without increasing their taxes.

Our budget is designed to unleash the potential of the people of North Dakota and ensure continued economic growth and opportunity.

Our time is now – together we can build a brighter future for our state.

Thank you, and may God bless North Dakota.

**COMPARISON OF 2003-2005 LEGISLATIVE APPROPRIATION AND
2005-2007 AGENCY BUDGET REQUEST AND EXECUTIVE RECOMMENDATION**

Biennium: 2005-2007

Category / Agency	2003-2005 Legislative Appropriation		2005-2007 Agency Budget Request		2005-2007 Executive Recommendation	
	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds
Executive Branch						
101 OFFICE OF THE GOVERNOR	2,331,886	3,111,886	2,337,821	4,897,821	2,590,772	5,150,772
108 SECRETARY OF STATE	4,142,844	14,023,207	4,139,681	14,079,669	4,532,287	14,848,822
110 OFFICE OF MANAGEMENT AND BUDGET	19,740,511	27,628,987	18,161,139	25,456,781	22,269,688	37,107,969
112 INFORMATION TECHNOLOGY	8,194,803	106,312,104	8,456,181	96,914,101	10,810,359	109,640,934
117 OFFICE OF THE STATE AUDITOR	4,581,232	6,699,208	4,588,802	6,893,675	4,875,991	7,302,981
120 OFFICE OF THE STATE TREASURER	2,626,384	2,626,384	2,628,617	2,628,617	2,332,600	2,332,600
125 OFFICE OF THE ATTORNEY GENERAL	17,054,217	34,483,691	16,675,618	34,075,722	18,269,636	39,690,868
127 OFFICE OF STATE TAX COMMISSIONER	21,154,695	21,269,739	21,177,819	21,297,819	24,996,259	25,116,259
140 OFFICE OF ADMINISTRATIVE HEARINGS	0	1,242,958	0	1,243,329	0	1,306,482
190 RETIREMENT AND INVESTMENT OFFICE	0	4,843,329	0	2,849,339	0	2,966,923
192 PUBLIC EMPLOYEES RETIREMENT SYSTEM	0	4,391,158	0	4,400,620	0	4,692,005
TOTAL	79,826,572	226,632,651	78,165,678	214,737,493	90,677,592	250,156,615
Legislative and Judicial Branches						
150 LEGISLATIVE ASSEMBLY	8,561,252	8,561,252	13,117,952	13,117,952	13,117,952	13,117,952
160 LEGISLATIVE COUNCIL	7,532,856	7,532,856	7,334,614	7,334,614	7,598,596	7,598,596
180 JUDICIAL BRANCH	55,087,369	57,130,905	64,595,258	67,065,854	66,546,349	69,073,157
TOTAL	71,181,477	73,225,013	85,047,824	87,518,420	87,262,897	89,789,705
Elementary, Secondary & Other Education						
201 DEPT OF PUBLIC INSTRUCTION	604,725,006	870,783,809	677,989,829	973,454,391	634,144,940	930,021,612
203 EDUC STDS AND PRACTICES BOARD	40,000	40,000	0	0	0	0
226 STATE LAND DEPARTMENT	0	7,573,834	0	7,595,078	0	7,818,995
250 STATE LIBRARY	3,027,046	4,657,025	3,023,871	4,665,889	3,501,626	5,160,201
252 SCHOOL FOR THE DEAF	5,073,242	5,944,691	5,275,617	6,358,907	5,488,553	6,815,119
253 ND VISION SERVICES	2,089,825	3,257,208	2,226,919	3,037,742	2,503,495	3,349,030
270 CAREER AND TECHNICAL EDUCATION	14,673,473	25,547,973	17,402,467	28,613,340	17,155,866	28,426,766
TOTAL	629,628,592	917,805,540	705,918,703	1,023,725,347	662,794,480	981,591,723
Higher Education						
215 ND UNIVERSITY SYSTEM	56,618,730	60,474,237	56,484,574	58,821,850	385,589,539	387,926,815
227 BISMARCK STATE COLLEGE	16,362,327	18,147,327	17,308,300	19,611,100	0	2,302,800
228 LAKE REGION STATE COLLEGE	5,077,513	5,452,513	5,493,346	5,837,221	343,875	343,875
229 WILLISTON STATE COLLEGE	5,476,161	5,476,161	5,918,077	12,828,077	0	6,910,000
230 UNIVERSITY OF NORTH DAKOTA	86,920,262	140,220,262	95,985,031	151,485,031	0	54,331,554
232 UND MEDICAL CENTER	30,165,865	30,165,865	31,441,890	31,441,890	0	0
235 NORTH DAKOTA STATE UNIVERSITY	69,314,490	95,314,490	78,379,102	115,879,102	0	37,500,000
238 ND STATE COLLEGE OF SCIENCE	24,710,324	28,379,244	26,004,776	27,109,696	0	1,104,920

**COMPARISON OF 2003-2005 LEGISLATIVE APPROPRIATION AND
2005-2007 AGENCY BUDGET REQUEST AND EXECUTIVE RECOMMENDATION**

Biennium: 2005-2007

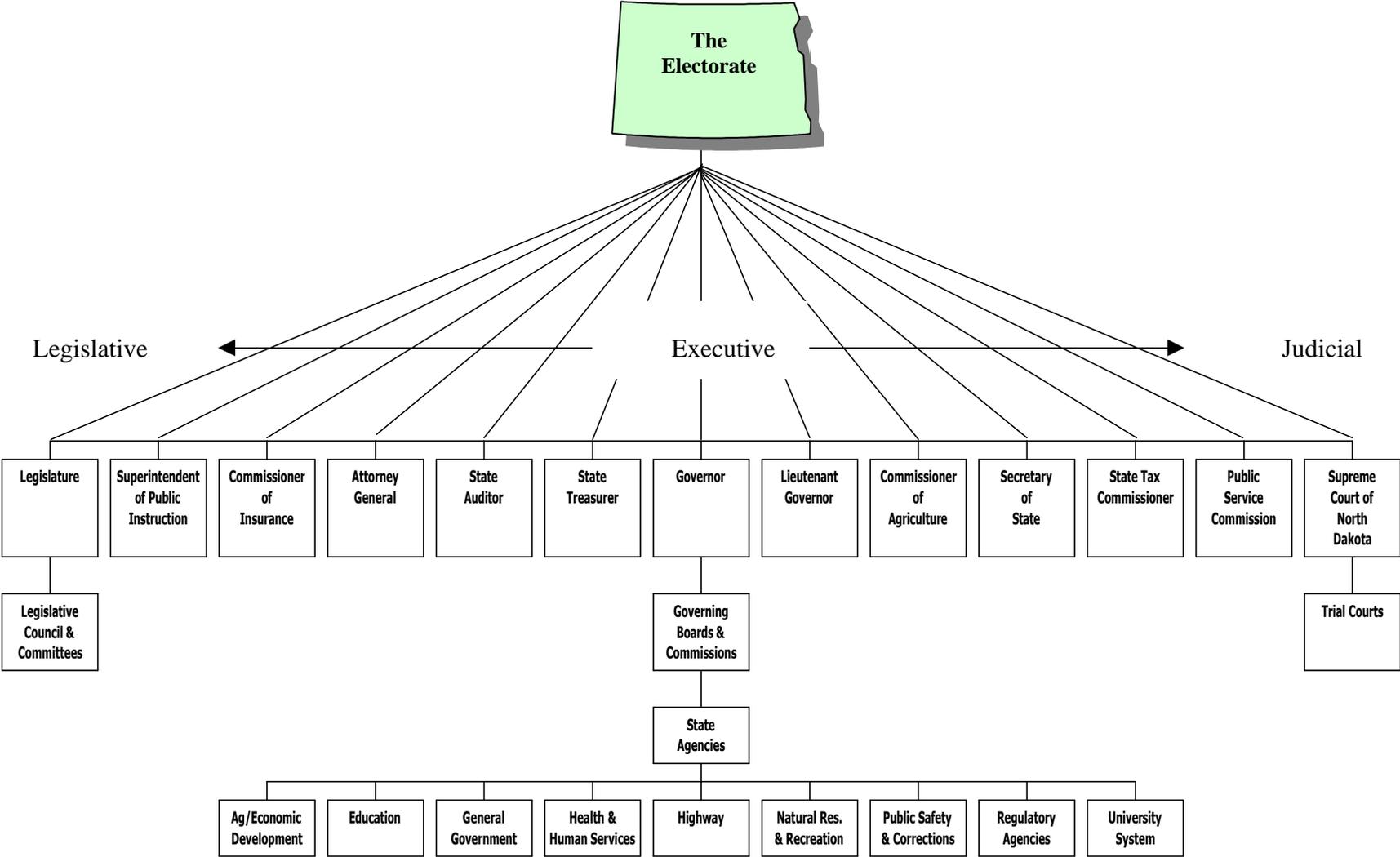
Category / Agency	2003-2005 Legislative Appropriation		2005-2007 Agency Budget Request		2005-2007 Executive Recommendation	
	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds
239 DICKINSON STATE UNIVERSITY	13,992,793	24,874,840	15,154,639	24,255,196	0	9,100,557
240 MAYVILLE STATE UNIVERSITY	8,866,924	14,371,924	9,319,133	10,819,133	0	1,500,000
241 MINOT STATE UNIVERSITY	26,382,428	26,382,428	28,071,474	31,606,474	0	3,535,000
242 VALLEY CITY STATE UNIVERSITY	11,570,006	15,655,306	12,195,145	12,477,145	250,000	282,000
243 MINOT STATE UNIVERSITY - BOTTINEAU	4,312,519	4,312,519	4,492,927	6,992,927	0	0
244 NORTH DAKOTA FOREST SERVICE	1,771,076	2,861,077	1,989,653	3,029,654	2,054,653	3,029,654
TOTAL	361,541,418	472,088,193	388,238,067	512,194,496	388,238,067	507,867,175
Health and Human Services						
301 ND DEPARTMENT OF HEALTH	13,101,092	119,582,748	12,874,466	124,238,697	14,439,108	126,559,318
313 VETERANS HOME	3,046,072	11,017,195	3,211,258	10,037,912	4,381,104	11,367,731
316 INDIAN AFFAIRS COMMISSION	355,243	355,243	356,193	376,193	386,228	406,228
321 DEPARTMENT OF VETERANS AFFAIRS	480,798	524,292	482,392	482,392	677,337	677,337
324 CHILDREN'S SVC COORD. COMMITTEE	0	2,514,600	0	0	0	0
325 DEPARTMENT OF HUMAN SERVICES	411,081,823	1,508,883,755	482,520,046	1,660,998,715	490,373,041	1,675,776,812
360 PROTECTION AND ADVOCACY	782,723	3,226,255	772,339	3,550,873	810,464	3,713,439
380 JOB SERVICE NORTH DAKOTA	1,250,000	57,454,717	1,475,000	57,439,051	1,480,724	59,620,076
TOTAL	430,097,751	1,703,558,805	501,691,694	1,857,123,833	512,548,006	1,878,120,941
Regulatory						
401 OFFICE OF THE INSURANCE COMMISSIONER	100,000	11,890,779	0	12,184,311	0	12,497,926
405 INDUSTRIAL COMMISSION	7,026,884	44,318,720	6,501,390	50,105,604	6,861,925	50,516,810
406 OFFICE OF THE LABOR COMMISSIONER	877,947	1,107,645	880,482	1,361,482	958,622	1,456,837
408 PUBLIC SERVICE COMMISSION	3,911,494	9,984,261	3,885,261	9,737,058	5,156,601	11,141,740
412 AERONAUTICS COMMISSION	522,500	9,159,792	522,687	9,218,860	550,187	5,788,101
413 DEPT OF FINANCIAL INST	0	3,657,265	0	3,973,533	0	4,207,793
414 SECURITIES DEPARTMENT	1,080,165	1,391,745	1,081,365	1,298,564	1,455,563	1,672,762
471 BANK OF NORTH DAKOTA	8,075,000	37,853,279	8,075,000	50,278,480	5,700,000	51,404,797
473 ND HOUSING FINANCE AGENCY	0	33,589,767	0	33,625,332	0	33,895,707
475 ND MILL AND ELEVATOR ASSOCIATION	0	29,982,152	0	32,442,304	0	32,657,254
485 WORKFORCE SAFETY AND INSURANCE	0	32,397,631	0	31,913,254	0	33,440,814
TOTAL	21,593,990	215,333,036	20,946,185	236,138,782	20,682,898	238,680,541
Public Safety						
504 HIGHWAY PATROL	18,211,522	33,692,609	18,239,024	32,972,829	19,805,490	34,359,628
512 DIV OF EMERGENCY MANAGEMENT	1,369,035	38,586,176	4,918,975	61,715,185	5,106,239	62,067,760
530 DEPT OF CORRECTIONS AND REHAB	81,736,611	114,316,698	91,053,945	118,691,302	101,188,393	132,925,319
540 ADJUTANT GENERAL	9,170,983	29,889,699	9,134,495	39,674,288	16,424,837	47,809,752
TOTAL	110,488,151	216,485,182	123,346,439	253,053,604	142,524,959	277,162,459

**COMPARISON OF 2003-2005 LEGISLATIVE APPROPRIATION AND
2005-2007 AGENCY BUDGET REQUEST AND EXECUTIVE RECOMMENDATION**

Biennium: 2005-2007

Category / Agency	2003-2005 Legislative Appropriation		2005-2007 Agency Budget Request		2005-2007 Executive Recommendation	
	General Fund	Total Funds	General Fund	Total Funds	General Fund	Total Funds
Agriculture and Economic Development						
601 DEPT OF COMMERCE	19,014,723	71,367,830	17,545,402	72,848,947	23,129,164	128,561,660
602 DEPARTMENT OF AGRICULTURE	4,233,525	12,552,374	4,431,463	13,295,417	4,885,958	14,253,972
616 STATE SEED DEPARTMENT	0	5,640,000	0	5,803,044	0	5,924,650
627 UPPER GREAT PLAINS TRANS INST	483,099	10,844,750	483,099	15,308,905	501,045	15,764,073
628 BRANCH RESEARCH CENTERS	7,467,679	16,435,082	7,705,087	19,641,684	8,175,257	20,567,791
630 NDSU EXTENSION SERVICE	13,859,446	34,346,276	14,114,446	36,182,695	15,241,062	38,230,290
638 NORTHERN CROPS INSTITUTE	746,002	1,523,347	746,002	1,667,800	812,844	1,763,585
640 NDSU MAIN RESEARCH CENTER	28,210,740	60,517,214	27,718,332	72,317,170	29,761,962	71,072,180
649 AGRONOMY SEED FARM	0	1,166,604	0	1,176,472	0	1,199,685
665 ND STATE FAIR	581,750	601,750	581,750	601,750	590,000	590,000
TOTAL	74,596,964	214,995,227	73,325,581	238,843,884	83,097,292	297,927,886
Natural Resources						
701 HISTORICAL SOCIETY	7,259,934	11,650,976	6,879,491	9,198,033	7,580,724	11,606,179
709 COUNCIL ON THE ARTS	1,004,403	2,226,618	949,679	2,217,997	1,028,422	2,296,740
720 GAME AND FISH DEPARTMENT	0	43,365,763	0	47,427,730	0	48,465,166
750 PARKS AND RECREATION DEPT	7,056,513	17,828,620	7,207,782	18,794,910	8,502,575	21,488,828
770 WATER COMMISSION	9,385,396	159,858,854	9,435,784	110,557,641	2,063,357	112,787,834
TOTAL	24,706,246	234,930,831	24,472,736	188,196,311	19,175,078	196,644,747
Transportation						
801 DEPT OF TRANSPORTATION	0	784,385,918	0	830,311,503	0	827,412,952
TOTAL	0	784,385,918	0	830,311,503	0	827,412,952
TOTAL OF ALL CATEGORIES	1,803,661,161	5,059,439,396	2,001,152,907	5,441,843,673	2,007,001,269	5,545,354,744

STATE OF NORTH DAKOTA ORGANIZATIONAL CHART



General Fund Fiscal Notes

2003-05

The 2003-05 biennium began with a general fund balance of \$14.8 million. The biennial general fund appropriation was \$1.804 billion; the legislative revenue forecast provided for general fund revenues of \$1.808 billion.

The preliminary revenue forecast finalized in July 2004 revised 2003-05 biennium revenue projections by an increase of \$33.6 million. Increases related primarily to sales and use tax and motor vehicle excise tax collections, which increased by \$34.9 million and \$3.1 million, respectively, in comparison to the legislative forecast. Oil extraction and production taxes also increased significantly; however, pursuant to NDCC Section 57-51.1-07.2, all oil taxes collected in excess of \$71.0 million are deposited in the permanent oil tax trust fund, rather than the general fund.

The November 2004 executive revenue forecast also provides for increased 2003-05 biennium revenues. The executive revenue forecast estimates 2003-05 biennium revenue of \$1.857 billion, an increase of \$15.1 million from the preliminary forecast and an increase of \$48.6 million from the legislative forecast. Just as in the preliminary revenue forecast, sales and use tax is the tax type showing the largest growth. Sales and use taxes are forecasted to increase to \$720.0 million for the biennium, \$10.4 million more than the preliminary forecast and \$45.2 million more than the original legislative forecast.

Lottery proceeds transferred to the general fund have far exceeded the legislative forecast. The fiscal year 2004 transfer equaled the entire biennial forecast. Based on proceeds through September 2004, the Office of Management and Budget has estimated \$6.2 million in lottery proceeds for the 2003-05 biennium.

Oil tax collections continue well ahead of projections. Although the general fund portion is limited to \$71.0 million for the 2003-05 biennium, deposits into the permanent oil tax trust fund are anticipated to total \$40.8 million for the 2003-05 biennium. The price of oil is anticipated to average \$40 per barrel in fiscal year 2005. Production is anticipated to average 85,500 barrels per day.

2005-07

The July 1, 2005 beginning balance is projected to be \$126.7 million, based on the revised 2003-05 revenue forecast, proposed deficiency appropriations, and estimated unspent general fund appropriation authority. Projected general fund revenues are \$1.890 billion for the 2005-07 biennium, \$81.9 million more than the original legislative forecast for the 2003-05 biennium.

Taxable sales and purchases are expected to grow by 1.6% in fiscal year 2006 and 2.5% in fiscal year 2007. Sales and use tax and motor vehicle excise tax collections will increase by \$46.5 million over the revised forecast for 2003-05.

Adjusted gross income is projected to grow by 3.3% in fiscal year 2006 and 4.2% in fiscal year 2007, resulting in increased individual income tax collections of \$31.0 million.

Transfers from the Bank of North Dakota are held even at \$60.0 million and the transfer from the student loan trust fund will be reduced to \$9.0 million. The transfer from the State Mill and Elevator will continue at the 2003-05 biennium level of \$5.0 million.

Other transfers are reduced from the \$64.1 million included in the 2003-05 legislative forecast to \$21.9 million. The \$21.9 million includes \$5.0 million from the lands and minerals trust fund and \$16.9 million from the health care trust fund.

Oil extraction and gross production tax collections are projected to total \$84.3 million for the 2005-07 biennium. NDCC Section 57-51.1-07.2 currently provides that all oil tax collections in excess of \$71.0 million are to be deposited in the permanent oil tax trust fund. The executive recommendation proposes amending Section 57-51.1-07.2 to raise the general fund limit to \$84.5 million. The price of oil is expected to average \$32 per barrel during fiscal year 2006 and \$24 per barrel during fiscal year 2007. Oil production is expected to average between 89,000 and 90,000 barrels per day throughout the biennium.

Lottery proceeds for the 2005-07 biennium are estimated by the Office of Management and Budget to be \$10.0 million, \$3.8 million more than the revised projection for the 2003-05 biennium.

Based on the executive revenue forecast and recommended appropriation levels, the projected June 30, 2007 ending balance is \$10.2 million

Economic Analysis

North Dakota's economy has showed steady growth during the 2003-05 biennium.

Agriculture prices and production have remained high through most of the 2003-05 biennium and have boosted farm income. High oil prices have led to increased oil exploration activity and increased general fund tax collections for oil extraction and production.

The agricultural economy remains strong, but high worldwide production has depressed prices for several major crops. For North Dakota farmers, strong production should continue to boost farm income. North Dakota's 2004 soybean, corn, dry pea and lentil production are predicted at record levels.

The seasonally adjusted unemployment rate in the state as of September 2004 was 3.6% compared to 5.4% nationally. The state's unemployment rate has increased slightly in recent months, but this is largely due to an expansion of the workforce by nearly 4,000 workers since January 2004. Despite this slight increase, North Dakota continues to have one of the lowest unemployment rates in the nation. The September 2004 non-seasonally adjusted unemployment rate of 2.5% in North Dakota was the lowest of any state.

Taxable sales and purchases reported by the state's merchants grew by an impressive 9.4% during the second quarter of 2004 compared to the second quarter of 2003. This increase is even more impressive when viewed in the context of the three preceding quarters, which had increases of 7.8%, 7.7%, and 10.8%, respectively.

North Dakota currently has 22 oil rigs drilling, compared to 18 one year ago. The current price of North Dakota crude oil is approximately \$43 per barrel.

Federal Fund Fiscal Notes

Federal funds represent 40.8% 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 2005-07 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 their appropriation authority. If actual federal funds received exceed budget estimates, the agency can request authority to accept and expend additional funds from the Emergency Commission.

The executive and legislative branches of state government have little control over the amount of federal funds state agencies will receive. The "Federal/Special Funds" section of this publication describes in detail the federal funds estimated to be received from the federal government during the 2005-07 biennium.

Special Fund Fiscal Notes

Special funds represent 22.9% 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 interest from investments that fund the Retirement and Investment Office, Public Employees Retirement System, and the State Land Department. 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 has other funds from hunting and fishing licenses.

These special, dedicated funds are estimated by state agencies in the budget request. The "Federal/Special Funds" section of this publication describes in detail the anticipated special funds expected to be received in the 2005-07 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.

Status Statements

Note: You will notice that throughout this book, there will be a few pages missing. This is because the spacer pages were removed so you would not have to page through them.

General Fund Status Statement

	2003-05	2005-07
Beginning Balance	\$14,790,311	\$126,707,496
Revenue:		
Revenue forecast	\$1,857,107,907	\$1,890,447,500
Federal fiscal relief payments	56,456,581	
Total Revenue	1,913,564,488	1,890,447,500
Expenditures:		
General fund appropriations	(\$1,803,661,161)	(\$2,007,001,269)
Proposed deficiency appropriations	(\$10,886,142)	
Estimated unspent authority	12,900,000	
Total Expenditures	(1,801,647,303)	(2,007,001,269)
Ending Balance	\$126,707,496	\$10,153,727

State Aid Distribution Fund Status Statement

	2003-05	2005-07
Beginning Balance	\$0	\$0
Revenue:		
Sales tax revenue	\$62,277,007	\$65,987,000
Motor vehicle excise tax revenue	11,260,978	11,713,000
Total Revenue	73,537,985	77,700,000
Expenditures:		
Distribution to cities and counties	(73,537,985)	(77,700,000)
Ending Balance	\$0	\$0

\1 Based on actual fiscal year 2004 sales and use tax collections, and estimated fiscal year 2005 collections. Estimates are based on the November 2004 executive revenue forecast.

\2 Based on the November 2004 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 the quotient of 1%, divided by the general sales tax rate that was in effect when the sales were collected, times the net sales, use, and motor vehicle excise tax collections.

Revenues deposited in the state aid distribution fund are provided as a standing and continuing appropriation and are allocated to political subdivisions pursuant to the formula provided in Section 57-39.2-26.1.

Resources Trust Fund Status Statement

	2003-05	2005-07
Beginning Balance	\$20,129,911 \1	\$37,492,816
Revenue:		
Repayments and reimbursements	\$1,805,000	\$2,005,000
Oil extraction tax collections	15,424,146	12,555,437
Interest	133,759	824,050
Total Revenue	17,362,905 \2	15,384,487 \4
Expenditures:		
Water Commission appropriation	0 \3	(52,863,116) \5
Ending Balance	\$37,492,816	\$14,187

\1 Actual July 1, 2003 balance.

\2 Based on actual revenues through September 30, 2004 and estimated revenues for the remainder of the biennium (based on the November 2004 executive revenue forecast).

\3 Assumes all Water Commission expenditures will be reimbursed with bonding proceeds prior to the end of the 2003-05 biennium.

\4 Based on the executive revenue forecast for the 2005-07 biennium.

\5 Based on the 2005-07 executive recommendation for the Water Commission.

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% oil extraction tax, 10% 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:

1. Constructing water related projects, including rural water systems.
2. 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 conservation and waste products utilization programs and studies. The 1995 legislative assembly amended Section 57-51.1-07 to provide that 20% of oil extraction tax collections will be deposited in the resources trust fund.

Lands and Minerals Trust Fund Status Statement

	2003-05	2005-07
Beginning Balance	\$641,126	\$3,864,250
Revenue:		
Mineral royalties	\$2,914,276	\$1,737,808
Mineral rents	183,875	100,000
Mineral bonus	2,904,997	143,868
Human Services DD loans	1,814,643	1,361,660
Investment income	121,952	278,744
Total Revenue	7,939,743	3,622,080
Expenditures:		
Transfer to common schools for DD loan	(2,470,319)	(1,789,322)
Transfer to general fund	(2,000,000)	(5,000,000)
Administrative expense	(246,300)	(261,300)
Total Expenditures	(4,716,619)	(7,050,622)
Ending Balance	\$3,864,250	\$435,708

Notes:

The lands and minerals trust fund originated in 1977 when the legislative assembly transferred possessory interests in real property belonging to or managed by the Bank of North Dakota. Upon sale, after foreclosure, the state retained mineral rights to the lands sold. All income from the sale, lease, and management of these lands was transferred to the Board of University and School Lands to be deposited in the lands and minerals trust fund (North Dakota Century Code Section 15-08.1-08). The principal and interest of the trust fund may be expended upon approval by the Legislative Assembly.

Tobacco Settlement Trust Fund Status Statement

	2003-05	2005-07
Beginning Balance	\$0	\$0
Total Revenue	46,210,694 ^{\1}	45,944,134 ^{\2}
Expenditures:		
Transfer to community health trust fund	(\$4,621,069)	(\$4,594,413)
Transfer to water development trust fund	(20,794,812)	(20,674,860)
Transfer to common schools trust fund	(20,794,812)	(20,674,860)
Total Expenditures	(46,210,694)	(45,944,134)
Ending Balance	\$0	\$0

\1 Based on actual revenues through September 30, 2004 and estimated payments for the remainder of the biennium. Payments to be deposited in the tobacco settlement trust fund are estimated to be \$22,972,067 in April 2005.

\2 Payments to be deposited in the tobacco settlement trust fund are estimated to be \$22,972,067 in April 2006 and 2007.

Notes:

North Dakota Century Code 54-27-25, enacted in 1999, establishes the tobacco settlement trust fund 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 monies received by the state pursuant to the judgment and all monies received by the state for enforcement of the judgment must be deposited in the fund. The principal of the 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 must be made within 30 days of receipt by the tobacco settlement trust fund.

Community Health Trust Fund Status Statement

	2003-05	2005-07
Beginning Balance	\$5,753,089	\$3,493,732
Revenue:		
Tobacco revenue	4,621,069	4,594,413
Expenditures:		
Dental loan fund	(\$380,000)	(\$420,000)
Tobacco Quitline	(680,000)	(884,000)
Statewide tobacco commission	(804,000) ^{\1}	(600,000)
Local health and tobacco programs	(4,700,000)	(4,700,000)
DHS breast & cervical cancer	(316,426) ^{\2}	(254,356)
Total Expenditures	(6,880,426)	(6,858,356)
Ending Balance	\$3,493,732	\$1,229,789

\1 Includes \$204,000 carryover funds allowed in section 4 of chapter 220 of the 2003 Session Laws.

\2 Increased expenses due to higher number of recipients and increased cost of services. Based on actual expenses of \$166,316 through 9/30/04 and estimated expenses for the remainder of the biennium.

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 as follows, within 30 days of deposit in the fund:

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

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

Health Care Trust Fund Status Statement

	2003-05	2005-07
Beginning Balance	\$33,153,183	\$19,379,478
Revenue:		
Net interest earnings / (loss)	2,019,756	870,019
July 2003 pool payment	13,646,405	
July 2004 pool payment	6,349,417	
Principal and interest repayments	915,867	963,185
Total Revenue	22,931,445	1,833,204
Expenditures:		
Transfers to State General Fund	(35,990,650)	(16,900,000)
Quick response unit pilot project	(225,000) /1	(225,000) /1
Nursing student loan repayment	(489,500) /1	(489,500) /1
Total Expenditures	(36,705,150)	(17,614,500)
Ending Balance	\$19,379,478	\$3,598,182

/1 The Quick Response unit pilot project and nursing student loan repayment are appropriated to the Health Department.

Note:

Estimate of interest income for 2005-07 is based upon transferring \$8.5 million to the state general fund on June 1, 2006, and \$8.4 million on June 1, 2007.

Water Development Trust Fund Status Statement

	2003-05	2005-07
Beginning Balance	\$9,409,511 \1	\$4,456,364
Revenue:		
Transfers from the tobacco settlement trust	20,794,812 \2	20,674,860 \4
Expenditures:		
Transfer to the general fund	(\$10,070,373)	
Disaster recovery appropriations	(2,031,361)	
Water Commission expenditures	(13,646,225)	(24,863,873)
Total Expenditures	(25,747,959) \3	(24,863,873) \5
Ending Balance	\$4,456,364	\$267,351

\1 Actual July 1, 2003 balance.

\2 Based on actual tobacco settlement receipts received through September 30, 2004 and estimated receipts for the remainder of the biennium.

\3 Based on estimated Water Commission expenditures for the 2003-05 biennium.

\4 Based on estimated tobacco settlement proceeds to be received during the 2005-07 biennium.

\5 Based on the 2005-07 executive recommendation for the Water Commission.

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 establishes 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% to the water development trust fund, 45% to the common schools trust fund, and 10% 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.

Foundation Aid Stabilization Fund Status Statement

	2003-05	2005-07
Beginning Balance	\$8,991,303 \1	\$15,424,957
Revenue:		
Oil extraction tax allocations	6,433,654 \2	6,277,719 \3
Expenditures:		
Transfer to state school aid program	0	0
Ending Balance	\$15,424,957	\$21,702,676

\1 Actual July 1, 2003 balance.

\2 Based on actual oil extraction tax allocations through September 30, 2004 and estimated allocations for the remainder of the biennium (based on the November 2004 executive revenue forecast).

\3 Based on the November 2004 executive revenue forecast.

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.

Tuition Apportionment Status Statement

	2003-05	2005-07
Beginning Balance	\$1,165,189 \1	\$1,112,632
Revenue:		
Fines for violation of state laws	\$9,442,814	\$9,442,814
Transfers from common schools	<u>60,000,000</u>	<u>62,200,000</u>
Total Revenue	69,442,814 \2	71,642,814 \4
Expenditures:		
Tuition apportionment payments	<u>69,495,371</u>	<u>71,600,000</u> \5
Ending Balance	<u><u>\$1,112,632</u></u> \3	<u><u>\$1,155,446</u></u>

\1 Actual July 1, 2003 balance.

\2 Fines revenue estimates are based on actual fiscal year 2004 fines revenue and estimated revenues for the second year; common schools revenue estimates are based on Land Department projections.

\3 Fines proceeds deposited in the tuition fund during May, June, and July of each fiscal year are carried forward for distribution in August of the subsequent fiscal year.

\4 Fines revenue estimates assume collections will continue at the fiscal year 2004 level.

\5 The amount shown is the executive recommendation for the 2003-05 biennium.

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 the state tuition fund, pursuant to North Dakota Century Code Section Section 15.1-28-01. Section 15.1-28-03 directs the Superintendent of Public Instruction to distribute the balance in the state tuition fund based on the number of school age children residing in each district. This section also provides that tuition apportionment payments will be distributed at the same time as state aid per student payments calculated pursuant to Chapter 15.1-27.

Highway Tax Distribution Fund Status Statement

	2003-05	2005-07
Beginning Balance	\$0	\$0
Revenue		
Projected motor vehicle fuel tax through 6/30/05	142,849,507 /1	\$148,382,178 /1
Projected special fuel tax through 6/30/05	70,526,005 /2	71,154,546 /2
Projected 2% special fuel excise tax through 6/30/05	9,990,656	9,496,171
Projected motor vehicle registrations through 6/30/05	80,709,656 /3	81,772,086 /9, 10
Total Revenue	\$304,075,824	\$310,804,981
Transfers		
Highway Patrol	(7,444,054)	(7,521,970) /10
Ethanol production incentive	(2,800,000) /7	(2,800,000) /7
Motorboat safety account	(200,000) /4	(200,000) /4
State snowmobile fund	(200,000) /5	(200,000) /5
Counties	(67,353,705)	(68,656,146)
Cities	(40,997,907)	(41,790,697)
State Highway Fund	(184,490,583)	(188,058,138)
Standing Rock Reservation	(589,575) /6	(600,000) /8
Remaining Tribal Agreements		(1,000,000) /8
	(304,075,824)	(310,826,951)
Ending Balance	\$0	\$0

- /1 Motor fuel taxes are net of the 1¢ gas tax withheld for the township road fund, amounts withheld for the refund reserve, and the motor fuels operating fund, but includes amounts collected for penalties and interest.
- /2 Special fuel taxes are net of the gas tax withheld for the township road fund. Special fuel taxes include amounts collected for penalties and interest, and license and permit fees.
- /3 Motor vehicle registrations are net of amounts withheld to pay fuel tax refunds for the International Fuel Tax Agreement member states (IFTA), and the motor vehicle operating fund. Motor vehicle registrations exclude the \$3 registration fee that goes directly to the state highway fund. Motor vehicle registrations exclude the fees collected by the Motor Vehicle Division, but paid to other funds to include the motor vehicle excise tax and the state aid distribution paid to the general fund, the motorcycle safety fund, busing assistance paid to the the public transportation fund, abandoned motor vehicle disposal fund, veterans' cemetery maintenance fund, all-terrain vehicle fund, the employment of people with disabilities fund, and the unsatisfied judgement that goes to the Insurance Commission.
- /4 On July first of each year the State Treasurer transfers \$2.50 multiplied by the number of motorboats licensed with the Game and Fish Department to the motorboat program and safety account from the highway distribution fund.

- /5 An amount equal to the tax collected on 30 gallons of motor vehicle fuel multiplied by the number of snowmobiles registered must be transferred annually from the highway distribution fund to the state snowmobile fund.
- /6 The current agreement between the Standing Rock Reservation and the State of North Dakota provides the reservation will be distributed 75% of the fuel sold on the reservation, less a 1% administrative fee.
- /7 The State Treasurer shall transfer annually from the highway tax distribution fund to the ethanol incentive fund an amount equal to 40% of all sums collected for the registration of farm vehicles.
- /8 Estimate assumes the agreement will remain the same with the Standing Rock Reservation for the biennium, the pending agreements will be executed, and the remaining reservations execute an agreement by the end of the biennium.
- /9 Motor vehicle registrations are net of amounts withheld to pay fuel tax refunds for the IFTA member states, and the motor vehicle operating fund. Motor vehicle registrations exclude the \$3 registration fee that goes directly to the state highway fund during the 2005-2007 biennium, and proposed \$15 motor vehicle registration increase that goes directly to the state highway fund.
- /10 Pending legislation.

Notes:

All projected revenue and transfer estimates are based on actuals through July 31, 2004 and projections through June 30, 2005.

Permanent Oil Tax Trust Fund Status Statement

	2003-05	2005-07
Beginning Balance	\$12,800,761 ^{\1}	\$41,647,158
Revenue	40,756,397 ^{\2}	0 ^{\4}
Expenditures:		
Transfer to the general fund	11,910,000 ^{\3}	0
Ending Balance	\$41,647,158	\$41,647,158

\1 Actual July 1, 2003 beginning balance.

\2 Estimated oil extraction and production taxes in excess of the current statutory cap of \$71.0 million (North Dakota Century Code 57-51.1-07.2), based on the November 2004 executive revenue forecast.

\3 Transfer to the general fund, pursuant to Section 6 of 2003 Senate Bill 2015.

\4 House Bill 1015 (2005) proposes an amendment to Section 57-51.1-07.2 to increase from \$71.0 million to \$84.5 million the general fund portion of oil extraction and production taxes. The executive revenue forecast estimates that oil tax collections during 2005-07 will total \$84.3 million. Consequently, no transfers to the permanent oil tax trust fund are anticipated during the 2005-07 biennium.

Notes:

North Dakota Century Code 57-51.1-07.2 establishes the permanent oil tax trust fund. This section provides that at the end of each biennium, all oil extraction and production taxes collected and deposited in the general fund in excess of \$71.0 million must be transferred to the permanent oil tax trust fund. The State Treasurer shall transfer interest earnings of the trust fund to the general fund at the end of each fiscal year. The principal may only be expended upon a two-thirds vote of the members of each house of the Legislative Assembly.

Bonding Fund Status Statement

	2003-05	2005-07
Beginning Balance	\$5,134,541 ^{\1}	\$2,301,541 ^{\1}
Revenue:		
Premiums	\$0 ^{\2}	\$0 ^{\2}
Investment revenue	300,000 ^{\3}	350,000 ^{\3}
Claims restitution	65,000 ^{\4}	65,000 ^{\4}
Game & Fish revenue	6,000 ^{\5}	6,000 ^{\5}
Total Revenue	371,000	421,000
Expenditures:		
Loss claim payments	350,000 ^{\6}	200,000 ^{\6}
Claims payments	19,000 ^{\7}	20,000 ^{\7}
Appropriated-fund administration	35,000	35,000
Transfer to general fund	2,800,000	0
Total Expenditures	3,204,000	255,000
Ending Balance	\$2,301,541	\$2,467,541

\1 Cash and investments, less securities lending collateral, from the 2003 comprehensive annual financial report (CAFR).

\2 There have been no premiums assessed or payments received in this fund since 1953.

\3 Investment revenue is based on historical, current information, and projections of future market conditions.

\4 Claims restitution to the fund from individuals based on historical data.

\5 Game and Fish revenue from bonding fees for businesses selling game and fish licenses based on historical data.

\6 Loss claims payments is based on historical and current data, open claims reports, and actuarial projections.

\7 Claims related payments include adjusting fees and all expenditures directly related to a specific claim.

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. North Dakota Century Code 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 \$2.5 million.

Fire and Tornado Fund Status Statements

	2003-05	2005-07
Beginning Balance	\$16,263,796 \1	\$19,139,220 \1
Revenue:		
Premium revenue	\$7,200,000 \2	\$7,600,000 \2
Investment revenue	2,400,000 \3	2,600,000 \3
Claims recovery	1,390,000 \4	1,500,000 \4
Boiler inspection fee	<u>300,000</u>	<u>325,000</u>
Total Revenue	11,290,000	12,025,000
Expenditures:		
Insurance claims	4,100,000 \5	4,750,000 \5
Claims related payments	3,000,000 \6	3,500,000 \6
Appropriated-fund administration	988,576	988,576
Fire Marshal inspection fees	200,000	350,000
ND Firefighter's Association	<u>126,000</u>	<u>126,000</u>
Total Expenditures	<u>8,414,576</u>	<u>9,714,576</u>
Ending Balance	<u><u>\$19,139,220</u></u>	<u><u>\$21,449,644</u></u>

\1 Cash and investments, less securities lending collateral, from 2003 Comprehensive Annual Financial Report (CAFR).

\2 Premium revenue is projected using historical data, volume of activity, and premium changes calculated by the actuarial.

\3 Investment revenue is based on current financial statements and projections by the Retirement & Investment Office.

\4 Claims recovery is re-insurance purchased through an insurance company to cover claims that exceed a specific amount per incident. The amount recovered from the insurance company falls into this revenue category. Projection is based on historical data, open claims and current cost factors.

\5 Insurance claims expense is based on historical and current data, open claims reports, and actuarial reports.

\6 Claims related payments include claim adjusting fees and premium payments for re-insurance.

Notes:

The state fire and tornado fund originated in 1919. The fund is maintained to ensure the various political subdivisions and state industries against loss to public buildings and permanent fixtures. North Dakota Century Code Section 16.1-22-14 requires that if the fire and tornado fund balance is less than \$12.0 million, the Insurance Commissioner must increase assessment on policies.

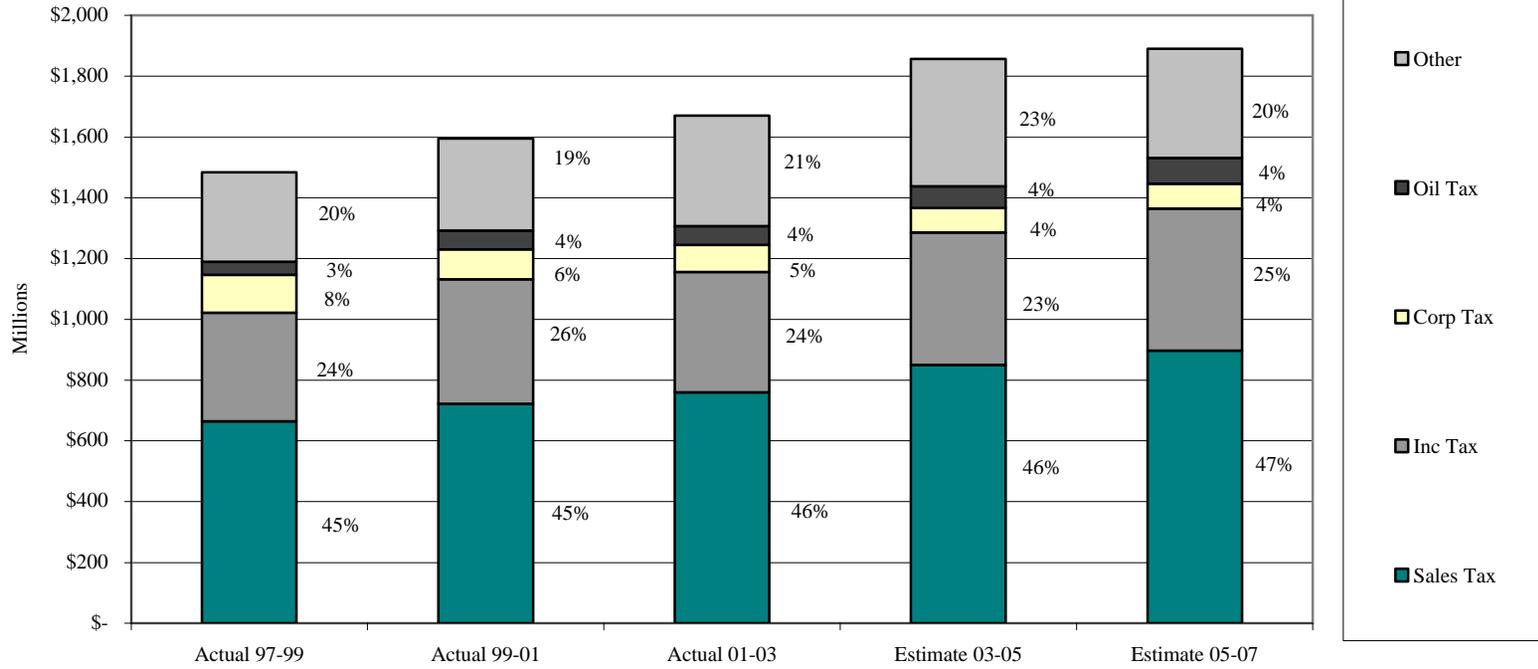
STATE OF NORTH DAKOTA
COMPARISON OF GENERAL FUND REVENUE BY MAJOR SOURCE
FOR BIENNIUMS 1997-99 THRU 2005-07

REVENUE SOURCE	ACTUAL 1997-99	ACTUAL 1999-01	ACTUAL 2001-03	ESTIMATE 2003-05	ESTIMATE 2005-07
Sales and Use Taxes	\$ 569,501,827	\$613,066,466	\$640,618,363	\$ 719,991,963	\$ 761,726,000
Motor Vehicle Excise Tax	94,863,089	109,115,230	119,592,232	129,863,758	134,704,000
Individual Income Tax	358,287,825	409,331,437	396,153,000	436,024,523	467,019,000
Corporate Income Tax	123,420,219	99,134,855	88,417,166	80,780,083	83,123,000
Financial Institutions Tax/Business Privilege Tax	6,494,162	5,464,955	6,257,389	5,246,071	5,200,000
Cigarette and Tobacco Tax	44,091,170	41,706,350	39,313,360	38,803,411	36,148,000
Oil and Gas Production Tax	26,973,613	38,433,365	39,159,000	44,757,000	47,270,000
Oil Extraction Tax	16,703,114	23,566,635	22,841,000	26,243,000	37,000,000
Coal Severance Tax	22,596,137	22,173,854	-	-	-
Coal Conversion Tax	23,786,790	25,672,170	46,878,511	47,730,816	48,719,000
Insurance Premium Tax	33,133,216	39,113,433	48,990,027	60,195,518	64,753,000
Wholesale Liquor Tax	11,140,328	10,321,999	11,155,834	11,813,958	12,277,000
Gaming Tax	22,801,868	27,437,507	27,612,652	21,393,000	20,130,000
Lottery	-	-	-	6,231,000	10,000,000
Departmental Collections	32,997,069	40,816,171	57,506,019	59,789,000	49,125,000
Interest Income	19,013,889	20,832,123	8,509,483	5,623,000	10,522,000
Mineral Leasing Fees	7,257,989	9,531,698	6,440,513	6,956,000	5,431,500
Transfers from Bank of North Dakota Profits	29,600,000	50,000,000	78,699,787	60,000,000	60,000,000
Student Loan Trust Fund Interest	-	-	9,000,000	26,258,969	9,000,000
Transfers from State Mill Profits	3,000,000	3,000,000	6,000,000	5,000,000	5,000,000
Gas Tax Administration	1,128,872	1,380,608	1,363,392	1,396,200	1,400,000
Other Transfers*	36,713,873	5,159,194	15,370,511	63,010,637	21,900,000
TOTAL	\$ 1,483,505,050	\$ 1,595,258,050	\$ 1,669,878,239	\$ 1,857,107,907	\$ 1,890,447,500

*** Other Transfers Include:**

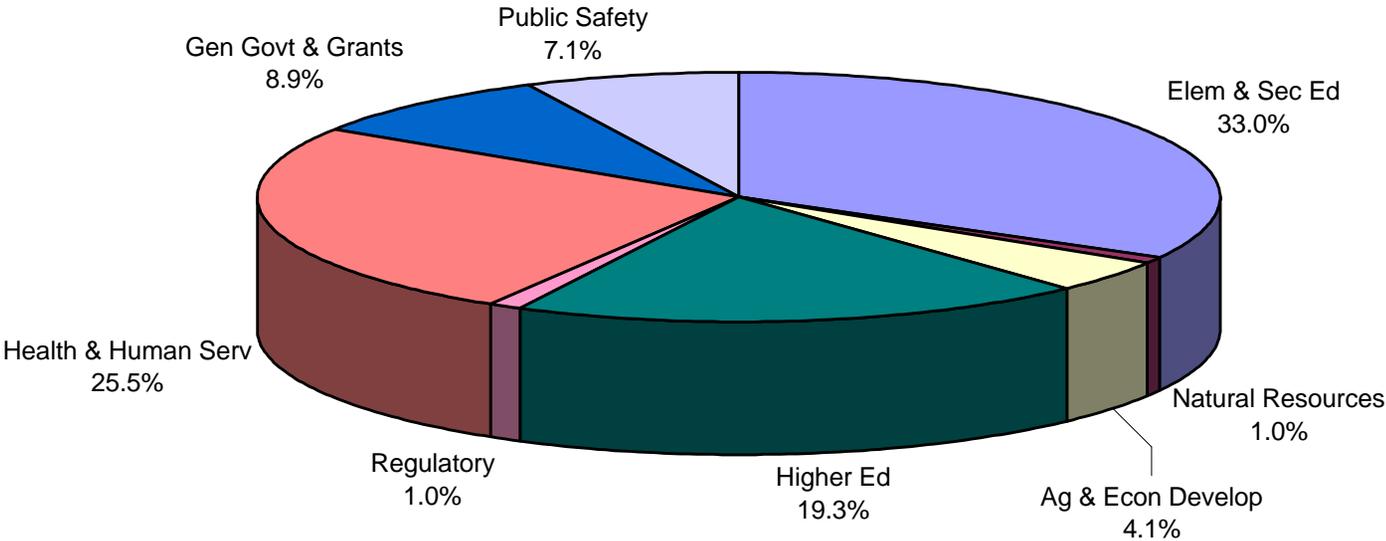
	<u>2003-05</u>	<u>2005-07</u>
Land & Minerals Trust Fund	\$2,000,000	\$5,000,000
Water Development Trust Fund	10,070,373	0
Permanent Oil Tax Trust Fund	11,910,000	0
ITD Transfer of Savings	79,278	0
Bonding Fund	2,800,000	0
Health Care Trust Fund	35,911,035	16,900,000
Miscellaneous Transfers	239,951	0
	<u>\$63,010,637</u>	<u>\$21,900,000</u>

**State of North Dakota
Comparison of General Fund Revenue by Major Source
For Bienniums 1997-99 thru 2005-07**



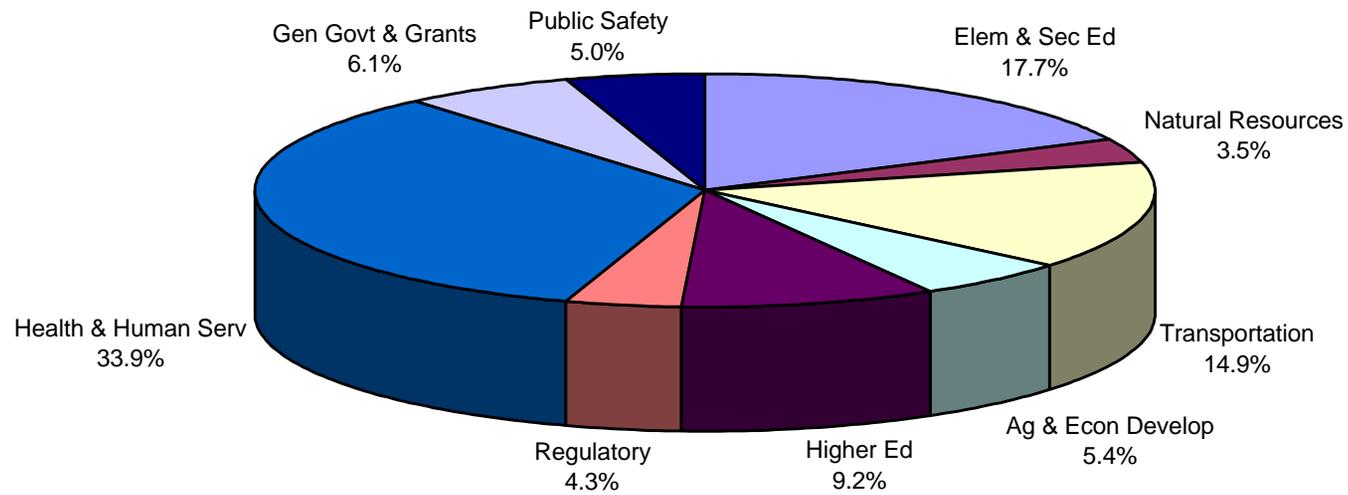
**State of North Dakota
Recommended General Fund Appropriations by Function
for the 2005-07 Biennium**

\$2.0 Billion



**State of North Dakota
Recommended Total Fund Appropriations by Function
for the 2005-2007 Biennium**

\$5.5 Billion



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 object code, is available in the multi-volume books prepared for the legislative session. Budget detail is also available on the Office of Management and Budget's Fiscal Management web site at www.state.nd.us/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 Budget
- Organizational Chart
- Financial Summary
- Budget Highlights
- Authorized FTE
- Compensation Adjustment
- Leases
- Telecommuting
- 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 requested and recommended federal and special funding sources, a glossary, and the appendix. Included in the appendix are the budget process, timeline, and the optional adjustment requests. The optional adjustment requests are requests for additional funding, prepared by agencies whose base budget request was restricted to 100% of the current general fund appropriation. The appendix also includes a list of analysts assigned to each agency from the Office of Management and Budget and Legislative Council.

Demographics

North Dakota is a state of 637,000 people. Slightly over 50% of the state's population lives in an urban area.

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 rate 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.

Nearly two-thirds of North Dakota's adults are married. Families comprised of married couples with children make up a larger percentage of all of North Dakota's families than the average of all of the nation's families. North Dakota's percent of births to teenage mothers and percent of births to unmarried women were less than the national average.

North Dakota's unemployment rate in September 2004 was 3.6% and the number of jobs continues to grow. Major employers in the state include Meritcare Health System, Altru Health System, Noridian Mutual Insurance Company, Shooting Star Casino and Lounge, U.S. Bank Service Centers, Grand Forks Air Force Base, Wal-Mart Stores, Inc., MedCenter One Health Systems, American Crystal Sugar Co., Microsoft Business Solutions, and Bobcat. In 2003, per capita personal income was \$29,204.

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 its elderly citizens' needs, and protect its citizens from crime.

General Government

Secretary of State

The executive recommendation increases the IT budget by \$250,000 for the migration of the AS400 database to another platform. The replacement of the database will result in future cost savings by reducing maintenance and programming costs.

Office of Management and Budget

The executive recommendation includes \$5.0 million for a statewide equity pool to be allocated to agencies to deal with salary equity issues; \$2.5 million from the general fund and \$2.5 million special fund authority. The executive recommendation includes \$3.2 million for a fire suppression system for the capitol tower and legislative wing and \$1.8 million to develop and implement energy savings programs throughout the Capitol Complex. The preliminary analysis of the energy savings programs is projected annual savings of \$180,000.

The executive recommendation also approves 1.00 FTE in the Fiscal Division to handle excess workload as a result of system changes that have occurred over the past biennium and 1.00 FTE in the Central Services Division to handle duties related to procurement of service contracts.

The executive recommendation includes Prairie Public Broadcasting as a special line item and transfers State Radio to the Division of Emergency Management.

Information Technology Department

The executive recommendation includes \$700,000 from the general fund and \$500,000 federal fund authority for the Criminal Justice Information Sharing System. Also included is \$100,000 from the general fund to restore funding to the Geographic Information System base budget.

The executive recommendation also includes equipment funding for the K-12 infrastructure. Due to the 5% IT reduction in the 2003-05 budget, equipment funding for K-12 infrastructure was not available. This funding will be used to update and maintain the network hardware and circuits.

The executive recommendation includes an increase in Educational Technology Council grants, which are funded at \$1.7 million from the general fund. Grants will be issued to schools for video conferencing and technology projects in the classroom based on needs assessments. The recommendation also provides funding to EduTech for antivirus software for computers in K-12 schools. The statewide purchase of licenses has saved the state \$525,000 compared to individual school purchases of software.

The executive recommendation includes special fund authority of \$8.1 million and 10.00 FTE for the DHS Medicaid Management Information System (MMIS) project included in Human Service's budget.

Office of Attorney General

In recognition of the continued growth in methamphetamine crime cases, the executive recommendation includes an additional criminal investigator position, support staff, and associated operating costs for the Bureau of Criminal Investigation (BCI). The Crime Lab is also directly impacted by the increase in narcotic cases; therefore, the recommendation includes an additional forensic scientist position and related operating costs to process the evidence in a timely matter. The recommendation restores \$236,000 for capital assets for the replacement of motor vehicles for BCI investigators and specialized equipment used by the Crime Lab.

Included in the recommendation is a \$3.6 million special fund appropriation of bonding proceeds for the expansion and remodeling of the state crime lab. The capital project represents the third phase of the master plan to expand and remodel the state laboratory complex in east Bismarck. The current building is far too small and overcrowded for staff to properly apply evidence testing and store specialized equipment. Presently the forensic section has nine scientists working in lab space originally designed for three.

The recommendation includes \$240,000 to continue to fund the litigation of *Williston Public School v. State*, which started in April 2004.

Office of State Tax Commissioner

The executive recommendation increases by \$3.0 million, for a total appropriation of \$7.0 million, the Homestead Tax Credit program for the elderly and disabled. In an effort to assist more seniors and disabled individuals it is proposed that the eligibility requirements for the program be broadened. The proposed statutory changes will include making the income requirements of the applicant the same as the federal poverty income levels. Additionally, homeowners 65 years of age or older would be eligible for up to a \$3,600 reduction in their home's tax valuation depending on income and assets. Under the existing credit, homeowners can receive a benefit on only the first \$44,000 of their home's value. Under this proposal, the maximum benefits would be raised to allow the full reduction on an \$80,000 house. Eligible renters 65 years of age and older would also receive a partial refund of their rent depending on income and assets.

The budget request and executive recommendation for the Tax Commissioner's agency budget, excluding Homestead Tax Credit, is \$17.3 million representing a reduction from the present level budget and a reduction of 4.00 FTE.

ND Public Employees Retirement Office

The executive recommendation includes special fund authority of \$47,632 for Online Services which includes two new services that will be added to the web: Employers can report retirement and deferred compensation contributions online and Board elections can be conducted online. The agency's budget request included a reduction in postage and printing costs due to the use of online services.

Elementary, Secondary, and Other Education

Department of Public Instruction

The executive recommendation increases per student state aid payments by nearly 4 % per year. Payments increase from the current level of \$2,623 to \$2,726 in 2005-06 and to \$2,826 in 2006-07. These increases result in the distribution of approximately \$22.8 million in additional per student payments.

Due to changes in the number of teachers, the cost to continue the teacher compensation program will be approximately \$940,000 less than the appropriation for the 2003-05 biennium. The executive recommendation continues the teacher compensation program at the current rates of \$1,000 per year for first year teachers and \$3,000 per year for other teachers. In addition, amendments are proposed for Section 15.1-27-39 to increase the minimum teacher salary from \$21,500 to \$24,500 by the end of the 2005-07 biennium

In order to improve the equity of the school finance program and benefit the state's poorest school districts, the appropriation for revenue supplement payments is increased by 50%, from \$5.0 million to \$7.5 million.

To further improve equity, the executive budget recommends several important changes in the calculation of school district weighting factors, used for the distribution of state school aid:

- School district size categories are consolidated to provide larger groups of schools used to determine average costs and weighting factors.
- School weighting factors will continue to represent the five-year average cost of education, but no factor will be set below 1.0. As a result, no school will receive less than a full foundation aid payment.

- For those districts meeting the statutory definition of a "small and isolated" school, per student state school aid payments will be increased by 25%.

State funding for special education is increased by 5.2%, from \$49.9 million to \$52.5 million. In order to provide relief to schools experiencing escalating costs relating to contracts for high needs students, the amount designated for reimbursing schools for these costs is increased from \$13.0 million to \$15.5 million.

The appropriation for tuition apportionment payments increases by 3%, from \$69.5 million to \$71.6 million. Tuition apportionment payments increase from \$335 per census unit to \$351 per census unit.

Joint powers agreements (JPAs) are administrative agreements between school districts entered into in order to garner administrative efficiencies or improve student services. In order to encourage the voluntary formation of JPAs and improve their effectiveness by providing state financial support, the executive recommendation includes \$2.0 million for JPA incentives. A portion of the appropriation will be used to reimburse actual costs incurred by districts, the remaining amount will be distributed on a per student basis to each participating JPA.

In order to support continuing efforts by school districts to reorganize and consolidate, funding for reorganization bonuses is continued at the 2003-05 level of \$500,000.

State Library

The executive recommendation increases funding for state aid to public libraries from \$844,307 to \$1.0 million. Despite increased cost for libraries across the state, funding for state aid has declined in past bienniums. This recommendation returns state aid to the level in place during the 1991-93 biennium.

Funding is also provided to allow the State Library to purchase statewide licenses for on-line reference material, making the resources available to all libraries and all library patrons in the state. Purchasing the online resources statewide through the State Library is more cost effective than having each individual library purchase the materials individually.

School for the Deaf

The executive recommendation provides special fund authority of \$232,850 for energy improvement projects to improve the school's facilities. General

fund authority of \$149,975 is provided to continue teacher salaries at the levels specified on the composite schedule developed by Human Resource Management Services.

ND Vision Services

The executive recommendation provides general fund authority of \$131,541 to continue teacher salaries at the levels specified on the composite schedule developed by Human Resource Management Services.

Higher Education

The executive recommendation for higher education is \$388.0 million, an increase of 7.0%. To provide the Board of Higher Education with the ability to recognize changing needs in funding, the executive recommendation has pooled the operations and extraordinary repair funds for all campuses in budget 215-ND University System.

The budget for student financial assistance grants includes an additional \$1.3 million in general funds, plus a supplemental childcare assistance grant for \$2.0 million. This grant is anticipated to provide childcare grants to low income individuals with child care needs who are attending 4-year degree programs.

General funds have been provided for the Lake Region Community College science lab, Valley City State University bleachers, and the seed processing facility at the Forest Service.

In addition, bonding has been recommended to finish the remodeling of Murphy Hall at Dickinson State University, build a hazardous material handling and storage facility at ND State University, and continue the infrastructure renovation at N D State College of Science. All special, grant, and local funded projects in the ND University system budgets have been approved.

Health and Human Services

Health Department

The executive recommendation includes funding of \$884,000 for the Tobacco Quitline. The recommendation also approves 1.00 FTE, included in the base budget request, for the Smoking Cessation Program. The position is funded from the community health trust fund.

The executive recommendation reduces the special funds, which would have been received as a result of a Food and Lodging Inspection fee increase. The fee increase would have included 2.00 additional FTE as inspectors. The recommendation reinstates general fund dollars of \$320,000 to reflect the projected general fund revenue collections from the inspection fees; it also provides \$84,370 general funding for 1.00 FTE of the 2.00 FTE inspectors requested.

The executive recommendation approves 2.50 FTE and \$500,000 funding to expand the Healthy North Dakota Initiative to include the Worksite Wellness Institute to assist businesses statewide in establishing worksite wellness programs; Office of Special Populations to address health disparities in North Dakota; and the Healthy North Dakota Recognition Program to recognize "Healthy North Dakota" schools, worksites, and communities.

Human Services

The executive recommendation for the Department of Human Services reflects the Governor's policy to maintain existing service levels, provides statutorily required adjustments, and recognizes the increasing caseloads and costs for Medicaid providers.

The Medicaid program is funded by a mixture of state and federal funding. The federal share is based on the average per capita income compared to other states. In recent years, the state personal income growth has exceeded other states, resulting in a reduced federal rate. These changes required an additional \$32.0 million in state funds to reflect reduced federal participation in the Medicaid program. Federal Medical Assistance Payments reimbursement rate for the 2005-2007 biennium is 67.49% for FY2005; 65.85% for FY2006; and is projected at 63.23% for 2007.

The budget includes \$29.2 million for a Medical Management Information System rewrite. This project is funded with \$3.7 million from the general fund and \$25.5 in federal funds.

The recommendation for nursing homes reflects a rebased rate structure with reimbursement limits changed to median plus 20/20/10. This means the reimbursement limit for direct services and other direct costs will be median cost plus 20%. For indirect, it will be median plus 10%. Statutory inflation adjustments for nursing homes are based on a mix of the Consumer Price Index (CPI) and Date Resources, Inc. (DRI) resulting in increases of 3.52% and 3.92% for FY2006 and FY2007, respectively. The

total increase for nursing homes is \$30.3 million (9.5%) total funds and \$20.5 (20.1%) general fund.

Although there are fewer individuals utilizing basic care services, the costs have increased substantially. The recommendation includes the statutorily required CPI rate of 1.5% per year. The rate setting process, which includes annually rebasing the limits to the 70th percentile, and the federal Medicaid program disallowing certain services from federal reimbursement also have increased program costs. Together, these have resulted in a \$4.4 million (593.8%) increase in general fund.

The executive recommendation approves other providers, including developmental disability, Medicaid providers including, hospitals and physicians, aging and children and family service providers to receive an inflation increase of 2% per year at a general fund cost of \$6.1 million (total funds \$16.3 million).

Treatment services for civilly committed individuals at the State Hospital have been expanded based upon the increase in demand. The increase in general fund support is \$2.8 million.

Recognizing the need to provide home and community based options for individuals to remain in their homes, the executive recommendation includes an increase of \$4.0 million in general fund dollars for Home and Community Based Services (\$6.3 million total funds).

The Medicaid program has been adjusted to allow the set aside for burial to be increased from \$3,000 to \$5,500. The estimated costs have been adjusted to assume that half of the individuals who become eligible in the future will have the assets to benefit from this change. As a result, the cost for 2005-07 is anticipated to be \$1.3 million (\$445,915 general fund).

The funding for a childcare program for the students participating in a four-year degree program has been included in the executive recommendation for higher education.

The federal government has initiated changes in the Medicaid regulations requiring additional review of recipient eligibility and payments. To comply with this program, the executive recommendation has provided \$1.2 million (\$0.6 million general funds) for the department to contract for these services. If they are unable to obtain a contract within the authorized funding levels, they may hire additional personnel after notification to the Office of Management and Budget.

Veterans Home

The executive recommendation includes \$603,000 to fund the pharmacy operations previously provided by the Fargo VA Medical Center. Effective January 1, 2005 those services will become the responsibility of the Veterans Home as part of the VA per diem received by the Veterans Home for the residents. The emergency commission approved the construction of the pharmacy in the 2003-2005 biennium.

The executive recommendation also includes authorization for additional FTE. The performance audit cited the Veteran's Home for having employees work in excess of the authorized FTE percentages. Part-time FTE are used to cover shifts for other employees on sick and annual leave, which causes part-time employees to exceed their authorized FTE percentage. The additional percentage authorization would cover extra hours worked by part-time employees. Compensatory time has also been eliminated in an attempt to reduce the shortage of staff to cover shifts, therefore additional salary dollars are needed to pay overtime.

Veterans Affairs

Over several bienniums of reduced budgets, FTE have been moved off budget and expenses have been absorbed by the postwar trust fund. The executive recommendation includes \$162,516 from the general fund to move 1.50 FTE salaries and benefits back on budget as well as associated operating expenses and Administrative Committee on Veterans Affairs travel expenses, which also have been paid by the postwar trust fund.

Regulatory

Office of Insurance Commissioner

The executive recommendation for the Office of Insurance Commissioner is \$12.2 million representing a 1.5% increase from present biennium. The budget supports the new insurance fraud division, and responds to the growing demands of the pharmaceutical drug access program and senior health insurance counseling program, by approving an additional staff position

Public Service Commission

The executive recommendation includes \$900,000 of general fund dollars to allow the PSC to move forward on the rail complaint case. Funding was provided in the 2003-05 biennium to complete the research and issue a report on the feasibility of the department proceeding with a legal suit. The

report indicates a case can be made against the railroad for excessive transportation rates. It is estimated that North Dakota farmers and shippers pay between \$50.0 million and \$100.0 million annually in excess freight rates.

The metrology laboratory for weights and measurers is currently located on the capital grounds in a Facility Management maintenance building. The present location is not designed for performing good measurements and it failed to meet the standards for certification. If the lab is not certified, the closest metrology lab available to North Dakota is Minneapolis-St. Paul. The executive recommendation provides \$70,000 to re-locate and rent space for a lab that will meet certification standards and better serve the customers in terms of location. An inspector position has also been restored along with \$35,500 for a new lab balance.

Department of Financial Institutions

The executive recommendation provides special funding of \$157,000 for 1.00 FTE and re-opening the Minot office. This will allow examiners to work off site conducting pre-examination work, reducing the amount of time spent in the institutions. The executive recommendation also approves implementation of Electronic Data Management System (EDMS). This will enable the Department to scan records into the system allowing access to department records by examiners in the field.

Securities Department

The executive recommendation includes \$156,692 from the general fund and approval of 1.00 new FTE to conduct broker-dealer and investment examinations. The recommendation also provides funding to allow for hiring of outside legal counsel specializing in securities law. Major securities litigation settlements have resulted in revenue sources to the State of North Dakota.

Bank of North Dakota

The executive recommendation includes an appropriation of \$5.7 million for the PACE program, \$1.4 million for AgPace and \$950,000 for the Beginning Farmer programs.

Public Safety

Highway Patrol

The executive recommendation authorizes 1.00 new FTE position to serve as head of security for the capitol complex. In addition, 4.00 FTE positions and operating expenses relating to contracted security services are transferred to the Highway Patrol from the Office of Management and Budget.

The executive recommendation supports the agency's ongoing initiative to eliminate fixed weigh and inspection stations and improve enforcement through the use of more effective and efficient mobile enforcement teams. Four existing positions assigned to fixed weigh and inspection stations will be reassigned to support a new federally funded Northern Border Security Initiative.

Department of Corrections and Rehabilitation

The executive recommendation for the Department of Corrections and Rehabilitation provides an additional \$19.4 million from the general fund and an additional 31.11 FTE positions in order to deal with an increasing inmate population and escalating costs for medical and other services. Major increases include:

- The continued housing of all female inmates at the Dakota Women's Correctional and Rehabilitation Center (DWCRC) in New England. Cost increases for the department relate to increases in the contract rate, medical cost increases, and increases in the number of inmates.
- The Bismarck Transition Center is an ongoing, proven program used to house inmates as they transition back to the community. The 2003 Legislative Assembly directed the department to use one-time federal monies for the 2003-05 operation of this program. The executive recommendation replaces the federal funds with general fund monies and provides for inflationary increases in the contract rate.
- Funding is provided to continue female transition center programs, which have experienced inflationary increases and an increase in the number of women inmates.
- The department's Tompkins Rehabilitation and Correctional Center, operated through a contract with the State Hospital, has experienced increased costs. The executive recommendation provides funding to continue this program, providing needed treatment services to inmates and making effective use of State Hospital buildings and staff.
- The executive recommendation provides general fund monies to maintain the Juvenile Community Services intensive in-home treatment program, for which federal funds are no longer available. This is a cost effective program that helps prevent juveniles from entering the Youth Correctional Center.
- The executive recommendation provides 8.50 new FTE to treat and monitor violent sexual offenders.
- The executive recommendation includes bonding authority of \$3.6 million for capital projects at the MRCC and the JRCC.

- The executive recommendation provides 3.00 FTE for the establishment of a new relapse program at the MRCC to provide addiction treatment to inmates prior to release.
- The executive recommendation provides for the establishment of a new assessment program, to provide a more comprehensive assessment of the treatment needs of probation violators and provide additional treatment services.
- The executive recommendation provides \$1.0 million for salary equity increases for correctional officers.

Adjutant General

The executive recommendation doubles the amount of funding directed to the National Guard tuition assistance program, from \$1.0 million in the current biennium to \$2.0 million in 2005-07.

To recognize the service and dedication of North Dakota military personnel, the executive budget includes \$5.0 million for bonus payments to qualifying National Guard, Reservists, and active duty North Dakota military personnel.

Agriculture and Economic Development

Department of Commerce

In order to provide greater accountability in North Dakota's state economic development programs, the executive recommendation for the Department of Commerce includes the addition of 1.00 FTE, an economic analyst, to analyze, accumulate and disseminate statistical data to report the impact of economic incentives on the state's economy.

In recognition of the importance of marketing in economic development, the budget includes an additional \$75,000 for Partners in Marketing grants to local development organizations to enhance business recruitment efforts. Appropriation language is included to reserve \$400,000 of the discretionary fund special line as a grant to the Marketing Research Corridor to match federal EDA funds. Further, to enhance growth in the dairy industry of the state, \$50,000 from the general fund is made available for a grant to supplement private funds that have been raised to recruit and retain dairy farmers in North Dakota. The executive recommendation also includes an additional \$50,000 for the Center for Technology to replace lost federal funds so this vital program for small businesses can continue at the present level.

Based on the success of recent trade missions and on research regarding trade opportunities, the Governor proposes that up to \$500,000 will be disbursed from the Development Fund to the Trade Promotion Authority once the Authority has met the \$1:\$1 matching requirements. The recommendation also includes approval for development fund proceeds to be used to cover an additional loan officer to assist with the growing fund portfolio.

Centers of Excellence are an important part of North Dakota's growing economy. To strengthen this partnership between North Dakota's higher education community and the state's business community, the Governor makes available \$55.0 million; \$5.0 million general fund dollars and \$50.0 million borrowing authority from the Bank of North Dakota to match with \$1 of state funds for every \$2 raised from other entities.

Department of Agriculture

In order to assure the consuming public that meat and meat food products are safe, an additional meat inspector position is added to the agency. The new position is necessary to keep up with the continued growth and inspection requirements of official state establishments that require an inspector on be on site during slaughter and processing and custom exempt establishments that require quarterly inspections.

During this time of national concern of dangerous and infectious diseases among domestic animals, the Governor recommends one additional veterinarian position and a program specialist to assist the Board of Animal Health. These positions will also assist the board in meeting the requirements of the National Scrapie Eradication program and Johnes's program.

The executive recommendation also includes the transfer of \$200,000 from the environment and rangeland protection fund to the minor use fund to continue research to facilitate the registration of new pesticides to be used on crops or for new uses of existing pesticides.

Agricultural Research and Extension

The executive recommendation provides funds for increased operating costs for the Main Station, Branch Research and Extension Stations, Extension, and Northern Crops. In addition, \$200,000 from the ERP fund will be used to fund on-going environmental research. Beef research for the 2005-07 biennium will be enhanced with \$301,897 and 2.00 FTE.

The Dickinson Research Center budget includes salaries and operations for Ethanol and Malting Barley research.

Bonding for \$2.0 million has been recommended for the NDSU Main Station greenhouse. Total project recommendation is \$4.5 million with the remaining \$2.5 million from federal and other sources. Bonding for North Central Research Station addition and greenhouse has been recommended at \$440,000 with a local match of \$880,000.

Natural Resources and Transportation

Historical Society

The executive recommendation provides \$1.6 million for the renovation and expansion of the Chateau Interpretive Center in Medora, the state's most visited historic site. Continued funding in the amount of \$933,217 is provided for initiatives relating to the Lewis and Clark bicentennial.

Game and Fish Department

The executive recommendation supports the department's continuing efforts to expand the private lands initiative, creating increased public hunting access to private lands. Five new FTE positions are authorized to allow the department to address increased workload relating to licensing resident and nonresident hunters and managing the state's wildlife population.

Parks and Recreation Department

The executive recommendation provides approximately \$618,000 for initiatives relating to the Lewis and Clark Bicentennial event. Two FTE and approximately \$420,000 are provided for the operation and development of the Cross Ranch State Nature Preserve. Approximately \$2.6 million is provided for capital projects at various state parks, including \$700,000 for the construction of a new visitor center at Turtle River State Park.

Water Commission

The executive recommendation provides for the continued development of the state's water infrastructure. The executive recommendation provides that Water Commission administrative and support services will be funded from the general fund and no transfer will be made from the water development trust fund to the general fund.

Department of Transportation

The 2003-05 legislative appropriation for the Department of Transportation included match for \$365.0 million in federal funds. The expected federal funds for 2003-05 exceed \$390.0 million, requiring \$5.9 million in additional match for the funds.

The 2005-07 executive recommendation provides match for \$399.4 million for the biennium plus the additional match needed for the carryover funds from 2003-05. To fund this level of match requires a motor vehicle registration fee increase of \$15 to the Highway fund. State funded activities have been held even in this budget.

Compensation Package

The recommended compensation package includes a 4% salary increase effective July 1, 2005 and another 3% salary increase effective July 1, 2006. Agencies are authorized to provide an additional 1% salary increase on July 1, 2006 if funds can be generated through efficiencies in the budget.

The compensation package continues full health insurance coverage for state employees and their families. The total cost for health insurance coverage is \$559.15 per month per employee. This is a \$70.45 or 14.4% increase over last biennium.

The monthly rate for the Employee Assistance Program (EAP) increased from \$1.35 to \$1.42 per month. This is the first rate adjustment to EAP since the program began in 1997.

In addition to the compensation package noted in the above paragraphs, the budget recommends moving employee salaries closer to market. A total of \$5.0 million is included in the executive budget for this purpose. The \$5.0 million is \$2.5 million general fund and \$2.5 million non-general funds. Based on market data for all classified employees in the Human Resource Management Services System (HRMS), funds will be distributed to agencies to adjust employee salaries. The HRMS Division of the Office of Management and Budget (OMB) must approve the adjustment plan of agencies prior to transferring the appropriation authority. Those employees furthest from the market will receive the largest increases. Employees at or above the midpoint of their salary range will not receive adjustments. Years of service will be recognized in order to avoid compression or other inequities.

The executive recommendation provides an additional \$1.0 million from the general fund to address market equity issues in the Department of Corrections and Rehabilitation.

Supplemental Appropriation

Supplemental appropriations have been recommended for agencies as follows:

112	ITD	\$ 1,070,142
125	Attorney General	110,000
230	UND	371,000
235	NDSU	1,500,000
313	Veterans Home	200,000
512	Emergency Management	6,275,000
512	DEM – Fire Costs	110,000
530	Corrections & Rehab	1,250,000
	Total	\$ 10,886,142

The supplemental appropriation recommended for the Information Technology Department (ITD) is the result of two separate Attorney General opinions that prohibited ITD from raising revenue as legislatively anticipated to fund general fund operations of the department.

The supplemental appropriation recommended for the Office of the Attorney General is to cover shortfalls in prosecution witness fees, Crime Lab supplies, and arrest and return of fugitives.

The supplemental appropriation recommended for the University of North Dakota represents the state share of repairs due to the 1997 flood. The amount recommended for North Dakota State University represents the state share of expenses due to the 2000 flood.

The Veterans Home deficiency is the result of legislatively anticipated revenues that did not materialize.

The Division of Emergency Management borrows from the Bank of North Dakota sufficient funds to pay the state’s share of disaster costs. This supplemental appropriation of \$6,275,000 will allow the division to repay its loan with interest.

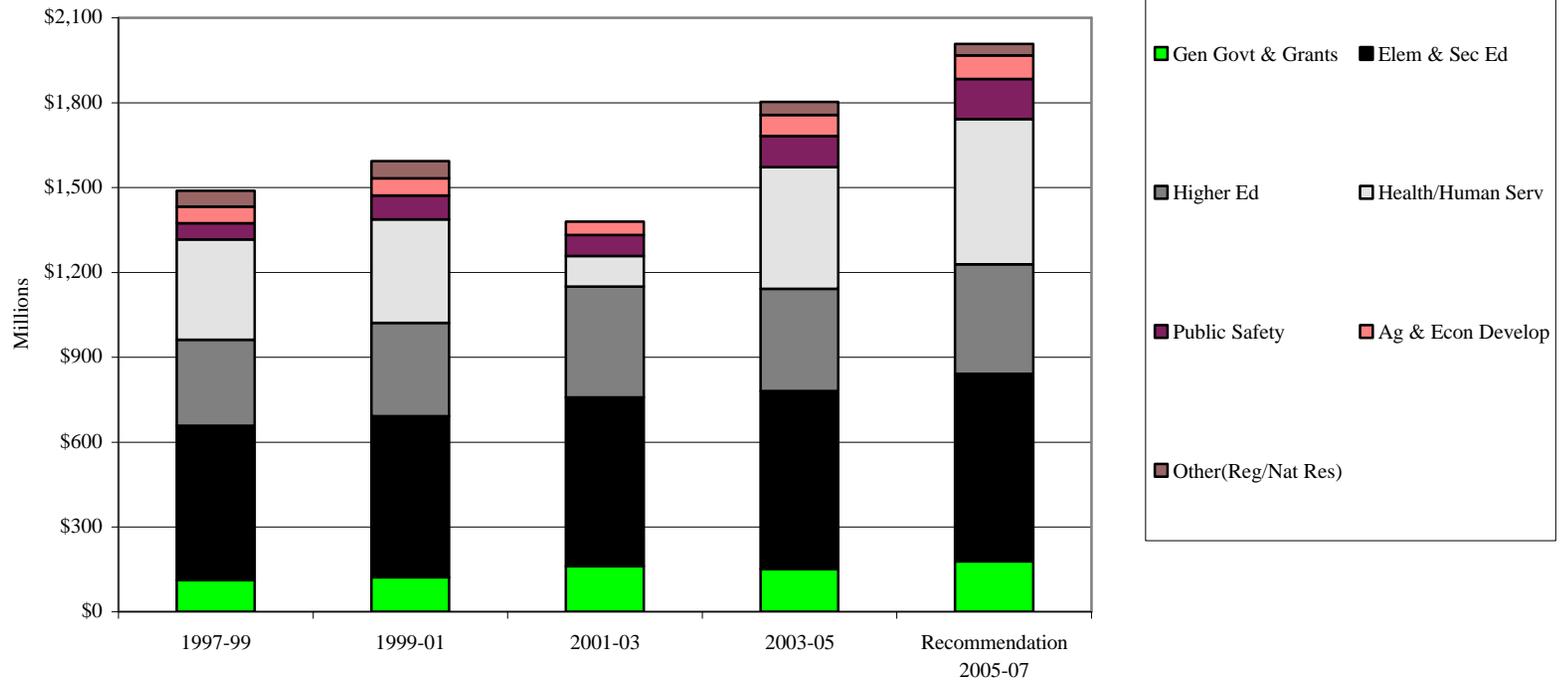
The supplemental appropriation of \$110,000 would provide payment to the USDA Forest Service for interagency suppression and support costs incurred on state and private lands related to the Magpie Camp, Whitetail, and Deep Creek fires in 2004.

Higher than anticipated male inmate population necessitates the supplemental appropriation for the Department of Corrections and Rehabilitation.

STATE OF NORTH DAKOTA
COMPARISON OF GENERAL FUND APPROPRIATION BY FUNCTION
FOR THE BIENNIUMS 1997-99 THRU 2005-07

GENERAL FUND	1997-99		1999-01		2001-03		2003-05		RECOMMENDATION 2005-07	
General Government and Grants	\$111,940,950	8%	\$122,330,515	8%	\$161,693,309	9%	\$151,008,049	8%	\$177,940,489	9%
Elementary and Secondary Education	546,275,851	37%	569,948,811	36%	596,464,679	34%	629,628,592	35%	662,794,480	33%
Higher Education	303,187,619	20%	328,813,637	21%	366,953,836	21%	361,541,418	20%	388,238,067	19%
Health and Human Services	355,105,606	24%	366,459,182	23%	391,732,710	22%	430,097,751	24%	512,548,006	26%
Public Safety	57,752,346	4%	84,403,147	5%	107,555,257	6%	110,488,151	6%	142,524,959	7%
Agriculture and Economic Development	58,439,326	4%	59,950,307	4%	74,594,917	4%	74,596,964	4%	83,097,292	4%
Other (Regulatory and Natural Resources)	56,538,389	4%	62,132,939	4%	47,989,005	3%	46,300,236	3%	39,857,976	2%
	<u>\$ 1,489,240,087</u>		<u>\$ 1,594,038,538</u>		<u>\$ 1,746,983,713</u>		<u>\$ 1,803,661,161</u>		<u>\$ 2,007,001,269</u>	

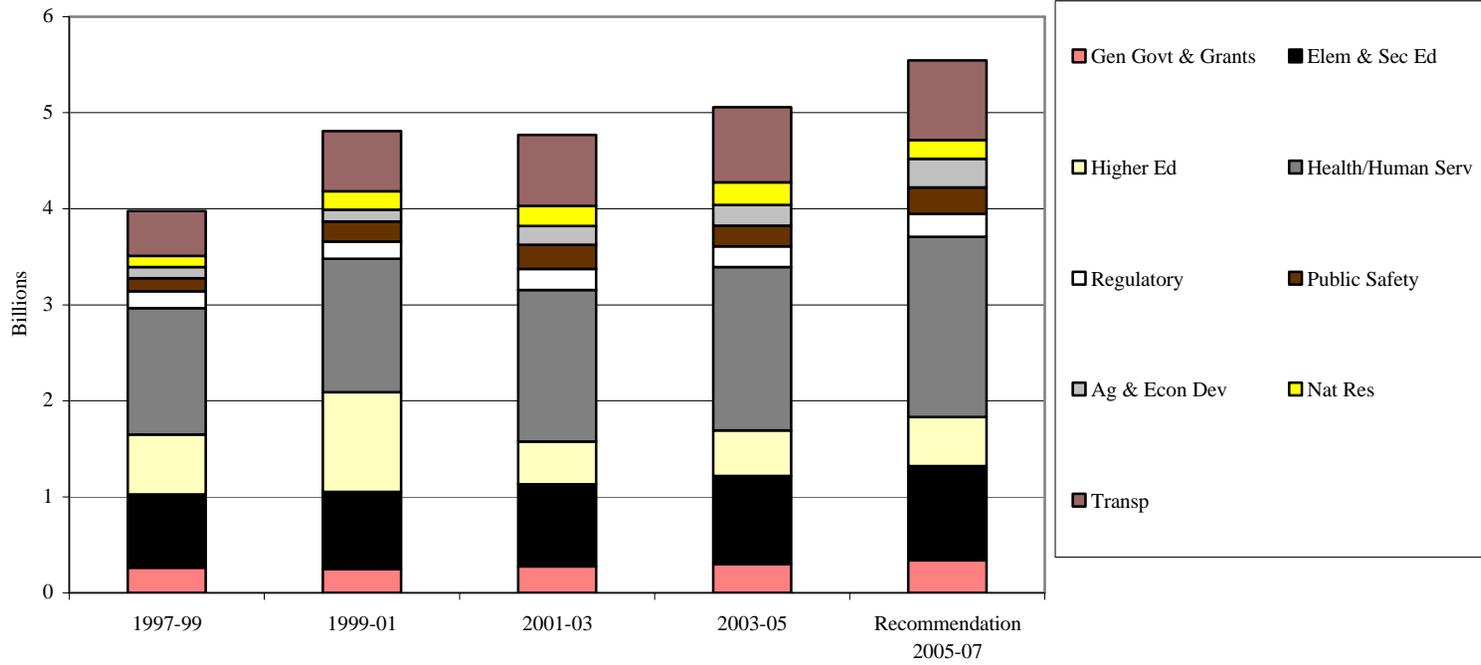
State of North Dakota
Comparison of General Fund Appropriations by Function
For the Bienniums 1997-99 thru 2005-07



STATE OF NORTH DAKOTA
COMPARISON OF TOTAL FUNDS APPROPRIATION BY FUNCTION
FOR THE BIENNIUMS 1997-99 THRU 2005-07

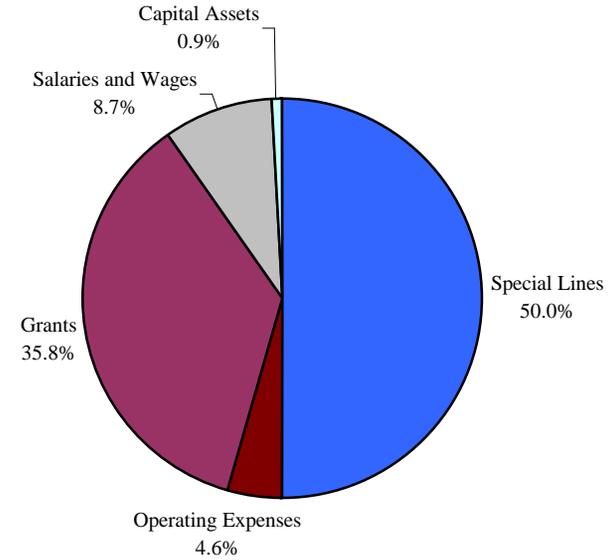
TOTAL FUND	RECOMMENDATION									
	1997-99		1999-01		2001-03		2003-05		2005-07	
General Government and Grants	266,287,918	7%	250,006,800	5%	275,699,456	6%	299,857,664	6%	339,946,320	6%
Elementary and Secondary Education	758,061,716	19%	800,552,900	17%	855,498,310	18%	917,804,540	18%	981,591,723	18%
Higher Education	626,783,482	16%	1,042,330,303	22%	447,321,037	9%	472,088,193	9%	507,867,175	9%
Health and Human Services	1,314,076,943	33%	1,386,015,697	29%	1,578,037,243	33%	1,703,558,805	34%	1,878,120,941	34%
Regulatory	175,510,649	4%	180,381,150	4%	217,837,795	5%	215,333,036	4%	238,680,541	4%
Public Safety	136,596,280	3%	206,954,579	4%	251,582,222	5%	216,485,182	4%	277,162,459	5%
Agriculture and Economic Development	114,340,494	3%	123,051,113	3%	193,708,017	4%	214,995,227	4%	297,927,886	5%
Natural Resources	117,397,144	3%	194,657,690	4%	210,077,673	4%	234,930,831	5%	196,644,747	4%
Transportation	465,552,778	12%	625,387,607	13%	739,918,943	16%	784,385,918	16%	827,412,952	15%
	<u>\$ 3,974,607,404</u>		<u>\$ 4,809,337,839</u>		<u>\$ 4,769,680,696</u>		<u>5,059,439,396</u>		<u>5,545,354,744</u>	

**State of North Dakota
Comparison of Total Funds Appropriations by Function
For the Bienniums 1997-99 thru 2005-07**



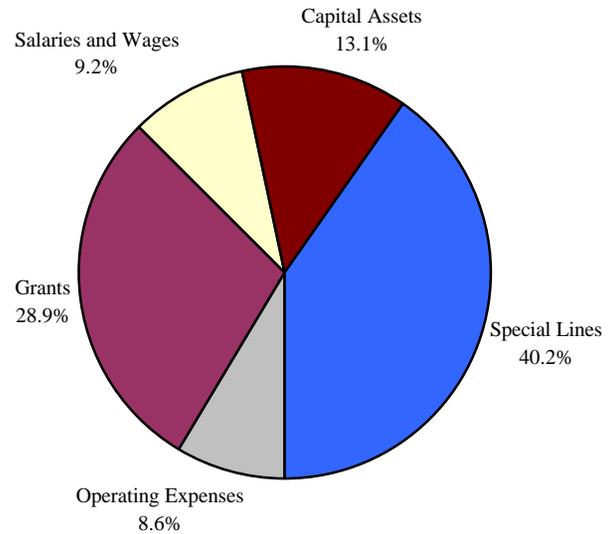
Recommended Line Item Expenditures - General Fund

Salaries and Wages	\$175,098,039
Operating Expenses	91,790,676
Capital Assets	18,043,820
Grants	718,873,148
Special Lines	<u>1,003,195,586</u>
Total	<u><u>\$2,007,001,269</u></u>



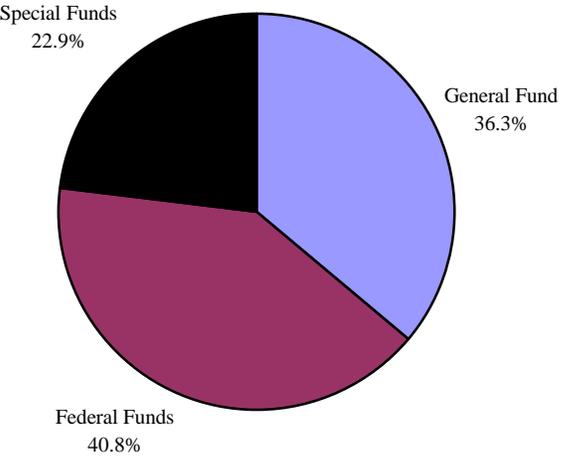
Recommended Line Item Expenditures -Total Funds

Salaries and Wages	\$509,468,449
Operating Expenses	477,283,415
Capital Assets	724,209,962
Grants	1,605,349,985
Special Lines	<u>2,229,042,933</u>
Total	<u><u>\$5,545,354,744</u></u>



Recommended Funding Source - Total Funds

General Fund	\$2,007,001,269
Federal Funds	2,266,216,940
Special Funds	<u>1,272,136,535</u>
Total	<u><u>\$5,545,354,744</u></u>



**COMPARISON OF 2003-2005 LEGISLATIVELY AUTHORIZED FTE AND
2005-2007 EXECUTIVE RECOMMENDATION**
Biennium: 2005-2007

Category / Agency	2003-2005 Legislatively Authorized FTE	2005-2007 Executive Recommendation	Increase (Decrease)
Executive Branch			
101 OFFICE OF THE GOVERNOR	18.00	18.00	.00
108 SECRETARY OF STATE	27.00	27.00	.00
110 OFFICE OF MANAGEMENT AND BUDGET /1	132.50	130.50	(2.00)
112 INFORMATION TECHNOLOGY /1, 2	257.20	265.20	8.00
117 OFFICE OF THE STATE AUDITOR	55.00	55.00	.00
120 OFFICE OF THE STATE TREASURER	6.00	6.00	.00
125 OFFICE OF THE ATTORNEY GENERAL /3	174.00	177.00	3.00
127 OFFICE OF STATE TAX COMMISSIONER	137.00	133.00	(4.00)
140 OFFICE OF ADMINISTRATIVE HEARINGS	8.00	8.00	.00
190 RETIREMENT AND INVESTMENT OFFICE	17.00	17.00	.00
192 PUBLIC EMPLOYEES RETIREMENT SYSTEM	29.00	29.00	.00
Legislative and Judicial Branches			
150 LEGISLATIVE ASSEMBLY	.00	.00	.00
160 LEGISLATIVE COUNCIL	33.00	33.00	.00
180 JUDICIAL BRANCH	336.00	332.00	(4.00)
Elementary, Secondary & Other Education			
201 DEPT OF PUBLIC INSTRUCTION /2	92.75	92.75	.00
226 STATE LAND DEPARTMENT	17.75	18.75	1.00
250 STATE LIBRARY	28.75	28.75	.00
252 SCHOOL FOR THE DEAF	51.85	49.94	(1.91)
253 ND VISION SERVICES /SCHOOL FOR THE BLIND	27.00	26.95	(.05)
270 CAREER AND TECHNICAL EDUCATION	27.50	27.50	.00
Higher Education			
215 ND UNIVERSITY SYSTEM	20.00	2,184.27	2,164.27
227 BISMARCK STATE COLLEGE	123.30	.00	(123.30)
228 LAKE REGION STATE COLLEGE	36.85	.00	(36.85)
229 WILLISTON STATE COLLEGE	46.17	.00	(46.17)
230 UNIVERSITY OF NORTH DAKOTA	706.74	.00	(706.74)
232 UND MEDICAL CENTER	198.91	.00	(198.91)
235 NORTH DAKOTA STATE UNIVERSITY	545.02	.00	(545.02)
238 ND STATE COLLEGE OF SCIENCE	174.95	.00	(174.95)
239 DICKINSON STATE UNIVERSITY	114.81	.00	(114.81)
240 MAYVILLE STATE UNIVERSITY	69.97	.00	(69.97)

**COMPARISON OF 2003-2005 LEGISLATIVELY AUTHORIZED FTE AND
2005-2007 EXECUTIVE RECOMMENDATION**

Biennium: 2005-2007

Category / Agency	2003-2005 Legislatively Authorized FTE	2005-2007 Executive Recommendation	Increase (Decrease)
241 MINOT STATE UNIVERSITY	217.49	.00	(217.49)
242 VALLEY CITY STATE UNIVERSITY	92.12	.00	(92.12)
243 MINOT STATE UNIVERSITY - BOTTINEAU	36.08	.00	(36.08)
244 NORTH DAKOTA FOREST SERVICE	17.97	12.40	(5.57)
Health and Human Services			
301 ND DEPARTMENT OF HEALTH /2	312.50	317.00	4.50
313 VETERANS HOME	89.41	90.97	1.56
316 INDIAN AFFAIRS COMMISSION	3.00	3.00	.00
321 DEPARTMENT OF VETERANS AFFAIRS	5.00	6.00	1.00
324 CHILDREN'S SVC COORD. COMMITTEE	.80	.00	(.80)
325 DEPARTMENT OF HUMAN SERVICES /2	2,053.42	2,048.43	(4.99)
360 PROTECTION AND ADVOCACY	24.50	25.50	1.00
380 JOB SERVICE NORTH DAKOTA /2	366.17	355.80	(10.37)
Regulatory			
401 OFFICE OF THE INSURANCE COMMISSIONER	45.50	46.50	1.00
405 INDUSTRIAL COMMISSION	58.37	51.37	(7.00)
406 OFFICE OF THE LABOR COMMISSIONER	10.00	11.00	1.00
408 PUBLIC SERVICE COMMISSION	41.00	41.00	.00
412 AERONAUTICS COMMISSION	6.00	6.00	.00
413 DEPT OF FINANCIAL INST	25.00	26.00	1.00
414 SECURITIES DEPARTMENT	8.00	9.00	1.00
471 BANK OF NORTH DAKOTA	178.50	178.50	.00
473 ND HOUSING FINANCE AGENCY	43.00	43.00	.00
475 ND MILL AND ELEVATOR ASSOCIATION	125.00	127.00	2.00
485 WORKFORCE SAFETY AND INSURANCE /2	227.00	223.14	(3.86)
Public Safety			
504 HIGHWAY PATROL	192.00	186.00	(6.00)
512 DIV OF EMERGENCY MANAGEMENT /1	49.00	54.00	5.00
530 DEPT OF CORRECTIONS AND REHAB	644.18	675.29	31.11
540 ADJUTANT GENERAL	139.00	139.00	.00
Agriculture and Economic Development			
601 DEPT OF COMMERCE	57.00	58.00	1.00
602 DEPARTMENT OF AGRICULTURE	57.00	61.00	4.00

**COMPARISON OF 2003-2005 LEGISLATIVELY AUTHORIZED FTE AND
2005-2007 EXECUTIVE RECOMMENDATION**

Biennium: 2005-2007

Category / Agency	2003-2005 Legislatively Authorized FTE	2005-2007 Executive Recommendation	Increase (Decrease)
616 STATE SEED DEPARTMENT	32.00	30.00	(2.00)
627 UPPER GREAT PLAINS TRANS INST	31.50	48.50	17.00
628 BRANCH RESEARCH CENTERS	73.65	77.41	3.76
630 NDSU EXTENSION SERVICE	270.57	266.10	(4.47)
638 NORTHERN CROPS INSTITUTE	8.17	7.62	(.55)
640 NDSU MAIN RESEARCH CENTER	349.19	339.05	(10.14)
649 AGRONOMY SEED FARM	2.87	2.97	.10
665 ND STATE FAIR	.00	.00	.00
Natural Resources			
701 HISTORICAL SOCIETY	57.00	57.00	.00
709 COUNCIL ON THE ARTS	5.00	5.00	.00
720 GAME AND FISH DEPARTMENT	147.00	152.00	5.00
750 PARKS AND RECREATION DEPT	44.25	48.50	4.25
770 WATER COMMISSION	82.00	84.00	2.00
Transportation			
801 DEPT OF TRANSPORTATION /2	1,044.50	1,044.50	.00
TOTAL FTE	10,783.73	10,617.16	(166.57)

/1 State Radio removed from OMB 29.50 FTE. Transferred 29.00 FTE to DEM and 0.50 FTE to ITD.

/2 Reflects transfer of FTE due to functional consolidation: 8.50 FTE to ITD from: DPI (0.50); Health (0.50); DHS (4.00); Job Service (1.00); Workforce Safety (1.00); DOT (1.50).

/3 Removed 8.00 FTE from Attorney General; 2.00 from Consumer Protection; 6:00 from Lottery Division to accurately reflect the actual authorized FTE.
The lottery is a continuing appropriation.

COMPENSATION PACKAGE ADJUSTMENTS

Biennium: 2005-2007

Version: 2005-ALL-R02

Department	Salary Package	Health Insurance	EAP	Total	Funding Sources		
					General	Federal	Special
101 OFFICE OF THE GOVERNOR	102,453	29,607	36	132,096	132,096	0	0
108 SECRETARY OF STATE	100,821	45,684	54	146,559	142,606	3,953	0
110 OFFICE OF MANAGEMENT AND BUDGET	524,240	219,960	262	744,462	594,799	0	149,663
112 INFORMATION TECHNOLOGY	1,517,444	424,690	544	1,942,678	120,917	0	1,821,761
117 OFFICE OF THE STATE AUDITOR	299,136	93,060	110	392,306	270,189	49,485	72,632
120 OFFICE OF THE STATE TREASURER	28,819	10,152	12	38,983	38,983	0	0
125 OFFICE OF THE ATTORNEY GENERAL	884,073	294,408	356	1,178,837	872,000	112,069	194,768
127 OFFICE OF STATE TAX COMMISSIONER	593,138	225,036	266	818,440	818,440	0	0
140 OFFICE OF ADMINISTRATIVE HEARINGS	47,907	15,228	18	63,153	0	0	63,153
150 LEGISLATIVE ASSEMBLY	0	0	0	0	0	0	0
160 LEGISLATIVE COUNCIL	208,080	55,836	66	263,982	263,982	0	0
180 JUDICIAL BRANCH	1,439,813	566,820	670	2,007,303	1,951,091	42,425	13,787
190 RETIREMENT AND INVESTMENT OFFICE	88,786	28,764	34	117,584	0	0	117,584
192 PUBLIC EMPLOYEES RETIREMENT SYSTEM	128,097	50,760	60	178,917	0	0	178,917
201 DEPT OF PUBLIC INSTRUCTION	449,657	153,958	192	603,807	191,697	411,708	402
215 ND UNIVERSITY SYSTEM	0	0	0	0	0	0	0
226 STATE LAND DEPARTMENT	100,541	32,146	38	132,725	0	0	132,725
227 BISMARCK STATE COLLEGE	0	0	0	0	0	0	0
228 LAKE REGION STATE COLLEGE	0	0	0	0	0	0	0
229 WILLISTON STATE COLLEGE	0	0	0	0	0	0	0
230 UNIVERSITY OF NORTH DAKOTA	0	0	0	0	0	0	0
232 UND MEDICAL CENTER	0	0	0	0	0	0	0
235 NORTH DAKOTA STATE UNIVERSITY	0	0	0	0	0	0	0
238 ND STATE COLLEGE OF SCIENCE	0	0	0	0	0	0	0
239 DICKINSON STATE UNIVERSITY	0	0	0	0	0	0	0
240 MAYVILLE STATE UNIVERSITY	0	0	0	0	0	0	0
241 MINOT STATE UNIVERSITY	0	0	0	0	0	0	0
242 VALLEY CITY STATE UNIVERSITY	0	0	0	0	0	0	0
243 MINOT STATE UNIVERSITY - BOTTINEAU	0	0	0	0	0	0	0
244 NORTH DAKOTA FOREST SERVICE	0	0	0	0	0	0	0
250 STATE LIBRARY	97,953	40,608	58	138,619	122,062	16,557	0
252 SCHOOL FOR THE DEAF	133,596	89,646	120	223,362	212,936	10,426	0
253 ND VISION SERVICES	57,605	45,680	58	103,343	78,631	0	24,712
270 CAREER AND TECHNICAL EDUCATION	140,764	40,608	54	181,426	121,399	60,027	0
301 ND DEPARTMENT OF HEALTH	1,481,028	540,594	639	2,022,261	660,271	1,294,130	67,860

COMPENSATION PACKAGE ADJUSTMENTS

Biennium: 2005-2007

Version: 2005-ALL-R02

Department	Salary Package	Health Insurance	EAP	Total	Funding Sources		
					General	Federal	Special
313 VETERANS HOME	292,232	164,000	205	456,437	296,464	138,803	21,170
316 INDIAN AFFAIRS COMMISSION	15,453	5,076	6	20,535	20,535	0	0
321 DEPARTMENT OF VETERANS AFFAIRS	22,263	10,152	14	32,429	32,429	0	0
324 CHILDREN'S SVC COORD. COMMITTEE	0	0	0	0	0	0	0
325 DEPARTMENT OF HUMAN SERVICES	8,264,261	3,541,226	4,210	11,809,697	6,783,841	4,688,714	337,142
360 PROTECTION AND ADVOCACY	116,828	45,684	54	162,566	38,125	124,441	0
380 JOB SERVICE NORTH DAKOTA	1,591,477	588,814	734	2,181,025	5,724	2,141,975	33,326
401 OFFICE OF THE INSURANCE COMMISSIONER	232,305	81,214	96	313,615	0	11,959	301,656
405 INDUSTRIAL COMMISSION	277,618	87,984	104	365,706	315,035	17,076	33,595
406 OFFICE OF THE LABOR COMMISSIONER	50,721	18,612	22	69,355	52,140	17,215	0
408 PUBLIC SERVICE COMMISSION	232,996	69,372	82	302,450	194,108	108,342	0
412 AERONAUTICS COMMISSION	31,577	10,152	12	41,741	0	0	41,741
413 DEPT OF FINANCIAL INST	158,721	43,992	72	202,785	0	0	202,785
414 SECURITIES DEPARTMENT	51,396	15,228	18	66,642	66,642	0	0
471 BANK OF NORTH DAKOTA	812,929	313,020	368	1,126,317	0	0	1,126,317
473 ND HOUSING FINANCE AGENCY	197,533	72,756	86	270,375	0	0	270,375
475 ND MILL AND ELEVATOR ASSOCIATION	0	214,696	254	214,950	0	0	214,950
485 WORKFORCE SAFETY AND INSURANCE	1,165,040	362,068	452	1,527,560	0	0	1,527,560
504 HIGHWAY PATROL	950,355	307,944	372	1,258,671	1,117,877	62,878	77,916
512 DIV OF EMERGENCY MANAGEMENT	264,483	87,984	108	352,575	187,264	140,298	25,013
530 DEPT OF CORRECTIONS AND REHAB	2,659,801	1,091,340	1,372	3,752,513	3,408,123	111,709	232,681
540 ADJUTANT GENERAL	635,766	228,420	278	864,464	237,071	612,142	15,251
601 DEPT OF COMMERCE	340,797	91,368	116	432,281	299,408	104,776	28,097
602 DEPARTMENT OF AGRICULTURE	285,831	94,746	122	380,699	214,241	116,135	50,323
616 STATE SEED DEPARTMENT	132,482	49,068	62	181,612	0	0	181,612
627 UPPER GREAT PLAINS TRANS INST	371,314	83,754	100	455,168	17,946	352,897	84,325
628 BRANCH RESEARCH CENTERS	418,791	138,768	174	557,733	424,641	0	133,092
630 NDSU EXTENSION SERVICE	1,422,466	507,717	694	1,930,877	1,010,500	106,165	814,212
638 NORTHERN CROPS INSTITUTE	53,033	13,536	16	66,585	37,642	0	28,943
640 NDSU MAIN RESEARCH CENTER	2,227,891	615,606	806	2,844,303	1,833,203	60,600	950,500
649 AGRONOMY SEED FARM	18,131	5,076	6	23,213	0	0	23,213
665 ND STATE FAIR	0	0	0	0	0	0	0
701 HISTORICAL SOCIETY	236,884	96,444	116	333,444	296,975	36,469	0
709 COUNCIL ON THE ARTS	20,273	8,460	10	28,743	28,743	0	0
720 GAME AND FISH DEPARTMENT	779,948	257,184	304	1,037,436	0	351,417	686,019
750 PARKS AND RECREATION DEPT	201,616	82,908	98	284,622	260,497	8,101	16,024

COMPENSATION PACKAGE ADJUSTMENTS**Biennium:** 2005-2007**Version:** 2005-ALL-R02

Department	Salary Package	Health Insurance	EAP	Total	Funding Sources		
					General	Federal	Special
770 WATER COMMISSION	438,877	140,436	168	579,481	80,281	29,371	469,829
801 DEPT OF TRANSPORTATION	4,554,903	1,744,452	2,094	6,301,449	0	957,343	5,344,106
	37,950,943	14,292,502	17,452	52,260,897	23,851,554	12,299,606	16,109,737

LEASE PURCHASE AGREEMENTS

Ag. No.	Agency Name	Lease Description	Original Value	Monthly Payment Amount	Months Remaining
201	DEPT OF PUBLIC INSTRUCTION	Digital Copier	24,000	758	18
		Digital Copier	2,375	75	24
		Digital Copier	1,295	57	3
		Digital Copier	8,500	268	18
227	BISMARCK STATE COLLEGE	Computer Lease	400,000	11,603	24
230	UNIVERSITY OF NORTH DAKOTA	Computer Equipment	128,763	3,545	12
235	NORTH DAKOTA STATE UNIVERSITY	Copier - campus wide	566,613	202,717	0
		Cluster Upgrade	232,697	81,176	0
		Cluster Upgrade	262,083	89,522	1
		Storage Area Network Upgrade	251,654	86,765	0
313	VETERANS HOME	Lease Agreement for Canon Copier and Sorter	18,744	261	14
325	DEPARTMENT OF HUMAN SERVICES	Xerox 5892 Copier	55,695	717	24
		Xerox 5892 F Copier	55,695	633	24
		Inserters (2) and software	104,000	3,187	21
380	JOB SERVICE NORTH DAKOTA	Mainframe for Unemployment Insurance	1,090,619	24,693	24
801	DEPT OF TRANSPORTATION	Mail Machine	168,840	2,814	24
		Smart Mailer Software	89,340	1,489	24

2005-2007 BIENNIUM TELECOMMUTE ANALYSIS FORM SUMMARY

No.	Agency Name	2005-2007 Biennium Telecommute Analysis Forms Relating to Requested Positions							New Positions Included in 2005- 2007	
		Position Type				Position Location				
		New	Vacant	Relocated	Assigned New Prog	Total	Central Office	Tele- commute	Total	Executive Recommendation
110	OFFICE OF MANAGEMENT AND BUDGET	2.00				2.00		2.00	2.00	
117	OFFICE OF THE STATE AUDITOR	4.00				4.00		4.00		
125	OFFICE OF THE ATTORNEY GENERAL	3.00				3.00		3.00	3.00	
201	DEPT OF PUBLIC INSTRUCTION		1.00			1.00	1.00	1.00		
244	NORTH DAKOTA FOREST SERVICE	2.00				2.00		2.00		
301	ND DEPARTMENT OF HEALTH	4.00	3.00			7.00	5.00	2.00	7.00	
316	INDIAN AFFAIRS COMMISSION	1.00				1.00	1.00		1.00	
325	DEPARTMENT OF HUMAN SERVICES	15.00		.50	2.00	17.50	17.50		17.50	
360	PROTECTION AND ADVOCACY	1.00				1.00	1.00		1.00	
401	OFFICE OF THE INSURANCE COMM	1.00				1.00		1.00	1.00	
406	OFFICE OF THE LABOR COMMISSIONER	1.00				1.00	1.00		1.00	
413	DEPT OF FINANCIAL INST	1.00				1.00		1.00	1.00	
473	ND HOUSING FINANCE AGENCY		4.00			4.00	4.00		4.00	
475	ND MILL AND ELEVATOR ASSOCIATION	2.00				2.00	2.00		2.00	
504	HIGHWAY PATROL	6.00	2.00			8.00	8.00		8.00	
512	DIV OF EMERGENCY MANAGEMENT	5.00				5.00	5.00		5.00	
530	DEPT OF CORRECTIONS AND REHAB	114.60				114.60	114.60		114.60	
540	ADJUTANT GENERAL		2.00		2.00	4.00	4.00		4.00	
601	DEPT OF COMMERCE	6.00				6.00	5.00	1.00	6.00	
602	DEPARTMENT OF AGRICULTURE	2.00				2.00	1.00	1.00	2.00	
616	STATE SEED DEPARTMENT		9.50			9.50	9.50		9.50	
627	UPPER GREAT PLAINS TRANS INST	9.00				9.00	9.00		9.00	
628	BRANCH RESEARCH CENTERS	9.00				9.00	9.00		9.00	
630	NDSU EXTENSION SERVICE	8.15				8.15	8.15		8.15	
638	NORTHERN CROPS INSTITUTE	1.00				1.00	1.00		1.00	
640	NDSU MAIN RESEARCH CENTER	28.35				28.35	28.35		28.35	
701	HISTORICAL SOCIETY	8.50				8.50	4.50	4.00	8.50	
720	GAME AND FISH DEPARTMENT	5.00				5.00	5.00		5.00	
750	PARKS AND RECREATION DEPT	7.50				7.50	7.50		7.50	
770	WATER COMMISSION	2.00				2.00	2.00		2.00	
801	DEPT OF TRANSPORTATION	6.50				6.50		6.50	6.50	
TOTALS		255.60	21.50	.50	4.00	281.60	265.10	16.50	281.60	80.85

Capital Assets

The capital budget summarizes the 2005-07 biennium executive recommendation for state investments in capital assets. The term “capital assets” refers to: capital projects, extraordinary repairs, other capital improvements, equipment over \$5,000 and information technology (IT) equipment 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 limited 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 limited 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 RECOMMENDATIONS
BY CATEGORY 2005-2007**

No.	Agency Name	Capital Projects	Extraordinary Repairs	Other Capital Improvements	Equipment Over \$5000	IT Equipment Over \$5000	Total
108	SECRETARY OF STATE	0	0	0	15,000	0	15,000
110	OFFICE OF MANAGEMENT AND BUDGET	0	5,685,000	74,000	40,000	0	5,799,000
112	INFORMATION TECHNOLOGY	60,000	0	5,392,163	0	5,284,000	10,736,163
117	OFFICE OF THE STATE AUDITOR	0	0	0	10,000	0	10,000
125	OFFICE OF THE ATTORNEY GENERAL	3,632,691	0	0	1,767,250	0	5,399,941
127	OFFICE OF STATE TAX COMMISSIONER	0	0	0	0	25,000	25,000
150	LEGISLATIVE ASSEMBLY	0	0	0	6,000	0	6,000
160	LEGISLATIVE COUNCIL	0	0	0	33,000	8,000	41,000
180	JUDICIAL BRANCH	0	0	0	106,500	22,500	129,000
215	ND UNIVERSITY SYSTEM	0	0	14,278,141	0	0	14,278,141
226	STATE LAND DEPARTMENT	0	0	0	10,000	0	10,000
227	BISMARCK STATE COLLEGE	2,302,800	0	0	0	0	2,302,800
228	LAKE REGION STATE COLLEGE	343,875	0	0	0	0	343,875
229	WILLISTON STATE COLLEGE	6,910,000	0	0	0	0	6,910,000
230	UNIVERSITY OF NORTH DAKOTA	52,000,000	2,331,554	0	0	0	54,331,554
235	NORTH DAKOTA STATE UNIVERSITY	37,500,000	0	0	0	0	37,500,000
238	ND STATE COLLEGE OF SCIENCE	1,104,920	0	0	0	0	1,104,920
239	DICKINSON STATE UNIVERSITY	9,100,557	0	0	0	0	9,100,557
240	MAYVILLE STATE UNIVERSITY	1,500,000	0	0	0	0	1,500,000
241	MINOT STATE UNIVERSITY	3,535,000	0	0	0	0	3,535,000

**CAPITAL ASSETS RECOMMENDATIONS
BY CATEGORY 2005-2007**

No.	Agency Name	Capital Projects	Extraordinary Repairs	Other Capital Improvements	Equipment Over \$5000	IT Equipment Over \$5000	Total
242	VALLEY CITY STATE UNIVERSITY	282,000	0	0	0	0	282,000
244	NORTH DAKOTA FOREST SERVICE	65,000	36,638	0	0	0	101,638
252	SCHOOL FOR THE DEAF	0	279,495	0	0	0	279,495
253	ND VISION SERVICES	42,380	15,090	0	10,000	0	67,470
301	ND DEPARTMENT OF HEALTH	0	107,960	685,309	714,000	7,200	1,514,469
313	VETERANS HOME	0	84,328	236,535	27,500	9,200	357,563
325	DEPARTMENT OF HUMAN SERVICES	455,000	0	1,682,596	80,000	0	2,217,596
380	JOB SERVICE NORTH DAKOTA	0	0	225,000	0	0	225,000
405	INDUSTRIAL COMMISSION	0	0	0	22,000	23,500	45,500
408	PUBLIC SERVICE COMMISSION	0	0	0	23,500	35,011	58,511
412	AERONAUTICS COMMISSION	0	134,000	0	0	0	134,000
413	DEPT OF FINANCIAL INST	0	0	0	0	7,500	7,500
471	BANK OF NORTH DAKOTA	11,000,000	0	0	90,000	182,000	11,272,000
485	WORKFORCE SAFETY AND INSURANCE	0	0	0	0	26,000	26,000
504	HIGHWAY PATROL	0	25,000	0	0	0	25,000
512	DIV OF EMERGENCY MANAGEMENT	0	0	0	0	4,957,923	4,957,923
530	DEPT OF CORRECTIONS AND REHAB	4,041,510	777,000	3,038,586	947,142	25,836	8,830,074
540	ADJUTANT GENERAL	10,215,755	500,000	320,000	50,000	0	11,085,755
601	DEPT OF COMMERCE	0	0	0	25,000	0	25,000
602	DEPARTMENT OF AGRICULTURE	0	0	0	5,000	0	5,000

**CAPITAL ASSETS RECOMMENDATIONS
BY CATEGORY 2005-2007**

No.	Agency Name	Capital Projects	Extraordinary Repairs	Other Capital Improvements	Equipment Over \$5000	IT Equipment Over \$5000	Total
616	STATE SEED DEPARTMENT	0	100,000	0	20,000	0	120,000
627	UPPER GREAT PLAINS TRANS INST	0	0	0	100,000	181,000	281,000
628	BRANCH RESEARCH CENTERS	1,320,000	0	0	2,043,500	0	3,363,500
638	NORTHERN CROPS INSTITUTE	0	0	0	126,500	0	126,500
640	NDSU MAIN RESEARCH CENTER	4,500,000	415,300	0	2,400,000	0	7,315,300
649	AGRONOMY SEED FARM	0	0	0	245,000	0	245,000
665	ND STATE FAIR	0	0	210,000	0	0	210,000
701	HISTORICAL SOCIETY	1,850,000	251,319	0	81,000	0	2,182,319
720	GAME AND FISH DEPARTMENT	2,170,000	416,116	0	485,000	0	3,071,116
750	PARKS AND RECREATION DEPT	2,870,000	784,700	0	380,500	0	4,035,200
770	WATER COMMISSION	1,300,000	0	42,699,560	20,000	0	44,019,560
801	DEPT OF TRANSPORTATION	1,260,000	3,005,423	504,001,529	29,402,338	189,897	537,859,187
		159,361,488	14,948,923	572,843,419	39,285,730	10,984,567	797,424,127

**CAPITAL ASSETS RECOMMENDATIONS
BY FUNDING SOURCE – 2005-2007**

No.	Agency Name	General Fund	Federal Funds	Special Funds	Bond Funds	Total
108	SECRETARY OF STATE	15,000	0	0	0	15,000
110	OFFICE OF MANAGEMENT AND BUDGET	804,000	0	1,840,000	3,155,000	5,799,000
112	INFORMATION TECHNOLOGY	300,000	0	10,436,163	0	10,736,163
117	OFFICE OF THE STATE AUDITOR	0	0	10,000	0	10,000
125	OFFICE OF THE ATTORNEY GENERAL	174,400	1,579,600	13,250	3,632,691	5,399,941
127	OFFICE OF STATE TAX COMMISSIONER	25,000	0	0	0	25,000
150	LEGISLATIVE ASSEMBLY	6,000	0	0	0	6,000
160	LEGISLATIVE COUNCIL	41,000	0	0	0	41,000
180	JUDICIAL BRANCH	129,000	0	0	0	129,000
201	DEPT OF PUBLIC INSTRUCTION	0	0	0	0	0
215	ND UNIVERSITY SYSTEM	12,998,391	0	1,279,750	0	14,278,141
226	STATE LAND DEPARTMENT	0	0	10,000	0	10,000
227	BISMARCK STATE COLLEGE	0	0	2,302,800	0	2,302,800
228	LAKE REGION STATE COLLEGE	343,875	0	0	0	343,875
229	WILLISTON STATE COLLEGE	0	2,500,000	4,410,000	0	6,910,000
230	UNIVERSITY OF NORTH DAKOTA	0	0	54,331,554	0	54,331,554
235	NORTH DAKOTA STATE UNIVERSITY	0	0	34,000,000	3,500,000	37,500,000
238	ND STATE COLLEGE OF SCIENCE	0	0	368,920	736,000	1,104,920
239	DICKINSON STATE UNIVERSITY	0	0	5,000,000	4,100,557	9,100,557
240	MAYVILLE STATE UNIVERSITY	0	0	1,500,000	0	1,500,000

**CAPITAL ASSETS RECOMMENDATIONS
BY FUNDING SOURCE – 2005-2007**

No.	Agency Name	General Fund	Federal Funds	Special Funds	Bond Funds	Total
241	MINOT STATE UNIVERSITY	0	0	3,535,000	0	3,535,000
242	VALLEY CITY STATE UNIVERSITY	250,000	0	32,000	0	282,000
244	NORTH DAKOTA FOREST SERVICE	101,638	0	0	0	101,638
252	SCHOOL FOR THE DEAF	46,645	0	232,850	0	279,495
253	ND VISION SERVICES	42,380	0	25,090	0	67,470
301	ND DEPARTMENT OF HEALTH	340,636	1,023,333	150,500	0	1,514,469
313	VETERANS HOME	61,877	0	295,686	0	357,563
325	DEPARTMENT OF HUMAN SERVICES	1,646,840	114,690	1,066	455,000	2,217,596
380	JOB SERVICE NORTH DAKOTA	0	225,000	0	0	225,000
405	INDUSTRIAL COMMISSION	45,500	0	0	0	45,500
408	PUBLIC SERVICE COMMISSION	51,011	7,500	0	0	58,511
412	AERONAUTICS COMMISSION	0	99,000	35,000	0	134,000
413	DEPT OF FINANCIAL INST	0	0	7,500	0	7,500
471	BANK OF NORTH DAKOTA	0	0	11,272,000	0	11,272,000
485	WORKFORCE SAFETY AND INSURANCE	0	0	26,000	0	26,000
504	HIGHWAY PATROL	17,680	0	7,320	0	25,000
512	DIV OF EMERGENCY MANAGEMENT	0	4,957,923	0	0	4,957,923
530	DEPT OF CORRECTIONS AND REHAB	4,120,564	0	1,123,000	3,586,510	8,830,074
540	ADJUTANT GENERAL	620,000	10,465,755	0	0	11,085,755
601	DEPT OF COMMERCE	0	25,000	0	0	25,000

**CAPITAL ASSETS RECOMMENDATIONS
BY FUNDING SOURCE – 2005-2007**

No.	Agency Name	General Fund	Federal Funds	Special Funds	Bond Funds	Total
602	DEPARTMENT OF AGRICULTURE	0	5,000	0	0	5,000
616	STATE SEED DEPARTMENT	0	0	120,000	0	120,000
627	UPPER GREAT PLAINS TRANS INST	0	181,000	100,000	0	281,000
628	BRANCH RESEARCH CENTERS	257,166	0	2,666,334	440,000	3,363,500
638	NORTHERN CROPS INSTITUTE	0	0	126,500	0	126,500
640	NDSU MAIN RESEARCH CENTER	415,300	2,000,000	2,900,000	2,000,000	7,315,300
649	AGRONOMY SEED FARM	0	0	245,000	0	245,000
665	ND STATE FAIR	210,000	0	0	0	210,000
701	HISTORICAL SOCIETY	582,319	500,000	300,000	800,000	2,182,319
720	GAME AND FISH DEPARTMENT	0	942,750	2,128,366	0	3,071,116
750	PARKS AND RECREATION DEPT	1,632,700	1,672,000	380,500	350,000	4,035,200
770	WATER COMMISSION	0	10,020,000	33,999,560	0	44,019,560
801	DEPT OF TRANSPORTATION	0	390,860,095	146,999,092	0	537,859,187
		25,278,922	427,178,646	322,210,801	22,755,758	797,424,127

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 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 – 2005-2007

No.	Agency Name	Capital Project	Total	General Fund	Federal Funds	Special Funds	Bonding
112	INFORMATION TECHNOLOGY	DIS - Thordason Hall	60,000	0	0	60,000	0
125	OFFICE OF ATTN Y GENERAL	Crime Lab Bldg. Addition - DNA Forensic Scientist	81,200	0	0	0	81,200
		Crime Lab Building Addition and Remodeling	3,551,491	0	0	0	3,551,491
227	BISMARCK STATE COLLEGE	Plant Services Building	502,800	0	0	502,800	0
		Student Apartments	1,800,000	0	0	1,800,000	0
228	LAKE REGION STATE COLLEGE	Science Lab Renovation	343,875	343,875	0	0	0
229	WILLISTON STATE COLLEGE	Energy and Transportation Training Center Addition	910,000	0	0	910,000	0
		Rural Development Center	6,000,000	0	2,500,000	3,500,000	0
230	UNIVERSITY OF ND	American Indian Center	3,500,000	0	0	3,500,000	0
		Carnegie Library Renovation	3,000,000	0	0	3,000,000	0
		Dining Center Renovation(Wilkerson and or Squires)	1,500,000	0	0	1,500,000	0
		Indoor Track Facility	6,000,000	0	0	6,000,000	0
		Parking Ramp Structure	12,000,000	0	0	12,000,000	0
		SOMHS Allied Health Facility	7,500,000	0	0	7,500,000	0
		SOMHS Laboratory Renovation	2,500,000	0	0	2,500,000	0
		University Housing Replacement	16,000,000	0	0	16,000,000	0
235	ND STATE UNIVERSITY	Hazardous Material Handling & Storage	3,500,000	0	0	0	3,500,000
		Memorial Union Renovation and Addition	22,000,000	0	0	22,000,000	0
		Wellness Center Addition	12,000,000	0	0	12,000,000	0
238	ND ST COLLEGE OF SCIENCE	Blikre Activities Center Addition	368,920	0	0	368,920	0
		Electrical Distribution-Phase II of IV	736,000	0	0	0	736,000
239	DICKINSON STATE UNIV	Murphy Hall Renovation Addition (Stage II)	4,100,557	0	0	0	4,100,557
		Whitney Stadium Renovation Addition	5,000,000	0	0	5,000,000	0
240	MAYVILLE STATE UNIV	Fieldhouse Entrance, Concession and Restroom Expan	1,000,000	0	0	1,000,000	0
		Outdoor Athletic Complex	500,000	0	0	500,000	0
241	MINOT STATE UNIV	Crane Hall Renovation	3,535,000	0	0	3,535,000	0
242	VALLEY CITY STATE UNIV	W.E. Osmon Bleacher Replacement	282,000	250,000	0	32,000	0
244	ND FOREST SERVICE	Seed Processing Facilities	65,000	65,000	0	0	0
253	ND VISION SERVICES	South Wing Air Conditioning Replacement	42,380	42,380	0	0	0
325	DEPT OF HUMAN SERVICES	Dev Center Cedar Grove Roofing	135,000	0	0	0	135,000
		Dev Center Collette Pool Filtration/ Roof	105,000	0	0	0	105,000
		St Hospital Electrical Transformer Replace	40,000	0	0	0	40,000
		St Hospital Roof Repairs	65,000	0	0	0	65,000
		St Hospital Water Tower Repairs and Painting	110,000	0	0	0	110,000

Capital Projects Recommendations – 2005-2007

No.	Agency Name	Capital Project	Total	General Fund	Federal Funds	Special Funds	Bonding
471	BANK OF NORTH DAKOTA	New Building	11,000,000	0	0	11,000,000	0
530	DEPT OF CORRECT & REHAB	JRCC - ET Building Improvements	980,000	0	0	0	980,000
		JRCC - Programs Building - Code Improvements	584,000	0	0	0	584,000
		MRCC - Multipurpose Building	2,022,510	0	0	0	2,022,510
		RRI - Industry building at MRCC	320,000	0	0	320,000	0
		YCC - Air Exchange System	135,000	0	0	135,000	0
540	ADJUTANT GENERAL	Army Guard Contracts Construction	10,215,755	0	10,215,755	0	0
628	BRANCH RESEARCH CENTERS	Agronomy Laboratory and Greenhouse - North Central	1,320,000	0	0	880,000	440,000
640	NDSU MAIN RESEARCH CTR	Research Greenhouse Complex - Main Station	4,500,000	0	2,000,000	500,000	2,000,000
701	HISTORICAL SOCIETY	Chateau Interpretive Center Planning	1,600,000	0	500,000	300,000	800,000
		Compact Storage - Museum	250,000	250,000	0	0	0
720	GAME AND FISH DEPT	Bismarck Storage Buildings	400,000	0	0	400,000	0
		Fishing Area Projects	870,000	0	600,000	270,000	0
		Land Acquisition	750,000	0	0	750,000	0
		Wildlife Management Area Projects	150,000	0	100,000	50,000	0
750	PARKS AND REC DEPT	CORPS authority	500,000	0	500,000	0	0
		Coast Guard Authority	250,000	0	250,000	0	0
		Elkhorn Preserve Development	220,000	110,000	110,000	0	0
		FEMA authority	100,000	0	100,000	0	0
		Fort Stevenson Campground rehab	160,000	160,000	0	0	0
		Icelandic State Park campground upgrade	190,000	95,000	95,000	0	0
		Lake Sakakawea Boat Ramp Improvements	50,000	25,000	25,000	0	0
		Lake Sakakawea State Park Campground Utilities	145,000	145,000	0	0	0
		Lake Sakakawea campground rewire	55,000	55,000	0	0	0
		Peace Garden Conflict Resolution Center	250,000	250,000	0	0	0
		Pembina Gorge Trails	250,000	50,000	200,000	0	0
		Turtle River State Park Administrative Office	700,000	0	350,000	0	350,000
770	WATER COMMISSION	Construction of a Replacement Shop	1,300,000	0	0	1,300,000	0
801	DEPT OF TRANSPORTATION	Land & Buildings	1,260,000	0	0	1,260,000	0
			159,361,488	1,841,255	17,545,755	120,373,720	19,600,758

Capital Projects

110 – Office of Management and Budget

Fire Suppression System

The number one mitigation factor for fighting fires at the Capitol Complex is the installation of a fire suppression system in the Tower. The Life Safety Code (State Building Code), the International Building Code (State Building Code) and the International Fire Code, (State Inspection Code) all require an approved automatic fire suppression system. The recommendation includes \$3.2 million of general fund supported bonding. No net increase in operating and maintenance expenses is anticipated. This project appears in the Capital Assets line as Extraordinary Repairs.

112 – Information Technology

Division of Independent Study – Thordason Hall

This project will upgrade the lighting, ceilings and certain portions of floor coverings. The recommendation includes \$60,000 of special funds. No net increase in operating and maintenance expenses is anticipated.

125 – Office of the Attorney General

Crime Laboratory Renovation and Addition

This project is phase III of the master plan development at the East Laboratory campus. The project includes remodeling of the existing 5,291 square foot Crime Laboratory and an addition of 14,679 square feet. The recommendation includes \$3.6 million of general fund bonding. Additional general fund operating and maintenance costs are estimated at \$297,448 per biennium.

227 – Bismarck State College

Plant Services Building

This 12,000 square foot facility will meet a variety of campus needs including receiving, maintenance department materials and storage, mail room, physical plant personnel offices, security offices and repair area for vehicles and equipment. The recommendation includes \$502,800 of special funds. An increase in operating and maintenance expenses is estimated at \$50,000 per biennium to be paid within the agency's budget.

Student Apartments

This project entails construction of an additional 12-unit, 18,000 square foot apartment complex on the grounds of Bismarck State College. Housing for an additional 48 students would be provided. The campus maintains waiting lists for

campus housing requests that cannot be filled. The recommendation includes \$1.8 million of special funds. The project will result in increased operating and maintenance costs of \$56,000 per biennium to be paid within the agency's budget.

228 – Lake Region State College

Science Laboratory Renovation

The original Lake Region science classrooms are on the Risk Management Audit Reports because of safety and health hazards. Pre-planning for this project was commissioned in 2002. The resulting project will eliminate health and safety hazards and upgrade the spaces to meet educational needs. The recommendation includes \$343,875 of general funds. No net additional operating or maintenance costs are expected as a result of this project.

229 – Williston State College

Energy and Transportation Training Center Addition

This 14,000 square foot addition will provide additional space to increase the capacity of the diesel technology program and provide additional space for pre-hire and upgrade training for oil field employees. The recommendation includes \$910,000 of special funds. An increase in operating and maintenance expenses is estimated at \$15,000 per biennium to be paid within the agency's budget.

Rural Development Center

The \$6.0 million center will serve and assist in the development of capacity in the areas of agriculture, energy, entrepreneurship, tourism, workforce training, technology and provide space for meetings, cultural and regional events. The recommendation includes \$2.5 million of federal funds, \$2.5 million through grants and foundations and \$1.0 million of local fund raising. An increase in operating expenses is estimated at \$250,524 per biennium to be paid within the agency's budget.

230 – University of North Dakota

American Indian Center

This project will provide adequate space for the mission of the Native American Programs. The enrollment of Native American students is increasing each year and additional space is needed for this department. HB 1003 included authorization for \$3.5 million in the 2003 Legislative session. The recommendation includes \$3.5 million of special funds. The project will result in increased operating and maintenance costs of \$133,300 per biennium to be paid with special funds.

Carnegie Library Renovation

The Carnegie Library will become the functional “front door” for the University. Visitors will be directed to this facility for enrollment information or campus tours. The historic architecture of the building will lend a sense of permanence and stature to the institution and its mission. HB 1003 included authorization for \$3.3 million in the 2003 Legislative session. The recommendation includes \$3.0 million of special funds. The project will result in increased operating and maintenance costs of \$50,963 per biennium to be paid with special funds.

Dining Center Renovation

Renovation to this existing dining space will provide improved service delivery, greater variety, and improved quality to the student residents. The recommendation includes \$1.5 million of special funds. No net additional operating or maintenance costs are expected as a result of this project.

Indoor Track Facility

This project involves demolition of the existing Engelstad Sports Arena and replacing it with a new indoor track facility. The existing arena was constructed and configured for ice hockey. Conversion to indoor track standards is cost prohibitive. The recommendation includes \$6.0 million of special funds. The project will result in increased operating and maintenance costs of \$107,968 per biennium to be paid within the agency’s budget.

Parking Ramp

The University has extended its impervious surface area to the limits of acceptable storm water run off. This new construction project will provide over 800 parking stalls while minimizing the amount of surface area and storm water run off. It is anticipated that some existing surface parking areas may be returned to green space. The recommendation includes \$12.0 million of special funds. The project will result in \$60,000 of special fund operating and maintenance costs per biennium.

School of Medicine and Health Sciences - Allied Health Facility

This new construction project will combine a number of interrelated departments including Physical Therapy, Occupational Therapy, Athletic Training, Physician Assistant Program, and Clinical Lab Science into one facility designed to accommodate their specific research and education needs. The recommendation includes \$7.5 million of private/grant funds. The project will result in increased operating and maintenance costs of \$400,000 per biennium to be paid with special funds

School of Medicine and Health Sciences - Laboratory Renovations

Original 1952 construction will be remodeled to provide updated research laboratories, enabling SMHS to attract additional research grants. Providing

appropriate facilities is essential for continued development of the regional research corridor. The recommendation includes \$2.5 million of special funds. No net additional operating or maintenance costs are expected as a result of this project.

University Housing Replacement

A number of apartment buildings have reached a point where the return on continued maintenance investment is negligible. This project will respond to a market analysis indicating the need for apartments with a greater level of features and convenience. The recommendation includes \$16.0 million of special funds to remove the previously referenced existing units and construct approximately 300 beds. The project will result in a net increase to operating and maintenance costs of \$100,000 per biennium to be paid with special funds.

Energy Savings Project

The State Facility Energy Improvement Program has included nine energy efficiency projects at the University of North Dakota. The recommendation includes \$2.3 million of special funds. The estimated annual savings is \$332,858, resulting in an estimated payback of seven years. This project appears in the State Facility Energy Improvement Program section of the Executive Budget.

235 - North Dakota State University

Hazardous Material Handling and Storage Facility

With the recent expansions to the Research Park and agricultural research areas, the university has exceeded the “medium” category and is now considered a “high” shipper of hazardous materials. This 12,000 square foot facility will provide safe and legal procedures including handling and storing numerous materials required at the university. The recommendation includes \$3.5 million in general fund supported bonding. The project will result in increased operating and maintenance costs of \$81,600 per biennium to be paid within the agency’s budget.

Memorial Union Renovation and Addition

The project includes renovation of approximately 92,000 square feet of existing space and an addition of approximately 54,000 square feet. The project also includes the upgrade and partial replacement of the existing HVAC system. The recommendation includes \$22.0 million of special funds. The project will result in increased operating and maintenance costs of \$367,200 per biennium to be paid with special funds.

Wellness Center Addition

The 2003 student body approved an increase in the Health and Wellness fee to pay for this 71,000 square foot addition. The existing 36,200 square foot building was finished in 2001. The recommendation includes \$12.0 million of special funds. The

project will result in increased operating and maintenance costs of \$503,200 per biennium to be paid with special funds.

238 - North Dakota State College of Science

Blickre Activities Center Addition

This 3,000 square foot addition will be used to store the new portable floor, provide space for the booster club, and provide a new foyer. The recommendation is for \$368,920 of special funds. No net increase in operating or maintenance is expected.

Electrical Distribution – Phase II of IV

This project represents Phase II of a four-phase plan to upgrade and replace the electrical distribution system within the campus. This phase consists of replacing conductors and electrical services for the remaining buildings not completed in Phase I and removing the existing 5KV conductors. The recommendation includes \$736,000 of general fund supported bonding. No net increase in operating or maintenance is expected.

239 – Dickinson State University

Murphy Hall Renovation – Phase II

Phase II involves the complete renovation of the existing 25,366 square foot science building including asbestos abatement and the HVAC system. The recommendation includes \$4.1 million of general fund supported bonding. The project will not result in increased operating and maintenance costs.

Whitney Stadium Renovation and Addition

This project was approved by the legislature for the 2001-2003 biennium. The project was submitted at \$4.0 million. As the planning was refined, it was apparent that the estimate would need to be raised to \$5.0 million. The re-submittal for the 2003-2005 biennium was approved by the legislature at \$5.0 million. Fund raising continues but will not be completed by the end of the 2003-2005 biennium. The project will result in increased operating and maintenance costs of \$154,027 per biennium to be paid within the agency's budget.

240 - Mayville State University

Fieldhouse Entrance, Concession and Restroom Expansion

This project includes renovating and expanding the current entrance, concessions area and restrooms. A total of 4,000 square feet will be added. The recommendation includes \$1.0 million of special funds. The project will result in increased operating and maintenance costs of \$4,000 per biennium to be paid within the agency's budget.

Outdoor Athletic Complex

This project will replace an existing facility that contains the ticket booth, concessions, and restrooms at the Al Meyer Sports Complex. The new building will house the ticket booth, concessions area, ADA restrooms, storage, and booster areas. No net increase in operating or maintenance is expected

241 – Minot State University

Crane Hall Renovation

Crane Hall, a 1960, three-story, 18,354 square foot dormitory will be renovated to provide classrooms, conference areas, seminar spaces, offices and suites for conference and seminar visitors. The project will provide space for expanding academic programs. The recommendation includes \$3.5 million of special funds. The project will result in a net increase to operating and maintenance costs of \$24,000 per biennium to be paid within the agency's budget.

242 – Valley City State University

W.E. Osmon Bleacher Replacement

The existing bleachers present a health and safety issue due to failing footboards, railing and bracket deficiencies, and aisles that do not meet code. The bleachers, from the 1970's, have open decks that are no longer allowed. The recommendation of \$282,000 includes \$250,000 of general funds and \$32,000 of special funds. No net increase in operating expenses is anticipated.

244 - North Dakota Forest Service

Seed Processing Facilities

This project involves renovations to the tree/supply and pole barn buildings. Improvements would provide space to soak and dry cones, extract seed, clean seed, and store seed. Modifications to the pole barn building would provide space for supplies and equipment. The recommendation includes \$65,000 of general funds. No net increase in operating expenses is anticipated.

253 – ND Vision Services

South Wing Air Conditioning Replacement

This project will replace the existing multiple window units that are removed each winter, with a permanent system on a dedicated electrical circuit. The recommendation includes \$42,380 of general funds. No net increase in operating expenses is anticipated.

325 – Department of Human Services

Grafton Developmental Center - Roofing and Pool Work

This project includes replacing the roof on the Cedar Grove building and Collette gym. Both roofs have reached the point where patching is no longer effective. Also included is repair to the Collette Gym pool filtration system. The recommendation includes \$240,000 in general fund supported bonding. No net increase in operating expenses is anticipated.

State Hospital - Water Tower/Roofing/Electrical

The State Hospital water tower is 51 years old and a recent inspection revealed some structural deterioration that will be repaired. This project also includes replacement of the roof on the 600 wing of the Child Adolescent Building and replacement of certain campus transformers. The recommendation includes \$215,000 in general fund supported bonding. No net increase in operating expenses is anticipated.

471 – Bank of North Dakota

New Building

The existing 4-story portion of the Bank of North Dakota building is a converted 1917 warehouse. An analysis of the building identified environmental hazards (asbestos, lead paint, mold) regulatory issues (fire exits, separations, fire suppression system) and an ADA issue (Elevator.) The recommendation includes \$11.0 million of special funds. The net increase in operating has not been determined.

530 - Department of Corrections and Rehabilitation

ET Building Improvements – James River Correctional Center

This project has three components. Four of the six floors will have 70-year old windows replaced; standard suspended ceilings will be replaced with security ceilings; and the previous pantry areas will be remodeled to accommodate 20 additional inmates. The recommendation includes \$980,000 of general fund supported bonding. No net increase in operating and maintenance expenses is expected.

Programs Building Code Improvements – James River Correctional Center

In order for DOCR to fully utilize the upper floors of the Programs Building, an ADA accessible elevator and a new, code required, stair tower will be added. Additionally, the corridors and fire alarm system will be upgraded to meet code requirements. The recommendation includes \$584,000 of general fund supported bonding. No net increase in operating or maintenance expenses is anticipated.

Multipurpose Building – Missouri River Correctional Center

The existing food service building is a converted CCC structure of wood frame construction built prior to the adoption of building and life safety codes. Operationally, it is not large enough for all inmates to use at the same time. The new building will meet ACA mandated all weather recreation requirements. The recommendation includes \$2.0 million of general fund supported bonding. No net increase in operating and maintenance funds is anticipated.

Rough Rider Industries Building – Missouri River Correctional Center

This 6,000 square foot building will consolidate the metal manufacturing that is currently housed in three smaller buildings. This will allow more inmates work opportunities and provide increased security. The recommendation includes \$320,000 of special funds. No net additional operating or maintenance costs are anticipated.

Air Exchange System – Youth Correctional Center

The air exchange system in the welding shop will include the installation of a new venting system for the exhaust fumes in the welding booth area, the brazing tables, metal cutting area, grinding area, and the main shop. The recommendation includes \$135,000 in special funds. No net increase in operating or maintenance is anticipated.

540 – Adjutant General

Army Guard Contracts Construction

This authority request represents the historical expenditures for the Army Guard Contracts line. The recommendation includes \$1.2 million of federal funding, however the National Guard Bureau has not yet approved funding or specific projects for the 2005-2007 biennium. Any increase in operating and maintenance costs will be paid within the agency's budget.

628 – Branch Research Centers

Agronomy Laboratory and Greenhouse – North Central Research Center, Minot

The Extension Center currently uses a 1949 seed elevator to conduct agronomy research. This new 9,600 square foot facility will provide appropriate climate control and meet all required building codes. The project also includes a greenhouse for winter research. The recommendation includes \$440,000 in general fund supported bonding and \$880,000 in special funds for a total project cost of \$1.3 million. A net increase in operating and maintenance expenses of \$16,000 per biennium, to be paid with special funds, is anticipated.

640 – NDSU Main Research Center

Research Greenhouse Complex

This project is for new construction plus renovation of selected existing greenhouses. The renovation and replacement will allow for expanded research opportunities. The recommendation includes \$2.0 million in general fund supported bonding, \$2.0 million in federal funding, and \$500,000 in special funds for a total project cost of \$4.5 million. An increase in operating and maintenance expenses is estimated at \$50,000 per biennium to be paid within the agency's budget.

701 - State Historical Society

Chateau Renovation and Addition

This project includes minor remodeling of the existing 2,700 square foot Visitor Center and a 5,000 square foot addition. The majority of the addition will be interpretive area, with the existing building used for support spaces. The recommendation includes \$800,000 in general fund supported bonding, \$500,000 in federal funds, and \$300,000 in special funds for a total project cost of \$1.6 million. An additional \$30,000 in operating and maintenance is anticipated, paid within the agency's budget.

Heritage Center Compact Storage

To maximize the archive storage in the existing Heritage Center, compact storage units were installed in half of the storage area last biennium. This appropriation would provide additional units for the artifact collection. The recommendation includes \$250,000 of general funds. No additional operating and maintenance expenses are anticipated.

720 - Game and Fish Department

Bismarck Storage Buildings

This project includes two new storage buildings adjacent to the new agency shop building and is the next phase in replacing the current facilities on Lovett Avenue. The recommendation is for \$400,000 of special funds. No net additional operating and maintenance expenses are anticipated.

Fishing Area Projects

These funds will be used for miscellaneous projects including dam repair, boat ramps, parking lots, and fishing piers. The recommendation includes \$270,000 in special funds and \$600,000 in federal funds for a total of \$870,000. No additional operating and maintenance expenses are anticipated.

Land Acquisition

These funds will be used to acquire and/or enlarge department wildlife management areas. There has been demand from the public for additional hunting access. The Governor and the Budget Section must approve the specific purchases. The recommendation includes \$750,000 in special funds. An additional \$10,000 in operating and maintenance expenses is anticipated, to be paid with special funds.

Wildlife Management Area Projects

These funds will be used for miscellaneous projects including roads, fences, water control structures, and parking lots to be built on Department wildlife management areas. The recommendation includes \$50,000 in special funds and \$100,000 in federal funds for a total of \$150,000. No additional operating and maintenance expenses are anticipated.

750 - Department of Parks and Recreation

CORPS Authority

This recommendation provides spending authority for potential boat ramp capital projects. The recommendation is for \$500,000 of federal funds. No increase in operating or maintenance is anticipated.

Coast Guard Authority

This recommendation provides spending authority for potential projects related to a floating breakwater at Fort Stevenson State Park. The recommendation is for \$250,000 of federal funds. No increase in operating or maintenance is anticipated.

Elkhorn Preserve Development

This project represents the initial investment in facilities for the first biennium of state ownership of the preserve. Included in the development will be establishing trails and campsites, utilities, seasonal housing and repairing the existing shop. This recommendation includes \$110,000 in general funds and \$110,000 in federal funds for a total project cost of \$220,000. The amount of additional operating and maintenance costs is unknown at this time and will be paid within the agency's budget.

FEMA Authority

This recommendation provides spending authority for potential FEMA related capital projects. The recommendation is for \$100,000 of federal funds. No increase in operating or maintenance is anticipated.

Campground Rehabilitation – Fort Stevenson State Park

This project will develop 25 semi-private campsites in the park. Included in the request are pull-through RV pads, electrical and water services, vault toilets, and

completion of the loop road. The recommendation includes \$160,000 of general fund monies. The amount of additional operating and maintenance costs is unknown at this time and will be paid within the agency's budget.

Campground Upgrade – Icelandic State Park

This project will replace 30-year old electrical service and water service to 60 campsites within two separate loops. The \$190,000 project includes \$95,000 in general fund monies and \$95,000 of federal funds. No increase in operating and maintenance is anticipated.

Boat Ramp Improvements – Lake Sakakawea State Park

Due to the unexpectedly low water levels on Lake Sakakawea, this project was advanced on the agency's priority list. Repairs to the east side picnic area ramp that are ordinarily under water can be made now for less cost than after water levels go back up. The recommendation includes \$25,000 of general fund monies and \$25,000 of federal funds for a total project cost of \$50,000. No increase in operating and maintenance is anticipated.

Campground Utilities Upgrade – Lake Sakakawea State Park

This project will replace the 37-year old electrical service and the 30-year old potable water service in the Van Hook campground; 52 campsites will be upgraded. The recommendation includes \$145,000 in general fund monies. No net additional operating and maintenance costs are anticipated.

Campground Rewire – Lake Sakakawea State Park

As part of the campground upgrade the roadways and RV pads will be regraded and realigned. This amount represents the Parks and Recreation Department's contribution required by the National Guard to perform the work. The recommendation includes \$55,000 in general fund monies. No increase in operating and maintenance is anticipated.

Peace Garden Conflict Resolution Center

Canadian funding has been committed for planning and professional services for an International Center for Peace and Conflict Resolution at the International Peace Garden. These funds represent North Dakota's commitment and contribution to the proposal development. The recommendation includes \$250,000 of general fund monies. The amount of additional operating and maintenance costs is unknown at this time.

Pembina Gorge Trails

The 2004 ND Tourism Development Plan identified the need for trails planning and trails development in the Pembina Gorge region. This project will identify specific trail corridors and obtain trail leases. The recommendation includes \$50,000 of general fund monies and \$200,000 of federal funds for a total project cost of \$250,000. No increase in operating and maintenance is anticipated.

Turtle River Administration Office

This project will replace the existing administrative offices at the park. The existing 1948 building is of marginal quality and is in the Turtle River flood plain. It was determined that renovating the existing building would not be economically feasible. The recommendation includes \$350,000 in general fund supported bonding and \$350,000 of federal funds for a total project cost of \$700,000. An additional \$50,000 in operating and maintenance is anticipated, paid within the agency's budget.

770 – State Water Commission

Construction of a Replacement Shop

Site development for the new Water Commission Shop has been completed. The building will not be completed by the end of the 2003-2005 biennium. This recommendation provides for an increase in spending authority for the 2005-2007 biennium. The recommendation includes \$1.3 million in special funds. No net increase in operating or maintenance funds is anticipated. Should the project be constructed within the original appropriation of \$977,100 this authority will be used for water projects.

801 – Department of Transportation

Land and District Section Buildings

Section buildings too small for snow removal equipment and poorly insulated, resulting in high heating costs, will be replaced at certain locations. This project also includes purchase of land for an additional section building location. The recommendation includes \$1.3 million of special funds. No net additional increase in operating and maintenance is anticipated.

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.

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% = 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 2006, the mid-year in the 2005-07 biennium. For example, if a building was built or renovated in 1953, the building age is 53 (2006-1953).

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.

Because, in some cases, the value and age of infrastructure are difficult to determine, 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:

$$P \times R = \text{Formula Amount}$$

P = Infrastructure renewal percentage

R = Infrastructure replacement value (per unit value times the 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%.

Infrastructure Replacement Value

Infrastructure is valued at replacement cost. Expertise from the North Dakota Association of Physical Plant Administrators was used to determine replacement costs and parameters applicable to the valuation of the numerous types of infrastructure.

State Facility Energy Improvement Program

The 1999 Legislative Assembly enacted NDCC Section 54-44.5-08, which established the state energy improvement program. Under this program, the state energy engineer evaluates capital improvements that may result in decreased energy costs. The savings in energy costs is used to finance the capital improvements. For the 2005-07 biennial budget, the state energy engineer recommended \$2,331,554 in energy projects at the University of North Dakota. This total includes projects in nine separate buildings. The average payback period is seven years.

Recommendations

- Based on special circumstances within each agency and availability of funding, the executive recommendation includes funding for extraordinary repairs, as shown in the following page.

Extraordinary Repairs Recommendation 2005-07

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	\$ 4,707,978	\$ 623,500	\$ 5,331,478	\$ 650,000	12%	\$ 5,685,000	107%
112	Information Technology Department	43,571	-	43,571	-	0%	-	0%
227	Bismarck State College	1,292,292	491,038	1,783,330	279,724	16%	-	0%
228	Lake Region State College	537,070	171,725	708,795	59,159	8%	-	0%
229	Williston State College	653,071	375,707	1,028,778	111,078	11%	-	0%
230	University of North Dakota	13,126,059	6,067,433	19,193,492	2,775,185	14%	2,331,554	12%
235	North Dakota State University	8,537,127	3,895,524	12,432,651	1,985,047	16%	-	0%
238	ND State College of Science	2,845,387	1,512,409	4,357,796	836,304	19%	-	0%
239	Dickinson State University	1,549,447	316,987	1,866,434	438,045	23%	-	0%
240	Mayville Sstate University	794,516	376,528	1,171,044	252,998	22%	-	0%
241	Minot State University	2,486,104	906,438	3,392,542	671,364	20%	-	0%
242	Valley City State University	1,174,009	386,958	1,560,967	305,587	20%	-	0%
243	Minot State University - Bottineau	389,797	143,518	533,315	121,801	23%	-	0%
244	North Dakota Forest Service	48,130	246,745	294,875	36,638	12%	36,638	12%
252	School for the Deaf	383,670	147,339	531,009	46,645	9%	279,495	53%
253	ND Vision Services	164,446	-	164,446	15,090	9%	15,090	9%
301	ND Department of Health	226,995	-	226,995	107,960	48%	107,960	48%
313	Veterans Home	388,112	-	388,112	22,451	6%	84,328	22%
325	Department of Human Services	3,942,737	1,873,935	5,816,672	-	0%	-	0%
380	Job Service North Dakota	569,365	47,556	616,921	-	0%	-	0%
412	Aeronautics Commission	-	82,309	82,309	134,000	163%	134,000	163%
471	Bank of North Dakota	244,264	28,146	272,410	-	0%	-	0%
504	Highway Patrol	94,836	-	94,836	25,000	26%	25,000	26%
530	Dept of Corrections and Rehabilitatio	3,401,066	819,040	4,220,106	722,000	17%	777,000	18%
540	Office of the Adjutant General	3,581,268	4,325,907	7,907,175	-	0%	500,000	6%
616	State Seed Department	98,533	-	98,533	100,000	101%	100,000	101%
628	Branch Research Centers	365,798	726,664	1,092,462	-	0%	-	0%
640	NDSU Main Research Center	222,474	245,855	468,329	415,300	89%	415,300	89%
649	Agronomy Seed Farm	54,520	45,746	100,266	-	0%	-	0%
701	Historical Society	152,884	852,392	1,005,276	214,405	21%	251,319	25%
720	Game and Fish Department	416,116	-	416,116	416,116	100%	416,116	100%
750	Parks and Recreation Dept	530,476	1,843,991	2,374,467	714,700	30%	784,700	33%
770	State Water Commission	24,630	23,186	47,816	-	0%	-	0%
801	Dept of Transportation	1,959,028	851,181	2,810,209	3,005,423	107%	3,005,423	107%
TOTALS		\$ 55,005,776	\$ 27,427,757	\$ 82,433,533	\$ 14,462,020	18%	\$ 14,948,923	18%

Other Capital Improvements Recommendation – 2005-2007

No.	Agency Name	Total	General Fund	Federal Funds	Special Funds	Bond Proceeds	Project Description
110	OFFICE OF MGMT & BUDGET	74,000	74,000	0	0	0	Special Assessment
112	INFORMATION TECHNOLOGY	5,392,163	0	0	5,392,163	0	ConnectND Bond Payments
215	ND UNIVERSITY SYSTEM	14,278,141	12,998,391	0	1,279,750	0	Capital Bond Payments
301	ND DEPARTMENT OF HEALTH	685,309	340,636	344,673	0	0	Bond Payment for Laboratory Addition
313	VETERANS HOME	236,535	0	0	236,535	0	Bond & Interest Payments
325	DEPT OF HUMAN SERVICES	571,731	491,078	79,655	998	0	Bond Payment
325	DEPT OF HUMAN SERVICES	1,110,865	1,110,865	0	0	0	Bond Payments Bismarck Customer Service Office Bond
380	JOB SERVICE NORTH DAKOTA	205,000	0	205,000	0	0	Payments
380	JOB SERVICE NORTH DAKOTA	20,000	0	20,000	0	0	Special Assessments
530	DEPT OF CORRECT & REHAB	3,038,586	3,038,586	0	0	0	Debt Service Payments
540	ADJUTANT GENERAL	60,000	60,000	0	0	0	Grand Forks Armory Bond Payment
540	ADJUTANT GENERAL	34,000	34,000	0	0	0	Payment in lieu of taxes
540	ADJUTANT GENERAL	226,000	226,000	0	0	0	Special assessments
665	ND STATE FAIR	210,000	210,000	0	0	0	Bond Payments
770	WATER COMMISSION	42,699,560	0	10,000,000	32,699,560	0	Bond Payments, NAWS and SWPP Projects
801	DEPT OF TRANSPORTATION	504,001,529	0	390,386,864	113,614,665	0	Contractor Payments
		<u>572,843,419</u>	<u>18,583,556</u>	<u>401,036,192</u>	<u>153,223,671</u>	<u>0</u>	

Financing

The executive recommendation for capital assets expenditures during the 2005-07 biennium is \$797.4 million. The majority of expenditures relate to highway projects (\$504.0 million) and water projects (\$42.7 million), funded from federal and special funds.

The executive recommendation for capital projects is \$159.4 million. Capital projects are funded with \$1.8 million from the general fund, \$17.5 million from federal funds, \$120.4 million from special funds, and \$19.6 million from bonding proceeds. In addition to the \$19.6 million in bonded capital projects, the \$3.2 million fire suppression system for the State Capitol, which is a major repair project, is bonded. Total recommended bonding is \$22.8 million.

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% of an amount, determined by multiplying the quotient of 1% 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%. Consequently, the state building authority lease payment limitation can be calculated as follows:

$$10\% \times 1\% / 5\% \times \text{Net Sales Tax Collections} = \text{General Fund Payment Limitation}$$

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

Debt Obligations and Limits

Biennium	Current General Fund Debt Obligation	Statutory Debt Limit*	Balance Available For Additional Debt Service
2003-05	\$15,848,226	17,358,880	1,510,654
2005-07	18,021,705	19,482,600	1,460,895
2007-09	18,740,947	20,261,904	1,520,957
2009-11	12,692,644	21,072,380	8,379,736
2011-13	11,101,012	21,915,275	10,814,263
2013-15	10,377,685	22,791,886	12,414,201
2015-17	7,930,668	23,703,562	15,772,894
2017-19	5,816,287	24,651,704	18,835,417
2019-21	4,143,898	25,637,772	21,493,874
2021-23	1,964,107	26,663,283	24,699,176

Based on the November 2004 forecast with 4% growth each biennium

Assuming no bond payments are made during the 2005-07 biennium on bonds issued during that biennium, approximately \$1.5 million will be available for additional bond payments in 2007-09, without exceeding the statutory debt limit. The \$1.5 million is the difference between the 2007-09 biennium statutory debt limit of \$20.2 million and the estimated general fund debt obligation of \$18.7 million.

Bonds issued for construction projects will be repaid over a 20-year period. Based on estimated funds available in future bienniums for additional bond payments, bonds in the amount of \$28.9 million can be issued during the 2005-07 biennium (based on estimates prepared by financial advisors to the State of North Dakota).

The executive budget proposes construction bonding up to \$22.8 million. The \$22.8 million in recommended bonding, which will be paid by the general fund, is within the statutory payment limit based on the least optimistic interest rate alternative.

Debt Affordability

North Dakota remains a low-debt state. The following chart compares North Dakota debt to criteria established by the bond rating firm of Standard and Poors:

DEBT AFFORDABILITY

Criteria	Standard and Poors Guidelines	North Dakota
2004 per capita debt	\$1,200 per capita is high	\$235
2004 debt to personal income	10% is high	0.9%
Debt obligation as a percent of general fund revenues	States average 5%	0.9%

Equipment and IT Equipment 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 purchases in excess of \$5,000. All equipment requests for items of \$5,000 or less are included in the operating line item.

The 2005-07 biennium executive recommendation includes \$39.3 million for the purchase of equipment items costing \$5,000 or more. Recommended funding sources are \$1.1 million from the general fund, \$3.0 million from federal funds, and \$35.2 million from special funds. The executive recommendation includes \$11.0 million for the purchase of IT equipment items costing \$5,000 or more. Recommended funding sources for IT equipment purchases are \$439,847 from the general fund, \$5.1 million from federal funds, and \$5.4 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 purchases in excess of \$5,000 for the 2005-07 biennium.

Equipment Over \$5,000

No.	Agency Name	Equipment	Request	Recommendation	Recommendation Funding Source		
					General	Federal	Special
108	SECRETARY OF STATE	Copier	15,000	15,000	15,000	0	0
110	OFFICE OF MGMT AND BUDGET	Offset Printing Press	40,000	40,000	0	0	40,000
117	OFFICE OF THE STATE AUDITOR	Copier	10,000	10,000	0	0	10,000
125	OFFICE OF ATTORNEY GENERAL	Autosampler	30,000	30,000	0	30,000	0
		BCI Livescan/AFIS upgrade	1,202,000	1,202,000	0	1,202,000	0
		Bullet Trap	25,000	25,000	0	25,000	0
		Epi-Fluorescence Microscope	18,000	18,000	0	18,000	0
		Gaming Products Bar Coding and Reader	13,250	13,250	0	0	13,250
		Gas Chromatograph/Mass Spectrometer	0	120,000	38,400	81,600	0
		Genetic Analyzer - One column	60,000	60,000	0	60,000	0
		Genetic Analyzer - 4 columns	90,000	90,000	0	90,000	0
		Intoxlyzers	65,000	65,000	0	65,000	0
		New Agent Motor Vehicle	0	20,000	20,000	0	0
		Thermocycler	8,000	8,000	0	8,000	0
		Vehicles	0	116,000	116,000	0	0
		TOTAL	1,511,250	1,767,250	174,400	1,579,600	13,250
150	LEGISLATIVE ASSEMBLY	Miscellaneous equipment needs	6,000	6,000	6,000	0	0
160	LEGISLATIVE COUNCIL	Herman Miller panels	5,000	5,000	5,000	0	0
		Large copier	22,000	22,000	22,000	0	0
		Small copier	6,000	6,000	6,000	0	0
		TOTAL	33,000	33,000	33,000	0	0
180	JUDICIAL BRANCH	Copy Machines	38,000	38,000	38,000	0	0
		Sound Systems	50,000	50,000	50,000	0	0
		Workstations	18,500	18,500	18,500	0	0
		TOTAL	106,500	106,500	106,500	0	0
226	STATE LAND DEPARTMENT	Equipment purchases for surface management.	10,000	10,000	0	0	10,000
253	ND VISION SERVICES	Refreshable Braille Display	0	10,000	0	0	10,000
301	ND DEPARTMENT OF HEALTH	Automated Microplate Analyzer	70,000	70,000	0	70,000	0

Equipment Over \$5,000

No.	Agency Name	Equipment	Request	Recommendation	Recommendation Funding Source		
					General	Federal	Special
		Biosafety Cabinet	7,000	7,000	0	7,000	0
		Continuous Particulate Analyzer	78,000	78,000	0	78,000	0
		Data Acquisition System	6,000	6,000	0	0	6,000
		Digital Stripchart Data Recorder	5,500	5,500	0	0	5,500
		Flow injection analyzer	50,000	50,000	0	50,000	0
		Gas Chromatography system	45,000	45,000	0	22,500	22,500
		High Frequency Radio	25,000	25,000	0	25,000	0
		Incident Command Project Board	15,000	15,000	0	15,000	0
		Infrared Camera	25,000	25,000	0	0	25,000
		Ion Chromatography Eluant Generator	6,000	6,000	0	6,000	0
		Locked ultra low freezer	16,000	16,000	0	16,000	0
		Luminex xMP	90,000	90,000	0	90,000	0
		Meteorological Monitoring System	7,500	7,500	0	0	7,500
		Monitoring Shelter	34,500	34,500	0	0	34,500
		Nitrogen Oxides Analyzer	9,500	9,500	0	0	9,500
		Nitrogen combustion analyzer	50,000	50,000	0	50,000	0
		Ozone Analyzer	15,000	15,000	0	0	15,000
		Photocopier	15,000	15,000	0	15,000	0
		Refrigerated Centrifuge	20,000	20,000	0	20,000	0
		Robotic Tripod Head	12,000	12,000	0	12,000	0
		Sulfur Dioxide Analyzer	17,000	17,000	0	0	17,000
		Ultralow temp freezer	7,000	7,000	0	7,000	0
		VNTR Sequencer	80,000	80,000	0	80,000	0
		kVp / Ion Chamber Combination Meter	8,000	8,000	0	0	8,000
		TOTAL	714,000	714,000	0	563,500	150,500
313	VETERANS HOME	Chiller	7,500	7,500	0	0	7,500
		Lawn Mower	7,000	7,000	0	0	7,000
		Time Clock	13,000	13,000	0	0	13,000
		TOTAL	27,500	27,500	0	0	27,500
325	DEPT OF HUMAN SERVICES	Copier	26,499	26,499	23,947	2,484	68
		Copier/Printer/Fax	12,501	12,501	11,194	1,307	0
		Digital Copier	11,000	11,000	9,756	1,244	0
		Equipment for IPAT equipment loan library	30,000	30,000	0	30,000	0
		TOTAL	80,000	80,000	44,897	35,035	68
405	INDUSTRIAL COMMISSION	Forklift	0	22,000	22,000	0	0

Equipment Over \$5,000

No.	Agency Name	Equipment	Request	Recommendation	Recommendation Funding Source		
					General	Federal	Special
408	PUBLIC SERVICE COMMISSION	Borehole Camera	7,500	7,500	0	7,500	0
		Lab Balance	0	16,000	16,000	0	0
		TOTAL	7,500	23,500	16,000	7,500	0
471	BANK OF NORTH DAKOTA	Coin Wrapper	25,000	25,000	0	0	25,000
		Copiers	45,000	45,000	0	0	45,000
		Miscellaneous equipment purchases	20,000	20,000	0	0	20,000
		TOTAL	90,000	90,000	0	0	90,000
530	DEPT OF CORRECT & REHAB	JRCC - Boom Lift	59,000	0	0	0	0
		JRCC - Double Convection Steamer	10,230	0	0	0	0
		JRCC - Dryer	9,895	9,895	9,895	0	0
		JRCC - GE Ion Track	45,000	45,000	45,000	0	0
		JRCC - Laundry Extractor	8,750	0	0	0	0
		JRCC - Surveillance Cameras	25,000	25,000	25,000	0	0
		JRCC - Washer	24,995	24,995	24,995	0	0
		JRCC - X-Ray Machine	75,000	0	0	0	0
		MRCC - Bobcat Machine	22,000	0	0	0	0
		MRCC - Utility Vehicle	15,000	0	0	0	0
		MRCC Security Cameras	18,000	18,000	18,000	0	0
		NDSP - Dishwasher	18,500	0	0	0	0
		NDSP - Portal Super Metal Detector	14,000	14,000	14,000	0	0
		NDSP - Power House Control Panel	17,225	17,225	17,225	0	0
		NDSP - Property and Package Scanner	27,000	27,000	27,000	0	0
		NDSP - Vehicle Heartbeat Detector and Shelter	64,250	0	0	0	0
		NDSP - Vehicle Transport Van Cell	7,500	7,500	7,500	0	0
		RRI - Back Fence for our Cincinnati Press	20,000	20,000	0	0	20,000
		RRI - Digital License Plate System	600,000	600,000	0	0	600,000
		RRI - Drawer box doweling machine	8,000	8,000	0	0	8,000
		RRI - Single Tenoner and Mortising Machine	40,000	40,000	0	0	40,000
		YCC - 48" Round Dining Tables	6,000	6,000	6,000	0	0
		YCC - Combi Oven	12,500	12,500	12,500	0	0
		YCC - Double Stack Convection Oven	8,250	8,250	8,250	0	0
		YCC - Revolving Tray Oven	27,000	27,000	27,000	0	0
		YCC - Security Beds (All Sleeping Rooms)	36,777	36,777	36,777	0	0

Equipment Over \$5,000

No.	Agency Name	Equipment	Request	Recommendation	Recommendation Funding Source		
					General	Federal	Special
		TOTAL	1,219,872	947,142	279,142	0	668,000
540	ADJUTANT GENERAL	Grounds Equipment	0	50,000	50,000	0	0
601	DEPT OF COMMERCE	Thermal Imaging with infrared camera	25,000	25,000	0	25,000	0
602	DEPT OF AGRICULTURE	ATV Four-wheeler	5,000	5,000	0	5,000	0
616	STATE SEED DEPARTMENT	Lab Testing Equipment	20,000	20,000	0	0	20,000
627	UPPER GR PLAINS TRANS INST	SuperPave Design Lab	80,000	80,000	0	0	80,000
		Traffic Data Collection	20,000	20,000	0	0	20,000
		TOTAL	100,000	100,000	0	0	100,000
628	BRANCH RESEARCH CENTERS	Air Seeder	20,000	20,000	0	0	20,000
		All Terrain Vehicle	5,000	5,000	0	0	5,000
		Animal Research Lab Equipment	14,000	14,000	0	0	14,000
		Bale Feeder	25,000	25,000	0	0	25,000
		Bale wrapper	16,000	16,000	0	0	16,000
		Bobcat type loader	25,000	25,000	0	0	25,000
		Center Pivot Irrigation System	55,000	55,000	0	0	55,000
		Combine	160,000	160,000	0	0	160,000
		Commercial lawn mower	8,000	8,000	0	0	8,000
		Compact Tractor/finishing mower/tiller	13,000	13,000	0	0	13,000
		Copy machine	8,300	8,300	0	0	8,300
		Cultivator	9,000	9,000	0	0	9,000
		Disk	12,000	12,000	0	0	12,000
		Document camera	5,200	5,200	0	0	5,200
		Feed Wagon	13,000	13,000	0	0	13,000
		Field Sprayer	9,000	9,000	0	0	9,000
		Field demonstration weigh wagon	10,000	10,000	0	0	10,000
		Forage Feed Delivery Wagon	15,000	15,000	0	0	15,000
		Forage Plot Harvester	18,000	18,000	0	0	18,000
		Forklift	15,000	15,000	0	0	15,000
		Garden Tractor	10,000	10,000	0	0	10,000
		Generator	8,000	8,000	0	0	8,000
		Grain Drill	60,000	60,000	0	0	60,000
		Gravity Box	6,500	6,500	0	0	6,500

Equipment Over \$5,000

No.	Agency Name	Equipment	Request	Recommendation	Recommendation Funding Source		
					General	Federal	Special
		Grounds tractor mower	20,000	20,000	0	0	20,000
		Guidance System	5,000	5,000	0	0	5,000
		Harrow, Heavy	22,000	22,000	0	0	22,000
		High Horsepower working tractor	130,000	130,000	88,333	0	41,667
		Hydraulic squeeze chute	19,000	19,000	0	0	19,000
		Landscape tractor mower.	20,000	20,000	0	0	20,000
		Lawn mower	8,000	8,000	0	0	8,000
		Livestock Trailor	47,000	47,000	0	0	47,000
		Lycor 6400 gas exchange meter	14,000	14,000	0	0	14,000
		Manure Composting Machine	20,000	20,000	0	0	20,000
		Manure Spreader	15,000	15,000	0	0	15,000
		Medium Horse power working tractor	80,000	80,000	0	0	80,000
		New copier/printer/fax	14,000	14,000	0	0	14,000
		No-till Drill	120,000	120,000	0	0	120,000
		Off Set plot disk	7,000	7,000	0	0	7,000
		Overhead cake bin	20,000	20,000	0	0	20,000
		Phoenix plot Harrow	10,000	10,000	0	0	10,000
		Plot Combine	270,000	270,000	0	0	270,000
		Portable cattle working system, chute and scale	30,000	30,000	0	0	30,000
		Ranch feed wagon	43,000	43,000	0	0	43,000
		Research Plot Combine	120,000	120,000	120,000	0	0
		Seedbed Mulcher	7,500	7,500	0	0	7,500
		Self propelled swather	25,000	25,000	0	0	25,000
		Silage dump wagon	12,000	12,000	0	0	12,000
		Singulator - Seed Separator	10,000	10,000	0	0	10,000
		Skid-steer loader	26,000	26,000	8,333	0	17,667
		Square Baler	18,000	18,000	0	0	18,000
		Straw cannon for livestock bedding	22,500	22,500	0	0	22,500
		Tractor	120,000	120,000	40,500	0	79,500
		Tractor with belly mower	14,000	14,000	0	0	14,000
		Tractor, 2WD MFD	60,000	60,000	0	0	60,000
		Trailer	15,000	15,000	0	0	15,000
		Ultrasound for Pregnancy and carcass work	25,000	25,000	0	0	25,000
		Ultrasound, repro and carcass probes	25,000	25,000	0	0	25,000
		Used round baler	7,500	7,500	0	0	7,500
		Utility Tractor	47,000	47,000	0	0	47,000
		Utility vehicle	35,000	35,000	0	0	35,000

Equipment Over \$5,000

No.	Agency Name	Equipment	Request	Recommendation	Recommendation Funding Source		
					General	Federal	Special
		TOTAL	2,043,500	2,043,500	257,166	0	1,786,334
638	NORTHERN CROPS INSTITUTE	Cleaning System	46,500	46,500	0	0	46,500
		Glutograph	18,000	18,000	0	0	18,000
		Laboratory Roller Mill System	12,000	12,000	0	0	12,000
		Laser Bread Volume Analyzer	18,000	18,000	0	0	18,000
		Pasta Press-Enhancement	22,000	22,000	0	0	22,000
		Revolving Deck Oven	10,000	10,000	0	0	10,000
		TOTAL	126,500	126,500	0	0	126,500
640	NDSU MAIN RESEARCH CENTER	Autoclave	75,000	75,000	0	0	75,000
		Automated Polymerase Chain Reaction Machine	131,500	131,500	0	0	131,500
		Autosampler	9,000	9,000	0	0	9,000
		Balance and computer	5,000	5,000	0	0	5,000
		Berry Harvester	40,000	40,000	0	0	40,000
		BioRad CHEF-Mapper	50,000	50,000	0	0	50,000
		Biohazard laminar safety flow hood	11,000	11,000	0	0	11,000
		Centrifuge	8,000	8,000	0	0	8,000
		Chemical Fume Hood	8,000	8,000	0	0	8,000
		Color Sorter	7,000	7,000	0	0	7,000
		Corn Sheller	5,500	5,500	0	0	5,500
		Densitometer	20,000	20,000	0	0	20,000
		Front End Loader	5,000	5,000	0	0	5,000
		Garden Tractor	7,000	7,000	0	0	7,000
		Gas Chromatograph	70,000	70,000	0	0	70,000
		Gas Chromatograph / Mass Spectrometer	100,000	100,000	0	0	100,000
		Gas chromatograph-mass spectrophotometer	100,000	100,000	0	0	100,000
		Greenhouse autoclave	50,000	50,000	0	0	50,000
		Growth Chamber	168,000	168,000	0	0	168,000
		Hammer mill	15,000	15,000	0	0	15,000
		High pressure Liquid chromatograph	50,000	50,000	0	0	50,000
		Kodak Gel Imaging System	20,000	20,000	0	0	20,000
		Laboratory Dishwasher	31,000	31,000	0	0	31,000
		Luminiscence detector/microplate reader	18,500	18,500	0	0	18,500
		Microfluidics Benchtop High Pressure Homogenizer	27,000	27,000	0	0	27,000
		Microscope	40,000	40,000	0	0	40,000

Equipment Over \$5,000

No.	Agency Name	Equipment	Request	Recommendation	Recommendation Funding Source		
					General	Federal	Special
		Mower	5,000	5,000	0	0	5,000
		New Holland Forage Chopper	45,000	45,000	0	0	45,000
		Nitrogen Analyzer	20,000	20,000	0	0	20,000
		Optical Color Sorter	15,000	15,000	0	0	15,000
		Plant Grinder	9,000	9,000	0	0	9,000
		Plot Combine	125,000	125,000	0	0	125,000
		Plot Planter	125,000	125,000	0	0	125,000
		Plot combine	240,000	240,000	0	0	240,000
		Potato Harvester	18,000	18,000	0	0	18,000
		Potato Planter	12,000	12,000	0	0	12,000
		Potato-Vegetable Grader	85,000	85,000	0	0	85,000
		Real-Time PCR machine	30,000	30,000	0	0	30,000
		Research Computer Cluster	9,500	9,500	0	0	9,500
		Robotic DNA extraction/purification apparatus	100,000	100,000	0	0	100,000
		Rotary Air Locks	15,000	15,000	0	0	15,000
		Rotary Chopper	8,500	8,500	0	0	8,500
		Seed Cleaner	6,000	6,000	0	0	6,000
		Sorvall hi-speed centrifuge and rotors	65,000	65,000	0	0	65,000
		Speed SFE-NP Natural Products Extraction System	45,000	45,000	0	0	45,000
		Speed-Vac System	11,000	11,000	0	0	11,000
		Stereomicroscope	10,000	10,000	0	0	10,000
		Thermal Cycler	6,000	6,000	0	0	6,000
		Tractor	130,000	130,000	0	0	130,000
		Tractor - John Deere 7600	50,500	50,500	0	0	50,500
		Trailer	18,000	18,000	0	0	18,000
		Typhoon gel system	100,000	100,000	0	0	100,000
		Variable wavelength, programmable spectrophotomete	25,000	25,000	0	0	25,000
		TOTAL	2,400,000	2,400,000	0	0	2,400,000
649	AGRONOMY SEED FARM	Combine	125,000	125,000	0	0	125,000
		Tractor - 100HP	40,000	40,000	0	0	40,000
		Tractor 170 HP	80,000	80,000	0	0	80,000
		TOTAL	245,000	245,000	0	0	245,000
701	HISTORICAL SOCIETY	Historic Site Maintenance Equipment	0	81,000	81,000	0	0

Equipment Over \$5,000

No.	Agency Name	Equipment	Request	Recommendation	Recommendation Funding Source		
					General	Federal	Special
720	GAME AND FISH DEPARTMENT	Enforcement Division Boat Replacement	98,000	98,000	0	49,000	49,000
		Enforcement Division ATV Replacement	24,000	24,000	0	0	24,000
		Enforcement Division Snowmobile Replacement	18,000	18,000	0	0	18,000
		Fisheries Division Equipment	85,000	85,000	0	63,750	21,250
		Wildlife Division Equipment over \$5000	260,000	260,000	0	130,000	130,000
		TOTAL	485,000	485,000	0	242,750	242,250
		750	PARKS AND RECREATION DEPT	ATV program equipment	7,500	7,500	0
Fire Pumper	0			80,000	0	0	80,000
Industrial Tractor	55,000			55,000	0	0	55,000
Massey Ferguson F135	0			20,000	0	0	20,000
Sewage Wagon	0			25,000	0	0	25,000
Snowmobile trails equipment	135,000			135,000	0	0	135,000
Stump grinder	0			10,000	0	0	10,000
Toro Ground Masters 72"	48,000			48,000	0	0	48,000
TOTAL	245,500			380,500	0	0	380,500
770	WATER COMMISSION	Survey Equipment	20,000	20,000	0	20,000	0
801	DEPT OF TRANSPORTATION	Aerial Film Titler	14,000	14,000	0	8,120	5,880
		Base Stations	19,952	19,952	0	0	19,952
		Bending Beam Rheometer	25,000	25,000	0	20,250	4,750
		Brooms and Crash Attenuators	6,500	6,500	0	0	6,500
		Color Copier	25,000	25,000	0	0	25,000
		Copy Machine	18,650	18,650	0	0	18,650
		Copy Machines	23,800	23,800	0	0	23,800
		Deck for Edit and Duplication Bay	15,090	15,090	0	0	15,090
		Fleet Vehicles	23,709,056	23,709,056	0	0	23,709,056
		GPS	32,000	32,000	0	25,920	6,080
		GPS receiver and data collectors	70,000	70,000	0	40,600	29,400
		Gyratory compactor	20,000	20,000	0	16,200	3,800
		Herman Miller Revisions	41,000	41,000	0	0	41,000
		Herman Miller Work Stations	50,000	50,000	0	40,000	10,000
		Impact Resonance Method System	15,000	15,000	0	12,150	2,850
		Mail Machine Replacement	22,000	22,000	0	0	22,000
Major Maintenance Equipment and Minor	4,889,900	4,889,900	0	11,600	4,878,300		

Equipment Over \$5,000

No.	Agency Name	Equipment	Request	Recommendation	Recommendation Funding Source		
					General	Federal	Special
		Shop Equipme					
		Mechanical compactor	5,900	5,900	0	4,779	1,121
		Microfilm Reader/Printer	8,500	8,500	0	0	8,500
		Mini Digital Video Camera	14,910	14,910	0	0	14,910
		Pump	9,000	9,000	0	7,290	1,710
		Radar	150,000	150,000	0	120,000	30,000
		Total Stations and Data Collectors	172,080	172,080	0	131,222	40,858
		Trimble	45,000	45,000	0	35,100	9,900
		TOTAL	29,402,338	29,402,338	0	473,231	28,929,107
		TOTAL ALL AGENCIES	38,988,460	39,285,730	1,085,105	2,951,616	35,249,009

IT Equipment Over \$5,000

No.	Agency Name	Equipment	Request	Recommendation	Recommendation Funding Source		
					General	Federal	Special
112	INFORMATION TECHNOLOGY	AS/400 Upgrades	197,000	197,000	0	0	197,000
		DIS Server Infrastructure	15,000	15,000	0	0	15,000
		Expand Intel Server Farm	100,000	100,000	0	0	100,000
		Expand/Replace Disk Storage	1,282,000	1,282,000	0	0	1,282,000
		K-12 Network Upgrade	0	300,000	300,000	0	0
		Mainframe Migration	300,000	300,000	0	0	300,000
		Mainframe Upgrade	230,000	230,000	0	0	230,000
		Micrographics Equipment	85,000	85,000	0	0	85,000
		Refresh Intel Server Farm	300,000	300,000	0	0	300,000
		Refresh Network Equipment	1,400,000	1,400,000	0	0	1,400,000
		Refresh Unix Server Farm	100,000	100,000	0	0	100,000
		Telephone Switch Upgrades	475,000	475,000	0	0	475,000
		Upgrade Tape Systems	500,000	500,000	0	0	500,000
		TOTAL	4,984,000	5,284,000	300,000	0	4,984,000
127	OFFICE OF STATE TAX COMM	Scanners	25,000	25,000	25,000	0	0
160	LEGISLATIVE COUNCIL	Computer server	8,000	8,000	8,000	0	0
180	JUDICIAL BRANCH	Replacement server for Sql in Supreme Court	8,000	8,000	8,000	0	0
		Servers for Digital audio Recording	14,500	14,500	14,500	0	0
		TOTAL	22,500	22,500	22,500	0	0
301	ND DEPARTMENT OF HEALTH	Scanner	7,200	7,200	0	7,200	0
313	VETERANS HOME	Computer Server	9,200	9,200	0	0	9,200
405	INDUSTRIAL COMMISSION	HP Designjet 800ps series graphics printer	0	15,000	15,000	0	0
		Wide bed plotter for Core Library	0	8,500	8,500	0	0
		TOTAL	0	23,500	23,500	0	0
408	PUBLIC SERVICE COMMISSION	Disk Storage	11,000	11,000	11,000	0	0
		High Speed Printer	8,011	8,011	8,011	0	0
		Tape Drive	10,000	10,000	10,000	0	0
		Work Station / Server	6,000	6,000	6,000	0	0
		TOTAL	35,011	35,011	35,011	0	0

IT Equipment Over \$5,000

No.	Agency Name	Equipment	Request	Recommendation	Recommendation Funding Source		
					General	Federal	Special
413	DEPT OF FINANCIAL INST	Scanner	0	7,500	0	0	7,500
471	BANK OF NORTH DAKOTA	Direct Servers	40,000	40,000	0	0	40,000
		Disk Space	15,000	15,000	0	0	15,000
		Infoprint Workstation	10,000	10,000	0	0	10,000
		Linux Server	15,000	15,000	0	0	15,000
		Metaviewer Index 1 Workstation	5,000	5,000	0	0	5,000
		RS6000 Server	55,000	55,000	0	0	55,000
		SCO Fax Server	10,000	10,000	0	0	10,000
		Syslog/FTP Workstation	7,000	7,000	0	0	7,000
		Wire Pay Plus Servers	20,000	20,000	0	0	20,000
		Wireless networking	5,000	5,000	0	0	5,000
		TOTAL	182,000	182,000	0	0	182,000
485	WORKFORCE SAFETY & INS	Four printers	26,000	26,000	0	0	26,000
512	DIV OF EMERG MANAGEMENT	Conversion of State Radio equipment	4,957,923	4,957,923	0	4,957,923	0
530	DEPT OF CORRECTS & REHAB	JRCC Video Conference Equipment	15,000	0	0	0	0
		NDSP - Digital Copier	7,836	7,836	7,836	0	0
		Oracle Application Servers	0	18,000	18,000	0	0
		TOTAL	22,836	25,836	25,836	0	0
627	UPPER GR PLAINS TRANS INST	Large Color Map Printer/Plotter	15,000	15,000	0	15,000	0
		Pavement Evaluation Work Station	20,000	20,000	0	20,000	0
		Videoconference Bridge	50,000	50,000	0	50,000	0
		Videoconference Codecs	96,000	96,000	0	96,000	0
		TOTAL	181,000	181,000	0	181,000	0
801	DEPT OF TRANSPORTATION	Color Printers	52,500	52,500	0	0	52,500
		Micrographics/microfilm scanner/printer	5,675	5,675	0	0	5,675
		Plotter	30,000	30,000	0	0	30,000
		Scanner Replacement	72,000	72,000	0	0	72,000
		UMS1200 Line Printer.	29,722	29,722	0	0	29,722
		TOTAL	189,897	189,897	0	0	189,897
		TOTAL ALL AGENCIES	10,650,567	10,984,567	439,847	5,146,123	5,398,597

Agency Information Technology Budgets

Agencies are required to submit information technology plans to the Information Technology Department (ITD) as required by NDCC 54.59. The agency plan information is contained in the IT capture subschedule of BARS. This report summarizes the technology budget requests for each agency by infrastructure, projects, and by funding source. The Statewide Information Technology Plan 2005-2007 published by ITD, lists a more detailed look at the infrastructure and projects in each agency's technology plan. The technology plans were used as a basis for developing the budget requests but, because the planning process is a continuous one, priorities and estimated costs may change over time.

The information technology budgets for the agencies include 100% of the expenses reported in the object codes for IT-Telephone, IT-Data Processing, IT-Software/Supplies, IT-Contractual Services, and IT-Equipment. Salaries and benefits are included for employees or portions of employees who are responsible for information technology for the agency.

While technology is becoming an important component of government operations, it cannot be viewed in isolation. Technology is a tool that is integral to the programs and services provided by government agencies. As such, the value and the cost of the technology should be considered in relationship to the total cost of the programs and services it supports.

Agency Information Technology Budgets
101 OFFICE OF THE GOVERNOR
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	71,335	112,300	112,300
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	71,335	112,300	112,300
INFRASTRUCTURE FTE	.00	.00	.00

Agency Information Technology Budgets

108 SECRETARY OF STATE

Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	1,434,065	1,434,065	1,434,065
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	1,434,065	1,434,065	1,434,065
INFRASTRUCTURE FTE			
	.00	.00	.00
PROJECTS			
CENTRAL VOTER FILE FOR ELECTIONS	1,000,000	1,000,000	1,000,000
BRINGING FILENET TO THE COUNTY RECORDERS FO	58,231	58,231	58,231
MIGRATING DATA FROM AS400 TO ANOTHER PLATFO	0	250,000	250,000
FILENET FOR ADMIN LIC & BUSINESS DIVISIONS	199,615	199,615	199,615
AUTOMATIC CLEARING HOUSE	20,000	20,000	20,000
TOTAL PROJECTS	1,277,846	1,527,846	1,527,846
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	219,615	469,615	469,615
FEDERAL FUNDS	1,000,000	1,000,000	1,000,000
SPECIAL FUNDS	58,231	58,231	58,231
TOTAL PROJECTS FUNDING SOURCE	1,277,846	1,527,846	1,527,846
PROJECT FTE			
	.00	.00	.00

Agency Information Technology Budgets
110 OFFICE OF MANAGEMENT AND BUDGET
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	2,839,158	2,848,580	2,859,734
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	227,571	227,571	227,571
TOTAL INFRASTRUCTURE	3,066,729	3,076,151	3,087,305
INFRASTRUCTURE FTE			
	2.00	2.00	2.00
PROJECTS			
CONNECTND PEOPLESFT MODULES	0	600,000	600,000
TOTAL PROJECTS	0	600,000	600,000
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	600,000	600,000
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	0	600,000	600,000
PROJECT FTE			
	.00	.00	.00

Agency Information Technology Budgets
112 INFORMATION TECHNOLOGY
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	4,148,864	5,523,943	4,523,943
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	62,009,860	66,978,860	62,009,860
TOTAL INFRASTRUCTURE	66,158,724	72,502,803	66,533,803
INFRASTRUCTURE FTE	224.00	224.00	215.00
PROJECTS			
DHS'S MMIS PROJECT	0	0	8,127,034
MAINFRAME MIGRATION STRATEGY	6,000,000	6,000,000	6,000,000
GIS - SUPPORT OPERATIONS & EXPANSION	0	425,000	100,000
CJIS - ESTABLISH SERVICES TO SUPPORT DEPLOY	1,500,000	3,000,000	2,700,000
ENHANCED SUPPORT CENTER	0	742,800	0
TOTAL PROJECTS	7,500,000	10,167,800	16,927,034
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	2,167,800	800,000
FEDERAL FUNDS	0	500,000	500,000
SPECIAL FUNDS	7,500,000	7,500,000	15,627,034
TOTAL PROJECTS FUNDING SOURCE	7,500,000	10,167,800	16,927,034
PROJECT FTE	.00	.00	10.00

Agency Information Technology Budgets

117 OFFICE OF THE STATE AUDITOR

Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	170,870	182,022	170,870
FEDERAL FUNDS	11,900	11,900	11,900
SPECIAL FUNDS	35,155	35,155	35,155
TOTAL INFRASTRUCTURE	217,925	229,077	217,925
INFRASTRUCTURE FTE	.00	.00	.00

Agency Information Technology Budgets

120 OFFICE OF THE STATE TREASURER

Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	70,733	100,733	100,733
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	70,733	100,733	100,733
INFRASTRUCTURE FTE	.00	.00	.00

Agency Information Technology Budgets
125 OFFICE OF THE ATTORNEY GENERAL
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	1,698,878	1,882,088	1,741,457
FEDERAL FUNDS	321,381	344,545	331,168
SPECIAL FUNDS	372,310	372,310	386,841
TOTAL INFRASTRUCTURE	2,392,569	2,598,943	2,459,466
INFRASTRUCTURE FTE	10.00	10.00	10.00

Agency Information Technology Budgets
127 OFFICE OF STATE TAX COMMISSIONER
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	2,846,379	2,846,379	2,880,219
FEDERAL FUNDS	120,000	120,000	120,000
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	2,966,379	2,966,379	3,000,219
INFRASTRUCTURE FTE			
	5.00	5.00	5.00
PROJECTS			
INTEGRATED TAX SYSTEM	0	12,625,000	0
TOTAL PROJECTS	0	12,625,000	0
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	12,625,000	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	0	12,625,000	0
PROJECT FTE			
	.00	.00	.00

Agency Information Technology Budgets
140 OFFICE OF ADMINISTRATIVE HEARINGS
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	75,247	75,247	75,247
TOTAL INFRASTRUCTURE	75,247	75,247	75,247
INFRASTRUCTURE FTE			
	.00	.00	.00
PROJECTS			
ISYS	5,000	5,000	5,000
TOTAL PROJECTS	5,000	5,000	5,000
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	5,000	5,000	5,000
TOTAL PROJECTS FUNDING SOURCE	5,000	5,000	5,000
PROJECT FTE			
	.00	.00	.00

Agency Information Technology Budgets
150 LEGISLATIVE ASSEMBLY
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	1,578,041	1,578,041	1,578,041
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	1,578,041	1,578,041	1,578,041
INFRASTRUCTURE FTE			
	.00	.00	.00
PROJECTS			
LEGISLATIVE APPLICATIONS REPLACEMENT SYSTEM	4,200,000	4,200,000	4,200,000
MONITOR SYSTEM REPLACEMENT	100,000	100,000	100,000
TOTAL PROJECTS	4,300,000	4,300,000	4,300,000
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	4,300,000	4,300,000	4,300,000
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	4,300,000	4,300,000	4,300,000
PROJECT FTE			
	.00	.00	.00

Agency Information Technology Budgets
160 LEGISLATIVE COUNCIL
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	1,365,568	1,365,568	1,398,679
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	1,365,568	1,365,568	1,398,679
INFRASTRUCTURE FTE			
	4.00	4.00	4.00
PROJECTS			
INTERIM APPLICATIONS REPLACEMENT (2007-2009)	0	0	0
TOTAL PROJECTS	0	0	0
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	0	0	0
PROJECT FTE			
	.00	.00	.00

Agency Information Technology Budgets
180 JUDICIAL BRANCH
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	2,997,412	2,997,412	3,062,176
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	2,997,412	2,997,412	3,062,176
INFRASTRUCTURE FTE	9.00	9.00	9.00
PROJECTS			
CONTINUITY PLANNING	75,000	75,000	75,000
DIGITAL AUDIO RECORDING	103,677	103,677	103,677
ENHANCED RECORDS MANAGEMENT SYSTEM	225,000	225,000	225,000
INTERACTIVE TELEVISION	155,000	155,000	155,000
CASE MANAGEMENT SYSTEMS REVIEW	100,000	100,000	100,000
TOTAL PROJECTS	658,677	658,677	658,677
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	658,677	658,677	658,677
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	658,677	658,677	658,677
PROJECT FTE	.00	.00	.00

Agency Information Technology Budgets
190 RETIREMENT AND INVESTMENT OFFICE
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	576,989	576,989	576,989
TOTAL INFRASTRUCTURE	576,989	576,989	576,989
INFRASTRUCTURE FTE	2.00	2.00	2 .00

Agency Information Technology Budgets
192 PUBLIC EMPLOYEES RETIREMENT SYSTEM
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	975,500	999,336	1,019,257
TOTAL INFRASTRUCTURE	975,500	999,336	1,019,257
INFRASTRUCTURE FTE	3.00	3.00	3.00
PROJECTS			
PROPOSED LEGISLATION	14,016	14,016	14,016
NDPERS ONLINE SERVICES	0	47,632	47,632
BARCODING IBS INSURANCE BILLING	0	6,000	6,000
EDMS WORKFLOW	0	35,000	35,000
TOTAL PROJECTS	14,016	102,648	102,648
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	14,016	102,648	102,648
TOTAL PROJECTS FUNDING SOURCE	14,016	102,648	102,648
PROJECT FTE	.00	.00	.00

Agency Information Technology Budgets
201 DEPT OF PUBLIC INSTRUCTION
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	805,472	980,472	819,844
FEDERAL FUNDS	2,342,381	2,342,381	2,372,510
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	3,147,853	3,322,853	3,192,354
INFRASTRUCTURE FTE			
	7.00	7.00	7.00
PROJECTS			
UPGRADE ORS TO .NET	0	175,000	0
SPECIAL EDUCATION IEP	700,000	700,000	700,000
TOTAL PROJECTS	700,000	875,000	700,000
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	700,000	700,000	700,000
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	700,000	700,000	700,000
PROJECT FTE			
	.00	.00	.00

Agency Information Technology Budgets
215 ND UNIVERSITY SYSTEM
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	280,956	280,956	280,956
FEDERAL FUNDS	3,900	3,900	3,900
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	284,856	284,856	284,856
INFRASTRUCTURE FTE			
	.00	.00	.00
PROJECTS			
TECHNOLOGY POOL	21,924,083	22,105,783	21,924,083
TOTAL PROJECTS	21,924,083	22,105,783	21,924,083
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	21,924,083	22,105,783	21,924,083
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	21,924,083	22,105,783	21,924,083
PROJECT FTE			
	.00	.00	.00

Agency Information Technology Budgets

226 STATE LAND DEPARTMENT

Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	201,784	201,784	209,438
TOTAL INFRASTRUCTURE	201,784	201,784	209,438
INFRASTRUCTURE FTE	1.00	1.00	1.00

Agency Information Technology Budgets
244 NORTH DAKOTA FOREST SERVICE
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	17,000	17,000	17,000
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	17,000	17,000	17,000
INFRASTRUCTURE FTE	.00	.00	.00

Agency Information Technology Budgets

250 STATE LIBRARY

Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	87,972	87,972	93,509
FEDERAL FUNDS	93,015	93,015	93,015
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	180,987	180,987	186,524
INFRASTRUCTURE FTE	1.00	1.00	1.00

Agency Information Technology Budgets
252 SCHOOL FOR THE DEAF
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	170,912	170,912	177,172
FEDERAL FUNDS	2,016	2,016	2,016
SPECIAL FUNDS	118,797	118,797	118,797
TOTAL INFRASTRUCTURE	291,725	291,725	297,985
INFRASTRUCTURE FTE	1.00	1.00	1.00

Agency Information Technology Budgets

253 ND VISION SERVICES

Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	128,876	128,876	135,310
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	87,968	87,968	87,968
TOTAL INFRASTRUCTURE	216,844	216,844	223,278
INFRASTRUCTURE FTE	1.00	1.00	1.00

Agency Information Technology Budgets
270 CAREER AND TECHNICAL EDUCATION
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	132,225	132,225	132,225
FEDERAL FUNDS	17,513	17,513	17,513
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	149,738	149,738	149,738
INFRASTRUCTURE FTE	.00	.00	.00

Agency Information Technology Budgets
301 ND DEPARTMENT OF HEALTH
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	576,441	619,741	452,055
FEDERAL FUNDS	1,832,520	1,832,520	1,770,386
SPECIAL FUNDS	236,392	236,392	237,068
TOTAL INFRASTRUCTURE	2,645,353	2,688,653	2,459,509
INFRASTRUCTURE FTE			
	8.00	8.00	6.00
PROJECTS			
DREAMS	417,000	417,000	417,000
HAN	683,484	683,484	683,484
WIC	835,882	835,882	835,882
TOTAL PROJECTS	1,936,366	1,936,366	1,936,366
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	1,936,366	1,936,366	1,936,366
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	1,936,366	1,936,366	1,936,366
PROJECT FTE			
	.00	.00	.00

Agency Information Technology Budgets

313 VETERANS HOME

Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	5,000	5,500
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	222,000	222,000	222,000
TOTAL INFRASTRUCTURE	222,000	227,000	227,500
INFRASTRUCTURE FTE			
	.00	.00	.00
PROJECTS			
COMPUTER BASED TRAINING	0	17,250	0
VIDEO CONFERENCING	0	34,350	0
TOTAL PROJECTS	0	51,600	0
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	51,600	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	0	51,600	0
PROJECT FTE			
	.00	.00	.00

Agency Information Technology Budgets

316 INDIAN AFFAIRS COMMISSION

Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	9,563	11,563	11,563
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	9,563	11,563	11,563
INFRASTRUCTURE FTE	.00	.00	.00

Agency Information Technology Budgets
321 DEPARTMENT OF VETERANS AFFAIRS
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	20,099	27,159	42,159
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	20,099	27,159	42,159
INFRASTRUCTURE FTE	.00	.00	.00

Agency Information Technology Budgets
325 DEPARTMENT OF HUMAN SERVICES
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	16,831,349	16,848,261	16,992,841
FEDERAL FUNDS	12,698,093	12,715,006	12,749,446
SPECIAL FUNDS	1,555,813	1,555,813	1,555,813
TOTAL INFRASTRUCTURE	31,085,255	31,119,080	31,298,100
INFRASTRUCTURE FTE	33.00	33.00	33.00
PROJECTS			
MMIS REWRITE PHASE II	29,188,859	29,188,859	29,188,859
IMPLEMENT 4 YEAR REPLACEMENT CYCLE FOR DESK	0	362,800	0
COUNTY STAFF ASSISTANCE FOR MMIS REWRITE PR	0	219,020	0
TIME AND ATTENDANCE	0	45,508	0
TOTAL PROJECTS	29,188,859	29,816,187	29,188,859
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	3,667,820	4,081,678	3,667,820
FEDERAL FUNDS	25,521,039	25,734,509	25,521,039
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	29,188,859	29,816,187	29,188,859
PROJECT FTE	.00	.00	.00

Agency Information Technology Budgets

360 PROTECTION AND ADVOCACY

Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	31,896	31,896	31,896
FEDERAL FUNDS	86,500	86,500	86,500
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	118,396	118,396	118,396
INFRASTRUCTURE FTE	.00	.00	.00

Agency Information Technology Budgets
380 JOB SERVICE NORTH DAKOTA
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	9,729,965	9,729,965	9,920,029
SPECIAL FUNDS	33,548	33,548	35,701
TOTAL INFRASTRUCTURE	9,763,513	9,763,513	9,955,730
INFRASTRUCTURE FTE			
	27.13	27.13	27.13
PROJECTS			
UI MODERNIZATION-REED ACT	525,000	525,000	525,000
TOTAL PROJECTS	525,000	525,000	525,000
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	525,000	525,000	525,000
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	525,000	525,000	525,000
PROJECT FTE			
	.00	.00	.00

Agency Information Technology Budgets
401 OFFICE OF THE INSURANCE COMMISSIONER
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	32,000	32,000	32,000
SPECIAL FUNDS	607,219	607,219	607,219
TOTAL INFRASTRUCTURE	639,219	639,219	639,219
INFRASTRUCTURE FTE	.00	.00	.00
PROJECTS			
SERFF INTERFACE	27,840	27,840	27,840
IMAGING	8,640	8,640	8,640
TOTAL PROJECTS	36,480	36,480	36,480
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	36,480	36,480	36,480
TOTAL PROJECTS FUNDING SOURCE	36,480	36,480	36,480
PROJECT FTE	.00	.00	.00

Agency Information Technology Budgets

405 INDUSTRIAL COMMISSION

Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	344,428	367,928	367,928
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	37,750	37,750	37,750
TOTAL INFRASTRUCTURE	382,178	405,678	405,678
INFRASTRUCTURE FTE	.00	.00	.00

Agency Information Technology Budgets
406 OFFICE OF THE LABOR COMMISSIONER
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	62,440	62,440	62,440
FEDERAL FUNDS	1,560	1,560	1,560
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	64,000	64,000	64,000
INFRASTRUCTURE FTE	.00	.00	.00

Agency Information Technology Budgets

408 PUBLIC SERVICE COMMISSION

Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	399,339	444,348	427,033
FEDERAL FUNDS	137,365	137,365	144,974
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	536,704	581,713	572,007
INFRASTRUCTURE FTE	2.00	2.00	2.00

Agency Information Technology Budgets

412 AERONAUTICS COMMISSION

Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	160,576	160,576	160,576
TOTAL INFRASTRUCTURE	160,576	160,576	160,576
INFRASTRUCTURE FTE	.00	.00	.00

Agency Information Technology Budgets

413 DEPT OF FINANCIAL INST

Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	117,743	117,743	117,743
TOTAL INFRASTRUCTURE	117,743	117,743	117,743
INFRASTRUCTURE FTE			
	.00	.00	.00
PROJECTS			
EDMS	0	31,725	31,725
TOTAL PROJECTS	0	31,725	31,725
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	31,725	31,725
TOTAL PROJECTS FUNDING SOURCE	0	31,725	31,725
PROJECT FTE			
	.00	.00	.00

Agency Information Technology Budgets

414 SECURITIES DEPARTMENT

Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	76,985	88,835	73,849
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	76,985	88,835	73,849
INFRASTRUCTURE FTE	.00	.00	.00

Agency Information Technology Budgets

471 BANK OF NORTH DAKOTA

Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	7,881,650	7,881,650	8,005,810
TOTAL INFRASTRUCTURE	7,881,650	7,881,650	8,005,810
INFRASTRUCTURE FTE	16.00	16.00	16.00
PROJECTS			
STRATEGIC INITIATIVES	2,101,260	2,101,260	2,127,683
CORE BANKING	225,972	225,972	240,592
TOTAL PROJECTS	2,327,232	2,327,232	2,368,275
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	2,327,232	2,327,232	2,368,275
TOTAL PROJECTS FUNDING SOURCE	2,327,232	2,327,232	2,368,275
PROJECT FTE	6.00	6.00	6.00

Agency Information Technology Budgets

473 ND HOUSING FINANCE AGENCY

Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	471,902	471,902	486,976
TOTAL INFRASTRUCTURE	471,902	471,902	486,976
INFRASTRUCTURE FTE	2.00	2.00	2.00

Agency Information Technology Budgets
475 ND MILL AND ELEVATOR ASSOCIATION
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	399,398	399,398	399,398
TOTAL INFRASTRUCTURE	399,398	399,398	399,398
INFRASTRUCTURE FTE	.00	.00	.00

Agency Information Technology Budgets
485 WORKFORCE SAFETY AND INSURANCE
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	5,125,216	5,125,216	5,303,453
TOTAL INFRASTRUCTURE	5,125,216	5,125,216	5,303,453
INFRASTRUCTURE FTE			
	21.62	21.62	21.62
PROJECTS			
CENTRALIZED EDI PROCESS FOR MEDICAL BILLING	75,000	75,000	75,000
ENHANCED WEB BASED APPLICATIONS	450,000	450,000	450,000
DATA WAREHOUSE	25,000	25,000	25,000
DISASTER RECOVERY HOT SITE	120,000	120,000	120,000
TOTAL PROJECTS	670,000	670,000	670,000
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	670,000	670,000	670,000
TOTAL PROJECTS FUNDING SOURCE	670,000	670,000	670,000
PROJECT FTE			
	.00	.00	.00

Agency Information Technology Budgets

504 HIGHWAY PATROL

Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	1,077,687	1,077,687	1,108,001
FEDERAL FUNDS	8,000	8,000	8,000
SPECIAL FUNDS	439,700	439,700	442,156
TOTAL INFRASTRUCTURE	1,525,387	1,525,387	1,558,157
INFRASTRUCTURE FTE			
	5.00	5.00	5.00
PROJECTS			
WIRELESS FIELD REPORTING	200,000	200,000	200,000
CASE MANAGEMENT SYSTEM	0	200,000	200,000
TOTAL PROJECTS	200,000	400,000	400,000
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	200,000
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	200,000	400,000	200,000
TOTAL PROJECTS FUNDING SOURCE	200,000	400,000	400,000
PROJECT FTE			
	.00	.00	.00

Agency Information Technology Budgets
512 DIV OF EMERGENCY MANAGEMENT
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	1,716,000	2,496,000	1,716,000
FEDERAL FUNDS	200,346	200,346	200,346
SPECIAL FUNDS	149,634	149,634	149,634
TOTAL INFRASTRUCTURE	2,065,980	2,845,980	2,065,980
INFRASTRUCTURE FTE			
	.00	.00	.00
PROJECTS			
N D PUBLIC SAFETY MOBILE COMMUNICATIONS PRO	0	3,000,000	0
TOWER T1 CIRCUIT INFRASTRUCTURE	0	200,000	0
CAD COMPUTER AIDED DISPATCH	0	500,000	0
TOTAL PROJECTS	0	3,700,000	0
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	3,700,000	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	0	3,700,000	0
PROJECT FTE			
	.00	.00	.00

Agency Information Technology Budgets
530 DEPT OF CORRECTIONS AND REHAB
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	1,754,425	2,316,217	1,843,148
FEDERAL FUNDS	59,442	59,442	59,442
SPECIAL FUNDS	577,142	585,050	583,390
TOTAL INFRASTRUCTURE	2,391,009	2,960,709	2,485,980
INFRASTRUCTURE FTE			
	5.00	5.00	5.00
PROJECTS			
ITAG OFFENDER MANAGMENT SYSTEM	0	411,650	411,650
TOTAL PROJECTS	0	411,650	411,650
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	411,650	411,650
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	0	411,650	411,650
PROJECT FTE			
	.00	.00	.00

Agency Information Technology Budgets

540 ADJUTANT GENERAL

Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	57,996	90,267	90,267
FEDERAL FUNDS	904,271	904,271	872,000
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	962,267	994,538	962,267
INFRASTRUCTURE FTE	.00	.00	.00

Agency Information Technology Budgets

601 DEPT OF COMMERCE

Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	475,937	528,897	481,750
FEDERAL FUNDS	173,076	173,076	173,869
SPECIAL FUNDS	29,533	29,533	29,533
TOTAL INFRASTRUCTURE	678,546	731,506	685,152
INFRASTRUCTURE FTE	1.00	1.00	1.00

Agency Information Technology Budgets
602 DEPARTMENT OF AGRICULTURE
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	196,194	196,194	202,173
FEDERAL FUNDS	68,647	68,647	68,647
SPECIAL FUNDS	44,862	44,862	44,862
TOTAL INFRASTRUCTURE	309,703	309,703	315,682
INFRASTRUCTURE FTE	1.00	1.00	1.00
PROJECTS			
WEB SITE DEVELOPMENT	15,000	15,000	15,000
GIS INFRASTRUCTURE	7,350	7,350	7,350
SHOPND.COM	20,000	20,000	20,000
PRIVATE PRACTITIONERS PORTAL	7,200	7,200	7,200
NATIONAL ANIMAL IDENTIFICATION SYSTEM	235,000	235,000	235,000
ELECTRONIC HEALTH CERTIFICATES	20,000	20,000	20,000
TOTAL PROJECTS	304,550	304,550	304,550
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	7,850	7,850	7,850
FEDERAL FUNDS	294,175	294,175	274,175
SPECIAL FUNDS	2,525	2,525	2,525
TOTAL PROJECTS FUNDING SOURCE	304,550	304,550	304,550
PROJECT FTE	.00	.00	.00

Agency Information Technology Budgets
616 STATE SEED DEPARTMENT
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	155,658	155,658	155,658
TOTAL INFRASTRUCTURE	155,658	155,658	155,658
INFRASTRUCTURE FTE	.00	.00	.00

Agency Information Technology Budgets

627 UPPER GREAT PLAINS TRANS INST

Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	1,016,657	1,016,657	937,751
SPECIAL FUNDS	444,461	444,461	418,159
TOTAL INFRASTRUCTURE	1,461,118	1,461,118	1,355,910
INFRASTRUCTURE FTE	2.00	2.00	1.00

Agency Information Technology Budgets
628 BRANCH RESEARCH CENTERS
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	92,054	92,054	92,054
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	107,495	107,495	107,495
TOTAL INFRASTRUCTURE	199,549	199,549	199,549
INFRASTRUCTURE FTE	.00	.00	.00

Agency Information Technology Budgets

630 NDSU EXTENSION SERVICE

Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	1,360,066	1,360,066	783,409
FEDERAL FUNDS	188,918	188,918	191,796
SPECIAL FUNDS	649,950	649,950	542,212
TOTAL INFRASTRUCTURE	2,198,934	2,198,934	1,517,417
INFRASTRUCTURE FTE	13.24	13.24	6.62

Agency Information Technology Budgets

638 NORTHERN CROPS INSTITUTE

Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	20,000	20,000	20,000
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	13,000	13,000	13,000
TOTAL INFRASTRUCTURE	33,000	33,000	33,000
INFRASTRUCTURE FTE	.00	.00	.00

Agency Information Technology Budgets
640 NDSU MAIN RESEARCH CENTER
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	350,000	350,000	350,000
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	472,880	472,880	472,880
TOTAL INFRASTRUCTURE	822,880	822,880	822,880
INFRASTRUCTURE FTE	.00	.00	.00

Agency Information Technology Budgets

649 AGRONOMY SEED FARM

Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	3,500	3,500	3,500
TOTAL INFRASTRUCTURE	3,500	3,500	3,500
INFRASTRUCTURE FTE	.00	.00	.00

Agency Information Technology Budgets
701 HISTORICAL SOCIETY
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	226,062	226,062	226,062
FEDERAL FUNDS	7,785	7,785	7,785
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	233,847	233,847	233,847
INFRASTRUCTURE FTE			
	.00	.00	.00
PROJECTS			
SECURITY ACCESS REPLACEMENT	0	56,000	56,000
PAST PERFECT COLLECTIONS SOFTWARE	0	9,000	9,000
TOTAL PROJECTS	0	65,000	65,000
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	65,000	9,000
FEDERAL FUNDS	0	0	56,000
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	0	65,000	65,000
PROJECT FTE			
	.00	.00	.00

Agency Information Technology Budgets

709 COUNCIL ON THE ARTS

Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	2,710	2,710	2,710
FEDERAL FUNDS	25,767	25,767	25,767
SPECIAL FUNDS	0	0	0
TOTAL INFRASTRUCTURE	28,477	28,477	28,477
INFRASTRUCTURE FTE			
	.00	.00	.00
PROJECTS			
ONLINE SOFTWARE	11,500	11,500	11,500
TOTAL PROJECTS	11,500	11,500	11,500
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	11,500	11,500	11,500
SPECIAL FUNDS	0	0	0
TOTAL PROJECTS FUNDING SOURCE	11,500	11,500	11,500
PROJECT FTE			
	.00	.00	.00

Agency Information Technology Budgets

720 GAME AND FISH DEPARTMENT

Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	1,470,660	1,470,660	1,484,901
TOTAL INFRASTRUCTURE	1,470,660	1,470,660	1,484,901
INFRASTRUCTURE FTE			
	2.00	2.00	2.00
PROJECTS			
FIELD OFFICE NETWORK PROJECT	50,000	50,000	50,000
TOTAL PROJECTS	50,000	50,000	50,000
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	50,000	50,000	50,000
TOTAL PROJECTS FUNDING SOURCE	50,000	50,000	50,000
PROJECT FTE			
	.00	.00	.00

Agency Information Technology Budgets
750 PARKS AND RECREATION DEPT
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	298,056	473,056	311,778
FEDERAL FUNDS	28,750	28,750	28,750
SPECIAL FUNDS	121,034	129,034	121,034
TOTAL INFRASTRUCTURE	447,840	630,840	461,562
INFRASTRUCTURE FTE			
	1.00	1.00	1.00
PROJECTS			
FACILITY MAINTENANCE APPLICATION RE-WRITE	0	50,000	0
ONLINE CAMPGROUND RESERVATION SYSTEM	0	110,000	110,000
TOTAL PROJECTS	0	160,000	110,000
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	160,000	0
FEDERAL FUNDS	0	0	0
SPECIAL FUNDS	0	0	110,000
TOTAL PROJECTS FUNDING SOURCE	0	160,000	110,000
PROJECT FTE			
	.00	.00	.00

Agency Information Technology Budgets

770 WATER COMMISSION

Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	677,460	742,504	680,611
FEDERAL FUNDS	1,625	1,625	1,625
SPECIAL FUNDS	4,875	4,875	19,617
TOTAL INFRASTRUCTURE	683,960	749,004	701,853
INFRASTRUCTURE FTE	2.00	2.00	2.00

Agency Information Technology Budgets
801 DEPT OF TRANSPORTATION
Biennium: 2005-2007

Description	Base Request	Base Plus Optional	Executive Recommendation
INFRASTRUCTURE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	31,576	31,576	33,596
SPECIAL FUNDS	12,595,853	12,646,099	12,748,992
TOTAL INFRASTRUCTURE	12,627,429	12,677,675	12,782,588
INFRASTRUCTURE FTE	26.50	27.00	22.50
PROJECTS			
UPGRADE PAVEMENT MANAGEMENT SYSTEM	559,000	559,000	559,000
UPGRADE RIMS INVENTORY INTERFACE	397,918	397,918	397,918
TDEA REWRITE TO INCLUDE WIM DATA	108,000	108,000	108,000
PRIORITY SYSTEM REWRITE	156,600	156,600	156,600
CVISN (COMMERCIAL VEHICLE SYSTEMS AND NETWO	166,500	166,500	166,500
DRIVERS LICENSE SYSTEM REWRITE	0	2,019,930	0
TOTAL PROJECTS	1,388,018	3,407,948	1,388,018
PROJECTS BY FUNDING SOURCE			
GENERAL FUND	0	0	0
FEDERAL FUNDS	1,060,464	1,060,464	1,060,464
SPECIAL FUNDS	327,554	2,347,484	327,554
TOTAL PROJECTS FUNDING SOURCE	1,388,018	3,407,948	1,388,018
PROJECT FTE	.00	.00	.00

Statutory Authority

North Dakota Century Code Chapters 54-07, 54-08, 54-02-07, 54-01-17.2, 55-06, ND Constitution Article V, Sections 1,2,5,6,7,8,9, and 10.

Agency Description

The Governor, as the chief executive officer of the State of North Dakota, serves as the spokesperson for North Dakota state government and coordinates the policies of most state agencies. The Governor 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 shall assume the duties of the Governor when the Governor is out of the state or unable to serve as Governor. The Lt. Governor serves as President of the North Dakota State Senate.

Major Accomplishments

1. Increased K-12 funding by \$36.0 million with 70% targeted to increase teacher compensation; raised teachers' minimum base salary by \$3,000; improved equity in school funding; and enabled school districts to offer teacher-signing bonuses. Created NDUS Centers of Excellence initiative to promote research, development and commercialization; provided \$4.0 million to continue EPSCOR grants to promote research and stimulate economic growth; created a statewide internship program to link college students to jobs and careers in North Dakota.
2. Created \$1.0 million Seed Capital tax credits to generate entrepreneurial opportunities; simplified the state corporate income tax, reducing the rate from 10.5% to 7% to improve the state's business climate; provided \$5.0 million in venture capital and matching dollars to promote economic growth; expanded Renaissance Zone areas; increased tourism marketing; created North Dakota Roots program to help North Dakota families buy homes.
3. Earmarked \$225,000 for Public Service Commission to advance formal rail-rate complaint with the federal Surface Transportation Board; led trade mission to Taiwan and Japan to expand North Dakota exports in agriculture and manufacturing.
4. Provided a 24-month tax exemption for shallow gas wells to stimulate new production; created a new Oil and Gas Research Council to encourage efficient use of energy; promoted exploration and production methods and technologies, and developed the oil and gas resources; created a cumulative \$3.0 million ethanol production subsidy program to sustain existing ethanol plants, encouraged construction of new facilities, and created more markets for farmers; eliminated double taxation on wind energy generation to promote wind energy production; created an incentive for state government and schools to purchase coal mined in the state; and created property tax exemption for new or expanded capacity electric transmission lines.
5. Continued implementation of integrated state government and higher education software system, ConnectND, and the state's technology infrastructure network, StageNET.
6. Implemented Healthy North Dakota initiative; established a tobacco quit line; implemented Drug Court as permanent sentencing alternative; adopted Interstate Compact for Juveniles; removed social security number from drivers licenses to discourage identity theft; expanded treatment opportunities for people with mental illness or chemical dependency by allowing interstate contracts for treatment; created a prescription drug guide to help all citizens access affordable drugs; commenced construction of Devils Lake outlet and construction of Highway 2 east of Williston to four lanes; increased funding for home-and community-based care for seniors and people with disabilities; created over 700,000 acres of public hunting access and improved wildlife habitat; delivered water to tens of thousands of citizens across the state through rural water projects.

Executive Budget Recommendation

- Provides the funds necessary for a senior advisor position, one of 1.70 FTE that were not funded for the 2003-05 biennium.
- Transfers from ITD, the full cost of data processing and computer replacement for the Governor's Office.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

101 OFFICE OF THE GOVERNOR

Bill#: HB1001

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
GOVERNOR'S PROGRAMS AND ADMIN.	3,745,451	4,491,886	405,935	9.0%	4,897,821	658,886	14.7%	5,150,772
TOTAL MAJOR PROGRAMS	3,745,451	4,491,886	405,935	9.0%	4,897,821	658,886	14.7%	5,150,772
BY LINE ITEM								
SALARIES AND WAGES	2,100,492	2,009,850	55,767	2.8%	2,065,617	267,753	13.3%	2,277,603
OPERATING EXPENSES	258,364	305,736	5,668	1.9%	311,404	46,633	15.3%	352,369
GRANTS	1,326,798	2,100,000	400,000	19.0%	2,500,000	400,000	19.0%	2,500,000
CONTINGENCY	0	10,000	0	.0%	10,000	0	.0%	10,000
NATIONAL WORLD WAR II MEMORIAL	53,210	0	0	.0%	0	0	.0%	0
PRESIDENTIAL ELECTORS	0	500	-500	-100.0%	0	-500	-100.0%	0
GOVERNOR'S TRANSITION IN	0	15,000	-15,000	-100.0%	0	-15,000	-100.0%	0
GOVERNOR'S TRANSITION OUT	0	40,000	-40,000	-100.0%	0	-40,000	-100.0%	0
ROUGH RIDER AWARDS	6,587	10,800	0	.0%	10,800	0	.0%	10,800
TOTAL LINE ITEMS	3,745,451	4,491,886	405,935	9.0%	4,897,821	658,886	14.7%	5,150,772
BY FUNDING SOURCE								
GENERAL FUND	2,380,245	2,331,886	5,935	.3%	2,337,821	258,886	11.1%	2,590,772
FEDERAL FUNDS	1,365,206	2,160,000	400,000	18.5%	2,560,000	400,000	18.5%	2,560,000
SPECIAL FUNDS	0	0	0	.0%	0	0	.0%	0
TOTAL FUNDING SOURCE	3,745,451	4,491,886	405,935	9.0%	4,897,821	658,886	14.7%	5,150,772
TOTAL FTE	18.00	18.00	.00	.0%	18.00	.00	.0%	18.00

Statutory Authority

North Dakota Constitution, Article V, Section 12; North Dakota Century Code Title 10 and Title 16.1; North Dakota Century Code Chapters 15.02, 54-09, 35-01, 35-17, 35-21, 35-29, 35-30, 35-31, 35-05, 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, 54-16, and 55-01.

Agency Description

The agency is the office of record for the executive and legislative branches of 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 in four operating divisions. The agency performs these functions in accordance with the requirements of the state's law and constitution.

Major Accomplishments

1. Launched a new web site, which receives approximately 484,000 hits per month on its various pages and sections.
2. Enhanced the live business records search on agency web site, which displays data about business entities, filed with the agency.
3. Introduced annual entity reports on its web site that allows customers to complete them on-line, print them, sign them, and mail them to the agency.

4. Enhanced the agency's central indexing system, which is connected to the state's 53 counties, to provide direct access on the web for lien searches and filings.
5. Launched a new and expanded election section on agency web site to provide more information about elections, candidates, campaign contributions, and receiving election night returns from the state's counties.
6. Implemented the Help America Vote Act of 2002 (HAVA), a federal program for election reform, which is going exceedingly well.

Executive Budget Recommendation

- Provides an additional \$250,000 of general fund dollars for the migration of the AS400 database to another platform. The transition will result in future savings through the reduction of maintenance and system upgrade expenses.
- Includes \$9.5 million of federal Help America Vote Act of 2002 (HAVA) funds for the purchase of voting equipment for counties.
- Increases the Election Reform appropriation line item by \$372,594 of special fund authority representing 5% matching funds from the counties to meet HAVA federal requirements.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

108 SECRETARY OF STATE

Bill#: HB1002

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
SECRETARY OF STATE OPERATIONS	3,934,622	4,187,207	65,462	1.6%	4,252,669	458,068	10.9%	4,645,275
PUBLIC PRINTING LEGISLATIVE LAW BOOKS	416,832	336,000	-9,000	-2.7%	327,000	-9,000	-2.7%	327,000
FEDERAL ELECTION REFORM	26,636	9,578,364	-78,364	-8%	9,500,000	298,183	3.1%	9,876,547
TOTAL MAJOR PROGRAMS	4,378,090	14,101,571	-21,902	-.2%	14,079,669	747,251	5.3%	14,848,822
BY LINE ITEM								
SALARIES AND WAGES	2,018,801	2,153,618	-10	-.0%	2,153,608	142,596	6.6%	2,296,214
OPERATING EXPENSES	2,305,526	2,361,589	41,472	1.8%	2,403,061	291,472	12.3%	2,653,061
CAPITAL ASSETS	0	0	15,000	100.0%	15,000	15,000	100.0%	15,000
PETITION REVIEW	6,127	8,000	0	.0%	8,000	0	.0%	8,000
CENTRAL INDEXING SYSTEM	21,000	0	0	.0%	0	0	.0%	0
ELECTION REFORM	26,636	9,578,364	-78,364	-8%	9,500,000	298,183	3.1%	9,876,547
TOTAL LINE ITEMS	4,378,090	14,101,571	-21,902	-.2%	14,079,669	747,251	5.3%	14,848,822
BY FUNDING SOURCE								
GENERAL FUND	3,990,359	4,247,844	-108,163	-2.5%	4,139,681	284,443	6.7%	4,532,287
FEDERAL FUNDS	26,636	9,473,364	26,636	.3%	9,500,000	30,589	.3%	9,503,953
SPECIAL FUNDS	361,095	380,363	59,625	15.7%	439,988	432,219	113.6%	812,582
TOTAL FUNDING SOURCE	4,378,090	14,101,571	-21,902	-.2%	14,079,669	747,251	5.3%	14,848,822
TOTAL FTE	26.00	27.00	.00	.0%	27.00	.00	.0%	27.00

OFFICE OF MANAGEMENT AND BUDGET

Agency 110

Statutory Authority

North Dakota Century Code Chapter 54-44.

Agency Description

OMB's vision is to be a leader in delivering quality customer service and managing available resources.

OMB's five divisions, in addition to Administration, include:

- Human Resource Management Service- provides leadership and expertise in human resource services.
- Central Services - provides services through Central Duplicating, State Procurement Office, Central Supply and Surplus Property.
- Facility Management - provides services to maintain and operate the capitol complex.
- Fiscal Management - provides services for budgeting, accounting, and payroll.
- Risk Management - protects the assets of the State of North Dakota.

Major Accomplishments

1. Reformed the state's procurement process, which consisted of a rewrite of NDCC 54-55.4, State Purchasing Practices, a repeal of Article 4-03 and replace with Article 4-12, the State Procurement Practices and implemented a comprehensive statewide training program for procurement.
2. Transitioned the state's mainframe printing process for reports, checks and advices from ITD to OMB's Central Duplicating Division.
3. Rewrote the Human Resource Management Service's Administrative Rules.

4. Implemented and migrated agencies to ConnectND.
5. Coordinated, along with ITD, the functional consolidation of email, file and print, data base, storage and hosting services.
6. Upgraded the state's budget system from SIBR to BARS.

Executive Budget Recommendation

- Provides \$3.2 million special fund authority for a fire suppression system for the state capitol building.
- Approves \$1.8 million special fund authority for a performance contract to develop and implement an energy savings program throughout the capitol complex.
- Provides \$2.5 million from the general fund and \$2.5 million special fund authority for an equity pool to be distributed to agencies.
- Includes Prairie Public Broadcasting as a special line and maintains it's funding at \$1.3 million from the general fund.
- Approves 1.00 FTE for the Fiscal Management Division to handle excess workload as a result of system changes that have occurred over the past biennium.
- Approves an additional 1.00 FTE for the Procurement Division to work with contracts for services.
- Provides \$500,000 from the general fund for the state contingency fund.
- Provides \$53,000 general funding for Boys and Girls Clubworks.
- Includes \$325,360 for state memberships including Governmental Accounting Standards Board, Commission on Uniform State Laws, Commission of State Governments and Education Commission of the States.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

110 OFFICE OF MANAGEMENT AND BUDGET

Bill#: HB1015

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATION	2,216,860	3,189,276	1,366,485	42.8%	4,555,761	1,385,466	43.4%	4,574,742
FACILITY MANAGEMENT	8,521,384	8,225,840	-362,989	-4.4%	7,862,851	4,994,695	60.7%	13,220,535
FISCAL MANAGEMENT	3,701,985	5,498,904	-17,807	-.3%	5,481,097	5,861,440	106.6%	11,360,344
HUMAN RESOURCE MGMT SERVICES	1,120,935	1,270,790	3,526	.3%	1,274,316	81,570	6.4%	1,352,360
RISK MANAGEMENT	837,758	1,189,779	-286,204	-24.1%	903,575	-252,722	-21.2%	937,057
CENTRAL SERVICES	4,543,710	5,353,868	25,313	.5%	5,379,181	309,063	5.8%	5,662,931
TOTAL MAJOR PROGRAMS	20,942,632	24,728,457	728,324	2.9%	25,456,781	12,379,512	50.1%	37,107,969
BY LINE ITEM								
SALARIES AND WAGES	11,372,278	12,741,578	-146,019	-1.1%	12,595,559	817,347	6.4%	13,558,925
OPERATING EXPENSES	7,540,612	9,527,735	1,053,349	11.1%	10,581,084	1,706,171	17.9%	11,233,906
FISCAL MANAGEMENT CARRYOVER	461,299	1,535,807	-1,535,807	-100.0%	0	-1,535,807	-100.0%	0
CAPITAL ASSETS	1,294,443	744,337	19,663	2.6%	764,000	5,054,663	679.1%	5,799,000
GRANTS	274,000	179,000	0	.0%	179,000	0	.0%	179,000
PRAIRIE PUBLIC BROADCASTING	0	0	1,337,138	100.0%	1,337,138	1,337,138	100.0%	1,337,138
STATEWIDE EQUITY POOL	0	0	0	.0%	0	5,000,000	100.0%	5,000,000
TOTAL LINE ITEMS	20,942,632	24,728,457	728,324	2.9%	25,456,781	12,379,512	50.1%	37,107,969
BY FUNDING SOURCE								
GENERAL FUND	15,138,545	17,170,734	990,405	5.8%	18,161,139	5,098,954	29.7%	22,269,688
FEDERAL FUNDS	0	300,000	-300,000	-100.0%	0	-300,000	-100.0%	0
SPECIAL FUNDS	5,804,087	7,257,723	37,919	.5%	7,295,642	7,580,558	104.4%	14,838,281
TOTAL FUNDING SOURCE	20,942,632	24,728,457	728,324	2.9%	25,456,781	12,379,512	50.1%	37,107,969
TOTAL FTE	132.00	132.50	-4.00	-3.0%	128.50	-2.00	-1.5%	130.50

INFORMATION TECHNOLOGY

Agency 112

Statutory Authority

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

Agency Description

The Information Technology Department (ITD) is managed by the Chief Information Officer who reports directly to the Governor. The department is responsible for all wide area network services, planning, selection, and implementation for all state agencies, including institutions under the control of the State Board of Higher Education, counties, cities, and school districts. ITD is also responsible for computer support services, software development, statewide communications services, standards for providing information to other state agencies and the public through the Internet, technology planning, process redesign, and quality assurance.

In addition, the appropriations for the following entities and programs are within ITD's budget: the Division of Independent Study, the Education Technology Council, EduTech and the Geographic Information System initiative.

Major Accomplishments

1. Consolidated core IT services within ITD. As of June 30, 2004 consolidation was completed for 26 of the 31 agencies that had services to migrate.
2. Continued to participate in the implementation of PeopleSoft's HRMS, financial systems and student administration solutions. The PeopleSoft systems went live for state government in the fall of 2004.
3. Continued to operate and enhance STAGenet, which now provides broadband connections to 192 North Dakota communities and 234 schools for a total of over 500 sites.
4. Published the Statewide Information Technology Plan in November 2002, which outlined the direction for technology in the state.
5. Continued to facilitate Enterprise Architecture where state agencies partner in setting the future direction of information technology. Major studies included the Desktop Acquisition Study and related RFP.

6. Continued to operate the state's EDMS infrastructure. To date, approximately 1,000 users are accessing EDMS information with a projected growth rate for EDMS information storage of 30% per year.
7. Continued to deploy PowerSchool, a web-based student information system. During the past year the number of school districts equipped with PowerSchool rose from 39 to 58, hosting data for 41,628 students.
8. Continued operation and enhancement of the GIS Hub. First constructed in 2002 under the guidance of the GIS Technical Committee, the Hub has continued to grow by adding data and applications.
9. Deployed the Law Enforcement Records Management System (LERMS), which is currently being piloted by 10 law enforcement agencies.
10. Provided a centralized Internet filter to North Dakota schools, which makes it possible for them to comply with the Children's Internet Protection Act (CIPA) technology requirements and corresponding E-Rate regulations.
11. More specifics on these accomplishments and IT initiatives can be found in ITD's annual report at www.state.nd.us/itd/pubs.

Executive Budget Recommendation

- Provides \$700,000 from the general fund for Criminal Justice Information Sharing (CJIS).
- Provides \$946,182 from the general fund for technology grants to the Educational Technology Council.
- Provides funding of \$112,000 to EduTech for antivirus software for K-12 schools.
- Provides special fund authority of \$8.1 million and 10.00 FTE for Human Service's Medicaid Management Information System.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

112 INFORMATION TECHNOLOGY

Bill#: SB2021

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ITD GENERAL FUND EXPENDITURES	18,615,396	8,689,979	-994,498	-11.4%	7,695,481	1,310,274	15.1%	10,000,253
ITD FEDERAL FUND EXPENDITURES	297,474	12,526	-12,526	100.0%	0	487,474	3,891.7%	500,000
INDEPENDENT STUDY	4,650,488	5,625,480	-35,821	-6%	5,589,659	202,429	3.6%	5,827,909
ITD SPECIAL FUND EXPENDITURES	62,810,958	91,996,645	-8,367,684	-9.1%	83,628,961	1,316,127	1.4 %	93,312,772
TOTAL MAJOR PROGRAMS	86,374,316	106,324,630	-9,410,529	-8.9%	96,914,101	3,316,304	3.1%	109,640,934
BY LINE ITEM								
SALARIES AND WAGES	22,573,602	25,715,694	633,030	2.5%	26,348,724	3,484,335	13.5%	29,200,029
OPERATING EXPENSES	37,529,489	32,133,386	9,914,316	30.9%	42,047,702	16,780,290	52.2%	48,913,676
CAPITAL ASSETS	2,910,793	5,323,000	5,038,163	94.6%	10,361,163	5,038,163	94.6%	10,361,163
GRANTS	0	0	0	.0%	0	0	.0%	0
DIVISION OF INDEPENDENT STUDY	4,650,488	5,625,480	-35,821	-6%	5,589,659	202,429	3.6%	5,827,909
ENTERPRISE FUND	0	0	0	.0%	0	0	.0%	0
EDUCATIONAL TECHNOLOGY COUNCIL	1,197,834	793,818	0	.0%	793,818	961,371	121.1%	1,755,189
EDUTECH	2,437,425	2,540,348	0	.0%	2,540,348	112,000	4.4%	2,652,348
WIDE AREA NETWORK	5,122,250	7,436,223	-281,879	-3.8%	7,154,344	107,191	1.4%	7,543,414
ERP SYSTEM	7,960,318	20,000,000	-20,000,000	-100.0%	0	-20,000,000	-100.0%	0
GEOGRAPHIC INFORMATION SYSTEM	599,383	678,343	-100,000	-14.7%	578,343	8,863	1.3%	687,206
PRAIRIE PUBLIC BROADCASTING	1,392,734	1,337,138	-1,337,138	-100.0%	0	-1,337,138	-100.0%	0
CRIMINAL JUST INFORMATION SHARING	0	4,741,200	-3,241,200	-68.4%	1,500,000	-2,041,200	-43.1%	2,700,000
TOTAL LINE ITEMS	86,374,316	106,324,630	-9,410,529	-8.9%	96,914,101	3,316,304	3.1%	109,640,934
BY FUNDING SOURCE								
GENERAL FUND	19,438,246	8,194,803	261,378	3.2%	8,456,181	2,615,556	31.9%	10,810,359
FEDERAL FUNDS	297,474	12,526	-12,526	-100.0%	0	487,474	3891.7%	500,000
SPECIAL FUNDS	66,638,596	98,117,301	-9,659,381	-9.8%	88,457,920	213,274	.2%	98,330,575
TOTAL FUNDING SOURCE	86,374,316	106,324,630	-9,410,529	-8.9%	96,914,101	3,316,304	3.1%	109,640,934
TOTAL FTE	244.70	257.20	-2.00	-8%	255.20	8.00	3.1%	265.20

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 comprised of three divisions. The largest division, the Division of State Audit, is responsible for the audits of the State of North Dakota. Audit clients include state agencies and the university system. This division conducts financial, compliance, performance, and information system audits.

The Division of Local Government Audit performs audits of counties, cities, school districts, and other political subdivisions.

The third functional area, the Division of Royalty Audit, conducts audits of the federal royalty payments from oil, gas, and coal leases located within the State of North Dakota.

Major Accomplishments

1. Completed performance audits of the Department of Transportation's driver's license & motor vehicle registration division, the Department of Veterans Affairs and Administrative Committee on Veterans Affairs, and the Department of Corrections and Rehabilitation.
2. Conducted financial audits of state agencies and provided recommendations that have resulted in significant improvements in agency operations.
3. Conducted information systems audits of the Secretary of State's business registration system and the Department of Corrections and Rehabilitation DOCSTARS system.

Executive Budget Recommendation

- Provides funding for the replacement of the agency's copier, which is used to print audit reports.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

117 OFFICE OF THE STATE AUDITOR

Bill#: HB1004

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATION	293,506	307,639	-10,906	-3.5%	296,733	6,161	2.0%	313,800
DIVISION OF LOCAL GOVERNMENT AUDITS	1,001,424	1,229,941	139,397	11.3%	1,369,338	212,029	17.2%	1,441,970
DIVISION OF STATE AUDITS	4,215,110	4,273,593	18,476	.4%	4,292,069	288,598	6.8%	4,562,191
MINERAL ROYALTY AUDITING	811,525	888,035	47,500	5.3%	935,535	96,985	10.9%	985,020
TOTAL MAJOR PROGRAMS	6,321,565	6,699,208	194,467	2.9%	6,893,675	603,773	9.0%	7,302,981
BY LINE ITEM								
SALARIES AND WAGES	5,614,579	5,981,437	142,943	2.4%	6,124,380	535,249	8.9%	6,516,686
OPERATING EXPENSES	706,986	717,771	41,524	5.8%	759,295	58,524	8.2%	776,295
CAPITAL ASSETS	0	0	10,000	100.0%	10,000	10,000	100.0%	10,000
TOTAL LINE ITEMS	6,321,565	6,699,208	194,467	2.9%	6,893,675	603,773	9.0%	7,302,981
BY FUNDING SOURCE								
GENERAL FUND	4,508,616	4,581,232	7,570	.2%	4,588,802	294,759	6.4%	4,875,991
FEDERAL FUNDS	811,525	888,035	47,500	5.3%	935,535	96,985	10.9%	985,020
SPECIAL FUNDS	1,001,424	1,229,941	139,397	11.3%	1,369,338	212,029	17.2%	1,441,970
TOTAL FUNDING SOURCE	6,321,565	6,699,208	194,467	2.9%	6,893,675	603,773	9.0%	7,302,981
TOTAL FTE	55.00	55.00	.00	.0%	55.00	.00	.0%	55.00

OFFICE OF THE STATE TREASURER

Agency 120

Statutory Authority

North Dakota Constitution Article V, Section 2; Article X, Sections 12 and 25; North Dakota Century Code Chapters 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 custodian for all state funds. The agency is responsible for the investment of the state's general and special funds, as well as several trust funds. The State Treasurer's Office is responsible for distributing all tax revenue to state and political subdivisions.

Major Accomplishments

1. Provided a daily investment management service for over 30 state agencies and trust funds, which amount to over 40 individual investment accounts.
2. Prepared nearly 28,000 receipts biennially for more than 100 agencies in an effort to deposit over \$1.0 billion into the state accounting system.
3. Distributed over \$1.5 million accounts payable, human service payments, and payroll checks biennially.

4. Managed an average of \$120.0 million of state general and special funds.
5. Performed direct deposit-electronic funds transfer for tax distributions of nearly \$200.0 million to approximately 500 political subdivisions. The electronic transfer of funds makes the money available to subdivisions in a timely manner and it enhances government efficiency at both the state and local level. The direct deposit program eliminates the processing and distribution of 12,000 checks annually.

Executive Budget Recommendation

- Provides an additional \$30,000 for maintenance of the existing mainframe applications and for the development of a formal plan to replace the mainframe distribution programs in the 2007-09 biennium.
- Provides \$1.5 million general fund appropriation for CO² pipeline in-lieu of tax payments.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

120 OFFICE OF THE STATE TREASURER

Bill#: HB1005

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATION	2,579,390	2,626,384	2,233	.1%	2,628,617	-293,784	-11.2%	2,332,600
TOTAL MAJOR PROGRAMS	2,579,390	2,626,384	2,233	.1%	2,628,617	-293,784	-11.2%	2,332,600
BY LINE ITEM								
SALARIES AND WAGES	578,999	593,830	0	.0%	593,830	38,983	6.6%	632,813
OPERATING EXPENSES	88,263	122,554	2,233	1.8%	124,787	32,233	26.3%	154,787
IN LIEU OF TAX PAYMENTS	1,912,128	1,910,000	0	.0%	1,910,000	-365,000	-19.1%	1,545,000
TOTAL LINE ITEMS	2,579,390	2,626,384	2,233	.1%	2,628,617	-293,784	-11.2%	2,332,600
BY FUNDING SOURCE								
GENERAL FUND	2,579,390	2,626,384	2,233	.1%	2,628,617	-293,784	-11.2%	2,332,600
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	0	0	0	.0%	0	0	.0%	0
TOTAL FUNDING SOURCE	2,579,390	2,626,384	2,233	.1%	2,628,617	-293,784	-11.2%	2,332,600
TOTAL FTE	6.00	6.00	.00	.0%	6.00	.00	.0%	6.00

Statutory Authority

North Dakota Constitution Article V, Section 12. North Dakota Century Code Chapters 5-02, 12-60, 12-62, 18-01, 51-15, 51-28, 53-06.1, 53-12, 54-12 and Sections 32-12.2-03 and 04.

Agency Description

The Attorney General's Office represents and defends the interests 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 including Administration, Bureau of Criminal Investigation, Civil Litigation, Consumer Protection and Antitrust, Crime Laboratory, Criminal and Regulatory, Finance, Fire Marshal, Gaming, Information Technology, Lottery, Natural Resources and Indian Affairs, and State and Local Governments. The office also has fiscal responsibilities for the Racing Commission.

Major Accomplishments

1. Enforced NDCC Chapter 51-25, Tobacco Product Manufacturer Sales that requires tobacco product manufacturers who do not join the master settlement agreement to pay funds into an escrow account based upon the number of cigarettes sold in North Dakota resulting in \$106.2 million in settlement payments in 2001-03.
2. Collected \$3.5 million for the Bank of North Dakota and over \$2.1 million for Job Service North Dakota.
3. Defended the Risk Management Fund in 32 lawsuits filed during the biennium.
4. Represented the Department of Human Services in an action brought in federal district court to overturn the federal Department of Health and Human Services Departmental Appeals Board's adverse decision on the federal reimbursement rate for Indian Health Services' (IHS) referred services. In a significant decision, the federal court agreed with the state's position, holding that the

Department of Health and Human Services had incorrectly interpreted the federal statute providing for 100% federal participation for IHS services to limit those services to only services provided at an IHS facility, rather than the clear meaning that it was to be for services that were provided "through" an IHS facility, including services that were referred to non-IHS providers. Not only does this permit the Department of Human Services to collect considerable funds for the state share of payment for these services, but the district court also enjoined the federal agency from implementing the policy further. The case is currently on appeal to the Eighth Circuit Court of Appeals.

5. Negotiated a \$1.0 million settlement in litigation commenced to protect donations made to the Anne Carlson Center for Children and local nursing homes.
6. Issued 182 official attorney general's opinions, up from 151 opinions issued during the last biennium. Thirty-one of the opinions addressed alleged violations of the open records and meetings laws.
7. Assisted the state in issuing \$225.0 million in state revenue bonds; continued to expand education in an effort to improve compliance with the state's open records and meetings laws by making presentations to several public entities; assisted affected state agencies in meeting the requirements of HIPAA, the federal law that protects a patients' personal medical information; and assisted state agencies that were preparing to respond to terrorist attacks, bio terrorism, or other events such as a SARS outbreak, including drafting contracts for use of federal terrorism prevention funds and redrafting the quarantine laws to comply with modern constitutional standards.
8. Filed an administrative and a judicial action against the Burlington Northern Santa Fe Railroad. A negotiated settlement was reached in July 2004 resulting in the railroad agreeing to pay the State \$30.2 million dollars to cover anticipated remediation costs.
9. Assisted the Health Department to reach a settlement with the Canadian Pacific Railway over an anhydrous ammonia spill near Minot. The Railway paid a \$425,000 fine and contributed \$500,000 for a water project in the area affected by the spill.
10. Settled a multi-state action against the Archer Daniels Midland Company for about \$220,000.
11. Worked with the Health Department and the U.S. Environmental Protection Agency to clarify the interpretation and application of the Clean Air Act to ND and its power plants.

12. Filed suits against the U.S. Corps of Engineers' in 2002 and again in 2003. Both suits saved the spring smelt spawn from destruction and helped preserve Lake Sakakawea's walleye fishery. Other suits have been filed by other interests along the river, in which North Dakota is a defendant, or in which the office's motions on behalf of the state to intervene have been granted. Four of the Missouri River cases remain pending.
13. Assisted state agencies dealing with Devils Lake flooding, lawsuits associated with the flooding, and the proposal to build an outlet from the lake to the Sheyenne River.
14. Intervened on behalf of the State Water Commission in a lawsuit filed against the federal government by the Province of Manitoba over the Northwest Area Water Supply Project.
15. Closed 275 methamphetamine laboratories in 2002 and 297 in 2003. An additional 58 labs were closed through April 21, 2004. Twenty-three agents of the Bureau are now clandestine lab certified personnel, nine of which are site safety certified.
16. Partnered with the Highway Patrol, State Radio, and the ND National Guard to create a fusion center located at Fraine Barracks. This center receives and disseminates intelligence to the proper agencies. The office has an agent assigned to the fusion center on a part-time basis.
17. Presented information on various drug-related topics to 14,199 people in 2002; 15,988 in 2003; and 3,886 through April 13, 2004. In addition, a Retailers Meth Watch program was established in 2002, and information was presented to 350 members of the retail community in an effort to educate merchants about suspicious activities and the importance of reporting leads to law enforcement.
18. Awarded funds through the Drug and Violent Crime Policy Board and subcommittee totaling nearly \$4.4 million to 140 criminal justice projects, including criminal justice information systems, updating communications and computer information systems, narcotics enforcement initiatives, enhancement of officer safety, domestic violence and victim/witness programs, crime prevention and drug education programs, and adjudication, prosecution, training, and treatment programs.
19. Opened 1,673 consumer complaints and investigations and closed 2,306 files in 2001-03. The office recovered \$835,768 on behalf of consumers. During the same period the office took legal action against 21 companies or individuals resulting in recovered fines, penalties, investigative costs and attorney's fees totaling \$1.8 million.
20. Assisted in the completion of phase one of the North Dakota Horse Park. The North Dakota Horse Park launched its inaugural racing season in the summer of 2003 drawing record crowds averaging over 3,000 people per day.
21. Increased the number of North Dakota bred racehorses in the Breeders' Fund program to the current 2,594 and most importantly new horses are added to the fund at an all time record pace.
22. Assisted in the discovery and investigation of a major unlicensed wagering site that is now the subject of federal and state criminal charges.
23. Administered in 2001-03, 1,117 active gaming sites, \$544.5 million wagered, \$33.0 million raised for charitable uses, and \$20.5 million paid to the state in gaming and pull-tab excise taxes. Since 1977, \$394.0 million has been raised for charitable uses.
24. Implemented the new gaming tax return processing system in January 2003.
25. Conducted 150 fire investigations in the 2001-2003 biennium to assist local fire and law officials in fire cause determination and arson mitigation. Of these, arson was determined to be the cause in 27% of the investigations.
26. Launched the North Dakota Lottery in a record 356 days. The first day ticket sales for the Powerball game were over \$148,000.

Executive Budget Recommendation

- Provides 1.00 new FTE narcotics agent, operating expenses, and a vehicle to the Bureau of Criminal Investigation (BCI) to assist with the increased number of methamphetamine cases.
- Adds 1.00 additional FTE to the word processing staff in BCI to assist with the workload associated with the increased number of agents and cases.
- Provides \$116,000 for the replacement of motor vehicles in BCI.
- Provides \$240,000 for the costs associated with the School Finance Lawsuit. This same amount was budgeted and expended in 2003-05.
- Recommends an additional 1.00 FTE and associated operating costs for a forensic scientist position in the Crime Lab, directly related to the increased workload.
- Increases capital assets for the purchase of a Gas Chromatograph/Mass Spectrometer for the Crime Lab to improve analysis of controlled substances.
- Provides \$3.6 million for proceeding with the third Phase of the Master Plan and the building of a new Crime Lab.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

125 OFFICE OF THE ATTORNEY GENERAL

Bill#: HB1003

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
FINANCE AND ADMINISTRATION	1,174,218	1,282,270	0	.0%	1,282,270	74,242	5.8%	1,356,512
INFORMATION TECHNOLOGY	2,050,434	2,692,532	-430,467	-16.0%	2,262,065	-363,570	-13.5%	2,328,962
ATTORNEY GENERAL ADMINISTRATION	697,146	790,940	0	.0%	790,940	36,990	4.7%	827,930
LEGAL SERVICES	4,510,754	5,574,723	-295,871	-5.3%	5,278,852	228,965	4.1%	5,803,688
BUREAU OF CRIMINAL INVESTIGATION	12,115,675	16,474,925	-132,972	-.8%	16,341,953	614,259	3.7%	17,089,184
CRIME LAB	1,995,914	3,199,638	-114,329	-3.6%	3,085,309	3,835,785	119.9%	7,035,423
CONSUMER PROTECTION	786,645	1,166,306	123,460	10.6%	1,289,766	184,591	15.8%	1,350,897
GAMING	2,100,181	2,149,697	-35,595	-1.7%	2,114,102	52,910	2.5%	2,202,607
RACING COMMISSION	264,730	292,500	80,253	27.4%	372,753	94,507	32.3%	387,007
FIRE MARSHAL	1,036,190	1,126,160	131,552	11.7%	1,257,712	182,498	16.2%	1,308,658
TOTAL MAJOR PROGRAMS	26,731,887	34,749,691	-673,969	-1.9%	34,075,722	4,941,177	14.2%	39,690,868
BY LINE ITEM								
SALARIES AND WAGES	15,996,867	18,527,301	-530,759	-2.9%	17,996,542	873,420	4.7%	19,400,721
OPERATING EXPENSES	5,852,052	8,195,471	-9,389	-.1%	8,186,082	58,633	.7%	8,254,104
CAPITAL ASSETS	73,694	1,830,250	-319,000	-17.4%	1,511,250	3,569,691	195.0%	5,399,941
GRANTS	4,787,788	5,891,560	52,496	.9%	5,944,056	52,496	.9%	5,944,056
LITIGATION FEES	6,899	50,000	0	.0%	50,000	0	.0%	50,000
STATE SCHOOL FINANCE LAWSUIT	0	240,000	-240,000	-100.0%	0	0	.0%	240,000
RACING COMMISSION	0	0	372,753	100.0%	372,753	387,007	100.0%	387,007
ARREST & RETURN OF FUGITIVES	10,000	10,000	0	.0%	10,000	0	.0%	10,000
GAMING COMMISSION	4,587	5,109	-70	-1.4%	5,039	-70	-1.4%	5,039
TOTAL LINE ITEMS	26,731,887	34,749,691	-673,969	-1.9%	34,075,722	4,941,177	14.2%	39,690,868
BY FUNDING SOURCE								
GENERAL FUND	15,791,973	17,120,217	-444,599	-2.6%	16,675,618	1,149,419	6.7%	18,269,636
FEDERAL FUNDS	7,815,504	12,984,914	-484,108	-3.7%	12,500,806	-290,439	-2.2%	12,694,475
SPECIAL FUNDS	3,124,410	4,644,560	254,738	5.5%	4,899,298	4,082,197	87.9%	8,726,757
TOTAL FUNDING SOURCE	26,731,887	34,749,691	-673,969	-1.9%	34,075,722	4,941,177	14.2%	39,690,868
TOTAL FTE	175.00	174.00	.00	.0%	174.00	3.00	1.7%	177.00

OFFICE OF STATE TAX COMMISSIONER

Agency 127

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 that is the administrative center of the department; the Legal Division that provides legal advice and counsel to the department and to the State Board of Equalization; the Fiscal Management Division that performs accounting functions and collects delinquent taxes; the Income, Sales and Special Taxes Division that includes Individual Income, Corporation Income, Sales and Use, Motor Fuel, Financial Institution, Oil and Gas Gross Production, Oil Extraction, Alcoholic Beverages, Tobacco Products, Estate, Special Taxes, and applicable local option taxes; the Property Tax Division that includes Property and Utility Taxes, Coal Taxes, Homestead Credit and Renter Refund Program, Rural Electric Cooperative Gross Receipts Tax, and the Telecommunications Gross Receipts Tax; and the Operations Division that is responsible for leading the department's technology efforts and oversees the processing of tax returns.

Major Accomplishments

1. Continued to add forms to the Electronic Document Management System (EDMS) processing system to improve form processing, reduce or eliminate manual data entry; reduce the need for paper storage and physical filing space, and process tax returns faster.
2. Eliminated the second shift of workers for the first time during the 2003 processing season.
3. Implemented technology initiatives that improved productivity and enhanced customer service resulting in many efficiencies including the completion of individual income tax processing before May 31 rather than the traditional June 30.
4. Reduced data entry staff by 2.00 FTE through attrition and staff transfer and eliminated one technology coordinator.

5. Partnered with the Bank of North Dakota to offer taxpayers a credit card payment option.
6. Re-designed the department's web site architecture and navigation to accommodate ADA requirements, to expedite access to department forms and publications, and to allow internal maintenance of the web site.
7. Continued to convert web-based tax forms to "fill and print" documents.
8. Upgraded the Motor Fuel Tax E-filing service for all licensed motor fuel dealers to file their schedules of gallons received and dispersed.
9. Upgraded the Sales Tax WebFile service for all sales tax permit holders to file their sales and use tax return. The WebFile system provides businesses with an electronic filing option for the filing and paying of Sales and Use Taxes.
10. Provided additional electronic filing opportunities to income tax filers through the free on line tax preparation and e-filing services via the federal and state Free File Alliance.
11. Reallocated IT staff to the fed-state individual income tax electronic filing system saving the Tax Department about \$20,000 programming costs to a third party.
12. Combined the Withholding Tax and Sales Tax registration form resulting in a simplified registration.
13. Developed a Sales Tax Geographic Information System (GIS) that is offered on the web site.
14. Restructured the organizational structure of the Tax Department to one that realigns key processes and organizational units resulting in a department that is more customer-friendly in the delivery of services.
15. Implemented a variety of customer service initiatives including the conduct of seminars and workshops regarding North Dakota's taxes; designing new forms and redesigning old forms; working with other state agencies to assist taxpayers in reporting taxes; developed new programming and electronic filing capabilities; and provided taxpayer assistance.
16. Conducted a Tax Amnesty Program from October 1, 2003 through January 31, 2004. Tax Amnesty included all state taxes and local option taxes administered by the Office of State Tax Commissioner.

Executive Budget Recommendation

- Expands eligibility requirements of the Homestead Tax Credit program, which provides property tax and rent relief to seniors. It is anticipated that changes will make an additional 30% of the senior population in the state eligible for the program.
- Provides an additional \$3.0 million of general fund dollars to support the expansion of the Homestead Tax Credit for North Dakota seniors.
- Accepts the agency budget as requested at \$21.2 million demonstrating a reduction of 4.00 FTE and \$232,000 of general fund support while continuing to improve productivity and enhance customer service.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

127 OFFICE OF STATE TAX COMMISSIONER

Bill#: HB1006

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
COMMISSIONERS DIVISION	1,189,369	1,108,948	3,433	.3%	1,112,381	64,083	5.8%	1,173,031
LEGAL DIVISION	574,211	638,061	13,013	2.0%	651,074	46,806	7.3%	684,867
FISCAL MANAGEMENT DIVISION	1,876,686	1,613,485	-28,276	-1.8%	1,585,209	67,086	4.2%	1,680,571
INCOME, SALES AND SPECIAL TAXES DIV.	7,821,086	8,775,127	-203,184	-2.3%	8,571,943	266,027	3.0%	9,041,154
PROPERTY, UTILITIES TAX DIVISION	444,592	495,736	10,568	2.1%	506,304	41,975	8.5%	537,711
OPERATIONS DIVISION	4,672,088	4,898,382	-27,474	-.6%	4,870,908	100,543	2.1%	4,998,925
HOMESTEAD TAX CREDIT	3,794,529	4,000,000	0	.0%	4,000,000	3,000,000	75.0%	7,000,000
TOTAL MAJOR PROGRAMS	20,372,561	21,529,739	-231,920	-1.1%	21,297,819	3,586,520	16.7%	25,116,259
BY LINE ITEM								
SALARIES AND WAGES	11,938,263	12,797,654	-188,164	-1.5%	12,609,490	630,276	4.9%	13,427,930
OPERATING EXPENSES	4,267,214	4,707,085	-43,756	-.9%	4,663,329	-43,756	-.9%	4,663,329
CAPITAL ASSETS	71,338	25,000	0	.0%	25,000	0	.0%	25,000
GRANTS	0	0	0	.0%	0	0	.0%	0
MOTOR FUELS TAX	0	0	0	.0%	0	0	.0%	0
MULTISTATE TAX COMMISSION	301,217	0	0	.0%	0	0	.0%	0
CITY TAX ADMINISTRATION FEES	0	0	0	.0%	0	0	.0%	0
HOMESTEAD TAX CREDIT	3,794,529	4,000,000	0	.0%	4,000,000	3,000,000	75.0%	7,000,000
TOTAL LINE ITEMS	20,372,561	21,529,739	-231,920	-1.1%	21,297,819	3,586,520	16.7%	25,116,259
BY FUNDING SOURCE								
GENERAL FUND	20,027,719	21,264,695	-86,876	-.4%	21,177,819	3,731,564	17.5%	24,996,259
FEDERAL FUNDS	43,625	265,044	-145,044	-54.7%	120,000	-145,044	-54.7%	120,000
SPECIAL FUNDS	301,217	0	0	.0%	0	0	.0%	0
TOTAL FUNDING SOURCE	20,372,561	21,529,739	-231,920	-1.1%	21,297,819	3,586,520	16.7%	25,116,259
TOTAL FTE	143.00	137.00	-4.00	-2.9%	133.00	-4.00	-2.9%	133.00

OFFICE OF ADMINISTRATIVE HEARINGS

Agency 140

Statutory Authority

North Dakota Century Code Chapters 54-57-03, 61-03-22, 12-59 and 37-19.1.

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 [NDCC Chapter 28-32], specific agency statutes, agency procedural rules, and the Uniform Rules of Administrative Procedure for Adjudicative Proceedings [ND Admin. Code Article 98-02].

Major Accomplishments

1. Completed agency reorganization on July 1, 2004 to better conduct agencies' hearings, particularly Workforce Safety and Insurance and the Department of Human Services.
2. Placed hearing officer decisions on its web site to allow for better access by its own administrative law judges, agency personnel, and the public.
3. Provided OAH quality hearing officer services to those agencies voluntarily requesting services including Workforce Safety and Insurance, Public Service Commission, Bank of North Dakota, and city of Minot.

Executive Budget Recommendation

- Funds the 2005-07 budget at the level requested representing a 13% reduction in operating expenses from the previous biennium.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

140 OFFICE OF ADMINISTRATIVE HEARINGS

Bill#: SB2017

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
OFFICE OF ADMINISTRATIVE HEARINGS SERVICES	964,391	1,242,958	371	.0%	1,243,329	63,524	5.1%	1,306,482
TOTAL MAJOR PROGRAMS	964,391	1,242,958	371	.0%	1,243,329	63,524	5.1%	1,306,482
BY LINE ITEM								
SALARIES AND WAGES	591,770	938,648	37,764	4.0%	976,412	100,917	10.8%	1,039,565
OPERATING EXPENSES	372,621	304,310	-37,393	-12.3%	266,917	-37,393	-12.3%	266,917
TOTAL LINE ITEMS	964,391	1,242,958	371	.0%	1,243,329	63,524	5.1%	1,306,482
BY FUNDING SOURCE								
GENERAL FUND	0	0	0	.0%	0	0	.0%	0
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	964,391	1,242,958	371	.0%	1,243,329	63,524	5.1%	1,306,482
TOTAL FUNDING SOURCE	964,391	1,242,958	371	.0%	1,243,329	63,524	5.1%	1,306,482
TOTAL FTE	6.00	8.00	.00	.0%	8.00	.00	.0%	8.00

LEGISLATIVE ASSEMBLY

Agency 150

Statutory Authority

Constitution of North Dakota, 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. The Legislative Assembly performed its constitutional responsibilities within its limited amount of time in an effective and efficient manner to meet the needs and expectations of the people of North Dakota.

Executive Budget Recommendation

- Includes the 2005-07 budget request as submitted.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

150 LEGISLATIVE ASSEMBLY

Bill#: SB2001

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ND LEGISLATIVE ASSEMBLY	8,866,487	8,784,928	4,333,024	49.3%	13,117,952	4,333,024	49.3%	13,117,952
TOTAL MAJOR PROGRAMS	8,866,487	8,784,928	4,333,024	49.3%	13,117,952	4,333,024	49.3%	13,117,952
BY LINE ITEM								
SALARIES AND WAGES	5,714,890	5,575,528	160,901	2.9%	5,736,429	160,901	2.9%	5,736,429
OPERATING EXPENSES	2,587,200	3,013,211	(15,438)	-0.5%	2,997,773	-15,438	-0.5%	2,997,773
CAPITAL ASSETS	399,100	28,665	(22,665)	-79.1%	6,000	-22,665	-79.1%	6,000
NAL CONF OF STATE LEGISLATORS	165,297	167,524	10,226	6.1%	177,750	10,226	6.1%	177,750
LEG APPLICATION REPLACEMENT	0	0	4,200,000	.0%	4,200,000	4,200,000	100.0%	4,200,000
TOTAL LINE ITEMS	8,866,487	8,784,928	4,333,024	49.3%	13,117,952	4,333,024	49.3%	13,117,952
BY FUNDING SOURCE								
GENERAL FUND	8,866,487	8,784,928	4,333,024	49.3%	13,117,952	4,333,024	49.3%	13,117,952
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	0	0	0	.0%	0	0	.0%	0
TOTAL FUNDING SOURCE	8,866,487	8,784,928	4,333,024	49.3%	13,117,952	4,333,024	49.3%	13,117,952
TOTAL FTE	.00	.00	.00	.0%	.00	.00	.0%	.00

LEGISLATIVE COUNCIL

Agency 160

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 Council consists of 17 legislators. The council 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 staff, consisting of a group of professional and clerical people, provides administrative, research, analysis, drafting, and technical support services for the legislative branch.

Major Accomplishments

1. The Legislative Council and its interim committees conducted the studies and performed other duties and responsibilities in accordance with the directives of the Legislative Assembly. The Legislative Council staff performed its research, analysis, and drafting tasks in a satisfactory manner to meet the expectations of the Legislative Assembly and its members and the Legislative Council within appropriate time frames.

Executive Budget Recommendation

- Includes the 2005-07 budget request as submitted.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

160 LEGISLATIVE COUNCIL

Bill#: SB2001

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
FISCAL SERVICES	1,045,079	1,659,475	(332,653)	-20.0%	1,326,822	-283,614	-17.1%	1,375,861
LEGAL SERVICES	1,841,417	1,956,933	8,571	0.4%	1,965,504	92,742	4.7%	2,049,675
GENERAL AND ADMIN SERVICES	4,171,706	4,446,143	(403,855)	-9.1%	4,042,288	-273,083	-6.1%	4,173,060
TOTAL MAJOR PROGRAMS	7,058,202	8,062,551	(727,937)	-9.0%	7,334,614	-463,955	-5.8%	7,598,596
BY LINE ITEM								
SALARIES AND WAGES	4,324,721	5,200,182	(274,304)	-5.3%	4,925,878	-10,322	-.2%	5,189,860
OPERATING EXPENSES	2,284,071	2,451,869	(84,133)	-3.4%	2,367,736	-84,133	-3.4%	2,367,736
CAPITAL ASSETS	216,751	60,500	(19,500)	-32.2%	41,000	-19,500	-32.2%	41,000
INFORMATION TECHNOLOGY PROGRAM	32,659	0	0	.0%	0	0	.0%	0
DEPARTMENT OF CORRECTIONS STUDY	200,000	0	0	.0%	0	0	.0%	0
INFORMATION TECHNOLOGY MAN	0	350,000	(350,000)	100.0%	0	-350,000	-100.0%	0
TOTAL LINE ITEMS	7,058,202	8,062,551	(727,937)	-9.0%	7,334,614	-463,955	-5.8%	7,598,596
BY FUNDING SOURCE								
GENERAL FUND	7,058,202	8,062,551	(727,937)	.0%	7,334,614	-463,955	-5.8%	7,598,596
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	0	0	0	.0%	0	0	.0%	0
TOTAL FUNDING SOURCE	7,058,202	8,062,551	(727,937)	-9.0%	7,334,614	-463,955	-5.8%	7,598,596
TOTAL FTE	33.00	33.00	.00	.0%	33.00	.00	.0%	33.00

JUDICIAL BRANCH

Agency 180

Statutory Authority

North Dakota 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.

Major Accomplishments

1. Completed an administrative reorganization effective August 1, 2004, which reduced the number of administrative districts from seven districts to four units. This will result in a more effective and consistent delivery of judicial services.

2. Accomplished major technology initiatives including the:

- Receipt of traffic citations electronically transmitted from the Highway Patrol,
- Initiation of a pilot project on enhanced records management in the trial courts,
- Expansion of interactive television, and
- Expansion of digital audio recording.

Executive Budget Recommendation

- Accepts the 2005-07 budget as requested.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

180 JUDICIAL BRANCH

Bill#: SB2002

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
SUPREME COURT	7,196,803	7,647,762	587,291	7.7%	8,235,053	895,857	11.7%	8,543,619
DISTRICT COURTS	46,503,700	49,697,000	8,557,208	17.2%	58,254,208	10,226,612	20.6%	59,923,612
JUD COND COMM & DISC. GRD	501,028	538,643	37,950	7.0%	576,593	67,283	12.5%	605,926
TOTAL MAJOR PROGRAMS	54,201,531	57,883,405	9,182,449	15.9%	67,065,854	11,189,752	19.3%	69,073,157
BY LINE ITEM								
SALARIES AND WAGES 181	5,504,560	5,852,792	309,726	5.3%	6,162,518	618,292	10.6%	6,471,084
SALARIES AND WAGES 182	31,595,048	33,954,148	1,476,485	4.3%	35,430,633	3,145,889	9.3%	37,100,037
OPERATING EXPENSES 181	1,553,135	1,667,882	259,379	15.6%	1,927,261	259,379	15.6%	1,927,261
OPERATING EXPENSES 182	9,541,881	9,719,979	1,074,801	11.1%	10,794,780	1,074,801	11.1%	10,794,780
CAPITAL ASSETS 181	0	0	8,000	100.0%	8,000	8,000	100.0%	8,000
CAPITAL ASSETS 182	0	74,500	121,000	162.4%	195,500	121,000	162.4%	195,500
DISTRICT COURT- JUDGES RETIREMENT	820,343	785,976	-66,979	-8.5%	718,997	-66,979	-8.5%	718,997
JUDICIAL CONDUCT COMM & DISCIPLINARY BRD	501,028	538,643	37,950	7.0%	576,593	67,283	12.5%	605,926
SUPREME COURT- JUDGES RETIREMENT 181	139,108	127,088	10,186	8.0%	137,274	10,186	8.0%	137,274
ALTERNATIVE DISPUTE RESOLUTION	17,782	20,000	0	.0%	20,000	0	.0%	20,000
UND-CENTRAL LEGAL RESEARCH	80,000	80,000	0	.0%	80,000	0	.0%	80,000
CASE INFORMATION SYSTEM CARRYOVER	350,000	0	0	.0%	0	0	.0%	0
INDIGENT DEFENSE	4,098,646	5,062,397	5,951,901	117.6%	11,014,298	5,951,901	117.6%	11,014,298
TOTAL LINE ITEMS	54,201,531	57,883,405	9,182,449	15.9%	67,065,854	11,189,752	19.3%	69,073,157
BY FUNDING SOURCE								
GENERAL FUND	51,986,922	55,087,368	9,507,890	17.3%	64,595,258	11,458,981	20.8%	66,546,349
FEDERAL FUNDS	1,702,798	1,451,722	-276,626	-19.1%	1,175,096	-234,201	-16.1%	1,217,521
SPECIAL FUNDS	511,811	1,344,315	-48,815	-3.6%	1,295,500	-35,028	-2.6%	1,309,287
TOTAL FUNDING SOURCE	54,201,531	57,883,405	9,182,449	15.9%	67,065,854	11,189,752	19.3%	69,073,157
TOTAL FTE	336.00	336.00	-4.00	-1.2%	332.00	-4.00	-1.2%	332.00

RETIREMENT AND INVESTMENT OFFICE

Agency 190

Statutory Authority

North Dakota Constitution Article IV, Section 13; North Dakota Century Code Chapters 15-39.1, 21-10 and Section 54-52-04.

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 ND public school teachers and administrators. Benefit funding comes from member and employer contributions and investment earnings. TFFR serves nearly 10,000 teachers from 266 employer groups and pays benefits to over 5,200 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 nearly \$4.0 billion in assets for five pension funds and 16 other insurance-type funds.

Major Accomplishments

1. Received the GFOA Certificate of Achievement for Financial reporting for its annual financial reports for the fiscal year ended June 30, 2003. This was the sixth time RIO received this award.
2. Received the 2003 Public Pension Coordinating Council (PPCC) Award for achievements in the areas of benefits, actuarial valuations, financial reporting, investments, and disclosure to members.
3. Began pension software replacement project, including selection of vendor and project management consultant and creation of project specifications. The expected completion for implementation is June 30, 2005 with any final issue clean-up to occur in first half of fiscal year 2006.

Executive Budget Recommendation

- Approves agency budget request as submitted.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

190 RETIREMENT AND INVESTMENT OFFICE

Bill#: HB1023

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
TEACHERS FUND FOR RETIREMENT	1,789,508	4,034,873	-1,996,298	-49.5%	2,038,575	-1,914,456	-47.4%	2,120,417
INVESTMENT PROGRAM	629,817	808,556	2,208	.3%	810,764	37,950	4.7%	846,506
TOTAL MAJOR PROGRAMS	2,419,325	4,843,429	-1,994,090	-41.2%	2,849,339	-1,876,506	-38.7%	2,966,923
BY LINE ITEM								
SALARIES AND WAGES	1,609,907	1,774,885	77,846	4.4%	1,852,731	195,430	11.0%	1,970,315
OPERATING EXPENSES	809,418	986,544	-71,936	-7.3%	914,608	-71,936	-7.3%	914,608
CONTINGENCY	0	82,000	0	.0%	82,000	0	.0%	82,000
CONTRACTED SERVICES	0	2,000,000	-2,000,000	-100.0%	0	-2,000,000	-100.0%	0
TOTAL LINE ITEMS	2,419,325	4,843,429	-1,994,090	-41.2%	2,849,339	-1,876,506	-38.7%	2,966,923
BY FUNDING SOURCE								
GENERAL FUND	0	0	0	.0%	0	0	.0%	0
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	2,419,325	4,843,429	-1,994,090	-41.2%	2,849,339	-1,876,506	-38.7%	2,966,923
TOTAL FUNDING SOURCE	2,419,325	4,843,429	-1,994,090	-41.2%	2,849,339	-1,876,506	-38.7%	2,966,923
TOTAL FTE	18.00	17.00	.00	.0%	17.00	.00	.0%	17.00

PUBLIC EMPLOYEES RETIREMENT SYSTEM

Agency 192

Statutory Authority

North Dakota Century Code Chapters 39-03.1, 52-09, 54-52, 54-52.1, 54-52.2, 54-52.3 and 54-52.6, and Section 52-11-01.

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:

- Seven Defined Benefit Retirement Plans.
- Defined Contribution Retirement Plan.
- Deferred Compensation Program.
- Retiree Health Insurance Credit Program.
- Group Health Insurance Plan.
- Group Life Insurance Plan.
- Voluntary Insurance Products (Dental, Vision, Long-term Care).
- Employee Assistance Program.
- Pretax Benefits Program (FlexComp).

Major Accomplishments

1. Implemented a Smoking Cessation Program.
2. Implemented the PeopleSoft Flexible Spending Account module for FlexComp claims administration.
3. Prepared annual Business Plans.
4. Agency staff participated as benefits module lead for the Connect ND project.
5. Implemented the security and transaction requirements of the Health Insurance Portability and Accountability Act (HIPAA).
6. Took over the administration of the OASIS benefit plan and Job Service Retirement Plan.

7. Implemented the Law Enforcement Retirement Plan.
8. Expanded the retirement service purchase provision to allow for pre-tax payroll deductions and rollovers.
9. Rolled out the “10K-A-Day” Program and the “5-A-Day Challenge” Program.
10. Developed and implemented on-line services for PERS members to view retirement account information and produced retirement benefit projections.
11. Conducted a nationwide request for proposal for a bid to provide services for the 401(a) Defined Contribution Plan and the 457 Deferred Comp Plan.
12. Completed transition to a new Deferred Comp Companion Plan Provider.
13. Centralized process for receipt and disbursement of deferred compensation contributions.
14. Developed a business recovery plan and tested LAN restoration.
15. Used Web casts as a way to provide information to employees and employers throughout the state.
16. Transitioned the annual enrollment process to a new format that reduces paper and relies more on the Internet.

Executive Budget Recommendation

- Approves \$6,000 special funding for Bar Code, a system to process insurance payments.
- Provides \$47,632 for two new web applications; one will allow employers to report retirement and deferred compensation contributions online and the other will allow board elections to be conducted online.
- Provides \$35,000 for Workflow, a document workflow system that ties into ITD's EDMS system and allows the electronic transfer of documents through the insurance process.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

192 PUBLIC EMPLOYEES RETIREMENT SYSTEM

Bill#: HB1023

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
PERS	3,795,324	4,391,158	9,462	.2%	4,400,620	300,847	6.9%	4,692,005
TOTAL MAJOR PROGRAMS	3,795,324	4,391,158	9,462	.2%	4,400,620	300,847	6.9%	4,692,005
BY LINE ITEM								
SALARIES AND WAGES	2,279,959	2,653,654	44,723	1.7%	2,698,377	223,640	8.4%	2,877,294
OPERATING EXPENSES	1,515,365	1,487,504	-35,261	-2.4%	1,452,243	77,207	5.2%	1,564,711
CONTINGENCY	0	250,000	0	.0%	250,000	0	.0%	250,000
TOTAL LINE ITEMS	3,795,324	4,391,158	9,462	.2%	4,400,620	300,847	6.9%	4,692,005
BY FUNDING SOURCE								
GENERAL FUND	0	0	0	.0%	0	0	.0%	0
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	3,795,324	4,391,158	9,462	.2%	4,400,620	300,847	6.9%	4,692,005
TOTAL FUNDING SOURCE	3,795,324	4,391,158	9,462	.2%	4,400,620	300,847	6.9%	4,692,005
TOTAL FTE	27.00	29.00	.00	.0%	29.00	.00	.0%	29.00

Statutory Authority

North Dakota Century Code Title 15.1.

Agency Description

The Department of Public Instruction administers the state school aid program and a variety of state and federally funded grant programs relating to the state's elementary and secondary schools.

Pursuant to NDCC Section 15.1-02-04, the duties of the Superintendent of Public Instruction include:

- Supervising the provision of elementary and secondary education to the students of the state.
- Supervising the establishment and maintenance of schools.
- Supervising the development of course content standards.
- Supervising the assessment of students.
- Directing school district annexation, reorganization, and dissolution.

The superintendent is also given administrative responsibility for the School for the Deaf, ND Vision Services, and State Library. Although these entities have separate staff and prepare separate budgets, pursuant to NDCC Sections 25-06-02.1, 25-07-01.1, and 54-24-01, the administrators of each entity are appointed by and report to the Superintendent of Public Instruction.

Major Accomplishments

1. Enhanced on-line data collection and reporting for schools.
2. Created an electronic consolidated application format, including guidelines for school districts to apply for six title programs in one process.
3. Continued efforts to enhance the quality and analysis of data, and to provide better technological resources to assist school districts in meeting changing federal regulations.
4. Provided communication to education personnel, local communities and the legislature regarding the changing federal requirements pertaining to student achievement and teacher quality.

5. Responded to federal and state requirements to develop core academic standards and assessments that align content standards with curriculum and measurements of student progress.
6. Implemented programs to increase student academic achievement through the development and administration of state plans to meet identified needs of a diverse student population, including: at-risk students, students with disabilities, adults, migrants, immigrants, refugees, limited English proficient and general education students.
7. Initiated a finance study of elementary and secondary education funding sources to assist the legislature in determining education adequacy.
8. Worked cooperatively with the Fire Marshall to ensure that all North Dakota schools are now in compliance with fire and safety codes.
9. Initiated a commodity supplemental food program to serve elderly North Dakota adults.
10. Established a community-based task force to analyze the efficiency and effectiveness of educational services provided to students at the ND School for the Deaf.
11. Provided legislative committees and the Office of the Governor updated demographic data, enrollment projections and budget forecasts.
12. Accessed grant monies for community-based programs to address student and teacher health and safety concerns.
13. Advocated for equitable pay for licensed educators, including publicly supported teachers, state employed teachers and staff.
14. Provided leadership to school districts in matters pertaining to school reorganization, including the formation of Joint Powers Agreements to enhance district administrative and teaching alternatives.
15. Collaborated with a broad base of community members, educators and families to provide a comprehensive, unified system of educational services for students with unique learning needs in a least restrictive environment.

Executive Budget Recommendation

- Increases per student payments by 3.9% the first year of the biennium and by 3.7% the second year; per student payments will increase from the current level of \$2,623 to \$2,726 for 2005-06 and to \$2,826 for 2006-07.
- Increases the general fund appropriation for state school aid per student and transportation payments by \$22.8 million, to a total of \$512.2 million.

- Provides \$2.0 million for incentives to districts entering into joint powers agreements to encourage school district cooperation and efficiency.
- Provides \$500,000 for reorganization bonus payments.
- Increases the general fund appropriation for revenue supplement payments by \$2.5 million; the recommended 2005-07 appropriation of \$7.5 million benefits the state's poorest districts and improves the equity of the school finance program.
- Increases tuition apportionment payments by \$2.1 million, or 3.0 %; payments per census unit increase from approximately \$335 per student to \$351 per student.
- Increases special education funding by \$2.6 million, or 5.2%; the amount designated for reimbursing district contract costs will increase from \$13.0 million to \$15.5 million.
- Improves the equity of the weighting factors by consolidating size categories and providing that no school be assigned a factor of less than 1.0.
- Increases the weighting factors for schools determined to be "small and isolated."
- Increases general fund support for the Governor's school program by \$45,000 to offer a performing arts component.
- Increases general fund support for the Museum of Art's rural school outreach program by \$125,000, to a total of \$250,000.

**DEPARTMENT OF PUBLIC INSTRUCTION
STATE SCHOOL AID AND OTHER MAJOR GRANTS
2003-05 APPROPRIATION AND 2005-07 RECOMMENDATION**

	2003-05 Appropriation	Recommended Increase (Decrease)	2005-07 Executive Recommendation
Major general fund grants			
State school aid - per student and trans.	\$489,379,990	\$22,773,769	\$512,153,759
Teacher compensation	51,854,000	(941,880)	50,912,120
Special education	49,898,695	2,601,305	52,500,000
Revenue supplement	5,000,000	2,500,000	7,500,000
JPA incentives	0	2,000,000	2,000,000
Reorganization bonuses	500,000	0	500,000
	<hr/>	<hr/>	<hr/>
Total major general fund grants to schools	\$596,632,685	\$28,933,194	\$625,565,879
Major special funds grants			
Tuition apportionment	\$69,495,371	\$2,104,629	\$71,600,000
	<hr/>	<hr/>	<hr/>
Total general and special funds grants			
Total general and special funds grants	\$666,128,056	\$31,037,823	\$697,165,879
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Per student payments			
First year	\$2,509	\$103	\$2,726
Second year	\$2,623	\$100	\$2,826

REQUEST / RECOMMENDATION COMPARISON SUMMARY

201 DEPT OF PUBLIC INSTRUCTION

Bill#: HB1013

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMIN AND SCHOOL DISTRICT SUPPORT SERVICES	587,472,094	619,735,330	64,501,004	10.4%	684,236,334	27,866,978	4.5%	647,602,308
EDUCATIONAL IMPROVEMENT TARGETED SERVICES	162,951,263	179,307,505	32,443,545	18.1%	211,751,050	25,444,098	14.2%	204,751,603
	61,039,982	71,845,974	5,621,033	7.8%	77,467,007	5,821,727	8.1%	77,667,701
TOTAL MAJOR PROGRAMS	811,463,339	870,888,809	102,565,582	11.8%	973,454,391	59,132,803	6.8%	930,021,612
BY LINE ITEM								
SALARIES & WAGES	8,272,751	9,277,686	176,349	1.9%	9,454,035	780,156	8.4%	10,057,842
OPERATING EXPENSES	8,742,011	13,057,823	1,834,485	14.0%	14,892,308	1,834,485	14.0%	14,892,308
CAPITAL ASSETS	0	15,000	-15,000	-100.0%	0	-15,000	-100.0%	0
GRANTS-STATE SCHOOL AID	468,994,945	489,379,990	51,782,855	10.6%	541,162,845	22,773,769	4.7%	512,153,759
GRANTS-TUITION APPORTIONMENT	72,595,435	69,495,371	2,104,629	3.0%	71,600,000	2,104,629	3.0%	71,600,000
GRANTS-SPECIAL EDUCATION	49,897,913	49,898,695	10,101,305	20.2%	60,000,000	2,601,305	5.2%	52,500,000
GRANTS-REVENUE SUPPLEMENT	2,200,000	5,000,000	0	.0%	5,000,000	2,500,000	50.0%	7,500,000
GRANTS-OTHER GRANTS	164,216,553	182,360,244	25,273,839	13.9%	207,634,083	25,505,339	14.0%	207,865,583
GRANTS-TEACHER COMPENSATION	35,036,000	51,854,000	-941,880	-1.8%	50,912,120	-941,880	-1.8%	50,912,120
REORGANIZATION BONUSES	1,209,000	500,000	259,000	51.8%	759,000	0	.0%	500,000
GEOGRAPHIC EDUCATION	100,000	0	0	.0%	0	0	.0%	0
EMPLOYEE COMPENSATION REPORT	175,731	0	0	.0%	0	0	.0%	0
JPA INCENTIVES	0	0	12,000,000	100.0%	12,000,000	2,000,000	100.0%	2,000,000
DATA ENVELOPMENT ANALYSIS	0	50,000	-50,000	-100.0%	0	-50,000	-100.0%	0
NATIONAL BOARD CERTIFICATION	23,000	0	40,000	100.0%	40,000	40,000	100.0%	40,000
TOTAL LINE ITEMS	811,463,339	870,888,809	102,565,582	11.8%	973,454,391	59,132,803	6.8%	930,021,612
BY FUNDING SOURCE								
GENERAL FUND	565,442,458	604,830,006	73,159,823	12.1%	677,989,829	29,314,934	4.8%	634,144,940
FEDERAL FUNDS	172,516,484	194,449,408	27,300,295	14.0%	221,749,703	27,712,003	14.3%	222,161,411
SPECIAL FUNDS	73,504,397	71,609,395	2,105,464	2.9%	73,714,859	2,105,866	2.9%	73,715,261
TOTAL FUNDING SOURCE	811,463,339	870,888,809	102,565,582	11.8%	973,454,391	59,132,803	6.8%	930,021,612
TOTAL FTE	95.25	92.75	.00	.0%	92.75	.00	.0%	92.75

Statutory Authority

North Dakota 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 ND 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. Transformed the recommendations of the Roundtable report into long-range NDUS goals, included the goals in a new strategic plan, and developed a vision statement that reflects roundtable expectations while requiring campuses to identify what they are doing in relationship to each of the cornerstones of the *Roundtable Report*.
2. Responded to rapidly changing market needs by eliminating existing programs, offering new programs and providing programs via distance education in over 300 areas.
3. Increased NDUS campuses emphasis on entrepreneurship with 45 entrepreneurial courses and two entrepreneurial programs for new businesses.
4. Provided campuses discretion to grant tuition waivers. Increased program access by joining the Midwest Higher Education Compact student exchange program, which allows North Dakota students to attend selected programs out-of-state at a reduced tuition rate.

5. Developed an enrollment reporting model for comprehensive student enrollment information.
6. Continued the system wide collaboration for ND University System Online (NDUSO), to deliver online education. NDUSO now provides on-line courses that lead to four master's degrees, 13 bachelor's degrees, 32 associate's degrees and 22 certificates and more than 500 individual courses.
7. Streamlined operational authority and responsibilities to the chancellor and campus presidents to increase SBHE focus on policy-level decisions.
8. Produced the first annual fiscal and non-fiscal accountability measures report in 2001. The 2003 report represents completion of the first full cycle of accountability measures reporting.
9. Included all five tribal colleges in common course numbering, making transfer easier for students.
10. Established the SBHE research corridor council and the NDUS centers of excellence task force to work with Sen. Dorgan's Red River Valley Research Corridor advisory committee and Gov. Hoeven's Centers of Excellence.
11. Developed a long-term enrollment management/service plan, including Project Vital link, to attract students and help keep high school graduates in the state. Record enrollments in Spring 2004 at NDUS colleges and universities reached a high of 39,440 students (headcount enrollment).

Executive Budget Recommendation

- Provides operating and extraordinary repair funding for the campus budgets.
- Creates a \$2.0 million Student Financial Assistance Grant - Child Care component.
- Provides \$1.3 million additional general fund monies for Student Financial Assistance Grants.
- Maximizes federal matching for ESPCoR with a \$440,000 general fund increase.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

215 ND UNIVERSITY SYSTEM

Bill#: SB2003

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
SYSTEM GOVERNANCE	4,267,015	5,320,151	200,561	3.8%	5,520,712	200,561	3.8%	5,520,712
STUDENT GRANT PROGRAMS	5,918,317	7,662,535	-230,500	-3.0%	7,432,035	2,769,500	36.1%	10,432,035
SYSTEM GRANT PROGRAMS	32,790,966	29,858,478	816,544	2.7%	30,675,022	326,921,509	1,094.9%	356,779,987
SYSTEM PROJECTS	10,357,671	13,256,831	1,937,250	14.6%	15,194,081	1,937,250	14.6%	15,194,081
TOTAL MAJOR PROGRAMS	53,333,969	56,097,995	2,723,855	4.9%	58,821,850	331,828,820	591.5%	387,926,815
BY LINE ITEM								
SYSTEM GOVERNANCE	4,037,767	5,114,457	406,255	7.9%	5,520,712	406,255	7.9%	5,520,712
OPERATIONS POOL	0	578,417	0	.0%	578,417	0	.0%	578,417
CAPITAL ASSETS	10,217,671	12,790,689	1,487,452	11.6%	14,278,141	1,487,452	11.6%	14,278,141
STATE FINANCIAL ASSISTANCE GRANTS	2,869,056	3,604,288	-228,000	-6.3%	3,376,288	2,772,000	76.9%	6,376,288
CONT, EXTRA REPAIR, CAP EMERG	169,959	1,878,678	-1,441,756	-76.7%	436,922	5,235,661	278.7%	7,114,339
SCHOLARS PROGRAM	770,659	912,077	-50,000	-5.5%	862,077	-50,000	-5.5%	862,077
TITLE II	540,088	695,600	0	.0%	695,600	0	.0%	695,600
ND INDIAN SCHOLARSHIP PROGRAM	203,684	204,488	47,500	23.2%	251,988	47,500	23.2%	251,988
COMMON INFORMATION SERVICES	27,155,095	18,555,783	3,368,300	18.2%	21,924,083	3,368,300	18.2%	21,924,083
EDUCATION INCENTIVE PROGRAMS	432,098	1,227,902	0	.0%	1,227,902	0	.0%	1,227,902
CENTERS FOR EXCELLENCE	0	1,550,000	-1,550,000	-100.0%	0	-1,550,000	-100.0%	0
STUDENT EXCHANGE	1,642,820	1,713,780	0	.0%	1,713,780	0	.0%	1,713,780
PROFESSIONAL LIABILITY INSURANCE	0	1,850,000	0	.0%	1,850,000	-500,000	-27.0%	1,350,000
COMPETITIVE RESEARCH PROGRAM	4,000,000	4,750,000	440,000	9.3%	5,190,000	440,000	9.3%	5,190,000
BIENNIUM CARRYOVER	229,248	205,694	-205,694	-100.0%	0	-205,694	-100.0%	0
BOARD INITIATIVES	140,000	466,142	449,798	96.5%	915,940	449,798	96.5%	915,940
EQUITY/SPECIAL NEEDS POOL	925,824	0	0	.0%	0	0	.0%	0
CAMPUS OPERATIONS	0	0	0	.0%	0	319,927,548	100.0%	319,927,548
TOTAL LINE ITEMS	53,333,969	56,097,995	2,723,855	4.9%	58,821,850	331,828,820	591.5%	387,926,815
BY FUNDING SOURCE								
GENERAL FUND	52,308,116	51,553,006	4,931,568	9.6%	56,484,574	334,036,533	647.9%	385,589,539
FEDERAL FUNDS	765,144	1,074,070	-16,544	-1.5%	1,057,526	-16,544	-1.5%	1,057,526
SPECIAL FUNDS	260,709	3,470,919	-2,191,169	-63.1%	1,279,750	-2,191,169	-63.1%	1,279,750
TOTAL FUNDING SOURCE	53,333,969	56,097,995	2,723,855	4.9%	58,821,850	331,828,820	591.5%	387,926,815

REQUEST / RECOMMENDATION COMPARISON SUMMARY

215 ND UNIVERSITY SYSTEM

Bill#: SB2003

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
TOTAL FTE	20.00	20.00	.00	.0%	20.00	2,164.27	10,821.4%	2,184.27

STATE LAND DEPARTMENT

Agency 226

Statutory Authority

North Dakota Constitution Article IX, North Dakota Century Code Chapters 15-01 through 15-09, 38.09, 38.11, 47-30.1, Sections 57-62-03 through 57-62-06 and 63-01-1.

Agency Description

The primary function of the Board of University and School Lands and the Land Department is to generate income for distribution to local school districts and other institutions in North Dakota. This income is generated through management of trust assets, consisting of over 714,000 surface acres, over 2.5 million mineral acres and over \$700.0 million in investment assets. Revenues from all sources are deposited in permanent trust funds and are invested in the Farm Loan Pool administered by the Bank of North Dakota, US Treasury notes and bonds, and corporate bonds and stocks. The income from these investments, together with surface and mineral rentals, is distributed to schools and other public institutions at specified intervals throughout the biennium. The Land Department is the trustee for the lands and minerals trust fund. This trust fund consists of 660,000 mineral acres formerly managed by the Bank of North Dakota, and minerals located under navigable streams, rivers, and lakes, which are owned by North Dakota. The Land Department also administers the Unclaimed Property Act. This property is held in trust for the owner forever, and the income it produces is distributed to public grades K-12.

The Energy Development Impact Office (EDIO) reduces the fiscal impact of oil exploration, development and production for those local subdivisions in whose jurisdiction the activity occurs through the targeted application of grant funds appropriated by the state legislature. The goal of the program is to pick up costs that exceed the normal costs for the government units.

Major Accomplishments

1. Funded several new asset class investments.
2. Increased distributions to the common schools for the next biennium.
3. Continued to experience a high success ratio for grazing leases under the public lease auction program, advanced the effective use of flea beetles for the biological control of leafy spurge and managed a range improvement program to improve the condition of school trust lands.
4. Met increased interest in oil and gas leasing activity by implementing an automated mineral database and auction process.
5. Distributed EDIO grants to address needs of local subdivisions impacted by oil development.

Executive Budget Recommendation

- Approves addition of 1.00 FTE auditor for oil and gas royalties and unclaimed property.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

226 STATE LAND DEPARTMENT

Bill#: SB2013

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
LAND DEPARTMENT	7,177,748	7,573,834	21,244	.3%	7,595,078	245,161	3.2%	7,818,995
TOTAL MAJOR PROGRAMS	7,177,748	7,573,834	21,244	.3%	7,595,078	245,161	3.2%	7,818,995
BY LINE ITEM								
SALARIES AND WAGES	1,697,789	1,876,162	122,116	6.5%	1,998,278	346,033	18.4%	2,222,195
OPERATING EXPENSES	591,859	753,222	-104,522	-13.9%	648,700	-104,522	-13.9%	648,700
CAPITAL ASSETS	0	6,350	3,650	57.5%	10,000	3,650	57.5%	10,000
CONTINGENCY	0	50,000	0	.0%	50,000	0	.0%	50,000
ENERGY DEVELOPMENT INPACT OFFICE	4,888,100	4,888,100	0	.0%	4,888,100	0	.0%	4,888,100
TOTAL LINE ITEMS	7,177,748	7,573,834	21,244	.3%	7,595,078	245,161	3.2%	7,818,995
BY FUNDING SOURCE								
GENERAL FUND	0	0	0	.0%	0	0	.0%	0
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	7,177,748	7,573,834	21,244	.3%	7,595,078	245,161	3.2%	7,818,995
TOTAL FUNDING SOURCE	7,177,748	7,573,834	21,244	.3%	7,595,078	245,161	3.2%	7,818,995
TOTAL FTE	18.50	17.75	.00	.0%	17.75	1.00	5.6%	18.75

BISMARCK STATE COLLEGE

Agency 227

Statutory Authority

North Dakota Century Code Chapter 15-10-01.1.

Agency Description

As a community college, the purpose of Bismarck State College (BSC) is to provide high quality, student-centered learning opportunities. Students may 1) earn college credits for transfer to a four-year institution; 2) complete training in a vocation-technical program; 3) keep job skills current 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 BSC service areas include the immediate, contiguous geographical region for most programs, and statewide, regional or nationwide areas for select, unique programs.

Major Accomplishments

1. Attained a record spring 2004 enrollment with 3,443 students from 45 states. In the past eight years, achieved enrollment growth of 48%, an increase of 1,117 students since 1995.
2. Approximately 290 of these students are from out-of-state. Online energy students and grants primary sector development FY04 estimate is \$1.6 million. Enrolled 372 students from 45 states in the online energy technology program.
3. Received \$750,000 National Science Foundation grant for nuclear power technology program development and \$400,000 Department of Labor grant for energy technology programs.

4. Served more than 20,000 people in FY03 within Corporate and Continuing Education division.
5. Served 2,689 individuals from 286 businesses in the Southwest Workforce Training Region for business and industry. Training evaluation indicated that 99% of our clients were satisfied with training and responsiveness of BSC.
6. Developed new programs in Nursing, Human Services, Nuclear Power Technology, Paraeducation, and Electrical Power Technology.
7. Continued the renovation of Schafer Hall – 1st floor to provide a better working environment for student support activities.
8. Received seven-acre land transfer from the city of Bismarck for the construction of the Career & Technology Institute. Estimated value of land is \$1.2 million.
9. BSC Foundation has undertaken a capital campaign for the Career and Technology Institute with \$6.3 million in cash and pledges accumulated to date.
10. Established collaborative/cooperative programs with University of North Dakota, MSU-Bottineau, Minot State University, Dickinson State University and Williston State College to meet the educational needs in Bismarck/Mandan.

Executive Budget Recommendation

- Provides operating and extraordinary repair funding in department 215 - ND University System.
- Approves student apartments and plant services building.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

227 BISMARCK STATE COLLEGE

Bill#: SB2003

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
BISMARCK STATE COLLEGE	16,598,665	18,171,711	1,439,389	7.9%	19,611,100	-15,868,911	-87.3%	2,302,800
TOTAL MAJOR PROGRAMS	16,598,665	18,171,711	1,439,389	7.9%	19,611,100	-15,868,911	-87.3%	2,302,800
BY LINE ITEM								
CAPITAL ASSETS	775,616	250,000	2,332,524	933.0%	2,582,524	2,052,800	821.1%	2,302,800
CAPITAL ASSETS-CARRYOVER	108,720	24,384	-24,384	-100.0%	0	-24,384	-100.0%	0
CAPITAL IMPROVEMENTS-OFF SAMIS	0	1,785,000	-1,785,000	-100.0%	0	-1,785,000	-100.0%	0
CAMPUS OPERATIONS	15,714,329	16,112,327	916,249	5.7%	17,028,576	-16,112,327	-100.0%	0
TOTAL LINE ITEMS	16,598,665	18,171,711	1,439,389	7.9%	19,611,100	-15,868,911	-87.3%	2,302,800
BY FUNDING SOURCE								
GENERAL FUND	16,598,665	16,386,711	921,589	5.6%	17,308,300	-16,386,711	-100.0%	0
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	0	1,785,000	517,800	29.0%	2,302,800	517,800	29.0%	2,302,800
TOTAL FUNDING SOURCE	16,598,665	18,171,711	1,439,389	7.9%	19,611,100	-15,868,911	-87.3%	2,302,800
TOTAL FTE	144.78	123.80	-8.70	-7.0%	115.10	-123.80	-100.0%	.00

LAKE REGION STATE COLLEGE

Agency 228

Statutory Authority

North Dakota Century Code Chapter 15-10-01.1

Agency Description

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

LRSC serves more than 2,700 students each year through on-campus and distance delivery. Lake Region State College is proud to collaborate with other ND University System campuses to offer an associate of arts degree online, a Baccalaureate degree in business in cooperation with Mayville State University in Devils Lake, and an Associate Applied Science in Law Enforcement through innovative computer-based training and e-learning technology.

Major Accomplishments

1. Implemented Bizpathways, a network that provides business support on-line with access to government, state and local resources.

2. Developed an Associate in Applied Science Registered Nurse program (Associate Degree in Nursing ADN) in cooperation with Bismarck State College, Williston State College, Minot State University – Bottineau, and ND State College of Science. LRSC, along with BSC, WSC, and NDSCS received a \$150,000 collaborative nursing grant to assist with the delivery of the ADN program.
3. Developed an Associate in Applied Science degree in American Sign Language and Interpreting in cooperation with ND School for the Deaf.
4. Expanded outreach offerings in Dual Credit, IVN, Internet, Grand Forks Air Force Base, and off-site delivery. Online courses increased 100 percent in 2003-2004, with enrollments increasing 96%. LRSC's Peace Officer Training program is in its third consecutive year of delivery to the Fargo area and the legal assistant program added a certificate option that will be delivered on campus and in the Bismarck, Fargo, and Minot areas.

Executive Budget Recommendation

- Provides operating and extraordinary repair funding in department 215 - ND University System.
- Provides \$343,875 general fund monies for science lab renovation.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

228 LAKE REGION STATE COLLEGE

Bill#: SB2003

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
LAKE REGION STATE COLLEGE	5,107,184	5,785,399	51,822	.9%	5,837,221	-5,441,524	-94.1%	343,875
TOTAL MAJOR PROGRAMS	5,107,184	5,785,399	51,822	.9%	5,837,221	-5,441,524	-94.1%	343,875
BY LINE ITEM								
CAPITAL ASSETS	72,408	44,831	358,203	799.0%	403,034	299,044	667.0%	343,875
CAPITAL ASSETS-CARRYOVER	0	2,423	-2,423	-100.0%	0	-2,423	-100.0%	0
CAPITAL IMPROVEMENTS-OFF SAMIS	44,537	705,463	-705,463	-100.0%	0	-705,463	-100.0%	0
CAMPUS OPERATIONS	4,990,239	5,032,682	401,505	8.0%	5,434,187	-5,032,682	-100.0%	0
TOTAL LINE ITEMS	5,107,184	5,785,399	51,822	.9%	5,837,221	-5,441,524	-94.1%	343,875
BY FUNDING SOURCE								
GENERAL FUND	5,062,647	5,079,936	413,410	8.1%	5,493,346	-4,736,061	-93.2%	343,875
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	44,537	705,463	-361,588	-51.3%	343,875	-705,463	-100.0%	0
TOTAL FUNDING SOURCE	5,107,184	5,785,399	51,822	.9%	5,837,221	-5,441,524	-94.1%	343,875
TOTAL FTE	41.34	36.85	-65	-1.8%	36.20	-36.85	-100.0%	.00

Statutory Authority

North Dakota Century Code Chapter 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 and certificate education in academic transfer and vocational education and with Workforce Training as a service to regional employers. In the '03-'04 academic year, the Williston State College Workforce Training Division trained over 1800 employees in the northwest quadrant of North Dakota and the college served over 870 college credit students.

Major Accomplishments

1. Increased workforce training for primary sector businesses by creating an entrepreneurship AAS degree program online and continuing to host a Small Business Development Center.
2. Our president is now the president of the Williston Area Development Foundation and vice president of Tri-County Regional Development Council Board of Directors.
3. Increased program collaboration with five other NDUS Colleges and by placing both entrepreneurship and medical transcription online.
4. Revised college target marketing and credit enrollment increased substantially both year-to-year and fall '03 to spring '04.

5. Partnerships with other community colleges have been strengthened via the Minot Tech Center Partnership, the Associate Degree Nursing implementation plan, a joint program with MiSU-B in entrepreneurship with a tourism option offering in Minot and with MiSU-B.
6. Expanded Interactive TV sites with the Northwest Consortium of schools.
7. Enhanced the college web site with action priorities.
8. Increased distance education and dual credit offerings to make the college more responsive and accessible.
9. Reached a consensus on a framework for faculty compensation guidelines.
10. Finished alignment of the planning, credit scheduling, and budgeting process.
11. Allocated excess tuition revenue to fund air conditioning of Stevens Hall.
12. Established housing for a daycare on campus for children in response to student requests.
13. Utilized the Ford Foundation Rural Community College Initiative project to establish strategic priorities: nursing program change to one-year LPN certificate program and two-year registered nursing program; workforce training emphasis on "oil patch" training; credit programs in value added agriculture, tourism, and entrepreneurship; direction for the humanities; and the new facilities master-plan.

Executive Budget Recommendation

- Provides operating and extraordinary repair funding in department 215 - ND University System.
- Approves rural development center and energy and transportation training center addition with local and federal funding sources.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

229 WILLISTON STATE COLLEGE

Bill#: SB2003

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
WILLISTON STATE COLLEGE	10,113,811	6,680,145	6,147,932	92.0%	12,828,077	229,855	3.4%	6,910,000
TOTAL MAJOR PROGRAMS	10,113,811	6,680,145	6,147,932	92.0%	12,828,077	229,855	3.4%	6,910,000
BY LINE ITEM								
CAPITAL ASSETS	88,790	88,790	6,932,288	7,807.5%	7,021,078	6,821,210	7,682.4%	6,910,000
CAPITAL IMPROVEMENT CARRYOVER	20,592	0	0	.0%	0	0	.0%	0
CAPITAL IMPROVEMENTS-OFF SAMIS	4,596,289	1,154,378	-1,154,378	-100.0%	0	-1,154,378	-100.0%	0
CAMPUS OPERATIONS	5,408,140	5,436,977	370,022	6.8%	5,806,999	-5,436,977	-100.0%	0
TOTAL LINE ITEMS	10,113,811	6,680,145	6,147,932	92.0%	12,828,077	229,855	3.4%	6,910,000
BY FUNDING SOURCE								
GENERAL FUND	5,517,522	5,525,767	392,310	7.1%	5,918,077	-5,525,767	-100.0%	0
FEDERAL FUNDS	0	0	2,500,000	.0%	2,500,000	2,500,000	.0%	2,500,000
SPECIAL FUNDS	4,596,289	1,154,378	3,255,622	282.0%	4,410,000	3,255,622	282.0%	4,410,000
TOTAL FUNDING SOURCE	10,113,811	6,680,145	6,147,932	92.0%	12,828,077	229,855	3.4%	6,910,000
TOTAL FTE	50.23	46.17	-1.17	-2.5%	45.00	-46.17	-100.0%	.00

UNIVERSITY OF NORTH DAKOTA

Agency 230

Statutory Authority

North Dakota 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. Maintained all institutional and discipline-specific accreditations.
2. Selected as one of Princeton Review's "Best 345 Colleges" and "Best in the Midwest."
3. Achieved a 26% increase in international students, scholars, and dependents since fall 2001.
4. Made available to all students experiential learning.

5. Served more than 25,000 patrons at the Chester Fritz Library last year.
6. Increased student funding for American Indian programming by 10% over three years and financial aid by 33%.
7. Doubled applied/basic research portfolio.
8. Established Program-to-Program Articulations with 52 community colleges.
9. Developed 13 undergraduate degree programs entirely on evening/weekend schedule. Set summer enrollment levels.
10. Established two degree-completion programs plus two additional degree programs available predominantly on the Internet.
11. Served 1,859 participants in work force development programs.
12. Established entrepreneurship program along with six new undergraduate programs.
13. Provided 24 off-campus degree programs.
14. Set record fall and spring enrollments for the last two years with 13,034–11,770 on campus and 1,264 distance education.
15. Approved new freshman admission standards requiring 21 ACT for in-state students, 22 for out-of-state, 2.50 high school grade point average.

Executive Budget Recommendation

- Provides operating and extraordinary repair funding in department 215 - ND University System.
- Approves all special, federal, and grant funded capital projects.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

230 UNIVERSITY OF NORTH DAKOTA

Bill#: SB2003

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
UNIVERSITY OF NORTH DAKOTA	95,389,246	156,168,679	-4,683,648	-3.0%	151,485,031	-101,837,125	-65.2%	54,331,554
TOTAL MAJOR PROGRAMS	95,389,246	156,168,679	-4,683,648	-3.0%	151,485,031	-101,837,125	-65.2%	54,331,554
BY LINE ITEM								
CAPITAL ASSETS	2,371,739	2,362,136	55,913,049	2,367.1%	58,275,185	51,969,418	2,200.1%	54,331,554
CAPITAL ASSETS-CARRYOVER	1,560,732	140,397	-140,397	-100.0%	0	-140,397	-100.0%	0
CAPITAL IMPROVEMENTS-OFF SAMIS	5,737,176	63,203,609	-63,203,609	-100.0%	0	-63,203,609	-100.0%	0
CAMPUS OPERATIONS	85,719,599	86,862,537	6,347,309	7.3%	93,209,846	-86,862,537	-100.0%	0
1997 FLOOD EXPENDITURES	0	3,600,000	-3,600,000	-100.0%	0	-3,600,000	-100.0%	0
TOTAL LINE ITEMS	95,389,246	156,168,679	-4,683,648	-3.0%	151,485,031	-101,837,125	-65.2%	54,331,554
BY FUNDING SOURCE								
GENERAL FUND	89,652,070	89,365,070	6,619,961	7.4%	95,985,031	-89,365,070	-100.0%	0
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	5,737,176	66,803,609	-11,303,609	-16.9%	55,500,000	-12,472,055	-18.7%	54,331,554
TOTAL FUNDING SOURCE	95,389,246	156,168,679	-4,683,648	-3.0%	151,485,031	-101,837,125	-65.2%	54,331,554
TOTAL FTE	.00	706.74	-82.94	-11.7%	623.80	.00	.0%	.00

UND MEDICAL CENTER

Agency 232

Statutory Authority

North Dakota Constitution, Articles VIII and IX; North Dakota Century Code Chapter 15-22.

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 as a model for highest 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 clinical lab science, athletic training, physical therapy, occupational therapy and the physician assistant program. Further, the SMHS is acknowledged for its leadership in providing education in health professions through its commitment to American Indians.

Major Accomplishments

1. Continued research funding at an all time high, awards for FY05 will be around \$20.0 million and proposals will approach \$77.0 million (an all time high).
2. Completed Position Emission Tomography & Cyclotron (PET) facility, Center for Neuroscience, and \$2.0 million SMHS facility infrastructure project.

3. Established the Rural Assistance Center as a national resource on rural health and human services information.
4. Received national acclaim in the successful implementation of the revised medical school curriculum.
5. Recruitment of 12 new faculty members and a new chair person of the Department of Pharmacology, Physiology and Therapeutics.
6. Received full accreditation from the appropriate accreditation agency.
7. Student performance on national certification, board and licensure exams exceed the national norms.
8. Implemented an average 14.1% tuition increase for FY05 with all of the funds targeted to support compensation goals.
9. Budgeted an overall salary increase of 4.4% based on the analysis of single continuous budgeted positions.
10. Initiated a plan with the UND Foundation to hire a full-time development officer to be based at the SMHS.

Executive Budget Recommendation

- Provides operating funding in department 215 - ND University System.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

232 UND MEDICAL CENTER

Bill#: SB2003

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
UND-SCHOOL OF MEDICINE	29,962,638	30,165,865	1,276,025	4.2%	31,441,890	-30,165,865	-100.0%	0
TOTAL MAJOR PROGRAMS	29,962,638	30,165,865	1,276,025	4.2%	31,441,890	-30,165,865	-100.0%	0
BY LINE ITEM								
MEDICAL SCHOOL OPERATIONS	29,962,638	30,165,865	1,276,025	4.2%	31,441,890	-30,165,865	-100.0%	0
TOTAL LINE ITEMS	29,962,638	30,165,865	1,276,025	4.2%	31,441,890	-30,165,865	-100.0%	0
BY FUNDING SOURCE								
GENERAL FUND	29,962,638	30,165,865	1,276,025	4.2%	31,441,890	-30,165,865	-100.0%	0
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	0	0	0	.0%	0	0	.0%	0
TOTAL FUNDING SOURCE	29,962,638	30,165,865	1,276,025	4.2%	31,441,890	-30,165,865	-100.0%	0
TOTAL FTE	227.37	198.91	-20.31	-10.2%	178.60	-198.91	-100.0%	.00

NORTH DAKOTA STATE UNIVERSITY

Agency 235

Statutory Authority

North Dakota Constitution Article VIII and IX, Section 215, North Dakota Century Code Chapter 15-12.

Agency Description

ND State University affirms its heritage as North Dakota's land-grant institution. Through its colleges, station and extension, NDSU, as a member of the ND University System, provides instruction, research, and public service. NDSU educates and serves the people of North Dakota, the region, the nation, and the international community by discovering, communicating, applying, and preserving knowledge. The University fosters the personal growth of individuals by creating an environment, which nurtures intellectual, social, and cultural development. It offers academic and professional programs, which lead to degrees from the baccalaureate through the doctorate. NDSU assumes a coordinating role in the ND University System for academic computing and economic development. The University provides information systems necessary to accomplish its mission.

Major Accomplishments

1. Achieved 2005 goal to enroll 12,000 students by Fall Semester 2004.
2. Increased doctoral programs from 15 to 40 as part of NDSU's goal to seek Carnegie Research Doctoral-Extensive Classification.
3. Added 10 new undergraduate programs for a total of 107 and 10 masters programs for a total of 51.
4. Increased graduates finding jobs in North Dakota. In 2003, 68% of in-state graduates and 32% of out of state graduates stayed in North Dakota.
5. Contributed to the state's economic and social vitality with 56 new faculty positions, 10 new staff positions and 20 new graduate assistant positions.
6. Increased faculty and staff salaries by an average 4% over the past four years.

7. Established collaborations with NDUS campuses including K-12 teacher professional development courses with MSUM and UND, ag degree program and biosurveillance research with DSU, legal assistant program with LRSC, elementary ed program with VCSU, articulation agreement with NDSCS, and medical assistant with MiSU Bottineau.
8. Added 23 new classrooms in the last three years.
9. Occupied NDSU downtown facility in Fall 2004 with 500 architecture and studio arts students per day.
10. Completed renovation of the former YWCA building to provide space for the Criminal Justice and Public Policy Program.
11. Completed the Living Learning Center providing studio and apartment style housing for students.
12. Exceeded \$100.0 million in research expenditures and sponsored programs in July 2004.
13. Increased number of proposals for funded research programs by 43% since 2000.
14. Increased the dollar value of proposals for funded research programs by 111.5% since 2000.
15. The NDSU Research and Technology Park is off to a successful start with the operations of Phoenix International, Research 1, and the Center for Nanoscale Science and Engineering. Future buildings will include Alien Technology and the NDSU business incubator.

Executive Budget Recommendation

- Provides operating and extraordinary repair funding in department 215 - ND University System.
- Provides \$3.5 million bonding for hazardous material handling and storage facility.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

235 NORTH DAKOTA STATE UNIVERSITY

Bill#: SB2003

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
NORTH DAKOTA STATE UNIVERSITY	85,933,504	129,814,024	-13,934,922	-10.7%	115,879,102	-92,314,024	-71.1%	37,500,000
TOTAL MAJOR PROGRAMS	85,933,504	129,814,024	-13,934,922	-10.7%	115,879,102	-92,314,024	-71.1%	37,500,000
BY LINE ITEM								
CAPITAL ASSETS	1,568,379	1,737,531	37,747,516	2,172.5%	39,485,047	35,762,469	2,058.2%	37,500,000
CAPITAL ASSETS-CARRYOVER	405,569	169,152	-169,152	-100.0%	0	-169,152	-100.0%	0
CAPITAL IMPROVEMENTS-OFF SAMIS	14,903,073	47,463,275	-47,463,275	-100.0%	0	-47,463,275	-100.0%	0
CAMPUS OPERATIONS	67,944,723	71,444,066	4,949,989	6.9%	76,394,055	-71,444,066	-100.0%	0
2000 FLOOD EXPENDITURES	1,111,760	9,000,000	-9,000,000	-100.0%	0	-9,000,000	-100.0%	0
TOTAL LINE ITEMS	85,933,504	129,814,024	-13,934,922	-10.7%	115,879,102	-92,314,024	-71.1%	37,500,000
BY FUNDING SOURCE								
GENERAL FUND	71,030,431	73,350,749	5,028,353	6.9%	78,379,102	-73,350,749	-100.0%	0
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	14,903,073	56,463,275	-18,963,275	-33.6%	37,500,000	-18,963,275	-33.6%	37,500,000
TOTAL FUNDING SOURCE	85,933,504	129,814,024	-13,934,922	-10.7%	115,879,102	-92,314,024	-71.1%	37,500,000
TOTAL FTE	805.49	545.02	-61.02	-11.2%	484.00	-545.02	-100.0%	.00

Statutory Authority

North Dakota Century Code Chapter 15-15.02.

Agency Description

The College 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.

The College 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 to their full potential, obtain gainful employment and make satisfactory career progress. It provides students with practical hands-on and general education knowledge and skills. These goals are exemplified by the practice: "Where Students Learn by Doing."

The purposes of the College include providing:

- Programs at the certificate, diploma and associate degree levels.
- A statewide center of vocational technical education.
- A regional center of excellence for quality liberal arts/transfer programs that articulate with baccalaureate programs.
- Custom-designed programs for the lifelong education requirements.
- Short courses, seminars and workshops that meet personal, industrial and service needs.
- The opportunity for students with varying interests, abilities, ages and background to develop to their full potential.
- Comprehensive yet flexible developmental and educational programs.

Major Accomplishments

1. Implemented a marketing plan for student recruitment that resulted in four awards for student recruitment materials.
2. Increased online course offerings 55% and related studies offerings from 28 to 34. Increase on-line courses taken by 17%, from 1,326 to 1,556.
3. Developed a funding allocation system to improve resources. This resulted in a 25% increase in grants written, a major gifts campaign by the NDSCS Foundation, and a 5% increase in revenue.
4. Increased enrollment for the eighth consecutive semester with a 3% increase in retention.
5. Increased fall residence hall occupancy rate 12.1%.
6. Increased the number of businesses by 7% and participants by 28% served by Workforce Training, client training results satisfaction is 100%, participant training satisfaction is 98%, gross revenue (\$819,275) up 5%.
7. Offered two new AAS degrees online – Med. Ad. Assistant and Paraeducation and two new certificate programs – Office Assistant and Web Design.
8. Received multiple grants for online program development.
9. Implemented multiple reorganizations resulting in savings. The integration of telecommunication functions saved \$33,000 annually, resized the coal boiler to burn coal for a longer period of time with coal savings of \$200,000 annually, modified mailroom delivery for a savings of \$25,000 annually, eliminated the technical resource fee tied to the performance contracting agreement saving \$16,000 per year, a cumulative effect of \$165,000 in a seven years and upgraded bookstore point-of-sale system for increased accuracy in operations, including; purchasing, receiving, sales/revenue control and inventory.

Executive Budget Recommendation

- Provides operating and extraordinary repair funding in department 215 - ND University System.
- Approves all special funded capital projects.
- Provides \$736,000 bonding for Phase II of electrical distribution system.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

238 ND STATE COLLEGE OF SCIENCE

Bill#: SB2003

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ND STATE COLLEGE OF SCIENCE	28,074,880	28,311,851	-1,202,155	-4.2%	27,109,696	-27,206,931	-96.1%	1,104,920
TOTAL MAJOR PROGRAMS	28,074,880	28,311,851	-1,202,155	-4.2%	27,109,696	-27,206,931	-96.1%	1,104,920
BY LINE ITEM								
CAPITAL ASSETS	2,643,770	773,500	1,167,724	151.0%	1,941,224	331,420	42.8%	1,104,920
CAPITAL ASSETS CARRYOVER	1,671	0	0	.0%	0	0	.0%	0
CAPITAL IMPROVEMENTS-OFF SAMIS	1,385,364	3,668,920	-3,668,920	-100.0%	0	-3,668,920	-100.0%	0
CAMPUS OPERATIONS	24,044,075	23,869,431	1,299,041	5.4%	25,168,472	-23,869,431	-100.0%	0
TOTAL LINE ITEMS	28,074,880	28,311,851	-1,202,155	-4.2%	27,109,696	-27,206,931	-96.1%	1,104,920
BY FUNDING SOURCE								
GENERAL FUND	26,689,516	24,642,931	1,361,845	5.5%	26,004,776	-24,642,931	-100.0%	0
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	1,385,364	3,668,920	-2,564,000	-69.9%	1,104,920	-2,564,000	-69.9%	1,104,920
TOTAL FUNDING SOURCE	28,074,880	28,311,851	-1,202,155	-4.2%	27,109,696	-27,206,931	-96.1%	1,104,920
TOTAL FTE	229.90	174.95	4.95	2.8%	179.90	-174.95	-100.0%	.00

DICKINSON STATE UNIVERSITY

Agency 239

Statutory Authority

North Dakota Century Code Chapter 15-13-01.

Agency Description

Dickinson State University is a comprehensive state institution, one of 11 colleges and universities that make up the ND University System. The university employs approximately 180 faculty and staff with an enrollment of approximately 2,400 students. Dickinson State University has shown a strong growth pattern in enrollment during the last decade. 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 ND, MT, and other midwestern states. A strong contingent of international students representing 26 different countries is also an important component of the student body.

Major Accomplishments

1. Enrolled record-breaking student numbers for the eighth consecutive year. A total of 2,461 students enrolled at the university for the fall 2003 semester, an increase of 5.8% over the previous fall's enrollment.
2. Graduated the two largest classes in school history. A combined total of 661 students have received degrees from Dickinson State University the past two years. The placement rate of spring 2003 graduates was 98%.
3. Commenced with the construction of an addition onto the Murphy Hall science facility in the fall of 2003. The addition is expected to be completed in December 2004 and placed on-line during the spring 2005 semester.
4. Established an Agro Security Resource Center, utilizing federal funds. The facility enables staff to assemble critical information to assist in responding to a crisis situation within the region.

5. Entered into a memorandum of understanding with Nizhniy Novgorod Agricultural Academy in Russia establishing a faculty and student exchange program.
6. Added an environmental science major within the Department of Natural Sciences.
7. Established a new accounting degree program in Bismarck and a bachelor of applied science in technology degree.
8. Delivered a two-year ASPN nursing program to the Hettinger Community.
9. Received approval for distance delivery of the Elementary Education program to the Bismarck/Mandan region.
10. Provided the Equine Management program on-line.
11. Received a grant providing opportunities for biomed research.
12. Received a grant to provide training opportunities for K-12 teachers within the math and science disciplines.
13. Recognized donations totaling \$2.1 million in fiscal year 2002-2003. The Foundation is actively engaged in the facilitation of two building projects: an alumni/foundation center and a senior living facility. Groundbreaking for both projects is scheduled for fall 2004.

Executive Budget Recommendation

- Provides operating and extraordinary repair funding in department 215 - ND University System.
- Provides bonding for completion of Murphy Hall project.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

239 DICKINSON STATE UNIVERSITY

Bill#: SB2003

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
DICKINSON STATE UNIVERSITY	14,212,073	25,112,365	-857,169	-3.4%	24,255,196	-16,011,808	-63.8%	9,100,557
TOTAL MAJOR PROGRAMS	14,212,073	25,112,365	-857,169	-3.4%	24,255,196	-16,011,808	-63.8%	9,100,557
BY LINE ITEM								
CAPITAL ASSETS	227,139	393,962	9,144,640	2,321.2%	9,538,602	8,706,595	2,210.0%	9,100,557
CAPITAL ASSETS-CARRYOVER	242,621	166,823	-166,823	-100.0%	0	-166,823	-100.0%	0
CAPITAL IMPROVEMENTS-OFF SAMIS	0	10,882,047	-10,882,047	-100.0%	0	-10,882,047	-100.0%	0
CAMPUS OPERATIONS	13,742,313	13,669,533	1,047,061	7.7%	14,716,594	-13,669,533	-100.0%	0
TOTAL LINE ITEMS	14,212,073	25,112,365	-857,169	-3.4%	24,255,196	-16,011,808	-63.8%	9,100,557
BY FUNDING SOURCE								
GENERAL FUND	14,212,073	14,230,318	924,321	6.5%	15,154,639	-14,230,318	-100.0%	0
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	0	10,882,047	-1,781,490	-16.4%	9,100,557	-1,781,490	-16.4%	9,100,557
TOTAL FUNDING SOURCE	14,212,073	25,112,365	-857,169	-3.4%	24,255,196	-16,011,808	-63.8%	9,100,557
TOTAL FTE	130.15	114.81	-6.81	-5.9%	108.00	-114.81	-100.0%	.00

MAYVILLE STATE UNIVERSITY

Agency 240

Statutory Authority

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

Agency Description

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

Major Accomplishments

1. Expanded on the learner-centered focus provided in a technology-rich environment for teaching and learning.
2. Provided all graduates with the IT Certificate.
3. Expanded programs including a business degree program at Lake Region State College, Psychology major, and additional on-line programs.

4. Implemented successful instructional delivery (dual-credit courses and courses shared between area high schools) over the Heart of the Valley Interactive Television Consortium.
5. Hired a Vice President for Enrollment Management, Men's and Women's Soccer Coach, and additional assistant coaches to complement an already aggressive recruitment effort.
6. Prepared major grant proposals and received grant awards.
7. Hired a permanent Director of Development and expanded Foundation staffing to concentrate on building alumni and friend support. A full-time president was hired who devotes substantial time toward university advancement.
8. The Traill County Technology Center continues to house and provide technical support services and training to businesses in the area and surrounding counties.

Executive Budget Recommendation

- Provides operating and extraordinary repair funding in department 215 - ND University System.
- Approves special funded capital projects.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

240 MAYVILLE STATE UNIVERSITY

Bill#: SB2003

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
MAYVILLE STATE UNIVERSITY	8,836,518	14,706,246	-3,887,113	-26.4%	10,819,133	-13,206,246	-89.8%	1,500,000
TOTAL MAJOR PROGRAMS	8,836,518	14,706,246	-3,887,113	-26.4%	10,819,133	-13,206,246	-89.8%	1,500,000
BY LINE ITEM								
CAPITAL ASSETS	387,967	264,589	1,488,409	562.5%	1,752,998	1,235,411	466.9%	1,500,000
CAPITAL ASSETS-CARRYOVER	0	334,322	-334,322	-100.0%	0	-334,322	-100.0%	0
CAPITAL IMPROVEMENTS-OFF SAMIS	0	5,505,000	-5,505,000	-100.0%	0	-5,505,000	-100.0%	0
CAMPUS OPERATIONS	8,448,551	8,602,335	463,800	5.4%	9,066,135	-8,602,335	-100.0%	0
TOTAL LINE ITEMS	8,836,518	14,706,246	-3,887,113	-26.4%	10,819,133	-13,206,246	-89.8%	1,500,000
BY FUNDING SOURCE								
GENERAL FUND	8,836,518	9,201,246	117,887	1.3%	9,319,133	-9,201,246	-100.0%	0
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	0	5,505,000	-4,005,000	-72.8%	1,500,000	-4,005,000	-72.8%	1,500,000
TOTAL FUNDING SOURCE	8,836,518	14,706,246	-3,887,113	-26.4%	10,819,133	-13,206,246	-89.8%	1,500,000
TOTAL FTE	81.47	69.97	-3.17	-4.5%	66.80	-69.97	-100.0%	.00

MINOT STATE UNIVERSITY

Agency 241

Statutory Authority

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

Agency Description

Minot State University (MiSU) is a comprehensive public university whose purpose is to foster the intellectual, personal, and social development of its students, and to promote the public good through excellence in teaching, research, scholarly activity, and public service. The University offers a wide array of undergraduate programs in the liberal arts and the professions. Graduate education includes masters programs in communication disorders, criminal justice, education, management, mathematics, music, science and special education. One education specialist degree is offered in school psychology.

Major Accomplishments

1. Continue to increase student headcount enrollment with military, distance education, and graduate student enrollment.
2. Offered four Internet bachelor degree programs with over 850 students enrolled.

3. Generated a total annual economic impact of over \$146.6 million, 42% increase over the \$103.0 million reported in 2000.
4. Included in the U.S. News and World Report Guide to America's Best Colleges for the seventh year in a row.
5. Continued accreditation recommended for teacher education, speech pathology, deaf education, and social work.
6. Completed one of the most successful years in athletics including another NAIA Cross Country National Championship.
7. Eighty-nine percent of MiSU graduates entered the job market. Seventy-three percent are employed in North Dakota.

Executive Budget Recommendation

- Provides operating and extraordinary repair funding in department 215 - ND University System.
- Approves Crane Hall renovation with local funding.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

241 MINOT STATE UNIVERSITY

Bill#: SB2003

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
MINOT STATE UNIVERSITY	35,169,221	26,965,328	4,641,146	17.2%	31,606,474	-23,430,328	-86.9%	3,535,000
TOTAL MAJOR PROGRAMS	35,169,221	26,965,328	4,641,146	17.2%	31,606,474	-23,430,328	-86.9%	3,535,000
BY LINE ITEM								
CAPITAL ASSETS	612,850	612,850	3,593,514	586.4%	4,206,364	2,922,150	476.8%	3,535,000
CAPITAL ASSETS CARRYOVER	132,348	0	0	.0%	0	0	.0%	0
CAPITAL IMPROVEMENTS-OFF SAMIS	8,587,868	462,132	-462,132	-100.0%	0	-462,132	-100.0%	0
CAMPUS OPERATIONS	25,836,155	25,890,346	1,509,764	5.8%	27,400,110	-25,890,346	-100.0%	0
TOTAL LINE ITEMS	35,169,221	26,965,328	4,641,146	17.2%	31,606,474	-23,430,328	-86.9%	3,535,000
BY FUNDING SOURCE								
GENERAL FUND	26,581,353	26,503,196	1,568,278	5.9%	28,071,474	-26,503,196	-100.0%	0
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	8,587,868	462,132	3,072,868	664.9%	3,535,000	3,072,868	664.9%	3,535,000
TOTAL FUNDING SOURCE	35,169,221	26,965,328	4,641,146	17.2%	31,606,474	-23,430,328	-86.9%	3,535,000
TOTAL FTE	266.21	217.49	-18.69	-8.6%	198.80	-217.49	-100.0%	.00

VALLEY CITY STATE UNIVERSITY

Agency 242

Statutory Authority

North Dakota Constitution, Article VIII, Section 6.

Agency Description

Valley City State University (VCSU), operating as an institution within the ND 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. Continued to expand upon its focus on student centeredness and providing a technology-rich environment for teaching and learning.
2. Continued to expand the network infrastructure including replacement of hardware and software.
3. Continued faculty and staff development through significant grant and foundation support.

4. Implemented a campus-wide multimedia CD graduation requirement of students' best works.
5. Implemented a campus wide assessment plan to measure student learning.
6. Revisited and renegotiated partnerships with business and educational institutions where needed, including the spin off of a university enterprise into the private sector (Corporate Adventures).
7. Passed national accreditation (North Central Association) and the national accreditation of the Teacher Education program (NCATE).
8. Maintained an active and productive relationship in the economic and cultural renaissance in the Sheyenne Valley.

Executive Budget Recommendation

- Provides operating and extraordinary repair funding in department 215 - ND University System.
- Approves \$282,000 for bleachers with \$250,000 from the general fund and \$32,000 from special funds.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

242 VALLEY CITY STATE UNIVERSITY

Bill#: SB2003

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
VALLEY CITY STATE UNIVERSITY	12,489,919	15,700,260	-3,223,115	-20.5%	12,477,145	-15,418,260	-98.2%	282,000
TOTAL MAJOR PROGRAMS	12,489,919	15,700,260	-3,223,115	-20.5%	12,477,145	-15,418,260	-98.2%	282,000
BY LINE ITEM								
CAPITAL ASSETS	1,045,379	265,334	322,253	121.5%	587,587	16,666	6.3%	282,000
CAPITAL ASSETS-CARRYOVER	149,708	44,954	-44,954	-100.0%	0	-44,954	-100.0%	0
CAPITAL IMPROVEMENTS-OFF SAMIS	0	4,085,300	-4,085,300	-100.0%	0	-4,085,300	-100.0%	0
CAMPUS OPERATIONS	11,294,832	11,304,672	584,886	5.2%	11,889,558	-11,304,672	-100.0%	0
TOTAL LINE ITEMS	12,489,919	15,700,260	-3,223,115	-20.5%	12,477,145	-15,418,260	-98.2%	282,000
BY FUNDING SOURCE								
GENERAL FUND	12,489,919	11,614,960	580,185	5.0%	12,195,145	-11,364,960	-97.8%	250,000
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	0	4,085,300	-3,803,300	-93.1%	282,000	-4,053,300	-99.2%	32,000
TOTAL FUNDING SOURCE	12,489,919	15,700,260	-3,223,115	-20.5%	12,477,145	-15,418,260	-98.2%	282,000
TOTAL FTE	109.03	92.12	-1.52	-1.7%	90.60	-92.12	-100.0%	.00

MINOT STATE UNIVERSITY - BOTTINEAU

Agency 243

Statutory Authority

North Dakota Constitution, Article XIX, Section 216.

Agency Description

Minot State University - Bottineau Campus is a two-year branch campus of Minot State University and is part of the ND University System. Minot State University - Bottineau Campus' focus is to fulfill its historic mandate by providing programs in environmental/natural resource studies and business, as well as course work for programs that will provide for the educational needs of constituents.

MSU-Bottineau Campus achieves its mission by providing specialized technical programs in agriculture, environmental/natural resource studies, and crucial business specializations as well as through traditional curricula that transfer to baccalaureate programs.

MSU-Bottineau has 65 employees (30 faculty and 35 staff - all funding sources), offering 33 vocational-technical programs leading to certificates, diplomas, or Associate of Applied Science (AAS) degrees. It also offers comprehensive university parallel/transfer course work leading to Associate of Arts (AA) or Associate of Science (AS) degrees.

Major Accomplishments

1. Established new programs, including Golf Course Grounds Technician, Water Management, Integrated Natural Resource Management, Para Educator, GEO Graphic Info Technician, and Lab and Field Technician.

2. Created new program IT Options, including, Network Security, Operating Systems Technician, Computer Systems Technician, and Database Technician.
3. Established new On-Line Degree/Diploma Programs, including Accounting Technician, Administrative Assistant, Medical Secretary, Medical Assistant, and Recreation Services.
4. Created new Certificate of Completion Programs including, Bookkeeping, Basic Grounds Worker, Advance Medical Transcription, Medical Coding and Insurance Billing, Operating Systems Technician, Micro Computer Technician, CISCO Network Technician, WEB Technician, Sun Micro Systems Technician, and Office Applications Technician.
5. Extended Medical Assistant program to Fargo using video conferencing and a collaborative agreement with NDSU.
6. Began a feasibility study for an "Entrepreneurial Center for Horticulture" on the Campus.
7. Initiated a freshman success/retention program.
8. Conducted a "Tech Summit" for high school students.
9. Delivered dual credit classes to 15 area high schools.
10. Encouraged public discussion about the status and future of Old Main.
11. Began work on a capital campaign that will raise funding for Campus needs as well as for the Foundation's Endowment.

Executive Budget Recommendation

- Provides operating and extraordinary repair funding in department 215 - ND University System.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

243 MINOT STATE UNIVERSITY - BOTTINEAU

Bill#: SB2003

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
MINOT STATE UNIVERSITY - BOTTINEAU	4,290,151	4,312,519	2,680,408	62.2%	6,992,927	-4,312,519	-100.0%	0
TOTAL MAJOR PROGRAMS	4,290,151	4,312,519	2,680,408	62.2%	6,992,927	-4,312,519	-100.0%	0
BY LINE ITEM								
CAPITAL ASSETS	187,663	209,663	2,412,138	1,150.5%	2,621,801	-209,663	-100.0%	0
CAMPUS OPERATIONS	4,102,075	4,102,856	268,270	6.5%	4,371,126	-4,102,856	-100.0%	0
BIENNIUM CARRYOVER	413	0	0	.0%	0	0	.0%	0
TOTAL LINE ITEMS	4,290,151	4,312,519	2,680,408	62.2%	6,992,927	-4,312,519	-100.0%	0
BY FUNDING SOURCE								
GENERAL FUND	4,290,151	4,312,519	180,408	4.2%	4,492,927	-4,312,519	-100.0%	0
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	0	0	2,500,000	.0%	2,500,000	0	.0%	0
TOTAL FUNDING SOURCE	4,290,151	4,312,519	2,680,408	62.2%	6,992,927	-4,312,519	-100.0%	0
TOTAL FTE	47.44	36.08	-1.78	-4.9%	34.30	-36.08	-100.0%	.00

NORTH DAKOTA FOREST SERVICE

Agency 244

Statutory Authority

North Dakota 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 ND Forest Service administers forestry programs statewide. The agency operates a conifer tree nursery at Towner. Technical assistance for management of private forest lands, state forest lands, urban and community forests, tree planting and wild-land fire control is provided. The ND Forest Service owns and manages over 13,200 acres of state forest lands.

Major Accomplishments

1. Awarded 128 communities \$2.1 million since 1991 for 684 tree planting and community forestry development projects.
2. Awarded over \$3.9 million in Cooperative Fire Protection Assistance cost-share since 1975 to rural fire departments. As of June 1, 2004, 2,544 equipment items, including 321 fire vehicles with an original acquisition value of \$7.9 million are on loan to fire departments through the Federal Excess Property Program.

3. Completed the restoration of over 84 miles of streamside forests in the Red River Basin through the Riparian Forest Initiative. Forest management recommendations were included in 359 management plans outlining reforestation, streambank stabilization and water quality improvement recommendations on 30,178 acres of priority areas.
4. Delivered 16,809 hours of forestry workshops for elementary school teachers, students, youth organizations and adults in 2003.
5. Promoted natural resource stewardship by providing quality outdoor recreational opportunities including hunting, hiking, camping, skiing, snowmobiling and viewing wildlife to over 25,300 visitors on seven state forest properties in 2003.
6. Ensured North Dakota's roads are safe for winter travel by initiating 412 Living Snow Fence projects in 40 counties.
7. Initiated a "mechanization plan" for tree growing, lifting, grading, packaging, storage, and greenhouse operations at Towner State Nursery in 1999. The third phase, an equipment/supply storage building to ensure the safe and secure storage of fertilizers, soil fumigants, pesticides, tree packaging supplies, greenhouse containers and specialized nursery equipment was completed in 2004.

Executive Budget Recommendation

- Provides general fund monies for seed processing facility.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

244 NORTH DAKOTA FOREST SERVICE

Bill#: SB2003

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
OPERATIONS	2,611,297	2,715,016	213,000	7.8%	2,928,016	213,000	7.8%	2,928,016
CAPITAL ASSETS	286,585	373,018	-271,380	-72.8%	101,638	-271,380	-72.8%	101,638
TOTAL MAJOR PROGRAMS	2,897,882	3,088,034	-58,380	-1.9%	3,029,654	-58,380	-1.9%	3,029,654
BY LINE ITEM								
FOREST SERVICE CAPITAL ASSETS	51,061	146,061	-44,423	-30.4%	101,638	-44,423	-30.4%	101,638
FOREST SERVICE OPERATIONS	2,611,297	2,715,016	213,000	7.8%	2,928,016	213,000	7.8%	2,928,016
BIENNIUM CARRYOVER	235,524	226,957	-226,957	-100.0%	0	-226,957	-100.0%	0
TOTAL LINE ITEMS	2,897,882	3,088,034	-58,380	-1.9%	3,029,654	-58,380	-1.9%	3,029,654
BY FUNDING SOURCE								
GENERAL FUND	1,814,453	1,795,272	194,381	10.8%	1,989,653	259,381	14.4%	2,054,653
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	1,083,429	1,292,762	-252,761	-19.6%	1,040,001	-317,761	-24.6%	975,001
TOTAL FUNDING SOURCE	2,897,882	3,088,034	-58,380	-1.9%	3,029,654	-58,380	-1.9%	3,029,654
TOTAL FTE	17.81	17.97	-5.57	-31.0%	12.40	-5.57	-31.0%	12.40

STATE LIBRARY

Agency 250

Statutory Authority

North Dakota Century Code Chapter 54-24.

Agency Description

The ND State Library provides statewide leadership to public and school libraries. The State Library provides comprehensive informational resources for all citizens in the state.

Major Accomplishments

1. Established partnerships through the Library Vision 2010 initiative, which provides a long-range plan for coordinated library services in North Dakota.
2. Assisted in adding 35 libraries to the statewide online library catalog through cataloging materials and training staff.

3. Continued development of an extensive interlibrary loan system, acting as the "hub" for the state.
4. Facilitated 74,000 interlibrary loan requests last biennium, in addition to coordinating direct borrowing between libraries.

Executive Budget Recommendation

- Increases state aid to public libraries by \$155,693, or 18.4%; provides total state aid to public libraries of \$1.0 million, a level that has not been achieved since the 1991-93 biennium.
- Increases funding for on-line reference resources by \$200,000. This will expand the number of on-line resources available to all library patrons in the state.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

250 STATE LIBRARY

Bill#: HB1013

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATION	366,838	443,104	936	.2%	444,040	28,895	6.5%	471,999
SERVICES	2,747,017	3,106,114	7,928	.3%	3,114,042	318,588	10.3%	3,424,702
PROGRAMS	1,346,059	1,107,807	0	.0%	1,107,807	155,693	14.1%	1,263,500
TOTAL MAJOR PROGRAMS	4,459,914	4,657,025	8,864	.2%	4,665,889	503,176	10.8%	5,160,201
BY LINE ITEM								
SALARIES AND WAGES	1,977,334	2,078,571	8,739	.4%	2,087,310	147,358	7.1%	2,225,929
OPERATING EXPENSES	1,172,402	1,181,647	125	.0%	1,181,772	200,125	16.9%	1,381,772
GRANTS	1,310,178	1,396,807	0	.0%	1,396,807	155,693	11.1%	1,552,500
TOTAL LINE ITEMS	4,459,914	4,657,025	8,864	.2%	4,665,889	503,176	10.8%	5,160,201
BY FUNDING SOURCE								
GENERAL FUND	3,102,078	3,027,046	-3,175	-.1%	3,023,871	474,580	15.7%	3,501,626
FEDERAL FUNDS	1,266,336	1,538,127	12,039	.8%	1,550,166	28,596	1.9%	1,566,723
SPECIAL FUNDS	91,500	91,852	0	.0%	91,852	0	.0%	91,852
TOTAL FUNDING SOURCE	4,459,914	4,657,025	8,864	.2%	4,665,889	503,176	10.8%	5,160,201
TOTAL FTE	28.75	28.75	.00	.0%	28.75	.00	.0%	28.75

SCHOOL FOR THE DEAF

Agency 252

Statutory Authority

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

Agency Description

ND School for the Deaf is a special function school for the education of children that are North Dakota citizens (ages 0-21) with severe to profound hearing loss. Out-of-state children are accepted on a tuition basis.

ND School for the Deaf uses specialized methods of instruction and provides a comprehensive program covering a broad range of disciplines including traditional academics, career and technology education, special studies, physical education and health, art, residential, extracurricular and recreational activities. ND School for the Deaf supports a parent/infant program that serves hearing impaired children, ages birth to three years, and their families with specialized instruction in their homes.

ND School for the Deaf provides outreach/resource services to schools, agencies, groups, and individuals in areas such as assessment/evaluation, consultation, information, assistance, and referrals. The ND deaf-blind services project provides technical assistance and resource center materials to parents/families, schools, and other service providers for deaf-blind children and youth in the state.

Major Accomplishments

1. Graduated eight students over the last three years.
2. Collaborated with Lake Region State College and the State Board of Higher Education to develop and implement an American Sign Language and Interpreter Studies Program.

3. Continued use of an OTO-Acoustic Emissions unit for screening infants for early detection of hearing loss.
4. Rewired the new classrooms with high-speed network wiring, and installed wireless connections to relocated middle school classrooms.
5. Wrote five-year continuation grant for the North Dakota deaf-blind services project.
6. Placed D-Link device and TV monitor in dorm areas for students to communicate with parents and friends via Internet.
7. Continued teacher compensation at the levels provided on the teacher salary schedule developed by Human Resources Management Services.
8. Continued NDSB and deaf-blind libraries on the On-line Dakota Informational Network (ODIN).
9. Continued energy efficiency upgrades and facility improvements to provide efficient, safe, and comfortable environment for students and staff.

Executive Budget Recommendation

- Accepts reduction of 1.91 FTE, as included in the agency base budget request.
- Supports school's initiative to increase outreach services across the state.
- Provides special fund authority in the amount of \$232,850 for energy improvement projects to be financed through an energy performance contract.
- Provides \$149,975 from the general fund for teacher salary increases pursuant to the composite schedule for state teachers developed by Human Resource Management Services.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

252 SCHOOL FOR THE DEAF

Bill#: HB1013

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
AUXILIARY SERVICES	1,221,054	1,219,463	112,918	9.3%	1,332,381	404,218	33.1%	1,623,681
ADMINISTRATION	729,887	752,868	-18,742	-2.5%	734,126	16,669	2.2%	769,537
RESIDENT LIVING	728,125	761,859	27,343	3.6%	789,202	80,302	10.5%	842,161
EDUCATION INCLUDING TRANSPORTATION	2,381,599	2,438,376	202,663	8.3%	2,641,039	264,985	10.9%	2,703,361
OUTREACH SERVICES	708,506	772,125	90,034	11.7%	862,159	104,254	13.5%	876,379
TOTAL MAJOR PROGRAMS	5,769,171	5,944,691	414,216	7.0%	6,358,907	870,428	14.6%	6,815,119
BY LINE ITEM								
SALARIES AND WAGES	4,585,615	4,769,808	113,304	2.4%	4,883,112	336,666	7.1%	5,106,474
OPERATING EXPENSES	1,100,663	1,102,160	326,990	29.7%	1,429,150	326,990	29.7%	1,429,150
CAPITAL ASSETS	74,683	72,723	-26,078	-35.9%	46,645	206,772	284.3%	279,495
CAPITAL CONSTRUCTION CARRY	8,210	0	0	.0%	0	0	.0%	0
TOTAL LINE ITEMS	5,769,171	5,944,691	414,216	7.0%	6,358,907	870,428	14.6%	6,815,119
BY FUNDING SOURCE								
GENERAL FUND	5,001,133	5,073,242	202,375	4.0%	5,275,617	415,311	8.2%	5,488,553
FEDERAL FUNDS	269,035	366,130	-102,469	-28.0%	263,661	-92,043	-25.1%	274,087
SPECIAL FUNDS	499,003	505,319	314,310	62.2%	819,629	547,160	108.3%	1,052,479
TOTAL FUNDING SOURCE	5,769,171	5,944,691	414,216	7.0%	6,358,907	870,428	14.6%	6,815,119
TOTAL FTE	53.10	51.85	-1.91	-3.7%	49.94	-1.91	-3.7%	49.94

ND VISION SERVICES

Agency 253

Statutory Authority

North Dakota Constitution, Article IX, Section 12; North Dakota Century Code Chapter 25-06.

Agency Description

ND 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 all persons who are blind or visually impaired, including those with multiple disabilities. Services include evaluation, consultation, and instruction in the vision specific related areas (i.e. orientation & 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, 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. Increased statewide vision specific services by utilizing regional staff assigned to specific geographical areas; thereby, being more cost and time efficient.
2. Expanded short-term center-based programming.
3. Completed organizational status study conducted by Dr. Roger Worner.
4. Implemented long-range planning for the buildings and grounds.

5. Continued the implementation of the agency strategic plan.
6. Utilized a structured survey process to evaluate the services provided by the agency.
7. Enhanced public awareness through exhibits and presentations at state and international conferences.
8. Enhanced collaboration with related entities.

Executive Budget Recommendation

- Increases the agency's base request for utilities, repairs, and travel to ensure the agency is able to maintain its facilities and continue to meet the needs of citizens across the state.
- Provides \$42,380 in general fund authority to allow the agency to install air conditioning in the south wing of the building.
- Provides special fund authority for the purchase of Braille equipment.
- Authorizes the use of an existing 0.45 FTE, and provides related funding, for a Braille instructor.
- Provides \$131,541 from the general fund for teacher salary increases pursuant to the composite schedule for state teachers developed by Human Resource Management Services.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

253 ND VISION SERVICES

Bill#: HB1013

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
OUTREACH EDUCATION	3,082,596	3,257,208	-219,466	-6.7%	3,037,742	91,822	2.8%	3,349,030
TOTAL MAJOR PROGRAMS	3,082,596	3,257,208	-219,466	-6.7%	3,037,742	91,822	2.8%	3,349,030
BY LINE ITEM								
SALARIES AND WAGES	2,489,391	2,540,292	-27,399	-1.1%	2,512,893	133,962	5.3%	2,674,254
OPERATING EXPENSES	556,155	698,683	-188,924	-27.0%	509,759	-91,377	-13.1%	607,306
CAPITAL ASSETS	37,050	18,233	-3,143	-17.2%	15,090	49,237	270.0%	67,470
TOTAL LINE ITEMS	3,082,596	3,257,208	-219,466	-6.7%	3,037,742	91,822	2.8%	3,349,030
BY FUNDING SOURCE								
GENERAL FUND	2,101,388	2,089,825	137,094	6.6%	2,226,919	413,670	19.8%	2,503,495
FEDERAL FUNDS	32,040	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	949,168	1,167,383	-356,560	-30.5%	810,823	-321,848	-27.6%	845,535
TOTAL FUNDING SOURCE	3,082,596	3,257,208	-219,466	-6.7%	3,037,742	91,822	2.8%	3,349,030
TOTAL FTE	29.00	27.00	-.50	-1.9%	26.50	-.05	-.2%	26.95

CAREER AND TECHNICAL EDUCATION

Agency 270

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 & Technical Education provides leadership, technical assistance and fiscal support in Career Technical Education to public school districts, state colleges and universities, state institutions and tribal colleges. Career & Technical Education 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 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 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. Through a federal grant, undertook in-service for Information Technology teachers across the state.
2. Implemented a student data collection system that relies on a unique student identifier and measures student performance in accordance with requirements for the federal Carl Perkins Act.

3. Exceeded performance measures that were established with both this Department and the U.S. Office of Adult and Vocational Education. This has enabled the State of North Dakota to be a recipient of a \$750,000 Incentive Grant Award, which in turn was used to fund innovative activities within the department. North Dakota was only one of 13 states who initially met all measures, and then one of 16 states the next year and this current year one of 23 states.
4. Developed a set of career awareness activities that introduce students to North Dakota careers.
5. Brought industry people into the classroom as a fully licensed teacher.

Executive Budget Recommendation

- Approves \$690,000 increase in general fund grants to increase reimbursements for existing programs and for funding for new and expanding programs.
- Approves a \$75,000 increase for the Adult Farm Management program, which allows an increase of the reimbursement rate from 60% to 65%.
- Approves \$1.5 million for High Tech Consortiums (Emerging Technology Projects). These projects foster pooling of resources by schools to share equipment and provide technology-learning opportunities for students. State funding for the High Tech Consortiums will replace and update equipment in 67 existing schools and purchase new equipment in 29 additional schools.
- Continues funding of \$1.3 million for Workforce Training.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

270 CAREER AND TECHNICAL EDUCATION

Bill#: SB2019

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATION	2,315,322	2,989,640	-344,660	-11.5%	2,644,980	-237,585	-7.9%	2,752,035
TECHNICAL ASSISTANCE	24,853,380	23,076,833	2,891,527	12.5%	25,968,360	2,597,898	11.3%	25,674,731
TOTAL MAJOR PROGRAMS	27,168,702	26,066,473	2,546,867	9.8%	28,613,340	2,360,313	9.1%	28,426,766
BY LINE ITEM								
SALARIES AND WAGES	2,609,009	2,966,641	10,513	.4%	2,977,154	191,959	6.5%	3,158,580
OPERATING EXPENSES	770,166	1,297,537	-287,679	-22.2%	1,009,858	-287,679	-22.2%	1,009,858
GRANTS	21,343,647	19,469,083	2,131,033	10.9%	21,600,116	2,381,033	12.2%	21,850,116
POSTSECONDARY GRANTS	353,699	357,452	0	.0%	357,452	0	.0%	357,452
INFORMATION TECHNOLOGY GRANTS	362,300	0	0	.0%	0	0	.0%	0
ADULT FARM MANAGEMENT	394,056	625,760	693,000	110.7%	1,318,760	75,000	12.0%	700,760
WORKFORCE TRAINING	1,335,825	1,350,000	0	.0%	1,350,000	0	.0%	1,350,000
TOTAL LINE ITEMS	27,168,702	26,066,473	2,546,867	9.8%	28,613,340	2,360,313	9.1%	28,426,766
BY FUNDING SOURCE								
GENERAL FUND	14,217,988	14,673,473	2,728,994	18.6%	17,402,467	2,482,393	16.9%	17,155,866
FEDERAL FUNDS	12,883,832	11,027,242	-182,301	-1.7%	10,844,941	-122,274	-1.1%	10,904,968
SPECIAL FUNDS	66,882	365,758	174	.0%	365,932	174	.0%	365,932
TOTAL FUNDING SOURCE	27,168,702	26,066,473	2,546,867	9.8%	28,613,340	2,360,293	9.1%	28,426,766
TOTAL FTE	27.50	27.50	.00	.0%	27.50	.00	.0%	27.50

Statutory Authority

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

Agency Description

The Department of Health performs several major functions for the state. The department:

- 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 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 bioterrorism preparedness and response efforts in the state.
- Regulates and supports food and lodging establishments, emergency health services and healthcare facilities including hospitals, clinics, home health agencies, nursing facilities, basic care facilities and intermediate care facilities for the mentally retarded.
- Supports county coroners, law enforcement agencies and states attorneys through the State Forensic Examiner.

Major Accomplishments

1. Identified key health policy recommendations through Healthy North Dakota partnerships.
2. Transferred approximately \$34.0 million to local entities for public health services per year.
3. Allocated \$3.7 million from the tobacco master settlement to local public health units for school and community tobacco prevention programs and \$1.2 million for city/county and state employee cessation programs and a statewide quitline. The percent of youth who are current smokers declined significantly from 41% in 1999 to 30% in 2003.
4. Responded promptly and effectively to West Nile virus, meningococcal, anthrax, tuberculosis and other disease outbreaks throughout North Dakota.

5. Completed construction of laboratory project to improve laboratory analysis capacity for biological and chemical agents.
6. Identified as one of seven states with the highest immunization rates in the nation.
7. Established eight public health emergency preparedness and response regions that include a regional coordinator and a part-time public information officer in each region.
8. Recognized as one of only 14 states in the nation that meets all National Ambient Air Quality Standards.
9. Provided \$43.0 million in loans to municipalities for drinking water and wastewater infrastructure improvements; provided \$5.3 million to local jurisdictions to improve or restore water quality of state lakes and streams.
10. Maintained a 90 percentage or higher rate of compliance with permit requirements in the air, waste, water discharge and public water supply programs.
11. The state and city of Mandan agreed to a \$30.1 million settlement with the Burlington Northern Santa Fe Railroad to address diesel fuel contamination in downtown Mandan.

Executive Budget Recommendation

- Approves 1.00 FTE included in the agency's budget request for the Smoking Cessation Program, funded within the existing budget by special funds from the community health trust fund.
- Approves 2.50 FTE and \$500,000 to continue Healthy North Dakota, a Governor's initiative. Funding provides a Physical Activity Program Manager, Worksite Wellness to assist businesses statewide in establishing worksite wellness programs, Office of Special Populations to address health disparities in North Dakota, and a Healthy North Dakota Recognition Program to recognize "Healthy North Dakota" schools, worksites, and communities.
- Adds funding for 1.00 FTE food and lodging inspector.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

301 ND DEPARTMENT OF HEALTH

Bill#: SB2004

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATIVE SUPPORT	5,332,039	10,269,806	-1,063,399	-10.4%	9,206,407	-312,993	-3.0%	9,956,813
MEDICAL SERVICES	9,856,615	18,382,381	-5,886,655	-32.0%	12,495,726	-5,600,237	-30.5%	12,782,144
HEALTH RESOURCES	7,983,268	9,240,370	177,149	1.9%	9,417,519	318,978	3.5%	9,559,348
COMMUNITY HEALTH	39,681,074	52,594,636	-1,883,847	-3.6%	50,710,789	-1,653,161	-3.1%	50,941,475
ENVIRONMENTAL HEALTH	29,095,068	34,862,346	-1,824,610	-5.2%	33,037,736	-937,999	-2.7%	33,924,347
EMERG PREPAREDNESS AND RESPONSE	776,508	7,852,562	1,517,958	19.3%	9,370,520	1,542,629	19.6%	9,395,191
TOTAL MAJOR PROGRAMS	92,724,572	133,202,101	-8,963,404	-6.7%	124,238,697	-6,642,783	-5.0%	126,559,318
BY LINE ITEM								
SALARIES AND WAGES	26,723,611	30,282,929	367,152	1.2%	30,650,081	2,533,552	8.4%	32,816,481
OPERATING EXPENSES	17,614,556	28,081,146	-2,741,762	-9.8%	25,339,384	-2,758,506	-9.8%	25,322,640
CAPITAL ASSETS	1,314,075	4,381,837	-2,867,368	-65.4%	1,514,469	-2,867,368	-65.4%	1,514,469
CAPITAL CONSTRUCTION CARRYOVER	0	2,693,464	-2,693,464	-100.0%	0	-2,693,464	-100.0%	0
GRANTS	25,989,254	41,495,628	836,038	2.0%	42,331,666	971,038	2.3%	42,466,666
TOBACCO PROGRAM	2,112,764	0	0	.0%	0	0	.0%	0
TOBACCO PREVENTION & CONTROL	4,661,077	8,587,097	66,000	.8%	8,653,097	101,965	1.2%	8,689,062
WIC FOOD PAYMENTS	14,116,786	17,680,000	-1,930,000	-10.9%	15,750,000	-1,930,000	-10.9%	15,750,000
COMMUNITY HEALTH ADVISORY COMM	76,706	0	0	.0%	0	0	.0%	0
LEAD BASE PAINT	115,743	0	0	.0%	0	0	.0%	0
TOTAL LINE ITEMS	92,724,572	133,202,101	-8,963,404	-6.7%	124,238,697	-6,642,783	-5.0%	126,559,318
BY FUNDING SOURCE								
GENERAL FUND	13,077,723	13,101,092	-226,626	-1.7%	12,874,466	1,338,016	10.2%	14,439,108
FEDERAL FUNDS	68,784,707	103,707,660	-6,573,711	-6.3%	97,133,949	-5,279,583	-5.1%	98,428,077
SPECIAL FUNDS	10,862,142	16,393,349	-2,163,067	-13.2%	14,230,282	-2,701,216	-16.5%	13,692,133
TOTAL FUNDING SOURCE	92,724,572	133,202,101	-8,963,404	-6.7%	124,238,697	-6,642,783	-5.0%	126,559,318
TOTAL FTE	311.50	312.50	3.00	1.0%	315.50	2.50	.8%	317.00

VETERANS HOME

Agency 313

Statutory Authority

North Dakota Century Code Chapter 37-15.

Agency Description

The ND Veterans Home (NDVH) is a place where veterans and their spouses who are residents of North Dakota or who enlisted in the military from North Dakota can come to live. The ND Veterans Home ensures the availability and accessibility of care for veterans. NDVH provides quality care to veterans and their spouses or surviving spouses, without compromising their dignity of life, including services necessary to live as independently as possible.

Major Accomplishments

1. Provided a home for veterans when they had no other place to go.
2. Moved veterans from basic care to skilled care when they needed additional care without having to move them to a different facility.
3. Created a web site for the ND Veterans Home and linked it to the state web site. This site has admission information and downloadable forms.
4. Completed recommendations made in the performance audit of the Veterans Home.
5. Organized strategic planning teams that meet weekly to work on the goals and objectives of the Strategic Plan for the Home. The meetings have also proved beneficial for day-to-day management and staff issues.
6. Reduced workforce by 3.00 FTE.

7. Completed an energy audit of the Veterans Home and continued to work on several audit recommendations.
8. Renegotiated several contracts in the nursing department for services and supplies to decrease expenses and increase services.

Executive Budget Recommendation

- Restores \$128,738 general fund authority for dietary needs of the residents.
- Recommends additional general funding of \$603,000 to operate the pharmacy approved by the Emergency Commission. The Pharmacy provides skilled and basic care pharmaceuticals previously provided by the Fargo VA Medical Center. Effective January 1, 2005 those services will become the responsibility of the Veterans Home as part of the VA per diem received by the Veterans Home for the residents.
- Authorizes 1.56 additional FTE and \$79,767 for salaries. The performance audit recommendation cited the Veterans Home for having staff working in excess of their authorized FTE percentage. Part-time FTE are used to cover shifts for other employees on leave, which causes them to exceed their authorized FTE percentage. The additional percentage authorization would cover extra hours worked by part time employees. Comp time has also been eliminated in an attempt to reduce the shortage of staff to cover shifts, therefore additional salary dollars are needed to pay overtime.
- Provides \$61,877 from the general fund for replacement of the roof on the skilled unit addition and repairs to the bathroom in the commandant's residence.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

313 VETERANS HOME

Bill#: SB2007

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATION	1,521,583	2,504,473	-1,278,954	-51.1%	1,225,519	-1,245,720	-49.7%	1,258,753
PLANT OPERATIONS	1,151,461	1,241,729	-24,471	-2.0%	1,217,258	59,233	4.8%	1,300,962
DIETARY	1,414,429	1,398,118	59,064	4.2%	1,457,182	268,886	19.2%	1,667,004
NURSING SERVICES	4,050,967	4,297,591	-68,810	-1.6%	4,228,781	231,107	5.4%	4,528,698
RESIDENT SERVICES	297,470	353,836	-41,726	-11.8%	312,110	-24,099	-6.8%	329,737
SOCIAL SERVICES	382,270	464,413	125,931	27.1%	590,344	157,563	33.9%	621,976
HOUSEKEEPING	722,835	577,485	79,123	13.7%	656,608	111,702	19.3%	689,187
LAUNDRY	0	246,081	-52,903	-21.5%	193,178	-45,277	-18.4%	200,804
PHARMACY	0	0	156,932	.0%	156,932	770,610	.0%	770,610
TOTAL MAJOR PROGRAMS	9,541,015	11,083,726	-1,045,814	-9.4%	10,037,912	284,005	2.6%	11,367,731
BY LINE ITEM								
SALARIES AND WAGES	6,694,902	7,975,737	-708,551	-8.9%	7,267,186	-172,347	-2.2%	7,803,390
OPERATING EXPENSES	2,471,043	2,778,235	-303,195	-10.9%	2,475,040	428,543	15.4%	3,206,778
CAPITAL ASSETS	375,070	329,754	-34,068	-10.3%	295,686	27,809	8.4%	357,563
TOTAL LINE ITEMS	9,541,015	11,083,726	-1,045,814	-9.4%	10,037,912	284,005	2.6%	11,367,731
BY FUNDING SOURCE								
GENERAL FUND	3,303,916	3,046,072	165,186	5.4%	3,211,258	1,335,032	43.8%	4,381,104
FEDERAL FUNDS	3,406,338	3,541,195	-258,038	-7.3%	3,283,157	-119,235	-3.4%	3,421,960
SPECIAL FUNDS	2,830,761	4,496,459	-952,962	-21.2%	3,543,497	-931,792	-20.7%	3,564,667
TOTAL FUNDING SOURCE	9,541,015	11,083,726	-1,045,814	-9.4%	10,037,912	284,005	2.6%	11,367,731
TOTAL FTE	89.41	89.41	.00	.0%	89.41	1.56	1.7%	90.97

INDIAN AFFAIRS COMMISSION

Agency 316

Statutory Authority

North Dakota Century Code Chapter 54-36-03 to 54-36-09.

Agency Description

The ND Indian Affairs Commission is the liaison between the executive branch and the tribes in North Dakota. Duties include mediation service with the Tribes and State and working with other state agencies regarding proper protocol in working with Indian people and Tribal governments.

Major Accomplishments

1. Supported state legislation to enhance access to long-term care for American Indian communities.
2. Played a coordinating role in the formulation of tribal and state agreements in education and motor fuels tax.

3. Facilitated implementation of legislation passed in the 2003–2005 legislative session for First Nations Day.
4. Enhanced the opportunities for American Indian elders and disabled through the identification of culture-based needs and services within the Native communities through a grant from the ND Department of Human Services.
5. Worked collaboratively with the Division of Emergency Management and the ND Department of Health to provide Homeland Security and Bio-terrorism/Emergency Preparedness support and resources.

Executive Budget Recommendation

- Provides an additional \$2,000 for the transfer and maintenance costs associated with moving the department's web site from the Department of Health to the Information Technology Division.
- Increases the salary line item by \$7,500 for temporary assistance and contingencies.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

316 INDIAN AFFAIRS COMMISSION

Bill#: SB2005

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
INDIAN AFFAIRS ADMINISTRATION	331,471	440,243	-64,050	-14.5%	376,193	-34,015	-7.7%	406,228
TOTAL MAJOR PROGRAMS	331,471	440,243	-64,050	-14.5%	376,193	-34,015	-7.7%	406,228
BY LINE ITEM								
SALARIES AND WAGES	305,534	314,311	-13	-.0%	314,298	28,022	8.9%	342,333
OPERATING EXPENSES	25,937	125,932	-64,037	-50.9%	61,895	-62,037	-49.3%	63,895
TOTAL LINE ITEMS	331,471	440,243	-64,050	-14.5%	376,193	-34,015	-7.7%	406,228
BY FUNDING SOURCE								
GENERAL FUND	331,471	355,243	950	.3%	356,193	30,985	8.7%	386,228
FEDERAL FUNDS	0	85,000	-65,000	-76.5%	20,000	-65,000	-76.5%	20,000
SPECIAL FUNDS	0	0	0	.0%	0	0	.0%	0
TOTAL FUNDING SOURCE	331,471	440,243	-64,050	-14.5%	376,193	-34,015	-7.7%	406,228
TOTAL FTE	3.00	3.00	.00	.0%	3.00	.00	.0%	3.00

DEPARTMENT OF VETERANS AFFAIRS

Agency 321

Statutory Authority

North Dakota Century Code Chapters 37-14 and 37-18.

Agency Description

The Department has the responsibility of training and supervising the work of two Tribal Service Officers and 51 County Veterans Service Officers (who service 53 counties), appointed by their respective County Board of Commissioners. The department disseminates current information to the state veteran population through the use of news media, County Veterans Service Officers and veteran's organizations. The Department conducts a minimum of two training seminars each year. The Department accepts and carries through to completion, claims for entitlement from the US DVA (VA), counsel veterans on employment, educational programs, disability benefits, medical care entitlement, nursing home assistance, death benefits, and other related veterans activities. The Department, working under the supervision of the Administrative Committee, also monitors legislation and assists others in acquiring information. They also administer the Veterans Emergency Aid Loan Program, the Transportation Program, and Emergency Medical Grant Program.

Major Accomplishments

1. Worked with the Administrative Committee on Veterans Affairs on a plan to implement recommendations made in the performance audit by the State Auditor's Office concerning the department's loan and grant programs.

Executive Budget Recommendation

- Increases general fund authority \$20,000 for reimbursement of travel expenses for the Administrative Committee on Veterans Affairs.
- Restores \$108,856 from the general fund for 1.50 FTE and operating expenses previously funded by the post war trust fund and the veterans aid fund.
- Provides \$30,000 general fund increase for recommendations made in the performance audit, which includes software for the Veterans Aid Loan Program.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

321 DEPARTMENT OF VETERANS AFFAIRS

Bill#: SB2005

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
VETERANS AFFAIRS ADMINISTRATION	473,084	480,798	1,594	.3%	482,392	196,539	40.9%	677,337
TOTAL MAJOR PROGRAMS	473,084	480,798	1,594	.3%	482,392	196,539	40.9%	677,337
BY LINE ITEM								
VETERANS' AFFAIRS ADMINISTRATION	473,084	480,798	1,594	.3%	482,392	196,539	40.9%	677,337
TOTAL LINE ITEMS	473,084	480,798	1,594	.3%	482,392	196,539	40.9%	677,337
BY FUNDING SOURCE								
GENERAL FUND	473,084	480,798	1,594	.3%	482,392	196,539	40.9%	677,337
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	0	0	0	.0%	0	0	.0%	0
TOTAL FUNDING SOURCE	473,084	480,798	1,594	.3%	482,392	196,539	40.9%	677,337
TOTAL FTE	.00	4.50	.00	.0%	4.50	1.50	33.3%	6.00

DEPARTMENT OF HUMAN SERVICES

Agency 325

Statutory Authority

North Dakota Century Code, Chapters 6-09.16, 6-09.6, 12.1-01, 14-08.1, 14-09, 14-10, 14-12.2, 14-13, 14-15, 14-15.1, 14-17, 14-19, 19-03.1, 23-02.1, 23-17.1, 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, 25-17, 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, 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, 50-25.1, 50-25.2, 50-27, 50-28, 50-29, 50-30, 54-38, 54-44.8, 57-15.

Agency Description

The Department of Human Services is an umbrella agency headed by an executive director appointed by the Governor. The Department has three major divisions consisting of Program/Policy Management, Field Services and Managerial Support.

Program/Policy Management is comprised of seven major programs: Economic Assistance Policy (including TANF, Food Stamps, Low Income Heating Assistance Program, Vision), Medical Services, Child Support Enforcement, Aging Services, Children and Family Services, Mental Health/Substance Abuse and Disability Services (including Developmental Disabilities and Vocation Rehabilitation.) ND assistance programs are supervised by the state but are directed and administered by the 53 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.

Managerial Support includes Fiscal Administration, Human Resources, Division of Information Technology, Legal Advisory Unit, the Office of Applied Research, Public Information, and Tribal Liaison.

Major Accomplishments

1. Established a Kinship Care pilot project in Burleigh, Cass, and Morton counties to place more children with their extended family members rather than in foster care. The project gives relatives the resources to help meet the needs of children and provides safety and stability for children while reducing foster care expenditures. DHS plans to implement Kinship Care statewide.
2. Conducted Children and Family Services Reviews to assess compliance with federal standards for child safety, permanency, and well-being and noted positive improvements in the state's administrative regions. In 2003, the average score was 84%. In 2004, the average score was 90%.
3. Continued to implement legislatively authorized child support enforcement tools putting the state on pace to collect 5% more in support during 2004.
4. Awarded a \$1.3 million high performance bonus for the Temporary Assistance for Needy Families (TANF) program in two categories related to job entry rates.
5. Eliminated check writing and mailing costs in the Child Support Enforcement Program and the TANF program by implementing customer-friendly electronic payment methods including direct deposit services (Child Support only) and debit cards.
6. Implemented TANF Pilot Projects in Cass, Grand Forks, and Williams counties, and on the Turtle Mountain Indian Reservation by partnering with other state agencies, tribal entities and, in some cases, regional human service centers in order to address obstacles to self-sufficiency through treatment, mentoring, and job readiness training.
7. Pursued public-private partnerships to make it easier for parents to access health coverage programs for their children. DHS shifted the toll-free child health coverage information and assistance phone line to a private foundation, which is better able to staff the line and make referrals.
8. Provided services and supports that enabled almost 99% of the adults with developmental disabilities to live in community settings and 94% of the children with developmental disabilities to live in a family setting.

9. Provided vocational rehabilitation services that enabled a total of 1,656 people with disabilities to become employed or to remain employed during the 2003 and 2004 federal fiscal years.
10. Pursued and obtained federal grant funding to help North Dakota develop a full array of long-term care services through the Real Choices Systems Change Grant, the Alzheimer's and Related Dementia Services Grant, and the Rebalancing Initiative: Single Point of Entry Grant.
11. Streamlined the management team, combining administrative responsibilities as staff attrition occurred. During the 2001-2003 biennium, the department's administrative costs totaled 6.75% of the budget.
12. Responded to the rising number of civil commitment requests for sexually dangerous persons by creating additional bed capacity at the ND State Hospital and working with the courts to ensure timely assessments. The regional Human Service Centers provide community-based treatment services for victims as well as abusers.
13. Received grant funds in 2002-04 to participate in a pilot project testing the accuracy of payments made in the Medicaid and SCHIP Programs. In FFYs 2002 and 2003, the Department tested Fee-for-Service claims only. In Year one (2002) the ND Medicaid payment accuracy rate was 98.71%. In Year two (2003) the ND Medicaid payment accuracy rate was 99.35%.

Executive Budget Recommendation

- Approves the department budget to maintain existing services.
- Approves optional request for increased allowances in funeral set-aside.
- Provides for re-basing of nursing home payments with 20/20/10 funding.
- Approved federal Medicaid assistance payments reimbursement rate of 67.49% for FY2005, 65.85% for Fy2006, and 63.23% for FY2007.
- Approves Medical Management Information System rewrite for \$29.2 million (\$3.7 million general fund).
- Approves a 2% annual increase for providers not included in statutory regulations for required increases.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

325 DEPARTMENT OF HUMAN SERVICES

Bill#: SB1012

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
MANAGEMENT	49,678,414	47,824,723	23,069,496	48.2%	70,894,219	23,714,491	49.6%	71,539,214
PROGRAM AND POLICY	1,192,838,731	1,287,087,588	105,152,241	8.2%	1,392,239,829	109,063,951	8.5%	1,396,151,539
HUMAN SERVICE CENTERS	106,071,006	109,240,856	2,577,280	2.4%	111,818,136	7,615,285	7.0%	116,856,141
STATE HOSPITAL - TRADITIONAL	46,940,514	39,926,351	160,882	.4%	40,087,233	2,561,600	6.4%	42,487,951
STATE HOSPITAL - SECURE SERVICES	1,698,502	2,443,180	2,724,938	111.5%	5,168,118	3,012,410	123.3%	5,455,590
DEVELOPMENTAL CENTER	38,856,481	40,661,057	130,123	.3%	40,791,180	2,625,320	6.5%	43,286,377
TOTAL MAJOR PROGRAMS	1,436,083,648	1,527,183,755	133,814,960	8.8%	1,660,998,715	148,593,057	9.7%	1,675,776,812
BY LINE ITEM								
SALARIES AND WAGES	31,688,462	32,841,541	-1,283,640	-3.9%	31,557,901	780,549	2.4%	33,622,090
OPERATING EXPENSES	53,352,912	70,834,766	27,136,515	38.3%	97,971,281	28,366,515	40.0%	99,201,281
CAPITAL ASSETS	50,475	334,722	-298,118	-89.1%	36,604	-298,102	-89.1%	36,620
GRANTS	272,246,035	305,962,552	28,093,441	9.2%	334,055,993	28,093,441	9.2%	334,055,993
HUMAN SERVICE CENTERS / INSTITUTIONS	193,566,503	192,271,444	5,593,223	2.9%	197,864,667	15,814,615	8.2%	208,086,059
LOAN FUND - DD	2,077,969	3,261,556	-3,261,556	-100.0%	0	-3,261,556	-100.0%	0
GRANTS-MEDICAL ASSISTANCE	862,725,575	921,677,174	77,835,095	8.4%	999,512,269	79,097,595	8.6%	1,000,774,769
HEALTH CARE TRUST FUND	14,703,244	0	0	.0%	0	0	.0%	0
HIPAA	5,672,473	0	0	.0%	0	0	.0%	0
TOTAL LINE ITEMS	1,436,083,648	1,527,183,755	133,814,960	8.8%	1,660,998,715	148,593,057	9.7%	1,675,776,812
BY FUNDING SOURCE								
GENERAL FUND	368,771,227	411,081,823	71,438,223	17.4%	482,520,046	79,291,218	19.3%	490,373,041
FEDERAL FUNDS	943,386,100	1,029,055,667	61,811,061	6.0%	1,090,866,728	67,944,019	6.6%	1,096,999,686
SPECIAL FUNDS	123,926,321	87,046,265	565,676	.6%	87,611,941	1,357,820	1.6%	88,404,085
TOTAL FUNDING SOURCE	1,436,083,648	1,527,183,755	133,814,960	8.8%	1,660,998,715	148,593,057	9.7%	1,675,776,812
TOTAL FTE	2,246.57	2,051.42	-3.00	-1%	2,048.43	-3.00	-1%	2,048.43

PROTECTION AND ADVOCACY

Agency 360

Statutory Authority

North Dakota Century Code Chapter 25-01.3.

Agency Description

The Protection & Advocacy Project (P&A) is governed by a seven-member board appointed by the Governor, Legislative Council and three advocacy organizations. P&A is federally mandated to provide protection and advocacy services to individuals with all types of disabilities of all ages. P&A currently receives federal funding for six different advocacy programs: 1) Developmental Disabilities Advocacy Program; 2) Mental Health Advocacy Program; 3) Protection and Advocacy of Individual Rights; 4) Assistive Technology Advocacy Program; 5) Protection and Advocacy for Beneficiaries of Social Security; 6) Traumatic Brain Injury Advocacy Program. Individual advocacy representation is provided through fifteen disabilities advocates located throughout the state.

P&A investigates allegations of abuse, neglect and exploitation of individuals with disabilities. When appropriate, P&A partners with Aging Services, Child Protective Services or Department of Human Services licensing agents to conduct investigations. 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. Applied for and received a federal grant to be used for an Alternative Financial Loan Program (AFLP). The monies will be used to expand personal financing options for people with disabilities in purchasing assistive technology (AT) devices and services.

2. Continued refinement and implementation of the abuse/neglect/exploitation “level system” with developmental disabilities service providers and the State Hospital. The “level system” streamlines the process for responding to reported incidents of abuse, neglect and/or exploitation, conserving personnel resources while focusing on remedies to problems.
3. Collaborated with the Secretary of State’s Office and the Association of Counties, on voting issues associated with people with disabilities; and provided disability awareness training to county auditors. This was done through a grant under the Help America Vote Act (HAVA.)
4. Partnered with the four centers for independent living in ND, as well as IPAT, (Interagency Program for Assistive Technology) to apply for a grant from the ND Olmstead Commission. The grant, “There’s No Place Like Home”, was approved.
5. Piloted a project through the use of funds from two of its grants to do assistive technology (AT) assessments for eight individuals with traumatic brain injury (TBI) living in ND. It is hoped that the outcome will help the eight individuals identify and acquire AT that will allow them to live and/or work more independently.

Executive Budget Recommendation

- Approves budget as requested, which includes the addition of 1.00 FTE to serve as a Disabilities Advocate on the Turtle Mountain reservation.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

360 PROTECTION AND ADVOCACY

Bill#: HB1014

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
PROTECTION AND ADVOCACY	2,753,582	4,497,236	-946,363	-21.0%	3,550,873	-783,797	-17.4%	3,713,439
TOTAL MAJOR PROGRAMS	2,753,582	4,497,236	-946,363	-21.0%	3,550,873	-783,797	-17.4%	3,713,439
BY LINE ITEM								
PROTECTION AND ADVOCACY SERVICES	2,753,582	4,497,236	-946,363	-21.0%	3,550,873	-783,797	-17.4%	3,713,439
TOTAL LINE ITEMS	2,753,582	4,497,236	-946,363	-21.0%	3,550,873	-783,797	-17.4%	3,713,439
BY FUNDING SOURCE								
GENERAL FUND	798,053	782,723	-10,384	-1.3%	772,339	27,741	3.5%	810,464
FEDERAL FUNDS	1,955,529	3,714,513	-935,979	-25.2%	2,778,534	-811,538	-21.8%	2,902,975
SPECIAL FUNDS	0	0	0	.0%	0	0	.0%	0
TOTAL FUNDING SOURCE	2,753,582	4,497,236	-946,363	-21.0%	3,550,873	-783,797	-17.4%	3,713,439
TOTAL FTE	24.50	24.50	1.00	4.1%	25.50	1.00	4.1%	25.50

JOB SERVICE NORTH DAKOTA

Agency 380

Statutory Authority

North Dakota Century Code Chapters 52-01 through 52-11.

Agency Description

Job Service North Dakota is responsible for administering many state and federal employment programs including the state and federal unemployment insurance program; provides labor market information; delivers workforce training and reemployment programs and provides specific services to targeted workforce sectors.

Major Accomplishments

1. Implemented electronic workflows and use of electronic document storage and management in the Unemployment Insurance Area.
2. Ranked first through third nationally on 7 of 13 federal unemployment insurance performance standards during the last annual measurement period (calendar 2003).
3. Helped North Dakota meet all of the federal WIA (Workforce Investment Act) Performance Measures and qualify for a \$750,000 incentive award in both years of the 2003-2005 biennium.
4. Launched a new customer service model that defines business as the agency's primary customer. Job Service designs all of its services to enhance the ability of North Dakota businesses to find and employ properly skilled and motivated workers prepared to meet the challenges of the 21st century business environment.

5. Launched a new version of jobsnd.com, the agency web site. It provides enhanced features for both businesses and job seekers, allowing them more control over the recruitment and job seeking processes.
6. Produced *The Balancing Act*, which received the first place award for best special publication from the National Association of State Workforce Agencies.
7. Awarded an honorable mention as best publication business for *North Dakota's Labor Market Advisor*.

Executive Budget Recommendation

- Approves agency budget as requested representing a reduction of more than 11.00 FTE and \$2.5 million of federal funds in salaries and operating.
- Recommends maintaining the present level of \$1.5 million general fund dollars for the Workforce 2000 Jobs Training Program.
- Adds a special line appropriation, Work First-Reed Act, and \$250,000 of federal funds to address reemployment programs for North Dakota workers.
- Approves a special line appropriation, Unemployment Insurance Modernization, and \$525,000 of special funds to be used to prepare an estimate of the cost of replacing the present unemployment insurance tax and benefit systems.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

380 JOB SERVICE NORTH DAKOTA

Bill#: SB2016

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATIVE SUPPORT	14,776,268	15,545,778	-502,698	-3.2%	15,043,080	-115,265	-.7%	15,430,513
PROGRAM SERVICES	42,320,055	41,727,281	223,769	.5%	41,951,050	1,998,011	4.8%	43,725,292
ND CAREER RESOURCE NETWORK	456,419	446,658	-1,737	-.4%	444,921	17,613	3.9%	464,271
TOTAL MAJOR PROGRAMS	57,552,742	57,719,717	-280,666	-.5%	57,439,051	1,900,359	3.3%	59,620,076
BY LINE ITEM								
SALARIES AND WAGES	32,617,164	34,017,882	-1,339,909	-3.9%	32,677,973	828,832	2.4%	34,846,714
OPERATING EXPENSES	13,773,628	14,529,359	-1,290,446	-8.9%	13,238,913	-1,290,446	-8.9%	13,238,913
CAPITAL ASSETS	378,074	79,684	145,316	182.4%	225,000	145,316	182.4%	225,000
GRANTS BENEFITS AND CLAIMS	8,991,664	7,617,792	1,429,373	18.8%	9,047,165	1,429,373	18.8%	9,047,165
WORK FORCE 2000	1,792,212	1,475,000	0	.0%	1,475,000	5,724	.4%	1,480,724
WORK FIRST-REED ACT	0	0	250,000	100.0%	250,000	256,560	100.0%	256,560
UNEMPLOY. INS. MODERNIZATION -REED ACT	0	0	525,000	100.0%	525,000	525,000	100.0%	525,000
TOTAL LINE ITEMS	57,552,742	57,719,717	-280,666	-.5%	57,439,051	1,900,359	3.3%	59,620,076
BY FUNDING SOURCE								
GENERAL FUND	1,792,212	1,475,000	0	.0%	1,475,000	5,724	.4%	1,480,724
FEDERAL FUNDS	55,081,768	55,722,496	-333,215	-.6%	55,389,281	1,808,760	3.2%	57,531,256
SPECIAL FUNDS	678,762	522,221	52,549	10.1%	574,770	85,875	16.4%	608,096
TOTAL FUNDING SOURCE	57,552,742	57,719,717	-280,666	-.5%	57,439,051	1,900,359	3.3%	59,620,076
TOTAL FTE	390.40	367.17	-11.37	-3.1%	355.80	-11.37	-3.1%	355.80

OFFICE OF THE INSURANCE COMMISSIONER

Agency 401

Statutory Authority

North Dakota Century Code Title 26.1.

Agency Description

The Office of the Insurance Commissioner is a state regulatory agency headed by the Insurance Commissioner. The office includes a Legal and Enforcement Division, Consumer Protection, Examinations and Company Licensing Division, Agent Licensing & Investigation Division, Administration and Special Funds Division. About 45 full-time staff members serve the public. Thirty-four employees are devoted to insurance regulation. The other 11 employees perform the separately funded functions assigned to the office by the Legislative Assembly. 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 legislature.

Major Accomplishments

1. Re-designed and upgraded the department's web site to meet all current ITD, federal standards, and expanded E-business capabilities.
2. Developed an Insurance Fraud Unit effective August 2003, to combat fraud.
3. Implemented an EDMS Imaging System using FileNet in the company licensing area.
4. Integrated agent licensing with the producer information network and the producer database to bring uniformity to the overall licensing process for agents and companies doing business in multiple states.
5. Developed a system to enable participation in the state electronic rate and forms filing program.
6. Created a customer e-mail database in the legal division for dissemination of correspondence to reduce mailing costs.
7. Implemented the second phase of the FileNet EDMS project.

8. Received recognition by members of the National Association of Insurance Commissioners for achieving a five-year accreditation for the third time under the NAIC's financial regulation standards and accreditation program.
9. Adopted changes to the Accounting Practices and Procedures Manual, which provides uniform statutory accounting principles for all insurance companies.
10. Assisted individual North Dakota policyholders in calendar years 2001 and 2002 to collect nearly \$3.5 million in relief from insurance companies.
11. Collected for the general fund, \$49.0 million of premium tax, which accounts for approximately 2.5% of general fund revenue.
12. Transferred \$3.1 million for the 2001-03 biennium from the insurance regulatory trust fund to the general fund.
13. Trained staff to use the LDRPS software system for the development of the agency continuation of government plan.
14. Implemented Prescription Connection for North Dakota designed to connect consumers with prescription drug manufacturer's programs that offer free or discounted prescription drugs.
15. Provided through the fire and tornado fund, low-cost insurance to approximately 1,087 state entities and political subdivisions. The fund's coverage is approximately \$5.7 billion with an annual premium collection of approximately \$4.5 million.

Executive Budget Recommendation

- Recommends the budget at the level submitted.
- Provides \$5.3 million for grants to 389 city and rural fire departments and rural fire protection districts.
- Increases FTE by 1.00 to assist with the growing demands of the Senior Health Insurance Counseling (SHIC) and Pharmaceutical Drug Access programs.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

401 OFFICE OF THE INSURANCE COMMISSIONER

Bill#: HB1010

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
GRANTS TO LOCAL FIRE DEPARTMENTS	5,304,000	5,304,000	0	.0%	5,304,000	0	.0%	5,304,000
INSURANCE DEPARTMENT	5,521,503	6,449,411	10,032	.2%	6,459,443	312,176	4.8%	6,761,587
PHARMACEUTICAL DRUG ACCESS	0	250,000	170,868	68.3%	420,868	182,339	72.9%	432,339
TOTAL MAJOR PROGRAMS	10,825,503	12,003,411	180,900	1.5%	12,184,311	494,515	4.1%	12,497,926
BY LINE ITEM								
SALARIES AND WAGES	3,874,037	4,698,378	68,556	1.5%	4,766,934	382,171	8.1%	5,080,549
OPERATING EXPENSES	1,407,990	1,994,133	119,244	6.0%	2,113,377	119,244	6.0%	2,113,377
CAPITAL ASSETS	6,579	6,900	-6,900	-100.0%	0	-6,900	-100.0%	0
GRANTS	5,304,000	5,304,000	0	.0%	5,304,000	0	.0%	5,304,000
HEALTH INSURANCE MANDATE	232,897	0	0	.0%	0	0	.0%	0
TOTAL LINE ITEMS	10,825,503	12,003,411	180,900	1.5%	12,184,311	494,515	4.1%	12,497,926
BY FUNDING SOURCE								
GENERAL FUND	0	100,000	-100,000	-100.0%	0	-100,000	-100.0%	0
FEDERAL FUNDS	237,400	447,374	-73,955	-16.5%	373,419	-61,996	-13.9%	385,378
SPECIAL FUNDS	10,588,103	11,456,037	354,855	3.1%	11,810,892	656,511	5.7%	12,112,548
TOTAL FUNDING SOURCE	10,825,503	12,003,411	180,900	1.5%	12,184,311	494,515	4.1%	12,497,926
TOTAL FTE	45.50	45.50	1.00	2.2%	46.50	1.00	2.2%	46.50

INDUSTRIAL COMMISSION

Agency 405

Statutory Authority

North Dakota Century Code Chapters 4-36, 6-09.4, 38-08, 38-08.1, 38-12, 38-14.1, 38-15, 38-19, 54-17, 54-17.3, 54-17.6 and Sections 23-29-07.6, 38-14.1-03, 38-15-03, 57-61-01.5 and 54-17.34.

Agency Description

The Industrial Commission budget is comprised of four divisions including the Administrative Office, the Geological Survey Division, the Municipal Bond Bank and the Oil and Gas Division.

The Administrative Office coordinates the activities of all the divisions and agencies that are overseen by the ND Industrial Commission and prepares information and recommendations for the Industrial Commission. The office serves as the contracting officer for the Lignite Research, Development and Marketing Program and as the authorized officer for the ND Student Loan Trust program. This office also took on the contracting duties and serves as the contact point for the newly authorized Oil and Gas Research Program. This office is also the primary contact for all activities of the ND Building Authority and in this role has responsibility for the preparation of documents for bond issues, providing ongoing disclosure on outstanding bonds and has oversight of lease payments.

The ND Geological Survey Division is the primary source of information regarding the geology of North Dakota. The Survey maintains the state's core and sample library in Grand Forks, coordinates the state fossil collection, and disseminates geologic information via the Internet, maps, publications, presentations, tours and field trips.

The Oil and Gas Division is responsible for regulating all facets of petroleum production through enforcement of statutes, rules and regulations of the Industrial Commission with regard to 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 Municipal Bond Bank provides market and below market loans to political subdivisions through the purchase and holding of eligible municipal 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.

Major Accomplishments

1. Facilitated through the Lignite Research, Development and Marketing Program, the formation of the Upper Great Plains Transmission Coalition, which is an effort to bring coal, wind and transmission entities together to develop strategies that address the transmission constraint issue.
2. Provided through the ND Building Authority the financing for the capital projects and the ConnectND Project authorized by the 2003 Legislative Assembly.
3. Assisted with the formation of the Oil and Gas Research Program.
4. Provided funding through the student loan trust of \$4.1 million for the North Dakota Guarantee Agency.
5. Increased the amount of petroleum and geologic information (over 50,000 electric logs, 15,000 well files, 192,000 formation tops, and 350 publications) on the Oil and Gas Division and Geological Survey agency web sites.
6. Became partners this biennium in a multi-state, multi-million dollar federal Department of Energy project on carbon sequestration headed by the Energy and Environmental Research Center at the University of North Dakota.
7. Installed energy and fossil displays at the State Historical Society's Missouri-Yellowstone Confluence Interpretive Center and at the Watford City Visitor Center.
8. Expanded geotourism efforts with a book, lectures, and displays on the scientific aspects of the Lewis and Clark expedition in North Dakota.
9. Participated in the Governor's task force to reduce oil and gas permit delays on federal lands in North Dakota.

Executive Budget Recommendation

- Reduces permanent staff by 7.00 FTE and \$480,000 general fund dollars as a result of legislative action to merge the Oil and Gas Division and Geological Survey.
 - Approves a total general fund budget of \$6.5 million representing a 7% reduction from current spending.
- Provides for the replacement of a forklift for the geological core library located at the University of North Dakota.
 - Recommends \$23,500 for the replacement of an IT printer and plotter to better serve customer requests for maps and information.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

405 INDUSTRIAL COMMISSION

Bill#: SB2014

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATION	23,933,206	36,402,274	6,394,528	17.6%	42,796,802	6,407,679	17.6%	42,809,953
OIL, GAS & GEOLOGICAL SURVEY	7,288,282	7,351,118	-577,734	-7.9%	6,773,384	-200,123	-2.7%	7,150,995
MUNICIPAL BOND BANK	311,969	565,328	-29,910	-5.3%	535,418	-9,466	-1.7%	555,862
TOTAL MAJOR PROGRAMS	31,533,457	44,318,720	5,786,884	13.1%	50,105,604	6,198,090	14.0%	50,516,810
BY LINE ITEM								
SALARIES AND WAGES	5,976,751	6,244,663	-539,321	-8.6%	5,705,342	-173,615	-2.8%	6,071,048
OPERATING EXPENSES	1,656,603	1,904,767	3,083	.2%	1,907,850	3,083	.2%	1,907,850
CAPITAL ASSETS	0	68,300	-68,300	-100.0%	0	-22,800	-33.4%	45,500
BOND PAYMENTS	16,818,167	19,830,990	7,461,422	37.6%	27,292,412	7,461,422	37.6%	27,292,412
GEOPHYSICAL EXPLORATION	233,340	0	0	.0%	0	0	.0%	0
LIGNITE RESEARCH AND DEVELOPMENT	6,848,596	16,270,000	-1,070,000	-6.6%	15,200,000	-1,070,000	-6.6%	15,200,000
TOTAL LINE ITEMS	31,533,457	44,318,720	5,786,884	13.1%	50,105,604	6,198,090	14.0%	50,516,810
BY FUNDING SOURCE								
GENERAL FUND	6,997,028	7,026,884	-525,494	-7.5%	6,501,390	-164,959	-2.3%	6,861,925
FEDERAL FUNDS	282,954	257,000	14,994	5.8%	271,994	32,070	12.5%	289,070
SPECIAL FUNDS	24,253,475	37,034,836	6,297,384	17.0%	43,332,220	6,330,979	17.1%	43,365,815
TOTAL FUNDING SOURCE	31,533,457	44,318,720	5,786,884	13.1%	50,105,604	6,198,090	14.0%	50,516,810
TOTAL FTE	63.00	58.37	-7.00	-12.0%	51.37	.00	.0%	51.37

Statutory Authority

North Dakota Century Code Chapters 14-02.4, 14-02.5, 34-01-20, 34-05-01.4, 34-06-15, 34-07, and 34-13.

Agency Description

The Department of Labor is responsible to administer statutory provisions relating to labor standards, wages and hours, child labor, labor-management relations, and human rights issues.

The Department has the responsibility to improve working and living conditions of employees and advance the opportunities for employment; foster, promote, and develop the welfare of wage earners and industries in the state; promote cooperative relations between employers and employees; cooperate with other governmental agencies to encourage the development of new and existing industries; represent 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; acquire and provide information on subjects connected with labor, relations between employers and employees, hours of labor, and working conditions; encourage and assist in the adoption of practical methods of vocational training, retraining, and vocational guidance.

The Department of Labor is also responsible to receive and investigate complaints of discrimination; adopt rules necessary to implement the chapters; foster prevention of discrimination through education; emphasize conciliation to resolve complaints; publish, in even-numbered years, a written report recommending legislative or other action to carry out the purposes of the chapters; and conduct studies relating to the nature and extent of discriminatory practices in the state.

Major Accomplishments

1. Implemented an agency customer service improvement plan to improve the efficiency and timeliness of services provided to the public.
2. Realized a significant reduction of backlog in pending complaint caseloads.
3. Sponsored a conference entitled "Embracing a More Diverse North Dakota."
4. Conducted a study of discrimination in North Dakota.
5. Arranged for agency staff to be available in person at regularly schedule times each month in the city of Fargo.
6. Provided human rights-related training for agency staff.
7. Redesigned department web site to assist people with disabilities and features expanded information about the department's Human Rights Division, improved navigational tools, and improved access to informational materials and complaint forms.
8. Presented a special report on human rights to the 2003 North Dakota Legislative Assembly at a joint session of the House and Senate Judiciary Committees on January 13, 2003.
9. Created and distributed a new brochure to inform persons who believe they have been subjected to discrimination titled "How to File a Discrimination Complaint in North Dakota: A Guide for Those Who Believe They Have Been Discriminated Against".
10. Represented the agency and the State of North Dakota nationally through membership in the National Association of Governmental Labor Officials.

Executive Budget Recommendation

- Provides an additional 1.00 FTE administrative position, within the current salary appropriation, to improve the case management process.
- Increases operations by \$20,000 for the purchase of independent legal services as necessary for specific cases.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

406 OFFICE OF THE LABOR COMMISSIONER

Bill#: HB1007

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
OFFICE OF LABOR COMMISSIONER	1,155,450	1,482,645	-121,163	-8.2%	1,361,482	-25,808	-1.7%	1,456,837
TOTAL MAJOR PROGRAMS	1,155,450	1,482,645	-121,163	-8.2%	1,361,482	-25,808	-1.7%	1,456,837
BY LINE ITEM								
SALARIES AND WAGES	905,164	1,044,532	12,607	1.2%	1,057,139	87,962	8.4%	1,132,494
OPERATING EXPENSES	250,286	438,113	-133,770	-30.5%	304,343	-113,770	-26.0%	324,343
TOTAL LINE ITEMS	1,155,450	1,482,645	-121,163	-8.2%	1,361,482	-25,808	-1.7%	1,456,837
BY FUNDING SOURCE								
GENERAL FUND	844,731	877,947	2,535	.3%	880,482	80,675	9.2%	958,622
FEDERAL FUNDS	310,719	604,698	-123,698	-20.5%	481,000	-106,483	-17.6%	498,215
SPECIAL FUNDS	0	0	0	.0%	0	0	.0%	0
TOTAL FUNDING SOURCE	1,155,450	1,482,645	-121,163	-8.2%	1,361,482	-25,808	-1.7%	1,456,837
TOTAL FTE	10.00	10.00	1.00	10.0%	11.00	1.00	10.0%	11.00

PUBLIC SERVICE COMMISSION

Agency 408

Statutory Authority

North Dakota 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, 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 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 statewide basis to staggered six-year terms.

Major Accomplishments

1. Processed 1,370 cases, two-thirds of which were closed within 30 days.
2. Processed electric and gas rate increases filed by MDU.
3. Filed a complaint against MDU electric for excess earnings resulting in a rate reduction.
4. Completed the two-year review of performance-based regulation of Northern States Power Company and Otter Tail Corporation.
5. Permitted 4,834 acres for coal mining.
6. Filled dangerous sink holes from pre-reclamation law mines under roads near Dickinson, under parking lots in Beulah and various locations within the city limits of Garrison.
7. Tested 28,824 weighing and measuring devices.
8. Inspected 248 grain elevators.
9. Established an indemnity fund as authorized by the legislature to pay claims of holders of credit sale contracts in the event of an elevator insolvency.
10. Hired consultants to conduct a preliminary investigation into the rail rates charged by Burlington Northern for the transportation of wheat.

11. Established Qwest's Performance Assurance Plan fund for collecting funds from the Qwest Corporation when it fails to meet certain performance standards.
12. Participated in a new regional regulatory organization known as the Organization of MISO (Midwest States Independent System Operator) States. Commissioner Wefald is the inaugural President. OMS advises the Midwest Independent System Operator and the Federal Energy Regulatory Commission on the implementation of open access to this region's electric transmission system.
13. Progressed in addressing salary inequities.
14. Implemented field computers for our weights and measures inspectors providing efficiency gains by eliminating duplication of efforts and an overall better approach to managing our inspection business.
15. Issued a 17,051-acre mining permit to Coteau Properties Company, the largest new permit ever issued for a North Dakota coal mine.

Executive Budget Recommendation

- Provides \$35,000 per year for space rental of a new metrology laboratory. The present lab facility located on the capital grounds is not conducive to performing good measurements and does not meet standards necessary for certification of the metrology program.
- Restores 1.00 inspector position, and \$71,732 of general fund dollars, to the weights and measures program.
- Increases capital assets by \$35,500 for the purchase of a new lab balance for the metrology program and the purchase of examhand software for grain warehouse inspectors.
- Provides \$900,000 of general fund dollars to move forward on the rail complaint case. The initial report indicates a case can be made against the railroad for excessive transportation rates.
- Increases federal authority and the operating expense line item by \$25,000 so PSC can continue membership in the Interstate Mining Compact Commission.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

408 PUBLIC SERVICE COMMISSION

Bill#: HB1008

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATION	1,800,915	1,846,373	33,124	1.8%	1,879,497	123,640	6.7%	1,970,013
TESTING, LICENSING AND CERTIFICATION	1,379,595	1,680,129	-398,926	-23.7%	1,281,203	742,322	44.2%	2,422,451
PUBLIC UTILITIES	901,595	883,385	80,035	9.1%	963,420	124,503	14.1%	1,007,888
RECLAMATION PROGRAMS	3,989,068	5,574,374	38,564	.7%	5,612,938	167,014	3.0%	5,741,388
TOTAL MAJOR PROGRAMS	8,071,173	9,984,261	-247,203	-2.5%	9,737,058	1,157,479	11.6%	11,141,740
BY LINE ITEM								
SALARIES AND WAGES	4,585,664	4,771,497	-46,095	-1.0%	4,725,402	328,087	6.9%	5,099,584
OPERATING EXPENSES	1,201,952	1,197,261	96,392	8.1%	1,293,653	210,892	17.6%	1,408,153
CAPITAL ASSETS	41,844	35,011	7,500	21.4%	42,511	23,500	67.1%	58,511
GRANTS	12,802	62,000	-55,000	-88.7%	7,000	-55,000	-88.7%	7,000
AML CONTRACTUAL SERVICES	2,228,911	3,668,492	0	.0%	3,668,492	0	.0%	3,668,492
RAIL RATE COMPLAINT CASE	0	250,000	-250,000	-100.0%	0	650,000	260.0%	900,000
TOTAL LINE ITEMS	8,071,173	9,984,261	-247,203	-2.5%	9,737,058	1,157,479	11.6%	11,141,740
BY FUNDING SOURCE								
GENERAL FUND	3,768,406	3,911,494	-26,233	-.7%	3,885,261	1,245,107	31.8%	5,156,601
FEDERAL FUNDS	4,122,615	5,697,767	29,030	.5%	5,726,797	162,372	2.8%	5,860,139
SPECIAL FUNDS	180,152	375,000	-250,000	-66.7%	125,000	-250,000	-66.7%	125,000
TOTAL FUNDING SOURCE	8,071,173	9,984,261	-247,203	-2.5%	9,737,058	1,157,479	11.6%	11,141,740
TOTAL FTE	41.00	41.00	-1.00	-2.4%	40.00	.00	.0%	41.00

AERONAUTICS COMMISSION

Agency 412

Statutory Authority

North Dakota Century Code Chapters 2-05, 2-06, 54-40.5, 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. Developed a State Aviation Security Plan to respond to President Bush's call for each state to come to the table in response to the 9-11 attack.
2. Prepared a comprehensive plan in response to 9-11 to identify all aerial applicators, their employed pilots, an inventory of all agricultural aircraft, and a security plan for each of the 167 aerial application businesses and 235 aircraft involved.
3. Reviewed and approved security plans for 82 general aviation airports and the 214 private airstrips.
4. Implemented a closure plan for all general aviation airports using the State Radio law enforcement contacts in each community coordinating with the local airport authority using their approved plan.
5. Received recognition for having the first aviation security plan submitted in the nation.
6. Coordinated FAA grants for snow removal equipment and storage buildings, fueling systems, hangar structures, and pavement rehabilitation.
7. Sponsored an evaluation at the Fargo, Minot, Grand Forks, and Bismarck airports for a bomb blast assessment of the airline terminal buildings.
8. Sponsored and facilitated the development of a "Threat Assessment" at each air carrier airport community related to the airport and the surrounding area.
9. Assisted the City of Bismarck and the Dickinson Regional Airport in the planning, presentation and securing of a US Department of Transportation "Small Community Air Service Development Grant". These grants were only given to 80 recipients in a two-year period across the nation.

10. Upgraded the WeatherMation stations at the eight air carrier airports in the state.
11. Sponsored and managed airport master plans for the four commercial service airports of Dickinson, Devils Lake, Williston and Jamestown.
12. Conducted an ongoing statewide air service study with funding through the Federal Aviation Administration.
13. Provided the direction and support in obtaining \$45.0 million in FY03 and FY04 of Federal Airport Improvement Program Funding to 54 airports across the state.
14. Provided assistance in the planning of the Grand Forks terminal assessment and funding of three new airline terminals across the state at Bismarck - \$ 24.9 million; Williston - \$2.0 million; and Devils Lake - \$1.2 million. These terminal projects were in part a local reaction to Homeland Security / TSA requirements.
15. Worked in conjunction with the Fargo Airport Authority to obtain \$19.0 million of federal funds to completely reconstruct the Fargo Airport's main air carrier runway, which is the largest single runway project in state history.
16. Sponsored a statewide pavement condition inspection program.
17. Concluded a stateside airport management seminar that utilized the IVN Network with Department of Transportation support at seven different sites at the colleges in North Dakota.
18. Provided the support and information to add the Lisbon Municipal Airport to the federal system so it will be able to receive federal funds and access critical air medical life flights and develop to its full potential.

Executive Budget Recommendation

- Increases general fund grants by \$27,500 to leverage an additional \$1.1 million in federal grants that will be made to local airports.
- Reduced the grant line item and federal funds by \$3.5 million to more accurately reflect anticipated funds available for grants to local airports in 2005-07.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

412 AERONAUTICS COMMISSION

Bill#: SB2006

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
REGULATORY AND ADMINISTRATION	658,194	910,529	57,281	6.3%	967,810	87,621	9.6%	998,150
AIRPORT DEVELOPMENT AND MAINTENANCE	2,986,480	8,242,321	8,729	.1%	8,251,050	-3,452,370	-41.9%	4,789,951
TOTAL MAJOR PROGRAMS	3,644,674	9,152,850	66,010	.7%	9,218,860	-3,364,749	-36.8%	5,788,101
BY LINE ITEM								
SALARIES AND WAGES	552,297	674,424	-2,270	-.3%	672,154	39,471	5.9%	713,895
OPERATING EXPENSES	1,364,383	1,824,426	68,280	3.7%	1,892,706	68,280	3.7%	1,892,706
CAPITAL ASSETS	0	134,000	0	.0%	134,000	0	.0%	134,000
GRANTS	1,727,994	6,520,000	0	.0%	6,520,000	-3,472,500	-53.3%	3,047,500
TOTAL LINE ITEMS	3,644,674	9,152,850	66,010	.7%	9,218,860	-3,364,749	-36.8%	5,788,101
BY FUNDING SOURCE								
GENERAL FUND	544,225	522,500	187	.0%	522,687	27,687	5.3%	550,187
FEDERAL FUNDS	929,356	4,839,800	0	.0%	4,839,800	-3,500,000	-72.3%	1,339,800
SPECIAL FUNDS	2,171,093	3,790,550	65,823	1.7%	3,856,373	107,564	2.8%	3,898,114
TOTAL FUNDING SOURCE	3,644,674	9,152,850	66,010	.7%	9,218,860	-3,364,749	-36.8%	5,788,101
TOTAL FTE	6.00	6.00	.00	.0%	6.00	.00	.0%	6.00

DEPT OF FINANCIAL INST

Agency 413

Statutory Authority

North Dakota Century Code Titles 6, 7, 13, and Title 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 exam 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. Developed an early warning system to assist in identifying and forestalling problem situations.
5. Issued an increasing number of licenses to money brokers, collection agencies, and consumer finance agencies.
6. Revised procedures to provide licenses in the most efficient manner.
7. Automated department records to enhance the licensing process; added the ability to apply for or renew licenses on-line.
8. Resolved the conservatorship of an independent trust company by placing it in liquidation.

Executive Budget Recommendation

- Approves an increase of \$157,000 special funds for 1.00 FTE and operating expenses for a Minot field examiner and office.
- Provides \$31,475 special funds for implementation of Electronic Data Management System (EDMS) to image department records, which will provide electronic access to examiners.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

413 DEPT OF FINANCIAL INST

Bill#: SB2008

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
DEPT OF FINANCIAL INST	3,320,346	3,657,232	316,301	8.6%	3,973,533	550,561	15.1%	4,207,793
TOTAL MAJOR PROGRAMS	3,320,346	3,657,232	316,301	8.6%	3,973,533	550,561	15.1%	4,207,793
BY LINE ITEM								
SALARIES AND WAGES	2,457,402	2,984,506	213,189	7.1%	3,197,695	415,974	13.9%	3,400,480
OPERATING EXPENSES	862,944	672,726	83,112	12.4%	755,838	107,087	15.9%	779,813
CAPITAL ASSETS	0	0	0	.0%	0	7,500	100.0%	7,500
CONTINGENCY	0	0	20,000	100.0%	20,000	20,000	100.0%	20,000
TOTAL LINE ITEMS	3,320,346	3,657,232	316,301	8.6%	3,973,533	550,561	15.1%	4,207,793
BY FUNDING SOURCE								
GENERAL FUND	0	0	0	.0%	0	0	.0%	0
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	3,320,346	3,657,232	316,301	8.6%	3,973,533	550,561	15.1%	4,207,793
TOTAL FUNDING SOURCE	3,320,346	3,657,232	316,301	8.6%	3,973,533	550,561	15.1%	4,207,793
TOTAL FTE	23.50	25.00	1.00	4.0%	26.00	1.00	4.0%	26.00

SECURITIES DEPARTMENT

Agency 414

Statutory Authority

North Dakota Century Code Chapters 10-04, 51-19, 51-23 and 43-10.1.

Agency Description

Investor protection begins with registration of investment securities, sales firms and agents, franchise offerings and pre-need funeral plan sales. Fees collected are a small but significant 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 result 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. Participated in a historic settlement between securities regulators and ten Wall Street firms to resolve conflicts of interest involving analyst research and investment banking activity. The Securities Department collected \$3.9 million from the respondent firms.
2. Provided capital formation assistance to 167 North Dakota companies attempting to raise approximately \$169.8 million in capital from investors.
3. Sponsored the annual Invest North Dakota Teachers Academy, through the Investor Education Fund. Participation included 203 North Dakota Teachers.

Executive Budget Recommendation

- Provides \$156,692 from the general fund for 1.00 additional FTE and operating expenses to conduct broker-dealer and investment examinations.
- Increases professional services \$154,000 to allow hiring of independent legal counsel specializing in securities law.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

414 SECURITIES DEPARTMENT

Bill#: HB1011

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
INVESTOR PROTECTION	1,073,202	1,391,745	-93,181	-6.7%	1,298,564	281,017	20.2%	1,672,762
TOTAL MAJOR PROGRAMS	1,073,202	1,391,745	-93,181	-6.7%	1,298,564	281,017	20.2%	1,672,762
BY LINE ITEM								
SALARIES AND WAGES	898,278	925,523	1,200	.1%	926,723	176,384	19.1%	1,101,907
OPERATING EXPENSES	174,924	466,222	-94,381	-20.2%	371,841	104,633	22.4%	570,855
TOTAL LINE ITEMS	1,073,202	1,391,745	-93,181	-6.7%	1,298,564	281,017	20.2%	1,672,762
BY FUNDING SOURCE								
GENERAL FUND	1,073,202	1,080,165	1,200	.1%	1,081,365	375,398	34.8%	1,455,563
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	0	311,580	-94,381	-30.3%	217,199	-94,381	-30.3%	217,199
TOTAL FUNDING SOURCE	1,073,202	1,391,745	-93,181	-6.7%	1,298,564	281,017	20.2%	1,672,762
TOTAL FTE	8.00	8.00	.00	.0%	8.00	1.00	12.5%	9.00

BANK OF NORTH DAKOTA

Agency 471

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 the finance, expansion and diversification of the state's economy and jobs; maintain capital strength and financial integrity of the Bank; generate a consistent financial return to the State of North Dakota; and deliver first class customer service.

Major Accomplishments

1. Developed partnerships that deliver quality programs and services to expand the economy of North Dakota through innovative programs to add value to the state and help build a variety of areas including agriculture, small business, economic development and education.
2. Worked with private financial institutions and business owners to create programs that, in 2003, funded 195 businesses and industrial projects.
3. Increased commercial and business loan volume by \$18.0 million; grew residential loans by \$9.0 million; booked over \$137.0 million in new loan volume.

4. Increased agricultural loans by \$8.0 million.
5. Increased student loan volume by \$7.0 million.
6. Maintained the strength and financial integrity of the bank as demonstrated on December 31, 2003 the Bank of North Dakota was well capitalized with a tier one-leverage ratio of 8.09% and primary capital (capital plus loan loss reserve) of 9.23%.
7. Generated a consistent return to the State of North Dakota with the 2003 year ending with a stable performance and net income of \$31.7 million in spite of the lowest interest rates in 40 years. A return on average assets of 1.63% was earned and the return on average equity of 20.7%, compared to 1.64% and 18.7% in 2002.
8. Provided a culture that develops people and is a model of efficient business and government.

Executive Budget Recommendation

- Approves the budget as submitted, which includes \$11.0 million for the construction of a new bank building.
- Includes \$8,075,000, equivalent to the present appropriation, for the PACE, AgPace, and Beginning Farmer Program.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

471 BANK OF NORTH DAKOTA

Bill#: SB2014

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
BANK OF NORTH DAKOTA OPERATIONS	35,529,260	38,806,059	11,472,421	29.6%	50,278,480	12,598,738	32.5%	51,404,797
TOTAL MAJOR PROGRAMS	35,529,260	38,806,059	11,472,421	29.6%	50,278,480	12,598,738	32.5%	51,404,797
BY LINE ITEM								
SALARIES & WAGES	15,060,589	16,527,614	595,666	3.6%	17,123,280	1,721,983	10.4%	18,249,597
OPERATING EXPENSES	11,567,399	10,925,665	1,182,535	10.8%	12,108,200	1,182,535	10.8%	12,108,200
CAPITAL ASSETS	683,978	825,000	10,447,000	1,266.3%	11,272,000	10,447,000	1,266.3%	11,272,000
CONTINGENCY	1,897,220	2,452,780	-752,780	-30.7%	1,700,000	-752,780	-30.7%	1,700,000
PACE FUND	4,394,544	5,700,000	0	.0%	5,700,000	0	.0%	5,700,000
AG PACE FUND	925,530	1,425,000	0	.0%	1,425,000	0	.0%	1,425,000
BEGINNING FARMER	1,000,000	950,000	0	.0%	950,000	0	.0%	950,000
TOTAL LINE ITEMS	35,529,260	38,806,059	11,472,421	29.6%	50,278,480	12,598,738	32.5%	51,404,797
BY FUNDING SOURCE								
GENERAL FUND	6,320,074	8,075,000	0	.0%	8,075,000	-2,375,000	-29.4%	5,700,000
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	29,209,186	30,731,059	11,472,421	37.3%	42,203,480	14,973,738	48.7%	45,704,797
TOTAL FUNDING SOURCE	35,529,260	38,806,059	11,472,421	29.6%	50,278,480	12,598,738	32.5%	51,404,797
TOTAL FTE	178.50	178.50	.00	.0%	178.50	.00	.0%	178.50

ND HOUSING FINANCE AGENCY

Agency 473

Statutory Authority

North Dakota Century Code Chapter 54 -17.

Agency Description

The ND 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 25,700 home loans at a total value of \$1.4 billion.
2. Administered rental assistance for 4,000 affordable apartment units.
3. Assisted in the development of 4,000 low-income housing tax credit rental units.

Executive Budget Recommendation

- Concurs with the agency 2005-07 budget request representing a slight increase in expenditures from the present biennium.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

473 ND HOUSING FINANCE AGENCY

Bill#: SB2014

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ND HOUSING FINANCE AGENCY	32,447,400	33,589,767	35,565	.1%	33,625,332	305,940	.9%	33,895,707
TOTAL MAJOR PROGRAMS	32,447,400	33,589,767	35,565	.1%	33,625,332	305,940	.9%	33,895,707
BY LINE ITEM								
SALARIES AND WAGES	3,374,515	3,929,907	198,567	5.1%	4,128,474	468,942	11.9%	4,398,849
OPERATING EXPENSES	2,451,911	2,391,480	414,098	17.3%	2,805,578	414,098	17.3%	2,805,578
GRANTS	26,620,974	27,168,380	-577,100	-2.1%	26,591,280	-577,100	-2.1%	26,591,280
HFA CONTINGENCY	0	100,000	0	.0%	100,000	0	.0%	100,000
TOTAL LINE ITEMS	32,447,400	33,589,767	35,565	.1%	33,625,332	305,940	.9%	33,895,707
BY FUNDING SOURCE								
GENERAL FUND	0	0	0	.0%	0	0	.0%	0
FEDERAL FUNDS	25,808,489	25,908,380	-487,100	-1.9%	25,421,280	-487,100	-1.9%	25,421,280
SPECIAL FUNDS	6,638,911	7,681,387	522,665	6.8%	8,204,052	793,040	10.3%	8,474,427
TOTAL FUNDING SOURCE	32,447,400	33,589,767	35,565	.1%	33,625,332	305,940	.9%	33,895,707
TOTAL FTE	38.00	43.00	.00	.0%	43.00	.00	.0%	43.00

ND MILL AND ELEVATOR ASSOCIATION

Agency 475

Statutory Authority

North Dakota Century Code Chapter 54-18.

Agency Description

The ND 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 most of its annual profits to the state's general fund. The Mill is located in Grand Forks.

Major Accomplishments

1. Achieved in fiscal year 2004 record sales of 8,938,000 cwts. of flour.
2. Achieved in fiscal year 2004 record profits of \$5.6 million.
3. Purchased and ground over 19 million bushels of wheat in fiscal year 2004.

Executive Budget Recommendation

- Accepts as submitted the Mill & Elevator's 2005-07 budget request of over \$32.4 million funded 100% by mill profits.
- Recommends the addition of 2.00 FTE to assist with bulk loading.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

475 ND MILL AND ELEVATOR ASSOCIATION

Bill#: SB2014

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
FLOUR MILL AND GRAIN TERMINAL OPERATIONS	23,309,632	29,982,152	2,460,152	8.2%	32,442,304	2,675,102	8.9%	32,657,254
TOTAL MAJOR PROGRAMS	23,309,632	29,982,152	2,460,152	8.2%	32,442,304	2,675,102	8.9%	32,657,254
BY LINE ITEM								
SALARIES & WAGES	13,296,865	16,690,956	442,335	2.7%	17,133,291	657,285	3.9%	17,348,241
OPERATING EXPENSES	9,814,460	12,991,196	1,967,817	15.1%	14,959,013	1,967,817	15.1%	14,959,013
AGRICULTURE PROMOTION	28,818	50,000	0	.0%	50,000	0	.0%	50,000
CONTINGENCY	169,489	250,000	50,000	20.0%	300,000	50,000	20.0%	300,000
TOTAL LINE ITEMS	23,309,632	29,982,152	2,460,152	8.2%	32,442,304	2,675,102	8.9%	32,657,254
BY FUNDING SOURCE								
GENERAL FUND	0	0	0	.0%	0	0	.0%	0
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	23,309,632	29,982,152	2,460,152	8.2%	32,442,304	2,675,102	8.9%	32,657,254
TOTAL FUNDING SOURCE	23,309,632	29,982,152	2,460,152	8.2%	32,442,304	2,675,102	8.9%	32,657,254
TOTAL FTE	121.00	125.00	2.00	1.6%	127.00	2.00	1.6%	127.00

WORKFORCE SAFETY AND INSURANCE

Agency 485

Statutory Authority

North Dakota Century Code Title 65.

Agency Description

The ND Workforce Safety and Insurance department works to provide the best possible service to the employees and employers of North Dakota, to provide an economical form of no-fault insurance for North Dakota employers, and to provide a fair reimbursement to medical providers providing service to injured workers.

Major Accomplishments

1. Released on-line fraud reporting application.
2. Declared by State of Oregon study that North Dakota workers' compensation premiums are the lowest in the country in January 2003.
3. Offered 14-day payments and electronic deposit to injured workers.
4. Launched new web site.
5. Relocated to the new office building, Century Center.
6. Opened a new customer service center in Fargo.

7. Implemented an automated process for adjudication of certain injured worker claims.
8. Changed official name of the organization from ND Workers Compensation Bureau to Workforce Safety & Insurance.
9. Held first-ever Employers' Summit.
10. Increased by the Board of Directors, 2004 and 2005 average statewide premium rate levels by 6%, due to increasing medical and prescription drug costs.
11. Authorized by Board of Directors a \$5.0 million dividend to be paid to employers with a positive premium to loss ratio.
12. Released on-line application for coverage process and forms.

Executive Budget Recommendation

- Approves budget for Workforce Safety and Insurance of \$31.9 million representing a 1.5% reduction from the present biennium.
- Reduces FTE by 4.85, from 228.0 employees to 223.15.
- Provides \$1.0 million for grants to industry geared toward education, training, consultation and other incentives to protect the health of covered employees.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

485 WORKFORCE SAFETY AND INSURANCE

Bill#: HB1022

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
EXECUTIVE	2,319,635	3,367,058	-232,559	-6.9%	3,134,499	-69,660	-2.1%	3,297,398
STRATEGIC OPERATIONS	350,463	480,297	-85,557	-17.8%	394,740	-73,445	-15.3%	406,852
FINANCE	4,108,994	3,405,422	-188,696	-5.5%	3,216,726	-63,766	-1.9%	3,341,656
INFORMATION SERVICES	6,586,229	6,787,679	190,879	2.8%	6,978,558	448,550	6.6%	7,236,229
LEGAL	3,614,217	4,267,143	-63,485	-1.5%	4,203,658	175,922	4.1%	4,443,065
POLICYHOLDER SERVICES	2,943,404	3,266,070	-143,163	-4.4%	3,122,907	39,334	1.2%	3,305,404
SAFETY AND LOSS PREVENTION	2,976,646	3,089,090	-275,592	-8.9%	2,813,498	-175,663	-5.7%	2,913,427
CLAIMS	4,445,705	5,047,127	818,217	16.2%	5,865,344	1,178,438	23.3%	6,225,565
MEDICAL SERVICES	2,841,228	2,687,745	-504,421	-18.8%	2,183,324	-416,527	-15.5%	2,271,218
TOTAL MAJOR PROGRAMS	30,186,521	32,397,631	-484,377	-1.5%	31,913,254	1,043,183	3.2%	33,440,814
BY LINE ITEM								
WORKERS COMP OPERATIONS	30,186,521	32,397,631	-484,377	-1.5%	31,913,254	1,043,183	3.2%	33,440,814
TOTAL LINE ITEMS	30,186,521	32,397,631	-484,377	-1.5%	31,913,254	1,043,183	3.2%	33,440,814
BY FUNDING SOURCE								
GENERAL FUND	0	0	0	.0%	0	0	.0%	0
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	30,186,521	32,397,631	-484,377	-1.5%	31,913,254	1,043,183	3.2%	33,440,814
TOTAL FUNDING SOURCE	30,186,521	32,397,631	-484,377	-1.5%	31,913,254	1,043,183	3.2%	33,440,814
TOTAL FTE	228.00	228.00	-4.86	-2.1%	223.14	-4.86	-2.1%	223.14

HIGHWAY PATROL

Agency 504

Statutory Authority

North Dakota Century Code Chapter 39-3.

Agency Description

The ND Highway Patrol is responsible for: enforcing the laws of the state relating to the protection and use of the highways and the operation of motor vehicles upon the highways; implementing a public education and information program to reduce accidents and encourage safe driving practices; security and protection for the Governor, the Governor's immediate family, and other officers next in order of succession to the Office of the Governor; police powers on state property; the operation, maintenance, and administration of the Law Enforcement Training Academy; and security for the Supreme Court, the North Dakota Legislative Assembly while in session, the State Capitol grounds and elsewhere in the state upon request.

Major Accomplishments

1. Continued status of being internationally accredited by the Commission on Accreditation for Law Enforcement Agencies.
2. Expanded the use of new weigh-in-motion (WIM) technology to monitor truck traffic.
3. Increased use of federal funding for motor carrier enforcement teams to inspect commercial vehicles.
4. Expanded capabilities of the e-permits online truck permit system.
5. Developed a public safety response plan for homeland security related issues.
6. Conducted various meetings with local and federal agencies to improve coordination on northern border security.

7. Contracted for a security assessment of the capitol grounds, which is helping the state to prioritize use of federal homeland security funding.
8. Developed a DUI enforcement team to provide increased enforcement. As a result of the team and other aspects of the agency's traffic safety programs, the NDHP was recognized by the International Association of Chief's of Police with the Chief's Challenge Award.
9. Increased the number of canine teams to address public concern regarding the use of illegal drugs and drug trafficking.
10. Enhanced data communications capabilities by equipping nearly all patrol vehicles with mobile data computers.

Executive Budget Recommendation

- Provides for the elimination of all remaining fixed weigh and inspection stations due to the success of mobile enforcement teams and weigh-in-motion technology.
- Authorizes 1.00 additional patrol officer FTE to serve as head of security for the capitol complex.
- Transfers 4.00 FTE related to capitol security, as well as related operating expenses for contracted security services, from the Office of Management and Budget to the Highway Patrol.
- Authorizes 4.00 existing FTE currently assigned to weigh and inspection stations to be used for a Northern Border Security initiative, which is 100% federally, funded.
- Provides \$200,000 from the general fund for the purchase of new case management software used by Highway Patrol officers.
- Provides \$7.5 million from the highway tax distribution fund for the operation of the Highway Patrol.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

504 HIGHWAY PATROL

Bill#: SB2011

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATION	2,075,236	2,241,434	-6,524	-.3%	2,234,910	114,308	5.1%	2,355,742
FIELD OPERATIONS	26,594,993	30,434,831	-719,114	-2.4%	29,715,717	511,446	1.7%	30,946,277
LAW ENFORCEMENT TRAINING ACADEMY	968,670	1,016,344	5,858	.6%	1,022,202	41,265	4.1%	1,057,609
TOTAL MAJOR PROGRAMS	29,638,899	33,692,609	-719,780	-2.1%	32,972,829	667,019	2.0%	34,359,628
BY LINE ITEM								
ADMINISTRATION	2,075,236	2,241,434	-6,524	-.3%	2,234,910	114,308	5.1%	2,355,742
FIELD OPERATIONS	26,594,993	30,434,831	-719,114	-2.4%	29,715,717	511,446	1.7%	30,946,277
LAW ENFORCEMENT TRAINING ACADEMY	968,670	1,016,344	5,858	.6%	1,022,202	41,265	4.1%	1,057,609
TOTAL LINE ITEMS	29,638,899	33,692,609	-719,780	-2.1%	32,972,829	667,019	2.0%	34,359,628
BY FUNDING SOURCE								
GENERAL FUND	19,040,108	18,211,522	27,502	.2%	18,239,024	1,593,968	8.8%	19,805,490
FEDERAL FUNDS	4,398,790	8,037,033	-1,506,967	-18.8%	6,530,066	-1,004,865	-12.5%	7,032,168
SPECIAL FUNDS	6,200,001	7,444,054	759,685	10.2%	8,203,739	77,916	1.0%	7,521,970
TOTAL FUNDING SOURCE	29,638,899	33,692,609	-719,780	-2.1%	32,972,829	667,019	2.0%	34,359,628
TOTAL FTE	196.00	192.00	-12.00	-6.3%	180.00	9.00	4.7%	186.00

DIV OF EMERGENCY MANAGEMENT

Agency 512

Statutory Authority

North Dakota Century Code Chapters 37-17.1 and 54-23.2.

Agency Description

The Division of Emergency Management provides the organizational base for emergency operations for the state, 53 local emergency management organizations, and four tribal emergency management organizations. The division manages the recovery and mitigation efforts in state and federally declared disasters or emergencies. The division also coordinates the statewide hazardous chemicals preparedness and response program. Agency activities include:

- Administration of federal funds from the Federal Emergency Management Agency (FEMA) and other federal agencies that are allocated to the state and political subdivisions for emergency management and homeland security initiatives.
- Coordination of activities for local and tribal emergency management organizations to ensure effective and efficient emergency management.
- Coordination of state, local, and tribal planning activities to develop and implement hazard mitigation measures.
- Maintenance of an emergency operations center for coordinating state-level emergency operations in support of local and tribal governments.
- Provision of management, training, technical assistance, and evaluation for 200 local and tribal emergency management exercises.
- Coordination of activities relating to state and federal hazardous materials planning, reporting, and incident response requirements.

For the 2005-07 biennium, the State Radio Operations Center has been combined with the Division of Emergency Management. State Radio Communication has over 4,000 public safety-first responder users representing 287 local, state, and federal agencies. State Radio provides: a voice radio system controlled from a single communications dispatch center connected to 36 remote towers by telephone circuits; a mobile data communications system for law enforcement; and a nationwide law enforcement teletype system.

State Radio serves as a statewide warning point for dissemination of emergency and disaster notification to the public, acts as a clearing house for missing children, initiates Amber Alert messages, provides 9-1-1 service to 22 counties with the ability to provide backup 9-1-1 service to the remaining counties if their systems require support.

Major Accomplishments

1. Responded to approximately 240 emergency incidents requiring some level of state support operations.
2. Facilitated 2,500 responses to requests for technical assistance from local and tribal jurisdictions as well as state and federal agencies and the private sector.
3. Provided training, planning, and exercise assistance to the 50 agencies that have operational responsibilities in the state emergency operations plan.
4. Supported emergency management activities in 53 counties and four Indian reservations.
5. Supported hazardous materials and homeland security technical training for 1,100 emergency responders.
6. Provided professional development training in emergency management for 750 state, local, and tribal personnel.
7. Conducted 200 local emergency management exercises involving 7,500 emergency response personnel.
8. Provided hazardous materials training to 1,500 officials and emergency responders representing business and government.

Executive Budget Recommendation

- Approves base budget request as submitted.
- Approves the continuation of 5.00 FTE authorized by the Emergency Commission for the Emergency Management program.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

512 DIV OF EMERGENCY MANAGEMENT

Bill#: HB1016

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
EMERGENCY MANAGEMENT	76,916,676	72,953,651	-16,079,858	-22.0%	56,873,793	-15,903,346	-21.8%	57,050,305
STATE RADIO	4,844,552	8,343,854	-3,502,462	-42.0%	4,841,392	-3,326,399	-39.9%	5,017,455
TOTAL MAJOR PROGRAMS	81,761,228	81,297,505	-19,582,320	-24.1%	61,715,185	-19,229,745	-23.7%	62,067,760
BY LINE ITEM								
SALARIES AND WAGES	5,308,950	6,656,711	-187,347	-2.8%	6,469,364	165,228	2.5%	6,821,939
OPERATING EXPENSES	3,352,371	5,594,051	-2,268,207	-40.5%	3,325,844	-2,268,207	-40.5%	3,325,844
CAPITAL ASSETS	0	2,206,652	2,751,271	124.7%	4,957,923	2,751,271	124.7%	4,957,923
GRANTS	73,099,907	66,840,091	-19,878,037	-29.7%	46,962,054	-19,878,037	-29.7%	46,962,054
TOTAL LINE ITEMS	81,761,228	81,297,505	-19,582,320	-24.1%	61,715,185	-19,229,745	-23.7%	62,067,760
BY FUNDING SOURCE								
GENERAL FUND	8,050,234	5,496,038	-577,063	-10.5%	4,918,975	-389,799	-7.1%	5,106,239
FEDERAL FUNDS	69,363,251	72,132,521	-17,820,608	-24.7%	54,311,913	-17,680,310	-24.5%	54,452,211
SPECIAL FUNDS	4,347,743	3,668,946	-1,184,649	-32.3%	2,484,297	-1,159,636	-31.6%	2,509,310
TOTAL FUNDING SOURCE	81,761,228	81,297,505	-19,582,320	-24.1%	61,715,185	-19,229,745	-23.7%	62,067,760
TOTAL FTE	51.00	49.00	5.00	10.2%	54.00	5.00	10.2%	54.00

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 & Rehabilitation (DOCR) is responsible for the care and custody of adult and juvenile offenders sentenced to the Department by the district courts in the state. The DOCR is structured into two major program areas, the Division of Adult Services and the Division of Juvenile Services.

The Division of Juvenile Services (DJS) consists of the Youth Correctional Center (YCC) and Juvenile Community Services. Juvenile Community Services operates from eight regional offices across the state. It coordinates the placement and treatment services for all adjudicated youth placed in the care and custody of DJS. Community services staff work collaboratively with juvenile courts, YCC, county social services, law enforcement, public and private human service agencies and schools to provide individual rehabilitative programming to the juveniles on their caseload.

The YCC is the Division's secure juvenile correctional institution for both male and female delinquent youth. The YCC provides appropriate educational and treatment programming to address the specific issues of each juvenile placed in its care and custody.

The Division of Adult Services consists of the Prisons Division and the Field Services Division. The Prisons Division manages the ND State Penitentiary (NDSP), the Missouri River Correctional Center (MRCC), the James River Correctional Center (JRCC) and Rough Rider Industries (RRI). The NDSP, located in Bismarck, is the state's main prison complex and houses primarily close and maximum-security inmates. The MRCC, located along the Missouri River southwest of Bismarck, houses minimum security inmates. The JRCC, located in Jamestown on the grounds of the ND State Hospital, houses primarily medium security inmates. Female inmates under the care and custody of the DOCR are housed on a contract basis at the Dakota Women's

Correctional and Rehabilitation Center (DWCR) located in New England, ND. RRI is a self-sufficient industrial program operated by the prisons division to provide inmate jobs.

The Field Services Division (FSD) has 12 offices located across the state through which parole and probation officers supervise offenders sentenced to probation by the district courts or released on parole by the parole board. The FSD also manages community-based programs that help divert offenders from prison and assist offenders after release from incarceration. The FSD is also responsible for the management of the Victim Compensation programs and for providing administrative support to the Parole Board and the Pardon Advisory Board.

Major Accomplishments

1. Worked with the Parole Board to streamline the paroling process resulting in an increase in the number of paroles and in the length of paroles.
2. Developed and implemented the re-entry program.
3. Implemented the transition from prison to community initiative.
4. Developed a comprehensive approach to the assessment, supervision and treatment of sexual offenders.
5. Completed workload analysis for parole and probation officers.
6. Continued improvements in the case planning process.
7. Implemented outcome-based supervision of offenders.
8. Received re-accreditation from the American Correctional Association for the NDSP and MRCC.
9. Provided separate living spaces for male and female offenders through establishment of a contract for housing female prisoners with the DWCR.
10. Implemented and validated a new classification system for both male and female inmates.
11. Assumed responsibility for providing food and laundry services to the State Hospital, generating savings for the State while maintaining quality and service to State Hospital patients.
12. Began the medical department quality assurance program, and a peer review program for psychiatry, dental, and medical primary care.
13. Managed increases in inmate population effectively and cost efficiently.
14. Participated in nationally recognized Mental Health and Substance Abuse Policy Academy.

15. Implemented a new comprehensive risk/needs assessment.
16. Implemented the regulations necessary to comply with all HIPPA requirements.
17. Received wraparound certification for all DJS Community staff and four counselors at the Youth Correctional Center.
18. Continued participation in state and regional committees and teams to improve the quality of services delivered to North Dakota's children and adolescents.
19. Began participation in SORAC, the Community Sex Offender Risk Committee to assure public protection and appropriate treatment and placement for juveniles.
20. Continued to maintain one of the lowest system recidivism rates in the nation for juvenile offenders.
21. Received national certification through ACA for the YCC's drug and alcohol treatment program.
22. Implemented a volunteer grandparent program at the YCC.
23. Implemented gender specific programming at the YCC.
24. Increased family contacts to an average of 150 per month at the YCC.
25. Aligned all educational program courses with teacher credentials to successfully meet No School Left Behind requirements at the YCC.

Executive Budget Recommendation

- Provides increased funding to continue housing women at the Dakota Women's Correctional and Rehabilitation Center in New England.
- Provides general fund moneys to replace one-time federal funds used to fund the Bismarck Transition Center during the 2003-05 biennium.

- Provides general fund moneys to continue female transition center programs.
- Provides increased funding to continue the Tompkins Rehabilitation and Correctional Center program in cooperation with the State Hospital in Jamestown.
- Provides general fund moneys to maintain the Juvenile Community Services intensive in-home treatment program, for which federal funds are no longer available.
- Provides 8.50 new FTE to treat and monitor violent sexual offenders.
- Provides 3.00 FTE for the establishment of a new relapse program at the MRCC to provide addiction treatment to inmates prior to release.
- Provides for the establishment of a new assessment program, to provide a more comprehensive assessment of the treatment needs of probation violators and provide additional treatment services.
- Provides 8.00 new treatment FTE to better address the treatment needs of offenders, thereby making them more likely to be paroled and more likely to successfully reenter the community.
- Provides state bonding for three projects: the construction of a multipurpose building at the MRCC, building improvements and remodeling to add bed capacity at the JRCC ET building, remodeling and building improvements necessary to meet building codes at the JRCC programs building.
- Provides \$1.0 million from the general fund for a salary equity pool to partially address salary equity issues relating to correctional officers.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

530 DEPT OF CORRECTIONS AND REHAB

Bill#: SB2015

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
EQUITY POOL	0	0	0	.0%	0	1,000,000	.0%	1,000,000
JUVENILE SERVICES	20,950,725	22,063,834	-2,830,643	-12.8%	19,233,191	-1,188,683	-5.4%	20,875,151
ADULT SERVICES	75,754,383	93,253,832	6,204,279	6.7%	99,458,111	17,796,336	19.1%	111,050,168
TOTAL MAJOR PROGRAMS	96,705,108	115,317,666	3,373,636	2.9%	118,691,302	17,607,653	15.3%	132,925,319
BY LINE ITEM								
JUVENILE COMMUNITY SERVICES	9,952,152	10,449,938	-3,191,858	-30.5%	7,258,080	-2,501,914	-23.9%	7,948,024
FIELD SERVICES	18,148,598	21,087,058	1,487,186	7.1%	22,574,244	5,862,616	27.8%	26,949,674
PRISONS DIVISION	57,605,785	72,166,774	4,717,093	6.5%	76,883,867	11,933,720	16.5%	84,100,494
YOUTH CORRECTIONAL CENTER	10,998,573	11,613,896	361,215	3.1%	11,975,111	1,313,231	11.3%	12,927,127
EQUITY POOL	0	0	0	.0%	0	1,000,000	100.0%	1,000,000
TOTAL LINE ITEMS	96,705,108	115,317,666	3,373,636	2.9%	118,691,302	17,607,653	15.3%	132,925,319
BY FUNDING SOURCE								
GENERAL FUND	75,077,391	81,792,824	9,261,121	11.3%	91,053,945	19,395,569	23.7%	101,188,393
FEDERAL FUNDS	11,929,425	16,291,639	-7,352,016	-45.1%	8,939,623	-7,206,640	-44.2%	9,084,999
SPECIAL FUNDS	9,698,292	17,233,203	1,464,531	8.5%	18,697,734	5,418,724	31.4%	22,651,927
TOTAL FUNDING SOURCE	96,705,108	115,317,666	3,373,636	2.9%	118,691,302	17,607,653	15.3%	132,925,319
TOTAL FTE	615.18	644.18	.01	.0%	644.19	31.11	4.8%	675.29

ADJUTANT GENERAL

Agency 540

Statutory Authority

North Dakota Century Code Title 37.

Agency Description

The ND 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 primary federal mission of the Air and Army National Guard is to prepare for federal mobilization in time of war, national emergency, or at such other times as necessary to ensure national security. The primary state mission of the Guard is to provide military personnel and equipment to support civil authorities in the protection of life and property and the preservation of peace, order, and public safety under orders of the governor or the Governor's designee.

Major Accomplishments

1. Completed the construction of a \$10.6 million new facility for the ND National Guard and US Marine Corps Reserve in January of 2003.
2. Mobilized units for Operation Noble Eagle, Operation Iraqi Freedom, Operation Enduring Freedom, KFOR 5B, and SFOR-14 to Bosnia.
3. Participated in Lewis and Clark events & IRT (Innovative Readiness Training) projects.
4. Flew more than 100,000 accident free hours.
5. Formed a Joint Force Headquarters with the ND Army National Guard State Area Command and the Headquarters ND Air National Guard to form a more agile and educated fighting force that will be better designed to meet the threat of the 21st century enemy.

6. Provided emergency relief water supply service for communities with water problems in 2004, assisted residents flooded in Walsh County, and provided fire fighting support for extreme dry conditions in 2002 and 2003.
7. Received 10th Air Force Outstanding Unit Award (AFOUA) since 1970 for the 119th Fighter Wing.
8. Constructed a new \$5.0 million weapons release hangar at the Hector Air Field in Fargo.
9. Launched the "Airspace Initiative" involving key 119th Fighter Wing assets on behalf of Governor Hoeven's Military in North Dakota Task Force.

Executive Budget Recommendation

- Provides a 100% increase in the tuition assistance program with an additional \$1.0 million from the general fund.
- Provides \$5.0 million from the general fund for the payment of bonuses to qualifying ND National Guard, Reservists, and active duty military personnel.
- Provides \$420,000 from the general fund to increase funding for the maintenance and repair of state supported National Guard facilities.
- Increases utilities funding relating to the new Medical Detachment building located at the Bohn Armory complex in Bismarck.
- Provides \$250,000 from the general fund, to be matched with \$250,000 of federal funds, to replace the roof of the Bohn Armory in Bismarck.
- Provides \$226,000 from the general fund for the payment of special assessments levied against National Guard properties.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

540 ADJUTANT GENERAL

Bill#: HB1017

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
OPERATIONS	16,791,206	7,377,850	-240,818	-3.3%	7,137,032	6,241,553	84.6%	13,619,403
AIR-ARMY GUARD CONTRACTS	23,477,701	30,689,349	840,407	2.7%	31,529,756	1,493,500	4.9%	32,182,849
TUITION AND ENLISTMENT COMPENSATION	818,355	1,007,500	0	.0%	1,007,500	1,000,000	99.3%	2,007,500
TOTAL MAJOR PROGRAMS	41,087,262	39,074,699	599,589	1.5%	39,674,288	8,735,053	22.4%	47,809,752
BY LINE ITEM								
SALARIES AND WAGES	2,986,167	3,568,516	-5	-0.0%	3,568,511	189,128	5.3%	3,757,644
OPERATING EXPENSES	2,931,019	2,681,667	36,861	1.4%	2,718,528	531,861	19.8%	3,213,528
CAPITAL ASSETS	9,857,016	144,987	-50,987	-35.2%	94,000	725,013	500.1%	870,000
CAPITAL CONSTRUCTION CARRYOVER	105,691	185,000	-185,000	-100.0%	0	-185,000	-100.0%	0
GRANTS	593,398	329,514	0	.0%	329,514	5,000,000	1,517.4%	5,329,514
CIVIL AIR PATROL	108,728	193,020	-41,686	-21.6%	151,334	-36,306	-18.8%	156,714
TUITION FEES	818,355	1,007,500	0	.0%	1,007,500	1,000,000	99.3%	2,007,500
AIR GUARD CONTRACT	5,040,035	6,318,364	518,136	8.2%	6,836,500	856,128	13.5%	7,174,492
ARMY GUARD CONTRACT	18,437,666	24,370,985	322,271	1.3%	24,693,256	637,372	2.6%	25,008,357
CIVIL AIR PATROL-WORKERS COMP PAYMENT	9,186	0	0	.0%	0	0	.0%	0
ND VETERANS CEMETARY	200,001	275,146	-1	-0.0%	275,145	16,857	6.1%	292,003
TOTAL LINE ITEMS	41,087,262	39,074,699	599,589	1.5%	39,674,288	8,735,053	22.4%	47,809,752
BY FUNDING SOURCE								
GENERAL FUND	9,264,833	9,170,983	-36,488	-4.4%	9,134,495	7,253,854	79.1%	16,424,837
FEDERAL FUNDS	31,624,874	29,483,716	635,407	2.2%	30,119,123	1,465,278	5.0%	30,948,994
SPECIAL FUNDS	197,555	420,000	670	.2%	420,670	15,921	3.8%	435,921
TOTAL FUNDING SOURCE	41,087,262	39,074,699	599,589	1.5%	39,674,288	8,735,053	22.4%	47,809,752
TOTAL FTE	136.00	139.00	.00	.0%	139.00	.00	.0%	139.00

DEPT OF COMMERCE

Agency 601

Statutory Authority

North Dakota Century Code Chapters 54-60, 54-44.5, 54-34.3, 54-34.4, and 10-30.5.

Agency Description

The ND Department of Commerce was created to combine four agencies including Community Services, Economic Development & Finance, Tourism, and Workforce Development into a cohesive force to expand the economy of North Dakota. By leveraging both human and financial capital, the Department of Commerce is able to provide more coordination to programs, along with world-class customer service to clients.

Major Accomplishments

1. Provided through the Division of Community Services, approximately \$18.0 million for activities that benefited low and moderate-income individuals, families and households.
2. Recruited 24 companies to North Dakota through the Division of Economic Development and Finance in partnership with the local communities.
3. Brought \$63.2 million new dollars in spending to North Dakota by visitors that were directly motivated to visit by a Division of Tourism ad which cost only \$775,000 to produce. Of the \$63.2 million, \$4.0 million went back into the state general fund due to increased taxes paid by visitors.
4. Trained through programs in the Division of Workforce Development, a total of 1,012 nurses including 648 CNA's, 69 CMA's, 178 LPN's, and 117 RN's.

Executive Budget Recommendation

- Approves 1.00 new FTE and general fund dollars for an economic analyst position that will enable the agency to accumulate and disseminate statistical data to more accurately display the impact of economic development incentives on our state's economy.
- Provides an additional \$50,000 general fund dollars to the Center for Technology program to offset the loss of federal funds and ensure that this important program continues at the present level.
- Increases by \$75,000 for a total of over \$250,000 in general fund dollars available for the Partners in Marketing grant program to local development organizations to enhance their business recruitment efforts.
- Provides \$50,000 from the general fund for a grant to supplement private funds that have been raised to recruit and retain dairy farmers in the state, which will enhance growth of the entire dairy industry.
- Approves \$5.0 million general fund dollars and \$50.0 million borrowing authority for the Centers of Excellence.
- Includes appropriation language to reserve \$400,000 of the discretionary fund special line as a grant to the Marketing Research Corridor to match federal EDA funds.
- Provides through appropriation language that the Development Fund will disburse up to \$500,000 to the Trade Promotion Authority once they have met matching requirements.
- Approves an additional staff person, a loan officer or credit analyst, for the Development Fund that will be funded by the Development Fund earnings.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

601 DEPT OF COMMERCE

Bill#: SB2018

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
COMMERCE ADMINISTRATION	1,511,922	1,571,628	-84,661	-5.4%	1,486,967	82,115	5.2%	1,653,743
NORTH DAKOTA TOURISM	4,875,523	7,743,394	89,975	1.2%	7,833,369	154,950	2.0%	7,898,344
ND WORKFORCE DEVELOPMENT	857,467	3,273,588	-1,104,965	-33.8%	2,168,623	-1,082,965	-33.1%	2,190,623
ECONOMIC DEVELOPMENT AND FINANCE	12,468,000	12,718,185	-3,289,426	-25.9%	9,428,759	52,039,185	409.2%	64,757,370
DIVISION OF COMMUNITY SERVICES	41,218,698	53,147,040	-1,215,811	-2.3%	51,931,229	-1,085,460	-2.0%	52,061,580
TOTAL MAJOR PROGRAMS	60,931,610	78,453,835	-5,604,888	-7.1%	72,848,947	50,107,825	63.9%	128,561,660
BY LINE ITEM								
SALARIES AND WAGES	5,909,377	6,752,940	-101,608	-1.5%	6,651,332	416,381	6.2%	7,169,321
OPERATING EXPENSES	8,166,248	8,999,607	-277,479	-3.1%	8,722,128	-277,479	-3.1%	8,722,128
CAPITAL ASSETS	0	0	25,000	100.0%	25,000	25,000	100.0%	25,000
GRANTS	38,388,427	51,180,455	-1,700,707	-3.3%	49,479,748	-1,700,707	-3.3%	49,479,748
ND DEVELOPMENT FUND	2,349,727	1,550,000	-1,550,000	-100.0%	0	-1,550,000	-100.0%	0
CENTERS OF EXCELLENCE	0	0	0	.0%	0	55,000,000	100.0%	55,000,000
APUC	4,424,836	3,821,795	-1,042,793	-27.3%	2,779,002	-1,029,671	-26.9%	2,792,124
LEWIS & CLARK BICENTENNIAL	755,458	3,851,911	74,699	1.9%	3,926,610	81,301	2.1%	3,933,212
TRANSITIONAL EXPENSES	81,092	0	0	.0%	0	0	.0%	0
DISCRETIONARY FUNDS	856,445	2,297,127	-1,032,000	-44.9%	1,265,127	-857,000	-37.3%	1,440,127
TOTAL LINE ITEMS	60,931,610	78,453,835	-5,604,888	-7.1%	72,848,947	50,107,825	63.9%	128,561,660
BY FUNDING SOURCE								
GENERAL FUND	16,171,512	20,182,851	-2,637,449	-13.1%	17,545,402	2,946,313	14.6%	23,129,164
FEDERAL FUNDS	37,793,261	50,039,209	-3,310,950	-6.6%	46,728,259	-3,206,174	-6.4%	46,833,035
SPECIAL FUNDS	6,966,837	8,231,775	343,511	4.2%	8,575,286	50,367,686	611.9%	58,599,461
TOTAL FUNDING SOURCE	60,931,610	78,453,835	-5,604,888	-7.1%	72,848,947	50,107,825	63.9%	128,561,660
TOTAL FTE	57.00	57.00	.00	.0%	57.00	1.00	1.8%	58.00

DEPARTMENT OF AGRICULTURE

Agency 602

Statutory Authority

North Dakota Century Code Chapters 4-01, 4-05.1, 4-09, 4-10.1, 4-10.2, 4-10.3, 4-10.4, 4-10.5, 4-10.6, 4-10.7, 4-12.1, 4-12.2, 4-13.1, 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, 4-40, 4-41, 19-13.1, 19-14, 19-18, 19-20.1, 19-20.2, 36-01, 36-04, 36-05, 36-05.1, 36-07, 36-14, 36-14.1, 36-15, 36-21.1, 36-24, and 63-01.1.

Agency Description

The commissioner is statutorily responsible to enforce agriculture related regulations, collect and publish agricultural and labor statistics, and serve as commissioner of immigration. The responsibilities have expanded to include a leadership role in the formulation of policies affecting the state's agricultural industries, the advocacy of the needs and concerns of farmers and ranchers on the state and national levels, the administration of fair and timely mediation services to farmers and ranchers, the promotion and marketing of North Dakota products, and the distribution of information concerning agricultural issues to the Governor, legislature and the general public.

Major Accomplishments

1. Coordinated successful Pride of Dakota Holiday Showcase events in Bismarck, Minot, Fargo and Grand Forks in December 2003, increased sales through shopnd.com; and held the Pride of Dakota Wholesale Gift Show in Bismarck.
2. Led the development of a National Association of State Departments of Agriculture farm bill recommendation; testified as an expert witness in front of the federal Commission on the Application of Payment Limitations in 2003; developed written comments regarding the Canadian wheat dumping case, Burlington Northern inverse rail rate structure, and farm bill issues; and provided comments on the Forest Service Proposed Land and Resource Management Plan for Dakota Prairie Grasslands.
3. Sponsored a very successful renewable energy summit in Mandan in October 2003.
4. Developed and received federal approval on the meat inspection program.
5. Aided in the development and distribution of the "Ag Mag" for students and teachers. The "AgCitement Learning Lab" toured the state to help school children learn more about agriculture and its importance to the state and nation.
6. Contracted the Ag in the Classroom activities in response to legislative directive.
7. Worked with the Board of Animal Health to begin the development of a bio-security protection program.
8. Held successful Taste of Dakota events in Minot, Fargo and Bismarck.
9. Conducted 17 Project Safe Send collections to dispose of unusable pesticides and other hazardous waste.
10. Assisted counties in developing a successful biocontrol program for leafy spurge and for Canada thistle across the state.
11. Worked with organizations to coordinate the celebration of Ag Day and Ag Earth Week.
12. Approved nine official state slaughter and processing plants grants of inspection.
13. Developed a new weed-mapping program by providing global positioning system units and intense training to local county weed boards.
14. Provided \$216,000 to assist dairy producers with waste management and water quality issues through the federal EPA 319 program;
15. Started the conversion of the pesticide registration files to an electronic format.
16. Cooperated with the ND Geological Survey and Natural Resource Conservation Service to convert the state's soil maps into the geographic information system (GIS) format.
17. Received an award from the Fish and Wildlife Service for cooperative weed management accomplishments;
18. Received an EPA award for excellence for regulatory work related to anhydrous ammonia.
19. Provided \$50,000 of federal assistance to ranchers in Sioux and Grant Counties to help with losses of rangeland to the fires in summer, 2002.
20. Provided \$130,000 of federal grants to organic producers to assist with certification costs.
21. Provided negotiation, mediation, and beginning farmer assistance to 921 producers in fiscal years 2002 and 2003.
22. Established The ND Reserve Veterinary Corp through joint funding through the Centers for Disease Control and Prevention and USDA. Veterinarians in the corps are outfitted with laptops, global positioning systems, digital cameras and other tools necessary to track down, record and monitor a disease outbreak wherever it occurs.

Executive Budget Recommendation

- Transfers the Pride of Dakota program from a conference fund to a permanent ongoing program in the department's budget.
- Adds 1.00 FTE, a meat inspector, to keep up with the continued growth and inspection requirements of official state establishments that require an inspector be on-site during slaughter and processing and custom exempt establishments that require quarterly inspections.
- Increases the budget by \$263,100 (\$181,000 general fund dollars) and expands staffing for the Board of Animal Health by 2.00 FTE, a veterinarian and program specialist, to meet the growing demands of animal health programs including the National Scrapie Eradication program, and Johne's program.
- Recommends the transfer of \$200,000 from the environment and rangeland protection fund to the minor use fund to continue research to facilitate the registration of new pesticides to be used on crops or for new uses of existing pesticides.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

602 DEPARTMENT OF AGRICULTURE

Bill#: HB1009

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
EXECUTIVE SERVICES	1,908,276	2,215,351	47,446	2.1%	2,262,797	137,024	6.2%	2,352,375
AG MEDIATION SERVICE	854,464	1,079,459	-79,663	-7.4%	999,796	-43,188	-4.0%	1,036,271
PLANT SERVICES	4,968,442	5,927,068	-971,340	-16.4%	4,955,728	-655,932	-11.1%	5,271,136
LIVESTOCK SERVICES	3,348,721	4,419,274	657,822	14.9%	5,077,096	1,174,916	26.6%	5,594,190
TOTAL MAJOR PROGRAMS	11,079,903	13,641,152	-345,735	-2.5%	13,295,417	612,820	4.5%	14,253,972
BY LINE ITEM								
SALARIES AND WAGES	4,765,632	5,220,043	149,628	2.9%	5,369,671	546,594	10.5%	5,766,637
OPERATING EXPENSES	4,127,852	4,908,253	-596,475	-12.2%	4,311,778	-549,975	-11.2%	4,358,278
CAPITAL ASSETS	20,130	15,250	-10,250	-67.2%	5,000	-10,250	-67.2%	5,000
GRANTS	1,303,942	2,025,854	-501,629	-24.8%	1,524,225	-501,629	-24.8%	1,524,225
BOARD OF ANIMAL HEALTH	831,796	1,446,752	612,991	42.4%	2,059,743	928,080	64.1%	2,374,832
CROP HARMONIZATION BOARD	30,551	25,000	0	.0%	25,000	200,000	800.0%	225,000
TOTAL LINE ITEMS	11,079,903	13,641,152	-345,735	-2.5%	13,295,417	612,820	4.5%	14,253,972
BY FUNDING SOURCE								
GENERAL FUND	4,350,827	4,233,525	197,938	4.7%	4,431,463	652,433	15.4%	4,885,958
FEDERAL FUNDS	3,158,305	5,097,493	-230,851	-4.5%	4,866,642	22,886	.4%	5,120,379
SPECIAL FUNDS	3,570,771	4,310,134	-312,822	-7.3%	3,997,312	-62,499	-1.5%	4,247,635
TOTAL FUNDING SOURCE	11,079,903	13,641,152	-345,735	-2.5%	13,295,417	612,820	4.5%	14,253,972
TOTAL FTE	55.50	57.00	1.00	1.8%	58.00	4.00	7.0%	61.00

STATE SEED DEPARTMENT

Agency 616

Statutory Authority

North Dakota Century Code Chapters 4-09, 4-10, 4-11, 4-25 and 4-26.

Agency Description

The State Seed Department provides service 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, which represents the agricultural industries using the department services, serves as the board of directors. This seed commission establishes policy, appoints a manager and approves budgets. The department employs 32 full-time and over 60 temporary and part-time staff in Fargo, at its regional office in Grafton, and throughout the state on a seasonal basis. All funds for the department are derived from the services it performs. The Seed Department is a self-funded agency of state government 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 include:

- Seed regulatory program carries out the state obligation for enforcement of state and federal seed laws. This program is responsible to ensure that seed is properly labeled for the farmer. It involves sampling and testing seed lots, performing field grow outs for varietal identification, investigating complaints, administering a seed permit system, and educating the industry on seed laws of North Dakota.
- Potato program provides service to the potato industry with the inspection of seed fields, and provides federal/state potato grade inspection at warehouses and processing plants.

- Field Seeds program provides field inspection and certification services on over 300,000 acres and 6.5 million bushels of northern grown crops each year.
- Laboratory services incorporate recent technology in traditional and cutting edge testing practices.

Major Accomplishments

1. Maintained financial stability during the past two bienniums, despite adverse circumstances in the agriculture economy.
2. Completed strategic planning process that will guide agency program development over next 5-10 year period.
3. Introduced web-based information systems in secure on-line form designed to provide inspection results to producers and seed companies quickly and reliably. This format provides a base for on-line application for services.
4. Introduced Identity Preserved and Quality Assurance services in response to changes in the agriculture industry.
5. Completed field inspection of 350,000+ Field Seed program acres in 2002, and over 380,000 acres in 2003 before declining to the 300,000 acre range in 2004.
6. Expanded laboratory test services in response to industry demands, including those related to specific GM events and crop diseases common to this region.
7. Experienced major expansion in production and sale of nuclear seed stocks developed in our tissue culture and greenhouse facilities.
8. Completed staff reductions in program areas with declining acreages and revenues. Potato program acreages declined from 22,000 in 2002 to approximately 16,000 acres in 2004.

Executive Budget Recommendation

- Eliminates 2.00 vacant FTE.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

616 STATE SEED DEPARTMENT

Bill#: SB2022

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATION	217,643	593,500	37,758	6.4%	631,258	37,758	6.4%	631,258
SEED REGULATORY PROGRAM	366,553	589,381	19,885	3.4%	609,266	19,562	3.3%	608,943
POTATO PROGRAM	1,405,953	1,852,529	36,855	2.0%	1,889,384	146,620	7.9%	1,999,149
FIELD SEEDS	1,013,160	1,508,562	49,376	3.3%	1,557,938	40,592	2.7%	1,549,154
LAB SERVICES	887,718	1,096,028	19,170	1.7%	1,115,198	40,118	3.7%	1,136,146
TOTAL MAJOR PROGRAMS	3,891,027	5,640,000	163,044	2.9%	5,803,044	284,650	5.0%	5,924,650
BY LINE ITEM								
SEED OPERATIONS	3,891,027	5,640,000	163,044	2.9%	5,803,044	284,650	5.0%	5,924,650
TOTAL LINE ITEMS	3,891,027	5,640,000	163,044	2.9%	5,803,044	284,650	5.0%	5,924,650
BY FUNDING SOURCE								
GENERAL FUND	0	0	0	.0%	0	0	.0%	0
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	3,891,027	5,640,000	163,044	2.9%	5,803,044	284,650	5.0%	5,924,650
TOTAL FUNDING SOURCE	3,891,027	5,640,000	163,044	2.9%	5,803,044	284,650	5.0%	5,924,650
TOTAL FTE	32.00	32.00	.00	.0%	32.00	-2.00	-6.3%	30.00

Statutory Authority

North Dakota Century Code Chapter 54-53.

Agency Description

The Transportation Institute was created by the North Dakota legislature in 1967 as part of ND State University to foster a better understanding of the role of transportation in the economy. This 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. The Institute's mission is to continue to make a significant contribution to small urban and rural transportation by attracting, developing, inspiring, and retaining exceptional people. Their vision is to enhance their reputation as one of the leading transportation centers of excellence. It accomplishes this through nine distinct research, service, and education programs.

Major Accomplishments

1. Initiated the development of an associate degree in transportation and logistics at Bismarck State College.
2. Continued development of the interdisciplinary doctoral program in transportation and logistics.
3. Initiated a project with the Department of Homeland Security's Customs and Border Protection inspectors to identify and contain unsafe commercial motor vehicles and drivers at the borders.
4. Awarded a competitive contract to develop high-quality software in use by federal and state commercial vehicle safety specialists nationwide.
5. Supported the NDDOT and the three metropolitan planning organizations (MPO) in Bismarck-Mandan, Fargo-Moorhead, and Grand Forks-East Grand Forks in developing regional architecture for Intelligent Transportation Systems.
6. Completed Fargo-Moorhead Council of Governments traffic model, which allows area agencies to predict future transportation, needs, explore impacts of developments, and guide transportation investments.

7. Reached full development of the research program since its inception last biennium. Projects to improve mobility for the people of ND and the region include: *Transportation of the Disadvantaged* 2003; Needs Assessment survey of transit managers in ND, SD, MT, MN, and WY; James River Transit, development of a fixed route system, forthcoming September 30, 2004; Coordination of Transit Services study forthcoming September 30, 2004; Statewide Passenger Mobility study, June 30, 2005; Comprehensive Uses of ITS Technology, June 30, 2005; and Transportation of the Elderly in ND, 2005.
8. Completed research in cooperation with the USDA to investigate the intra-industry effects of rail rate deregulation, the containerized grain industry, and the role of short line railroads as important aspects of the U.S. grain industry and the north central plains economy.
9. Conducted transportation seminars for grain buyer delegations from Mexico, Japan, and China.
10. Participated in USDA/USAID South African transportation management and standards harmonization workshop to foster agricultural trade.
11. Developed freight and business transportation quality indices as resource for non-metropolitan cities in economic development initiatives in a US DOT research project.
12. Assisted five highway designs in the first year with nine projects under design to be completed in the second year of the biennium for a total bid amount of \$54.8 million.
13. Completed an Erosion Control Manual.
14. Developed a web site with roadway design standards resident on our server.
15. Completed a sign inventory program, roadway roughness analysis program, and various re-writes of NDDOT spreadsheet programs into modern languages.

Executive Budget Recommendation

- Approves budget as requested.
- Approves additional FTE requested for grants and contract funding.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

627 UPPER GREAT PLAINS TRANS INST

Bill#: SB2020

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
CORE PROGRAM	8,178,767	10,888,246	4,420,659	40.6%	15,308,905	4,875,827	44.8%	15,764,073
TOTAL MAJOR PROGRAMS	8,178,767	10,888,246	4,420,659	40.6%	15,308,905	4,875,827	44.8%	15,764,073
BY LINE ITEM								
TRANSPORTATION INSTITUTE	8,178,767	10,888,246	4,420,659	40.6%	15,308,905	4,875,827	44.8%	15,764,073
TOTAL LINE ITEMS	8,178,767	10,888,246	4,420,659	40.6%	15,308,905	4,875,827	44.8%	15,764,073
BY FUNDING SOURCE								
GENERAL FUND	544,054	526,595	-43,496	-8.3%	483,099	-25,550	-4.9%	501,045
FEDERAL FUNDS	4,634,713	7,432,755	3,113,074	41.9%	10,545,829	3,465,971	46.6%	10,898,726
SPECIAL FUNDS	3,000,000	2,928,896	1,351,081	46.1%	4,279,977	1,435,406	49.0%	4,364,302
TOTAL FUNDING SOURCE	8,178,767	10,888,246	4,420,659	40.6%	15,308,905	4,875,827	44.8%	15,764,073
TOTAL FTE	27.75	31.50	17.00	54.0%	48.50	17.00	54.0%	48.50

BRANCH RESEARCH CENTERS

Agency 628

Statutory Authority

North Dakota Century Code Chapter 4-05.1.

Agency Description

Carrington Research Extension Center (CREC). The Carrington Research Extension Center was established in 1960 with a focus on irrigation research. Additional responsibilities include a broad agronomy research program, beef and bison nutrition and management, foundation seed stocks, and other emerging issues. The central location of the Carrington Center is important in that the research program can address research needs that represent a significant part of agriculture in North Dakota. The research effort at the Carrington Center focuses on these general program areas: traditional crop variety evaluation, crop production and management, alternative crop development, cropping systems, irrigation, integration of crop and livestock production, intensive cow/calf production, beef cattle feeding, feedlot management, bison nutrition, foundation seed stocks production, and fostering development of new agricultural enterprises. The Carrington Center maintains a strong Extension program as three area extension specialists base their educational programming from the Center. Through their efforts, the latest research results and refined crop and livestock management guidelines are shared with all agricultural constituencies. The Carrington Center operates on a land base of around 1,400 acres. Of this total, about 700 acres are leased or rented to supplement the research, seed and forage production needs of the Center.

Central Grasslands Research Extension Center (CGREC). The CGREC conducts research for the Coteau Region of North Dakota. Research objectives are to 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 rain fed 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, with development of practices to improve production and increase returns to cattle.

Dickinson Research Extension Center (DREC). The DREC is a complex center with animal, agronomic, and range scientists working to improve aspects of management, breeding, feeding, and disease control of livestock, developing improved agronomic practices for production in western North Dakota, and evaluation and management of native rangeland, pasture, and forage production. The scientific diversity provides for a broad perspective in evaluating the various agricultural systems in southwest North Dakota. The Center operates 4,916 acres of land and works with 13 counties south and west of the Missouri River.

Hettinger Research Extension Center (HREC). The HREC is located in southwest North Dakota, providing the most southerly location in the non-glaciated portion of North Dakota as a site for its agronomy program. The HREC also is appropriately located at the center of the North Dakota sheep industry, which is the focus of one of its animal research programs. Research at the HREC involves the disciplines of animal science, range science, agronomy, and agri-business and applied economics. Collaboration continues with Main Station scientists in these research areas to improve productivity of livestock and cropping systems and economic development of the region.

Langdon Research Extension Center (LREC). The LREC was established in 1907 during the 10th Legislative Assembly of North Dakota. The 719-acre center conducts research designed to maintain and improve northeastern North Dakota's vital agricultural economy while preserving the region's natural resources for future generations. Research emphases are designed to assist the region's producer's production problems unique to northeast North Dakota. LREC collaborates with efforts by Main Station scientists on breeding programs in barley, durum, HRSW, potato, and alternative crops breeding programs; partnering with the NDSU Foundation Seed stocks Program to provide the region's producers with new and improved seed stocks. Work done in partnership with agricultural input firms provides the region's producers with dependable and unbiased information designed to assist them to become more profitable. More recently, efforts in agricultural-based economic development in partnership with the region's producers, economic development groups, and others to add value to the regions production based enterprises, and in rural community sustainability have begun.

North Central Research Extension Center (NCREC). The NCREC is located one mile south of Minot on Highway 83. The center includes 900 acres for 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. In 2001, purchase of 320 acres of land adjacent to the NCREC was approved. The land is now in use for foundation seed production and research plots. 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 ND on production and disease research of canola, pea, lentil, and chickpea, in addition to the conventional crops of HRS and durum wheat, barley, flax, sunflower, and oat. 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 near the city of Williston. In 2001, an additional 160 acres were purchased in Nesson Valley to develop an irrigated research and demonstration site. Studies at the WREC are conducted on crop variety evaluation, herbicide performance, and other cultural management research, cropping systems and soil and water conservation practices. The main dry land crops are spring wheat and durum grown in a crop-fallow rotation, barley, oats, safflower, annual pulse crops, canola, and other alternative crops are also grown as cash crops or for livestock feed. This research is intended to increase the producer's net profit, support crop diversification, and encourage more intensive cropping. Soil and crop management systems for sprinkler irrigation and alternative irrigated high value and value-added crop research studies, including the Western Malting Barley program, are also conducted in the MonDak Region, in cooperation with the Montana State University (MSU) Eastern Agricultural Research Center (EARC), Sidney. The Center also conducts safflower, winter wheat, and durum breeding research and variety evaluations, in cooperation with MSU and NDSU Main Station scientists. WREC produces and supplies area farmer's foundation seed of cultivars adapted to the region. Formal cooperation between the NDSU WREC and the MSU EARC was established in January 1994, with a single director responsible to coordinate, broaden, and enhance research programs, and educational delivery systems for the MonDak Region.

Major Accomplishments

Dickinson Research Extension Center

1. Evaluated new cropping systems to preserve water and soil quality while working to stimulate plant growth and improve air quality.

2. Conducted research in the following areas: integrating crop and livestock systems; improved plant diagnostic lab; hay feeding methods and wintering costs; defoliation effects on the grassland ecosystems; utilization of extended grazing periods; sunflower plant production efficiency; root disease diagnosis; and environmental management strategies.
3. Prepared for centennial in 2005 by establishing a "Renewal of the Earth" centennial planning process.

Central Grasslands Research Extension Center

1. Entered into an agreement with the Chinese Academy of Science, Institute of Botany for an exchange scholar program.
2. Received a grant to work with producers establishing range-monitoring sites on their ranches.
3. Continued the grazing intensity trial with numerous studies on range and soils.

Hettinger Research Extension Center

1. Established a "Southwest Feeders" value added initiative in cooperation with the Mandan USDA/ARS laboratory.
2. Initiated development of new research initiatives in the areas of range and beef production.
3. Acquired grant funds in excess of \$70,000 to continue a new program of research in the area of "Value Added Animal Production" which is focused on calf back grounding and lamb finishing.
4. Completed grazing objectives evaluating positive synergy between multi-species grazing and biological bugs for the control of rangelands infested with the noxious weed leafy spurge.
5. Received long-term funding to initiate a support project monitoring the "R" gene for resistance to scrapie in sheep.
6. Distributed 4,000 bushels of foundation seed produced at other NDSU research centers, making new varieties as available to southwest North Dakota producers as those in other parts of the state.
7. Designed and constructed an approved chemical storage unit for safe storage and handling of chemicals.
8. Continued to measure changes in ecological and economic factors relative to changes in farm management on both native range and long-term cropland.
9. Completed a video conference center for distance education.
10. Received funds to implement new learning centers in Bowman and Beach, developed program offerings, and continued to seek additional funds to staff the southwest learning centers.

Langdon Research Extension Center

1. Continued research in wheat and potato breeding program.
2. Maintained a large disease nursery studying disease management strategies and variety resistance.
3. Conducted research at off-station sites in neighboring counties to help make crop variety recommendations for those areas and give producers a look at varieties under local conditions.
4. Completed the Vic Sturlaugson Learning Center in 2004. The center houses new offices for faculty and staff as well as a conference room, meeting room, business incubator and a computer classroom.

North Central Research Extension Center

1. Produced, conditioned and distributed Foundation seed for new NDSU Variety releases: Dapps hard red spring wheat, Steele ND hard red spring wheat, Tradition barley, Carter flax and York flax.
2. Reduced Canada thistle densities more than 90% in three separate crop rotation studies centered on canola and wheat.
3. Provided data that accelerated the registration of new crop protection products for minor crops such as sunflower, dry pea, chickpea, lentil, canola, crambe and flax.
4. Optimized crop production through research on agronomic practices like fertility, plant depth or rate and how these variables affect crop yield.
5. Developed soybean production cropping system recommendations for north central North Dakota. Production work continues to fine tune soybean recommendations.
6. Established canola misting system research site for evaluating sclerotinia control.
7. Set up a precision agricultural research site utilizing real time global positioning system to study variable rate nitrogen applications.

Williston Research Extension Center

1. Evaluated the performance and adaptation of new and established crop cultivars and crop cultural practices to improve productivity of agricultural products and reduce inputs.
2. Developed and released Nutrasaff safflower, a high oil, high protein linoleic safflower variety through our collaborative efforts with EARC for the birdseed and animal nutrition feedstock markets.
3. Conducted research and demonstration projects on potatoes for the French fry industry, on malting barley in partnership with Anheuser Busch, on identity preserved wheat, and on value added safflower and durum.

Carrington Research Extension Center

1. Expanded feedlot research program with a new mill featuring increased bulk storage, faster processing, greater flexibility in ration ingredients, storage for diverse ration components, improved safety, and greater precision in ration formulation.
2. Determined that processing flax was required to optimize the use of flax in beef diets. The process of grinding or rolling both increased daily gain by 0.3 lbs. compared to whole seeds in the ration.
3. Provided cattle producers information on herd genetics, carcass value, and feedlot performance through participation in the Dakota Feeder Calf Feedout project.
4. Determined that calves bedded with modest or generous levels of straw returned up to \$90 per head more than non-bedded calves.

Executive Budget Recommendation

- Approves \$45,529 costs to continue.
- Approves ethanol and malting barley salaries and operating at Dickinson Research Station.
- Approves \$1.3 million Agronomy Lab and Greenhouse at North Central Research Station with \$880,000 special funds and \$440,000 bonding.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

628 BRANCH RESEARCH CENTERS

Bill#: SB2020

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
DICKINSON RESEARCH CENTER	3,863,905	5,282,097	88,333	1.7%	5,370,430	272,660	5.2%	5,554,757
CENTRAL GRASSLANDS RESEARCH CENTER	1,381,703	1,686,769	548,602	32.5%	2,235,371	295,920	17.5%	1,982,689
HETTINGER RESEARCH CENTER	1,480,373	1,532,440	200,000	13.1%	1,732,440	266,381	17.4%	1,798,821
LANGDON RESEARCH CENTER	1,667,736	1,762,737	-495,648	-28.1%	1,267,089	-430,035	-24.4%	1,332,702
NORTH CENTRAL RESEARCH CENTER	2,261,116	1,737,891	1,161,667	66.8%	2,899,558	1,818,429	104.6%	3,556,320
WILLISTON RESEARCH CENTER	1,667,286	1,644,039	388,334	23.6%	2,032,373	447,259	27.2%	2,091,298
CARRINGTON RESEARCH CENTER	3,918,809	3,487,988	616,435	17.7%	4,104,423	763,216	21.9%	4,251,204
TOTAL MAJOR PROGRAMS	16,240,928	17,133,961	2,507,723	14.6%	19,641,684	3,433,830	20.0%	20,567,791
BY LINE ITEM								
DICKINSON RESEARCH CENTER	3,863,905	5,282,097	88,333	1.7%	5,370,430	272,660	5.2%	5,554,757
CENTRAL GRASSLANDS RESEARCH CENTER	1,381,703	1,686,769	548,602	32.5%	2,235,371	295,920	17.5%	1,982,689
HETTINGER RESEARCH CENTER	1,480,373	1,532,440	200,000	13.1%	1,732,440	266,381	17.4%	1,798,821
LANGDON RESEARCH CENTER	1,667,736	1,762,737	-495,648	-28.1%	1,267,089	-430,035	-24.4%	1,332,702
NORTH CENTRAL RESEARCH CENTER	2,261,116	1,737,891	1,161,667	66.8%	2,899,558	1,818,429	104.6%	3,556,320
WILLISTON RESEARCH CENTER	1,667,286	1,644,039	388,334	23.6%	2,032,373	447,259	27.2%	2,091,298
CARRINGTON RESEARCH CENTER	3,918,809	3,487,988	616,435	17.7%	4,104,423	763,216	21.9%	4,251,204
TOTAL LINE ITEMS	16,240,928	17,133,961	2,507,723	14.6%	19,641,684	3,433,830	20.0%	20,567,791
BY FUNDING SOURCE								
GENERAL FUND	7,995,128	7,705,087	0	.0%	7,705,087	470,170	6.1%	8,175,257
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	8,245,800	9,428,874	2,507,723	26.6%	11,936,597	2,963,660	31.4%	12,392,534
TOTAL FUNDING SOURCE	16,240,928	17,133,961	2,507,723	14.6%	19,641,684	3,433,830	20.0%	20,567,791
TOTAL FTE	78.10	73.65	3.76	5.1%	77.41	3.76	5.1%	77.41

Statutory Authority

North Dakota Century Code Chapter 4-08.

Agency Description

The ND 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 reservations in North Dakota. Programs focus on selected needs and issues affecting the state's agriculture, youth, families, communities and natural resources. With staff located at state, area and local offices, the NDSU Extension Service combines funding from federal, state and county levels to specifically address local concerns.

Major Accomplishments

1. Conducted 4-H technology training workshops across North Dakota.
2. Supported over 50 crop and livestock marketing clubs.
3. Assisted over 300 producers and lenders in enhancing their feedlot management, feeding, and marketing skills through feedlot schools and advanced cattle feeding workshops.
4. Conducted workshops on preparing and serving food in the congregate feeding program for the Department of Aging Services.
5. Developed and piloted a five-lesson food safety curriculum, "Teens Serving Food Safely" with 300 students completing the lessons and passing the exam with a score of 80% or higher.
6. Responded to drought conditions in 2003 through educational meetings on livestock, cropping and family communication issues; and collection of data for disaster requests. Assisted North Dakota producers through a comprehensive program on "crop diversity" to transition to oil seeds and other row crops increasing canola by 183% over a four-year period, soybeans by 143%, flax by 562%, field peas by 131%, lentils by 205% and mustard by 190%.

7. Assisted producers with farm program sign-up decisions that had significant financial implications for individual farms.
8. Trained all agricultural extension agents on animal and plant diseases, incident command and extension disaster recovery plan.
9. Provided technical assistance to North Dakota producers on livestock waste management issues. Assisted with the certification of 1,700 livestock operations through the North Dakota Beef Quality Assurance (BQA) program.
10. Provided 55,419 North Dakota youth with 4-H youth development program training. Nearly 6,000 youth are enrolled in 490 4-H clubs.
11. Conducted statewide programming efforts in community strategic planning, leadership development, faculty technical assistance, for small and medium sized businesses and rural leadership and business development.
12. Involved 691 North Dakota youth in entrepreneurship training through the Mini-Society program during the 2001-2002 school year. That provided 21 schools and 516 students over 30 hours of youth entrepreneurship training called mini-society in the 2002-03 school year.
13. Provided on-going education for control of leaf disease and fusarium head blight of wheat and barley, resulting in improving the net return of small grain producers by \$18.8 million in 2003. Results contributed to the increased use of disease resistant cultivars and timely fungicide application.

Executive Budget Recommendation

- Provides \$114,990 for costs to continue current programming.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

630 NDSU EXTENSION SERVICE

Bill#: SB2020

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
COOP EXTENSION SERVICE	32,513,348	34,601,276	1,581,419	4.6%	36,182,695	3,629,014	10.5%	38,230,290
TOTAL MAJOR PROGRAMS	32,513,348	34,601,276	1,581,419	4.6%	36,182,695	3,629,014	10.5%	38,230,290
BY LINE ITEM								
SALARIES AND WAGES	0	0	0	.0%	0	0	.0%	0
CAPITAL ASSETS	0	0	0	.0%	0	0	.0%	0
NDSU-EXTENSION SERVICE	32,512,605	33,822,597	1,581,419	4.7%	35,404,016	3,619,658	10.7%	37,442,255
SOIL CONSERVATION COMMITTEE	0	778,679	0	.0%	778,679	9,356	1.2%	788,035
BIENNIUM CARRYOVER	743	0	0	.0%	0	0	.0%	0
TOTAL LINE ITEMS	32,513,348	34,601,276	1,581,419	4.6%	36,182,695	3,629,014	10.5%	38,230,290
BY FUNDING SOURCE								
GENERAL FUND	14,180,025	14,114,446	0	.0%	14,114,446	1,126,616	8.0%	15,241,062
FEDERAL FUNDS	6,736,377	6,677,210	50,993	.8%	6,728,203	157,558	2.4%	6,834,768
SPECIAL FUNDS	11,596,946	13,809,620	1,530,426	11.1%	15,340,046	2,344,840	17.0%	16,154,460
TOTAL FUNDING SOURCE	32,513,348	34,601,276	1,581,419	4.6%	36,182,695	3,629,014	10.5%	38,230,290
TOTAL FTE	275.81	270.57	-4.47	-1.7%	266.10	.00	.0%	266.10

NORTHERN CROPS INSTITUTE

Agency 638

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. The 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. The 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. It is located on the campus of North Dakota State University.

Major Accomplishments

1. Contributed to market development and global awareness of North Dakota and four-state regional crop quality and availability.
2. Hosted and promoted regional agriculture to over 1,500 visitors, short course participants, and lecturers from over 40 countries; also educated 500 participants in NCI short courses and numerous trade teams.
3. Hosted events celebrating 20 years of serving North Dakota and regional agriculture.
4. Offered courses in partnership with U.S. Wheat Associates, American Soybean Association, U.S. Grains Council, American Society for Brewing Chemists, Association of Operative Millers, American Association of Cereal Chemists, Association of Oil Chemists Society, USDA/FAS Cochran Program, NDSU Extension Service, Mid-America Consultants Inc., Minnesota Soybean Research and Promotion Council and others.
5. Continued strong enrollments in basic and advanced grain procurement management courses.
6. Provided customized grain procurement courses in soybeans, wheat and corn for regional companies and international buyers.

7. Taught wheat and flour quality basics to U.S. wheat breeders, buyers and processors of wheat.
8. Taught two barley malt quality programs to U.S. and Latin American barley buyers and processors.
9. Continued strong enrollment in annual pasta raw materials and processing course.
10. Conducted feed and feedlot management educational programs.
11. Provided quality assurance/quality control workshops for livestock and poultry feed producers in Greece, Hungary, Poland, and Ukraine.
12. Conducted feed microscopy programs to ensure biosecurity of livestock feed worldwide.
13. Hosted and provided educational segments for international trade teams.
14. NCI technical processing and consulting assisted regional and U.S. processors and researchers investigate uses of regional commodities for new applications. Several of these products have been commercialized and may contribute to economic growth through increasing the value of commodities and business profit.
15. Technical services added value to northern grown crops. These services include processing at NCI facilities, and consulting to provide solutions to processors and users of regional commodities in the region, U.S., and around the globe. Products were processed from buckwheat, canola, corn, dry edible beans, durum wheat, flax, HRS wheat, oats, soybeans, sunflowers, and wild rice.
16. Provided technical expertise in wheat quality and end-uses through crop quality tours in Asia and European Union.
17. Durum mill used for private and research durum milling and specialty milling projects in addition to serving as a demonstration mill. It is also used in durum milling courses for professionals and for milling test samples of new durum cultivars for the Wheat Quality Council.

Executive Budget Recommendation

- Provides \$4,731 for operating inflation.
- Provides \$24,469 for linking North Dakota crops to livestock development.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

638 NORTHERN CROPS INSTITUTE

Bill#: SB2020

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
FARM PRODUCT DEVELOPMENT, MKTG. AND UTIL	1,549,297	1,523,347	144,453	9.5%	1,667,800	240,238	15.8%	1,763,585
TOTAL MAJOR PROGRAMS	1,549,297	1,523,347	144,453	9.5%	1,667,800	240,238	15.8%	1,763,585
BY LINE ITEM								
NORTHERN CROPS INSTITUTE	1,505,478	1,523,347	144,453	9.5%	1,667,800	240,238	15.8%	1,763,585
BIENNIUM CARRYOVER	43,819	0	0	.0%	0	0	.0%	0
TOTAL LINE ITEMS	1,549,297	1,523,347	144,453	9.5%	1,667,800	240,238	15.8%	1,763,585
BY FUNDING SOURCE								
GENERAL FUND	760,639	746,002	0	.0%	746,002	66,842	9.0%	812,844
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	788,658	777,345	144,453	18.6%	921,798	173,396	22.3%	950,741
TOTAL FUNDING SOURCE	1,549,297	1,523,347	144,453	9.5%	1,667,800	240,238	15.8%	1,763,585
TOTAL FTE	8.00	8.17	-.55	-6.7%	7.62	.00	.0%	7.62

Statutory Authority

North Dakota Constitution, Article XIX; North Dakota Century Code Chapter 4-05.1.

Agency Description

The ND State University Main Research Station is located on the campus of the ND University of Agriculture and Applied Science. The station is the administrative location of the Agricultural Experiment Station. The station conducts research and coordinates all research activities of the Agricultural Experiment Station. The research has, as a purpose, 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 Center keeps detailed records of all activities and publishes the information that will be of value to the residents of this state.

Major Accomplishments

1. Continued breeding, disease and insect tests, fertility tests, responses to weed pressure, determination of desirable agronomic processing and products, and economic impacts for 14 major crops and several new crops.
2. Developed and released new, improved cultivars of wheat, oat, flax, soybean, and dry bean.
3. Developed a stair-step nutrition regimen that boosts mammary development and life-long lactation performance in dairy cows.
4. Conducted studies to recalibrate the nitrate soil test for malting barley production in western North Dakota.
5. Continued efforts to reduce damage caused by wheat and barley scab. Conducted fungicide and biological control trials to minimize damage while continuing efforts to develop resistant germplasm.
6. Continued long-term efforts to develop root rot resistant soybean and soybean resistant to soybean cyst nematode.

7. Targeted sclerotinia disease of soybean, sunflower, canola, and dry bean testing fungicides, biological control agents, and genetic resistance. A sclerotinia risk map for canola continues to show good correlation with disease surveys conducted in the state.
8. Found that releases of *Aphthona* leafy spurge flea beetles were successful in controlling leafy spurge in 85% of the 98 sites studied.
9. Identified that canola needed adequate amounts of nitrogen and sulfur fertilizer, like ammonium sulfate, prior to flowering to maximize seed yields.
10. Studied managed grazing for plant-root development and soil development.
11. Continued to study flax seed as a human food because of associations with reduced forms of certain cancers. The lignans are found mostly in the hulls; dehulling would provide a highly concentrated source of lignans for industrial food uses.
12. Continued assessment for the risk of illness brought about by contamination of food by food-borne pathogens.
13. Conducted prediction tests on malt barley, durum wheat, and hard red spring wheat quality.
14. Assessed nutritional studies of 36 different grass varieties, allowing forage growers, livestock producers, and wildlife managers to select one or more grasses that fit their needs and goals. Mineral evaluation of native grasses generally showed copper deficiencies throughout the season, zinc deficiency after mid-July, phosphorus deficiencies by early July and potassium deficiency after mid-September.
15. Discovered new forms of *E. coli* that are less virulent than the more common forms of the pathogen.

Executive Budget Recommendation

- Provides \$200,000 from ERP to existing environmental research.
- Provides \$301,897 for 2.00 beef research FTE for 2005-2007.
- Approves \$107,754 for costs to continue.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

640 NDSU MAIN RESEARCH CENTER

Bill#: SB2020

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
AGRICULTURAL RESEARCH	59,328,537	60,024,806	12,292,364	20.5%	72,317,170	11,047,374	18.4%	71,072,180
TOTAL MAJOR PROGRAMS	59,328,537	60,024,806	12,292,364	20.5%	72,317,170	11,047,374	18.4%	71,072,180
BY LINE ITEM								
CAPITAL ASSETS	0	0	9,000,000	100.0%	9,000,000	4,500,000	100.0%	4,500,000
OPERATIONS	59,325,672	60,024,806	3,292,364	5.5%	63,317,170	6,547,374	10.9%	66,572,180
BIENNIUM CARRYOVER	2,865	0	0	.0%	0	0	.0%	0
TOTAL LINE ITEMS	59,328,537	60,024,806	12,292,364	20.5%	72,317,170	11,047,374	18.4%	71,072,180
BY FUNDING SOURCE								
GENERAL FUND	27,856,780	27,718,332	0	.0%	27,718,332	2,043,630	7.4%	29,761,962
FEDERAL FUNDS	4,819,192	4,763,922	4,000,076	84.0%	8,763,998	2,060,854	43.3%	6,824,776
SPECIAL FUNDS	26,652,565	27,542,552	8,292,288	30.1%	35,834,840	6,942,890	25.2%	34,485,442
TOTAL FUNDING SOURCE	59,328,537	60,024,806	12,292,364	20.5%	72,317,170	11,047,374	18.4%	71,072,180
TOTAL FTE	349.48	349.19	-12.14	-3.5%	337.05	-10.14	-2.9%	339.05

AGRONOMY SEED FARM

Agency 649

Statutory Authority

North Dakota Century Code Chapter 4-05.1.

Agency Description

The Agronomy Seed Farm is a 750-acre farm located near Casselton, ND, which has been a part of the NDAES (North Dakota Agriculture Extension Service) 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 who solicited farmers, seed companies and many others throughout the state to help establish a farm whose main purpose would be to increase seed of new varieties as they were developed by the plant breeding and supporting departments of the NDAES. The ASF also propagates older but still desirable varieties for the seeds men of the area.

Major Accomplishments

1. Produced and conditioned over 38,000 bushels of seed for the seed industry of the area.

Executive Budget Recommendation

- Approves the agency budget request as submitted.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

649 AGRONOMY SEED FARM

Bill#: SB2020

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
AGRICULTURAL RESEARCH	822,831	1,166,604	9,868	.8%	1,176,472	33,081	2.8%	1,199,685
TOTAL MAJOR PROGRAMS	822,831	1,166,604	9,868	.8%	1,176,472	33,081	2.8%	1,199,685
BY LINE ITEM								
AGRONOMY SEED FARM	822,831	1,166,604	9,868	.8%	1,176,472	33,081	2.8%	1,199,685
TOTAL LINE ITEMS	822,831	1,166,604	9,868	.8%	1,176,472	33,081	2.8%	1,199,685
BY FUNDING SOURCE								
GENERAL FUND	0	0	0	.0%	0	0	.0%	0
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	822,831	1,166,604	9,868	.8%	1,176,472	33,081	2.8%	1,199,685
TOTAL FUNDING SOURCE	822,831	1,166,604	9,868	.8%	1,176,472	33,081	2.8%	1,199,685
TOTAL FTE	2.90	2.87	.10	3.5%	2.97	.00	.0%	2.97

ND STATE FAIR

Agency 665

Statutory Authority

North Dakota Century Code Chapter 4-02-1.

Agency Description

The ND 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 exceeds \$4.0 million.

The State Fair provides the facilities, administration, staffing judges, equipment, prizes and recognition for those who bring nearly 40,000 entries from every community in North Dakota.

The Association provides educational and entertaining exhibits along with special attractions that bring North Dakotans 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 \$17.6 million in capital construction from non-state revenues for capital improvements. Generated revenue of \$8.1 million for capital improvements from admissions and rents. Generated \$6.93 for every dollar the state has provided for capital improvements. Received international awards for excellence in the fair agricultural program. Hosted 44,124 competitive entries from 4H, FFA, and open class in 2003; 80% of these Fair entries came from North Dakotans under the age of 21.
3. Received entries from nearly every community in North Dakota.
4. Recognized statewide, regionally, and nationally as a great attraction and the Show Place of North Dakota.

Executive Budget Recommendation

- Increases general funds for premiums by \$8,250 and eliminates special funds.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

665 ND STATE FAIR

Bill#: SB2009

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
STATE SUPPORT	588,962	601,750	0	.0%	601,750	-11,750	-2.0%	590,000
TOTAL MAJOR PROGRAMS	588,962	601,750	0	.0%	601,750	-11,750	-2.0%	590,000
BY LINE ITEM								
CAPITAL ASSETS	210,000	210,000	0	.0%	210,000	0	.0%	210,000
PREMIUMS	378,962	391,750	0	.0%	391,750	-11,750	-3.0%	380,000
TOTAL LINE ITEMS	588,962	601,750	0	.0%	601,750	-11,750	-2.0%	590,000
BY FUNDING SOURCE								
GENERAL FUND	568,962	581,750	0	.0%	581,750	8,250	1.4%	590,000
FEDERAL FUNDS	0	0	0	.0%	0	0	.0%	0
SPECIAL FUNDS	20,000	20,000	0	.0%	20,000	-20,000	-100.0%	0
TOTAL FUNDING SOURCE	588,962	601,750	0	.0%	601,750	-11,750	-2.0%	590,000
TOTAL FTE	.00	.00	.00	.0%	.00	.00	.0%	.00

HISTORICAL SOCIETY

Agency 701

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 the state agency charged with responsibility to preserve artifacts and documents of historical significance. The agency was founded in 1895 and is currently structured around four 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.
- Museum and Education Division presents the history of North Dakota through planning, fabrication and installation of exhibits, including those in the Heritage Center in Bismarck, branch museums and traveling exhibits.
- State Archives and Historical Research Library preserves and makes accessible 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 provides for the management, maintenance, repair and operation of all Historical Society land and buildings other than the ND Heritage Center.

Major Accomplishments

1. Developed a strategic long-range plan with statewide public input and direct involvement by the State Historical Board.
2. Continued to generate exhibits, deliver programs and provide services for the citizens of North Dakota and the visiting public.

3. Continued to improve the state's historic site infrastructure in preparation for the Lewis and Clark Bicentennial.
4. Expanded and enhanced the agency's web site.
5. Completed the Missouri Yellowstone Confluence Interpretive Center and the Fort Buford barracks building.
6. Presented the Sakakawea statue for placement in Statuary Hall in Washington, D.C.
7. Developed preliminary plans for consideration of expansion of the ND Heritage Center.
8. Installed expandable storage in the State Archives wing of the ND Heritage Center, which provided additional storage space.
9. Implemented the first Cultural Heritage Grant program in the state to help support county and local historical society programs.

Executive Budget Recommendation

- Provides \$1.6 million for the renovation and expansion of the Chateau Interpretive Center in Medora, the state's most visited historic site.
- Provides \$933,217 from the general fund for initiatives relating to the Lewis and Clark Bicentennial event.
- Provides \$250,000 from the general fund for the purchase and installation of compact storage shelving for the state artifacts, providing the most efficient use of existing space.
- Provides \$9,000 from the general fund for the purchase of artifact management software to provide more efficient management of and improved public access to the state's artifacts.
- Provides \$56,000 in federal fund authority to upgrade the agency's security system for the Heritage Center and historic sites.
- Increases extraordinary repairs funding to allow the agency to more effectively address the repair needs of the state's historic infrastructure.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

701 HISTORICAL SOCIETY

Bill#: HB1019

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
SUPPORT SERVICES	1,634,232	2,016,157	5,401	.3%	2,021,558	161,275	8.0%	2,177,432
MUSEUM AND EDUCATION	1,135,491	1,130,130	0	.0%	1,130,130	71,948	6.4%	1,202,078
SA AND HRL	1,120,919	1,189,062	-181,610	-15.3%	1,007,452	-123,658	-10.4%	1,065,404
HISTORIC SITES	4,613,508	5,352,346	-3,936,270	-73.5%	1,416,076	-1,900,652	-35.5%	3,451,694
HISTORIC PRESERVATION DIVISION	1,607,187	2,699,071	0	.0%	2,699,071	77,283	2.9%	2,776,354
LEWIS ANAD CLARK BICENTENNIAL	1,057,550	1,180,746	-257,000	-21.8%	923,746	-247,529	-21.0%	933,217
TOTAL MAJOR PROGRAMS	11,168,887	13,567,512	-4,369,479	-32.2%	9,198,033	-1,961,333	-14.5%	11,606,179
BY LINE ITEM								
SALARIES AND WAGES	4,755,625	5,328,677	-35,205	-7%	5,293,472	288,768	5.4%	5,617,445
OPERATING EXPENSES	1,276,587	1,381,517	5,401	.4%	1,386,918	112,189	8.1%	1,493,706
CAPITAL ASSETS	1,085,066	4,108,544	-3,894,139	-94.8%	214,405	-1,926,225	-46.9%	2,182,319
CAPITAL CONSTRUCTION CARRYOVER	666,913	38,536	-38,536	-100.0%	0	-38,536	-100.0%	0
CAPITAL IMPROVEMENTS-FORT BUFORD	1,635,103	0	0	.0%	0	0	.0%	0
GRANTS	689,483	1,300,000	0	.0%	1,300,000	0	.0%	1,300,000
CULTURAL HERITAGE GRANTS	0	75,000	0	.0%	75,000	0	.0%	75,000
YELLOWSTONE-MISSOURI-FT UNION COMM	4,727	4,492	0	.0%	4,492	0	.0%	4,492
LEWIS & CLARK BICENTENNIAL	1,055,383	1,180,746	-257,000	-21.8%	923,746	-247,529	-21.0%	933,217
VETERANS' ORAL HISTORY PROJECT	0	150,000	-150,000	-100.0%	0	-150,000	-100.0%	0
TOTAL LINE ITEMS	11,168,887	13,567,512	-4,369,479	-32.2%	9,198,033	-1,961,333	-14.5%	11,606,179
BY FUNDING SOURCE								
GENERAL FUND	7,514,265	7,555,470	-675,979	-8.9%	6,879,491	25,254	.3%	7,580,724
FEDERAL FUNDS	3,654,622	4,012,042	-1,693,500	-42.2%	2,318,542	-1,086,587	-27.1%	2,925,455
SPECIAL FUNDS	0	2,000,000	-2,000,000	-100.0%	0	-900,000	-45.0%	1,100,000
TOTAL FUNDING SOURCE	11,168,887	13,567,512	-4,369,479	-32.2%	9,198,033	-1,961,333	-14.5%	11,606,179
TOTAL FTE	56.00	57.00	.00	.0%	57.00	.00	.0%	57.00

COUNCIL ON THE ARTS

Agency 709

Statutory Authority

North Dakota Century Code Chapter 54-54.

Agency Description

The ND Council on the Arts was established in 1967. The 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 our state. The Council distributes 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. Produced the booklet "Art for Life: The Therapeutic Power and Promise of the Arts".
2. Distributed a series of four Lewis & Clark arts education posters to every public school through a partnership with the State Historical Society of ND.
3. Implemented an A+ Schools program in North Dakota. This has developed into a partnership with Dickinson State University faculty and students, with a Bismarck elementary school completing its first full year of A+ programming in May 2004. Two new schools are being recruited to begin implementing the program in 2005.

4. Developed a web site that features North Dakota artists, provides links to arts organizations, provides grant applications and guidelines in downloadable format, provides detailed information about the Council, and contains the most current Council newsletter.
5. E-mail listserves have been created for artists, presenters, schools, and communities in order to quickly communicate opportunities, grants, and other information to statewide organizations.
6. Developed an online North Dakota artist archive.
7. Produced two new CD's through the ND Council on the Arts folk arts program, one on Native American traditional stories and another featuring traditional multicultural stories about trees done in partnership with the U.S. Forest Service.

Executive Budget Recommendation

- Provides \$108,300 from the general fund for initiatives relating to the Lewis and Clark Bicentennial event.
- Provides \$20,000 from the general fund to increase the balance in the cultural endowment fund, the interest of which is used to fund programs and provide grants.
- Provides \$30,000 from the general fund for a new grant program to support infrastructure and capital equipment needs of local arts organizations.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

709 COUNCIL ON THE ARTS

Bill#: SB2010

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
COUNCIL ON THE ARTS	2,081,737	2,226,618	-8,621	-4%	2,217,997	70,122	3.1%	2,296,740
TOTAL MAJOR PROGRAMS	2,081,737	2,226,618	-8,621	-4%	2,217,997	70,122	3.1%	2,296,740
BY LINE ITEM								
SALARIES AND WAGES	409,898	425,568	-114	-0%	425,454	28,629	6.7%	454,197
OPERATING EXPENSES	192,210	221,443	6,543	3.0%	227,986	6,543	3.0%	227,986
GRANTS	1,313,848	1,415,857	40,400	2.9%	1,456,257	90,400	6.4%	1,506,257
LEWIS & CLARK BICENTENNIAL	165,781	163,750	-55,450	-33.9%	108,300	-55,450	-33.9%	108,300
TOTAL LINE ITEMS	2,081,737	2,226,618	-8,621	-4%	2,217,997	70,122	3.1%	2,296,740
BY FUNDING SOURCE								
GENERAL FUND	966,058	1,004,403	-54,724	-5.4%	949,679	24,019	2.4%	1,028,422
FEDERAL FUNDS	1,087,570	1,168,700	46,103	3.9%	1,214,803	46,103	3.9%	1,214,803
SPECIAL FUNDS	28,109	53,515	0	.0%	53,515	0	.0%	53,515
TOTAL FUNDING SOURCE	2,081,737	2,226,618	-8,621	-4%	2,217,997	70,122	3.1%	2,296,740
TOTAL FTE	5.00	5.00	.00	.0%	5.00	.00	.0%	5.00

GAME AND FISH DEPARTMENT

Agency 720

Statutory Authority

North Dakota Century Code Title 20.1.

Agency Description

The ND 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, which provides policy, planning, and support services and is responsible for all game and fish licensing.
- Fisheries, which manages the state's fisheries.
- Enforcement, which provides enforcement of the laws and regulations governing the use of the state's wildlife resources and recreational waters.
- Conservation and Communication, which informs the public of rules, regulations, and guidelines for safe, lawful hunting, fishing, trapping, and boating.
- Wildlife, which provides for the management of wildlife resources in the state.

Major Accomplishments

1. Expanded the private land initiative (PLI) to include a conservation reserve program (CRP) cost share and hunting access program.
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. Developed a state management plan for the black-tailed prairie dog.

5. Developed a department web site that includes a large variety of game and fish information, on-line game and fish license sales and lottery applications.
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 300 in the past five years.
9. Instituted the aquatic habitat-save our lakes program to restore deteriorating aquatic habitat.
10. Improved boating access throughout the state.

Executive Budget Recommendation

- Continues the department's efforts to expand the private lands initiative.
- Approves 5.00 new FTE positions to deal with increased workload relating to the management of game animals and the licensing of resident and nonresident hunters.
- Provides \$550,000 to the Department of Agriculture for services provided by the USDA Wildlife Services and for Board of Animal Health services (the same level of funding provided by the 2003 Legislative Assembly).
- Provides \$122,000 to the Parks and Recreation Department for state park boat ramp maintenance and repairs (the same level of funding provided by the 2003 Legislative Assembly).

REQUEST / RECOMMENDATION COMPARISON SUMMARY

720 GAME AND FISH DEPARTMENT

Bill#: HB1018

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATIVE SERVICES	5,763,109	9,152,182	794,817	8.7%	9,946,999	969,688	10.6%	10,121,870
FISHERIES	6,508,055	7,218,009	60,201	.8%	7,278,210	210,310	2.9%	7,428,319
ENFORCEMENT	5,462,787	5,190,810	3,292	.1%	5,194,102	259,773	5.0%	5,450,583
COMMUNICATIONS AND CONSERVATION	3,631,807	4,295,356	1,386,302	32.3%	5,681,658	1,533,107	35.7%	5,828,463
WILDLIFE	13,541,516	18,541,406	785,355	4.2%	19,326,761	1,094,525	5.9%	19,635,931
TOTAL MAJOR PROGRAMS	34,907,274	44,397,763	3,029,967	6.8%	47,427,730	4,067,403	9.2%	48,465,166
BY LINE ITEM								
SALARIES & WAGES	13,606,710	15,373,582	541,060	3.5%	15,914,642	1,496,565	9.7%	16,870,147
OPERATING EXPENSES	7,712,000	9,491,219	245,216	2.6%	9,736,435	245,216	2.6%	9,736,435
CAPITAL ASSETS	1,084,778	2,259,944	701,172	31.0%	2,961,116	701,172	31.0%	2,961,116
CAPITAL CONSTRUCTION CARRYOVER	56,386	482,000	-482,000	-100.0%	0	-482,000	-100.0%	0
GRANTS-GAME AND FISH	3,675,306	4,152,050	1,262,072	30.4%	5,414,122	1,262,072	30.4%	5,414,122
LAND HABITAT & DEER DEPREDATION	6,614,570	10,181,415	0	.0%	10,181,415	50,871	.5%	10,232,286
NOXIOUS WEED CONTROL	243,461	300,000	50,000	16.7%	350,000	50,000	16.7%	350,000
GRANT-GIFT-DONATION	148,314	150,000	550,000	366.7%	700,000	550,000	366.7%	700,000
NONGAME WILDLIFE CONSERVATION	14,370	120,000	0	.0%	120,000	0	.0%	120,000
WATERBANK PROGRAM	200,000	0	0	.0%	0	0	.0%	0
LONETREE RESERVOIR	1,151,379	1,337,553	162,447	12.1%	1,500,000	193,507	14.5%	1,531,060
WILDLIFE SERVICES	400,000	550,000	0	.0%	550,000	0	.0%	550,000
TOTAL LINE ITEMS	34,907,274	44,397,763	3,029,967	6.8%	47,427,730	4,067,403	9.2%	48,465,166
BY FUNDING SOURCE								
GENERAL FUND	0	0	0	.0%	0	0	.0%	0
FEDERAL FUNDS	13,967,873	15,591,278	2,253,649	14.5%	17,844,927	2,605,066	16.7%	18,196,344
SPECIAL FUNDS	20,939,401	28,806,485	776,318	2.7%	29,582,803	1,462,337	5.1%	30,268,822
TOTAL FUNDING SOURCE	34,907,274	44,397,763	3,029,967	6.8%	47,427,730	4,067,403	9.2%	48,465,166
TOTAL FTE	136.00	147.00	5.00	3.4%	152.00	5.00	3.4%	152.00

PARKS AND RECREATION DEPT

Agency 750

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 Department of Parks & Recreation 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 all-terrain vehicle trail and safety programs, and statewide comprehensive outdoor recreation and trail planning.
- Natural Resources, which encompasses state park operations. This program coordinates state park system planning, park improvements and enhancements, state nature preserve oversight, and state park natural resource management.

Major Accomplishments

1. Developed budgeting standards outlining hours and funds needed to operate and maintain the North Dakota park system at minimal levels.
2. Upgraded facilities and provided programming in anticipation of the Lewis and Clark Bicentennial event.
3. Provided boating access on Lake Sakakawea during record low water levels.
4. Completed noxious weed inventories, developed control plans and implemented measures within budget limits for all state parks.
5. Completed natural resource plans for Turtle River and Fort Abraham Lincoln state parks.
6. Conducted forestry assessment within public use areas to identify potential risks; created action plans for reducing risks to the agency and state.

7. Assisted 23 communities with outdoor recreation grants and 25 communities with recreation trails grants for local and regional recreation enhancements.
8. Administered federal pass through grants for renovation and enhancement of the On-A-Slant Indian Village at Fort Abraham Lincoln State Park.
9. Identified and removed outdated playground equipment at state parks.
10. Continued efforts to restore Devils Lake and Turtle River state parks.

Executive Budget Recommendation

- Provides \$617,772 for initiatives relating to the Lewis and Clark bicentennial event.
- Provides \$80,000 from the general fund to increase pay rates for temporary seasonal employees at the state parks.
- Provides \$100,000 from the general fund to update the federally required state comprehensive recreation plan (SCORP).
- Provides \$70,000 from the general fund for extraordinary repairs at Sulley Creek State Park, which has previously been operated under a contract arrangement and has critical maintenance and repair needs.
- Provides special fund authority for the development of an online reservation system.
- Provides approximately \$420,000 for the development and operation of an Elkhorn Ranch State Nature Preserve.
- Provides \$2.6 million, of which \$640,000 is from the general fund, for capital projects at various state parks.
- Provides \$250,000 from the general fund for planning efforts relating to the construction of a mediation center at the International Peace Garden.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

750 PARKS AND RECREATION DEPT

Bill#: HB1020

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATION	1,421,802	2,191,291	-530,176	-24.2%	1,661,115	-369,514	-16.9%	1,821,777
RECREATION	3,310,694	5,702,208	2,304,189	40.4%	8,006,397	2,421,966	42.5%	8,124,174
NATURAL RESOURCES	10,939,643	9,191,599	-1,029,628	-11.2%	8,161,971	1,130,652	12.3%	10,322,251
LEWIS AND CLARK BICENTENNIAL	587,783	760,618	-148,045	-19.5%	612,573	-142,846	-18.8%	617,772
PEACE GARDEN	377,083	352,854	0	.0%	352,854	250,000	70.9%	602,854
TOTAL MAJOR PROGRAMS	16,637,005	18,198,570	596,340	3.3%	18,794,910	3,290,258	18.1%	21,488,828
BY LINE ITEM								
SALARIES AND WAGES	4,831,557	5,254,566	195,184	3.7%	5,449,750	691,903	13.2%	5,946,469
OPERATING EXPENSES	3,783,836	4,606,788	-517,255	-11.2%	4,089,533	-245,255	-5.3%	4,361,533
CAPITAL ASSETS	3,508,068	2,517,794	-707,594	-28.1%	1,810,200	962,406	38.2%	3,480,200
CAPITAL CONSTRUCTION CARRYOVER	772,147	369,950	-369,950	-100.0%	0	-369,950	-100.0%	0
GRANTS	2,776,531	4,336,000	2,144,000	49.4%	6,480,000	2,144,000	49.4%	6,480,000
PEACE GARDEN	377,083	352,854	0	.0%	352,854	250,000	70.9%	602,854
LEWIS & CLARK BICENTENNIAL	587,783	760,618	-148,045	-19.5%	612,573	-142,846	-18.8%	617,772
TOTAL LINE ITEMS	16,637,005	18,198,570	596,340	3.3%	18,794,910	3,290,258	18.1%	21,488,828
BY FUNDING SOURCE								
GENERAL FUND	7,930,358	7,426,463	-218,681	-2.9%	7,207,782	1,076,112	14.5%	8,502,575
FEDERAL FUNDS	5,016,738	6,237,657	1,753,008	28.1%	7,990,665	2,541,109	40.7%	8,778,766
SPECIAL FUNDS	3,689,909	4,534,450	-937,987	-20.7%	3,596,463	-326,963	-7.2%	4,207,487
TOTAL FUNDING SOURCE	16,637,005	18,198,570	596,340	3.3%	18,794,910	3,290,258	18.1%	21,488,828
TOTAL FTE	42.75	44.25	2.25	5.1%	46.50	4.25	9.6%	48.50

WATER COMMISSION

Agency 770

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, 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 supply and by conducting studies of potential projects. The third primary function of the Commission involves educating the public regarding the nature and occurrence of the state's water resources.

Major Accomplishments

1. Began construction on the state's emergency Devils Lake outlet.
2. Continued construction on the Northwest Area Water Supply project's main transmission pipeline between the Minot Water Treatment Plant and the Missouri River.
3. Began construction on the final phase of the original Southwest Pipeline Project – the Medora-Beach Phase.
4. Completed a biennial update of the State Water Management Plan.

5. Completed a new agency strategic plan.
6. Continued to provide assistance toward the completion of the eastern Dakota water supply study.
7. Contributed technical support in North Dakota's lawsuits related to protecting the state's interests in management of the Missouri River system.
8. Distributed federal MR&I (Municipal, Rural, and Industrial) program funds for nine design and/or construction projects, and four studies. The city of Devils Lake also received MR&I program funding for an emergency water supply that linked into Ramsey County Rural Utilities.
9. Continued to promote economic development through industrial and agricultural incentives and water supply initiatives.
10. Contributed to numerous rural flood control projects in the Red River basin.
11. Operated weather modification programs in six counties in western North Dakota.
12. Completed water supply studies for the cities of Bottineau, Medina, and Devils Lake; and Trail County Rural Water Users.

Executive Budget Recommendation

- Eliminates transfer to the general fund from the water development trust fund.
- Provides that the agency's administrative and support services program will be funded primarily from the general fund; the water and atmospheric resources program will be funded entirely from special and federal funds.
- Authorizes 2.00 FTE and related operating costs for the operation of the Devils Lake outlet.
- Authorizes the expenditure of special funds in the amount of \$69,388 for the continuation of the Atmospheric Resources intern pilot program.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

770 WATER COMMISSION

Bill#: HB1021

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATIVE AND SUPPORT SERVICES	2,143,254	2,076,235	19,544	.9%	2,095,779	99,825	4.8%	2,176,060
WATER AND ATMOSPHERIC RESOURCES	64,423,105	160,782,619	-52,320,757	-32.5%	108,461,862	-50,170,845	-31.2%	110,611,774
TOTAL MAJOR PROGRAMS	66,566,359	162,858,854	-52,301,213	-32.1%	110,557,641	-50,071,020	-30.7%	112,787,834
BY LINE ITEM								
SALARIES AND WAGES	8,742,906	0	0	.0%	0	0	.0%	0
OPERATING EXPENSES	5,812,996	0	0	.0%	0	0	.0%	0
CAPITAL ASSETS	12,402,768	0	0	.0%	0	0	.0%	0
CAPITAL CONSTRUCTION CARRY	4,000,000	0	0	.0%	0	0	.0%	0
GRANTS	5,063,628	0	0	.0%	0	0	.0%	0
COOPERATIVE RESEARCH	90,826	0	0	.0%	0	0	.0%	0
STATEWIDE WATER DEVELOPMENT PROJECTS	30,453,235	0	0	.0%	0	0	.0%	0
ADMINISTRATIVE AND SUPPORT SERVICES	0	2,076,235	19,544	.9%	2,095,779	99,825	4.8%	2,176,060
WATER AND ATMOSPHERIC RESOURCES	0	160,782,619	-52,320,757	-32.5%	108,461,862	-50,170,845	-31.2%	110,611,774
TOTAL LINE ITEMS	66,566,359	162,858,854	-52,301,213	-32.1%	110,557,641	-50,071,020	-30.7%	112,787,834
BY FUNDING SOURCE								
GENERAL FUND	9,465,262	9,385,395	50,389	.5%	9,435,784	-7,322,038	-78.0%	2,063,357
FEDERAL FUNDS	9,698,656	29,916,913	-12,265,656	-41.0%	17,651,257	-12,236,285	-40.9%	17,680,628
SPECIAL FUNDS	47,402,441	123,556,546	-40,085,946	-32.4%	83,470,600	-30,512,697	-24.7%	93,043,849
TOTAL FUNDING SOURCE	66,566,359	162,858,854	-52,301,213	-32.1%	110,557,641	-50,071,020	-30.7%	112,787,834
TOTAL FTE	89.00	82.00	.00	.0%	82.00	2.00	2.4%	84.00

DEPT OF TRANSPORTATION

Agency 801

Statutory Authority

North Dakota Century Code Sections 24-01 through 24-15, 39-02, and 49-17.1-2.

Agency Description

The ND State Highway Department was created in March 1917. On January 1, 1990, the name was changed to the ND Department of Transportation (NDDOT). NDDOT oversees the development of surface transportation, including highways, rail service, and transit services in ND. NDDOT also serves as a liaison organization to the North Dakota Aeronautics Commission, which is responsible for all aspects of state air transportation. 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, a deputy director for engineering, and a deputy director of vehicle services. In addition the central office staff provides planning, programming, design, construction, maintenance, and general administrative support services to the eight district offices.

Major Accomplishments

1. Completed \$85.5 million of I-94 interstate improvements projects over the past two years.
2. Continued raising roadways and rebuilding bridges in the Devils Lake District to stay ahead of rising floodwaters. Since 1994, more than \$124.0 million has been spent trying to stay ahead of the rising water.
3. Continued reconstruction of I-29 through Fargo. This 8-year project, which will cost \$80.0 million, was coordinated with local projects to ease growing traffic congestion in North Dakota's largest city.
4. Initiated reconstruction of US 52 from Kenmare to the US 52 Brooks Junction. This project will take 5 years and is expected to cost \$29.0 million.

Executive Budget Recommendation

- Provides match for \$399.4 million in federal formula funds in 2005-07 plus additional match for carryover from 2003-05.
- Increases motor vehicle registration fees \$15.

REQUEST / RECOMMENDATION COMPARISON SUMMARY

801 DEPT OF TRANSPORTATION

Bill#: SB2012

Biennium: 2005-2007

Description	Expenditures Prev Biennium 2001-2003	Present Budget 2003-2005	2005-2007 Requested		Requested Budget 2005-2007	2005-2007 Recommended		Executive Recommendation 2005-2007
			Incr(Decr)	% Chg		Incr(Decr)	% Chg	
BY MAJOR PROGRAM								
ADMINISTRATION	21,344,699	25,192,130	1,418,504	5.6%	26,610,634	2,035,164	8.1%	27,227,294
MOTOR VEHICLE	8,588,040	7,968,927	542,135	6.8%	8,511,062	757,529	9.5%	8,726,456
DRIVERS LICENSE	10,258,298	10,104,432	918,431	9.1%	11,022,863	1,250,909	12.4%	11,355,341
HIGHWAYS	619,076,850	707,015,792	34,013,779	4.8%	741,029,571	29,807,901	4.2%	736,823,693
FLEET SERVICES	36,808,815	42,081,878	1,055,495	2.5%	43,137,373	1,198,290	2.8%	43,280,168
TOTAL MAJOR PROGRAMS	696,076,702	792,363,159	37,948,344	4.8%	830,311,503	35,049,793	4.4%	827,412,952
BY LINE ITEM								
SALARIES AND WAGES	97,952,028	105,222,404	1,372,366	1.3%	106,594,770	6,673,815	6.3%	111,896,219
OPERATING EXPENSES	113,785,438	122,902,369	15,134,677	12.3%	138,037,046	15,134,677	12.3%	138,037,046
CAPITAL ASSETS	444,881,607	512,175,642	33,883,545	6.6%	546,059,187	25,683,545	5.0%	537,859,187
CAPITAL IMPROVEMENTS-CARRYOVER	3,978,661	7,977,241	-7,977,241	-100.0%	0	-7,977,241	-100.0%	0
GRANTS	35,478,968	44,085,503	-4,465,003	-10.1%	39,620,500	-4,465,003	-10.1%	39,620,500
TOTAL LINE ITEMS	696,076,702	792,363,159	37,948,344	4.8%	830,311,503	35,049,793	4.4%	827,412,952
BY FUNDING SOURCE								
GENERAL FUND	0	0	0	.0%	0	0	.0%	0
FEDERAL FUNDS	411,729,126	454,373,188	31,516,837	6.9%	485,890,025	25,874,180	5.7%	480,247,368
SPECIAL FUNDS	284,347,576	337,989,971	6,431,507	1.9%	344,421,478	9,175,613	2.7%	347,165,584
TOTAL FUNDING SOURCE	696,076,702	792,363,159	37,948,344	4.8%	830,311,503	35,049,793	4.4%	827,412,952
TOTAL FTE	1,041.00	1,044.50	.00	.0%	1,044.50	.00	.0%	1,044.50

**SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2005-2007**

Agency / Fund Source	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
101 OFFICE OF THE GOVERNOR			
OLMSTEAD - GRANT	60,000	60,000	60,000
TEACHER QUALITY GRANT	1,286,000	2,500,000	2,500,000
USDA GRANT	814,000	0	0
TOTAL	2,160,000	2,560,000	2,560,000
108 SECRETARY OF STATE			
HAVA ELECTION REFORM	9,473,364	9,500,000	9,503,953
TOTAL	9,473,364	9,500,000	9,503,953
110 OFFICE OF MANAGEMENT AND BUDGET			
RISK MGT HOMELAND SECURITY - II	200,000	0	0
RISK MGT HOMELAND SECURITY-FY2003	100,000	0	0
TOTAL	300,000	0	0
112 INFORMATION TECHNOLOGY			
CJIS GRANT	12,526	0	500,000
TOTAL	12,526	0	500,000
117 OFFICE OF THE STATE AUDITOR			
ROYALTY AUDIT PROGRAM	888,035	935,535	985,020
TOTAL	888,035	935,535	985,020
125 OFFICE OF THE ATTORNEY GENERAL			
1999 EDWARD BYRNE FORMULA GRANT	6,709,263	5,807,358	5,930,167
2000 RESIDENTIAL SUBSTANCE ABUSE TR	564,557	570,406	570,406
2001 LOCAL LAW ENFORCEMENT BLOCK GR	300,000	250,000	250,000
2001 STOP VIOLENCE AGAINST WOMEN	50,000	50,000	50,000
2002 MARIJUANA ERADICATION	100,000	100,000	100,000
AG'S OFFICE NEW FEDERAL GRANT	0	66,220	66,220
BULLETPROOF VEST PARTNERSHIP PROGRA	25,000	5,000	5,000
COUNTERACT	60,000	60,000	60,000
COVERDELL - NATL FORENSIC IMPROVE F	20,648	84,000	84,000
CRIME LAB IMPROVEMENT PROJECT	322,572	0	0
DNA DEPT OF JUSTICE-CRIMELAB	391,931	516,494	516,494

**SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2005-2007**

Agency / Fund Source	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
DOT BREATH TESTING CRIMELAB	429,139	230,139	230,139
FM/WEAPONS OF MASS DESTRUCTION	0	113,000	113,000
HAZARDOUS MATERIAL EMERGENCY PRE. 2	160,000	165,500	165,500
INTERNET CRIMES AGAINST CHILDREN 20	150,000	0	0
MIDWEST HIDTA	1,239,257	1,280,193	1,321,228
NEW GRANT AG'S OFFICE	0	940,000	940,000
NORTH DAKOTA CRIMINAL HISTORY IMPRO	2,185,491	1,912,496	1,942,321
STATE DOMESTIC PREPAREDNESS GRANT	177,056	350,000	350,000
STATISTICAL ANALYSIS CENTER	100,000	0	0
TOTAL	12,984,914	12,500,806	12,694,475
 127 OFFICE OF STATE TAX COMMISSIONER			
MOTOR FUEL TAX GRANT	265,044	120,000	120,000
TOTAL	265,044	120,000	120,000
 180 JUDICIAL BRANCH			
ALTERNATIVES TO DETENTION-EDWARD BY	29,176	0	0
CHILD SUPPORT	913,840	900,000	942,425
COURT IMPROVEMENT PROJECT - FOSTER	59,940	104,000	104,000
Court Improvement Foster Care	95,448	0	0
JUVENILE DRUG COURT-UNDERAGE DRINKI	82,944	132,437	132,437
Juv. Drug Court-JAIBG	124,006	0	0
Juv. Drug Court-Underage Drinking	1,056	0	0
OJP-JUVENILE DRUG COURT IMPLEMENTAT	33,054	38,659	38,659
Parental Rights Termination	65,000	0	0
STOP GRANT-DOMESTIC VIOLENCE BENCHB	3,258	0	0
STOP GRANT-NEC FAMILY COURT PILOT P	44,000	0	0
TOTAL	1,451,722	1,175,096	1,217,521
 201 DEPT OF PUBLIC INSTRUCTION			
21ST CENTURY/AFTER SCHOOL LEARNING	3,156,484	7,723,197	7,726,299
ADULT EDUCATION	2,748,257	2,818,598	2,827,930
BILINGUAL EDUCATION	10,739	10,739	10,739
CHILD CARE FOOD PROGRAM	18,442,519	18,481,269	18,489,838

**SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2005-2007**

Agency / Fund Source	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
CHILD NUTR/DISTRIB-CNP SCHOOL BREAK	170,500	165,500	165,500
CHILD NUTR/DISTRIB-CNP TEAM NUTR	425,000	411,896	420,573
CLASS SIZE REDUCTION	77,212	0	0
COMMODITY ASSISTANCE PRGM	1,711,458	1,706,546	1,711,171
COMMODITY ASSISTANCE PRGM	304,152	302,748	303,933
COMMUNITY SERVICE FOR EXPELLED/SUSP	173,000	173,000	173,000
CONSOLIDATED SCHOOL HEALTH PROGRAMS	1,157,292	2,008,558	2,027,273
DEAF-BLIND CHILDREN & YOUTH	174,614	174,614	174,614
DRUG-FREE SCHOOLS	3,643,817	3,701,044	3,715,437
EESA TITLE II/EISENHOWER	24,135	13,406	13,406
EISENHOWER/UNIV SYSTEM	36,921	6,921	6,921
ENG LANG ACQ/STATE FORMULA GRNT PRO	979,000	864,458	874,248
ENHANCING EDUCATION THRU TECHNOLOGY	6,344,682	6,534,482	6,541,818
ESEA TITLE V	2,063,203	3,987,948	4,007,570
EVEN START FAMILY LITERACY	2,149,789	2,148,790	2,150,535
GOALS 2000 TITLE III	11,000	0	0
HOMELESS CHILDREN	328,125	350,942	354,300
IDC CARRYOVER	25,000	25,000	25,000
IDEA B	28,890,630	34,063,007	34,128,229
IDEA GENERAL SUPERVISION ENHANCEMEN	283,572	283,572	283,572
IMPROVING TEACHER QUALITY	22,777,287	26,616,870	26,627,008
INCENTIVE AWARD GRANS	125,000	125,000	125,000
INDIRECT COST POOL	2,012,928	2,065,011	2,144,823
INDIV W/DISABIL EDUC ACT/PRESCHOOL	1,711,335	1,708,299	1,714,118
LEARN & SERVE AMERICA STATE EDUC AG	36,406	31,606	31,606
NAEP STATE COORDINATOR	111,810	13,330	13,330
PARTNERSHIPS IN CHARACTER EDUCATION PROVISION	31,110	19,948	21,173
READING FIRST	16,764	15,764	15,764
READING FIRST	4,230,052	5,141,342	5,151,073
REFUGEE CHILDREN SCHOOL IMPACT	475,800	429,990	433,162
ROBERT BYRD HONORS SCHOLARSHIP	205,000	205,000	205,000
SAE SCHOOL FOOD AND NUTRITION	1,433,479	1,351,783	1,389,404
SCHOOL FOOD PROG GNT	28,701,872	28,701,872	28,701,872
SCHOOL RENOVATION IDEA TECH PRGM	795,952	0	0
STATE PROGRAM IMPROVEMENT	1,319,315	1,216,698	1,218,836
SUMMER FOOD SERVICE PROGRAM	1,370,647	1,371,574	1,373,307

**SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2005-2007**

Agency / Fund Source	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
TEMP EMERG FOOD ASST PROGRAM	263,948	262,448	262,448
TITLE I GRANTS TO LEA'S	48,140,332	57,974,638	57,974,638
TITLE I MIGRANT EDUCATION	632,190	633,366	635,390
TITLE I NEG/DELNQ	577,688	577,688	577,688
TITLE I PART E	1,457,980	1,458,058	1,461,381
TITLE I STATE ADMINISTRATION	888,201	919,020	966,647
TITLE II/NO CHILD LEFT/MATH & SCIEN	45,747	39,887	40,738
TITLE II/STNDRDS	234,258	234,258	234,258
TITLE VI-RURAL & LOW-INCOME SCHOOLS	176,796	176,596	176,596
TITLE VI/STATE ASSESSMNTS/RELATED A	3,346,410	4,503,422	4,534,245
TOTAL	194,449,408	221,749,703	222,161,411
215 ND UNIVERSITY SYSTEM			
STATE APPROVING AGENCY	178,470	189,926	189,926
STUDENT FIN. ASSIST. GRANTS	200,000	172,000	172,000
TITLE II	695,600	695,600	695,600
TOTAL	1,074,070	1,057,526	1,057,526
229 WILLISTON STATE COLLEGE			
UNDETERMINED FEDERAL FUNDING SRC	0	2,500,000	2,500,000
TOTAL	0	2,500,000	2,500,000
250 STATE LIBRARY			
GRANTS TO LIBRARIES	315,000	315,000	315,000
PUBLIC LIBRARY SERVICES	1,223,127	1,235,166	1,251,723
TOTAL	1,538,127	1,550,166	1,566,723
252 SCHOOL FOR THE DEAF			
DEAF/BLIND IDEA-B	97,468	40,017	40,017
DEAF/BLIND SERVICES PROJECT	171,146	129,983	137,427
IDEA-B	55,506	57,236	60,218
SCHOOL BREAKFAST	14,205	13,240	13,240
SCHOOL LUNCH	27,805	23,185	23,185
TOTAL	366,130	263,661	274,087

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2005-2007

Agency / Fund Source	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
270 CAREER AND TECHNICAL EDUCATION			
CARL PERKINS FUNDS	9,648,598	9,389,935	9,448,843
IT GRANT	57,950	0	0
MINE SAFETY	133,409	140,000	140,000
STW	13,786	0	0
TECH PREP	787,399	770,006	771,125
TRANSITION TO TEACHING	221,100	70,000	70,000
WORKFORCE INVESTMENT ACT (WIA)	165,000	475,000	475,000
TOTAL	11,027,242	10,844,941	10,904,968
301 ND DEPARTMENT OF HEALTH			
604(B) WATER QUALITY FY04	200,000	200,000	207,829
ABSTINENCE MCH FY02	272,998	183,788	185,583
AIDS PREVENTION -03	1,354,808	1,510,521	1,549,550
AIDS SURVEILLANCE FY03	124,428	130,998	137,813
ASTHMA GRANT	300,000	600,000	605,900
BIOTERRORISM FY2003 FUNDING	15,940,966	10,846,385	10,935,474
BIOTERRORISM RESPONSE FY02	56,433	0	0
CARDIOVASCULAR HEALTH PROGRAM FY04	607,300	638,600	644,806
CHRONIC DISEASE PREV AND HLTH PROMO	3,032,269	3,037,980	3,074,451
CLEAN WATER SRF:03-05 HEALTH ADMIN	625,000	682,000	723,060
CONSUMER PRODUCT SAFETY 03-05	2,500	2,500	2,500
D.O.T.-CHILD SAFETY FY03	456,973	400,000	400,000
D.O.T.-HIGHWAY SAFETY FY03	214,717	223,240	233,054
DIABETES PREVENTION FY03	600,000	617,300	632,615
DPI SCHOOL HEALTH	200,000	207,400	216,042
DRINKING WATER SRF:01-03 HEALTH ADM	700,000	666,000	681,731
EARLY CHILDHOOD COMPREHENSIVE SYSTE	204,716	353,300	356,295
ELC (EPID.& LAB -FY04)	1,573,779	1,242,943	1,262,403
EMS-CHILDRENS SERVICES FY02	210,000	224,000	234,646
EPA BLOCK FY 02	7,579,284	7,926,991	8,349,263
FAMILY PLANNING-FY2003	2,039,448	2,245,744	2,256,952
FAMILY VIOLENCE FY02 FUNDS	1,534,313	1,504,000	1,505,806
GRANTS TO ENCOURAGE ARREST	265,000	265,000	265,000
HEALTH STAT./VITAL RECORDS(03-05)	283,658	284,170	294,528
HRSA BIOTERRORISM HOSPITAL PREPARED	4,075,399	4,593,947	4,597,754

**SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2005-2007**

Agency / Fund Source	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
HRSA ORAL HEALTH COLL ED & SURV	50,000	131,700	133,215
HRSA STATE LOAN REPAYMENT PRGM FY03	75,000	300,000	300,000
IMMUNIZATION FY03	2,329,297	2,438,610	2,489,735
INDIRECT COST POOL FY2004	0	0	1,448
L.U.S.T. - ENFORCEMENT	400,000	461,107	461,107
L.U.S.T. - SITE ACTIVITY	935,677	991,651	1,009,028
LEAKING UNDERGROUND STOR TANK-GENER	120,000	0	0
MATERNAL CHILD HEALTH -FY03 BLOCK	2,915,177	2,870,671	2,908,061
MEDICAID TITLE 19-FY03	2,158,216	2,183,636	2,292,333
NATIONAL CANCER PREVENTION FY03	4,771,402	4,165,700	4,208,773
ND ENVIRONMENTAL INFORMATION EXCHAN	342,000	654,960	665,886
OUTREACH OPER.TRAINING FY03	56,000	44,000	44,000
PM2.5 AIR MONITORING	420,000	595,000	595,000
PRAMS (PREG.RISK ASSESS-FY03)	116,580	300,000	300,000
PREVENTIVE BLOCK FY02	1,078,191	750,536	777,545
PRIMARY CARE-RURAL HEALTH FY04	326,692	326,692	336,016
RAD HEALTH/FDA MAMMOGRAPHY 03-05	95,000	95,000	95,000
RAPE PREVENTION & EDUCATION/CDC	200,000	200,000	200,000
REG GEOGRAPHIC INITIATIVE	0	100,000	100,000
RYAN WHITE HIV CARE -FY 04	601,434	688,479	694,417
SAFE HAVENS:SUPERVISED VISITATION	800,000	900,000	900,000
SEARCH-NATL HEALTH SERVICE CORPS FY	290,000	0	0
SECTION 319H NON POINT (EFF.1/1/03-	11,329,873	10,995,449	11,033,373
SHEYENNE RIVER PILOT PROJECT	250,000	250,000	250,000
SRHF (STATE RURAL FLEX.PRGM FY2003)	124,999	132,999	139,215
STAG (STATE TRIBAL ASSIST GRANT)	0	60,000	60,000
STATE INJURY SURV PROGRAM DEV -FY04	200,000	207,500	214,076
STATE PLANNING GRANT	848,419	122,277	129,363
STATE SYS DEVEL INITIATIVE FY03	190,000	200,000	200,000
STD-03	512,668	538,544	553,092
STOP VIOLENCE AGAINST WOMEN-2002	1,892,000	1,896,200	1,901,620
TARGETED BROWNFIELDS SITE ASSESMEN	600,000	620,000	620,000
TB CONTROL/ELIMINATION FY03	366,046	366,046	374,487
TITLE 18 (MEDICARE)-FY03	1,968,751	1,875,085	1,975,865
TRAUMA EHS	80,000	80,000	80,000
TRAUMATIC BRAIN INJURY (TBI) -HRSA	100,000	200,000	200,000

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2005-2007

Agency / Fund Source	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
VIOLENCE AGAINST WOMEN PLNG & IMPL.	65,000	0	0
WESTERN ECOLOGY PILOT-ND	200,000	100,000	100,000
WETLAND PROT/WATER COMM(FY2002FUNDS	100,000	0	0
WIC FY 03	24,285,729	22,525,300	22,552,367
WIC MIS PROCUREMENT	59,520	0	0
WIC SPECIAL CONCEPT PAPER	0	180,000	180,000
TOTAL	103,707,660	97,133,949	98,428,077
313 VETERANS HOME			
V.A. REIMBURSEMENT	3,541,195	3,283,157	3,421,960
TOTAL	3,541,195	3,283,157	3,421,960
316 INDIAN AFFAIRS COMMISSION			
REAL CHOICES OLMSTEAD GRANT	85,000	20,000	20,000
TOTAL	85,000	20,000	20,000
325 DEPARTMENT OF HUMAN SERVICES			
ACCESS AND VISITATION PROGRAM 93.59	200,000	400,000	400,000
ADA CONSORTIUM	32,000	80,000	80,000
AGING ADMINISTRATION - 02	1,112,646	1,149,736	1,164,604
AOA PREVENTIVE HEALTH	209,118	365,718	365,718
CCDF - DISCRETIONARY FUNDS	11,245,319	10,386,026	10,397,182
CHILD ABUSE-BASIC GRANT-93.669	294,581	297,900	297,900
CHILD ABUSE-CHALLENGE GRANT-93.669	501,039	461,234	462,888
CHILD ABUSE-JUSTICE ACT-93.669	255,173	254,950	254,950
CHILD CARE DEVELOPMENT FUND	13,255,521	8,778,420	8,784,552
CHILD SUPPORT ENFORCE 93.563	10,380,171	10,143,434	10,303,704
CHILD WELFARE SERVICES-93.645	1,704,854	2,042,622	2,045,370
CHIP - MAP & MA ADMIN 93.767	7,869,473	7,776,334	7,788,828
CLIENT ASSISTANCE 84.161	305,493	253,466	263,172
COMBATting UNDER AGE DRINKING	720,000	720,000	720,000
DASIS	172,991	197,977	197,977
DEVELOP. DISABILITIES COUNCIL	953,900	1,015,404	1,024,031
DISABILITY DETERMINATION SERVICES-9	4,539,998	4,769,747	4,910,311
DPI-NATL SCHOOL LUNCH (NEHSC)	20,000	18,832	19,136
DRUG-FREE SCHOOLS 84.186	857,174	917,394	917,394

**SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2005-2007**

Agency / Fund Source	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
ELDER ABUSE PREVENTION	80,800	54,000	54,421
FC ADOPTION ASSIST. 93.659	5,548,483	6,590,375	6,601,579
FOOD STAMP - EBT BENEFITS	85,477,890	105,840,659	105,840,659
FOOD STAMP PROG. 10.561	5,757,458	5,725,802	5,785,320
FOOD STAMP WORK REG. & JOB SEARCH 1	391,798	598,932	598,932
FOSTER CARE IV-E-93.658	22,365,969	22,821,077	22,881,746
FOSTER GRANDPARENT	858,998	843,199	856,500
HEAD START COLLABORATION	277,586	253,744	255,640
HIV-TESTING (STATE LAB)	2,000	2,000	2,000
INDEPENDENT LIVING IV-E 93.674	1,008,021	1,129,924	1,130,126
IPAT(TEC GRANT) 84.224	1,184,702	993,775	1,028,079
LIHEAP - 93.028	31,909,362	37,487,754	37,496,837
MCH - CISS PLANNING	150,000	150,000	150,000
MEDICAID SURVEY & CERT. 93.777	1,228,444	1,228,444	1,228,444
MEDICAL ADMINISTRATION-93.778	17,621,739	41,278,933	42,262,873
MEDICAL ASSISTANCE-93.778	682,274,110	701,019,601	704,741,693
MENTAL HEALTH BLOCK GRANT - 00	1,733,577	1,822,741	1,836,686
MH DATA INFRASTRUCTURE	133,333	80,000	80,000
NUTRITION SERVICES INCENTIVE PROG.	1,668,592	1,250,520	1,250,520
OLMSTEAD REAL CHOICE SYST CHANGE	753,900	186,843	187,214
OMBUDSMAN ACTIVITY	193,777	138,492	139,895
PART C-84.181	4,282,533	4,360,607	4,396,664
PROJ FOR HOMELESS - PATH	604,809	600,000	609,449
PROMOTING SAFE & STABLE FAMILIES IV	1,028,935	925,303	926,280
QUALITY CHILD CARE APPRENTICESHIP I	225,000	300,000	300,000
REFUGEE ASSIST PREVENTIVE HEALTH -	225,000	250,000	250,000
REFUGEE ASSISTANCE CMA 93.026	2,687,094	1,843,600	1,854,280
REFUGEE ASST.-TARGET ASST.-IMPOST FU	550,000	550,000	550,000
REFUGEE ASST.-WILSON/FISH ALTERNATI	1,700,000	1,500,000	1,500,000
RETIRED SENIOR VOLUNTEER PROGRAM	746	0	0
SOC. SER. BLK. GR. - 93.667	7,715,420	7,434,704	7,501,792
SSA REIMBURSEMENT-VR	400,000	394,123	394,123
STATE SYST.DEVELOPMENT INITATIVE	144,921	148,508	150,688
SUBSTANCE ABUSE PREVENTION TREATMEN	9,611,835	11,589,764	11,673,213
SUPPORTED EMPLOY.VI-C-84.187	0	-300,000	-300,000
TANF BLOCK GRANT	53,356,031	48,918,679	49,065,978

SCHEDULE OF FEDERAL FUNDS
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Agency / Fund Source	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
TITLE III B - 00	2,538,375	3,876,268	3,883,964
TITLE III C-1	3,861,000	2,941,154	2,941,154
TITLE III C-2	1,747,350	1,781,180	1,781,180
TITLE III E - FAMILY CAREGIVER SUPP	1,275,432	1,393,798	1,412,128
TITLE V - 93.994	1,398,826	1,396,510	1,404,364
VOC. REHAB. BASIC SUPP. 84.126	19,308,577	20,119,339	20,573,679
VR IL OLDER BLIND 84.177	508,681	685,431	692,028
VR IN-SER TRAIN 84.265	39,950	40,273	40,273
VR INDEP. LIV. B 84.169	595,162	591,478	591,568
TOTAL	1,029,055,667	1,090,866,728	1,096,999,686
360 PROTECTION AND ADVOCACY			
ALTERNATIVE FINANCIAL LOAN PROG	1,270,981	0	0
ASSISTIVE TECHNOLOGY	105,000	103,636	107,794
COMMON GROUND FOR 2003	15,000	0	0
DD PROGRAM	770,000	796,224	840,780
HAVA PROGRAM	85,231	159,535	160,258
MI PROGRAM	850,000	931,386	973,038
MSU-FAMILY SUPPORT CONTRACT	286	0	0
PABSS PROGRAM	210,000	211,417	220,222
PAIR PROGRAM	308,015	464,312	484,210
TBI PROGRAM	100,000	112,024	116,673
TOTAL	3,714,513	2,778,534	2,902,975
380 JOB SERVICE NORTH DAKOTA			
FEDERAL FUNDS	21,000	0	0
ALIEN LABOR CERTIFICATION	218,342	217,320	225,506
ALMIS CONSORTIUM	18,534	0	0
BISMARCK CSO SALE ACCOUNT	40,000	205,000	205,000
BUREAU OF LABOR STATISTICS	1,286,997	1,318,361	1,390,063
CASS COUNTY RE-ENTRY GRANT	6,355	0	0
DISABLED VETERANS OUTREACH PROG.	55,312	0	0
DOL CUSTOMER SERVICE AWARD	5,000	0	0
ESCRG-WOTC	122,139	128,000	134,863
FOOD STAMP BEST	150,888	160,397	168,097
GRAFTON SCHOOL TO WORK	30,204	0	0

**SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2005-2007**

Agency / Fund Source	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
HIGH SCHOOL/HIGH TECH	9,049	0	0
HUD - WR & UIB DATA EXCHANGE	49,000	0	0
JOBS	5,973,031	5,775,641	6,017,931
JOBS SPECIAL PROJECT - FARGO	253,743	280,000	293,438
LOCAL VETERANS EMPLOYMENT REP	173,280	0	0
NAFTA BENEFITS	6,000	0	0
NAFTA TRAINING	1,440	0	0
NDCRN	314,971	317,730	330,589
NEG-DUAL ENROLLMENT TO TAA	86,275	0	0
REED ACT DISTRIBUTION	0	775,000	781,560
SCSEP	1,122,360	984,934	998,809
TAA	361,407	706,560	711,426
TEUC ADMINISTRATION	203,375	0	0
TRA BENEFITS	125,592	1,002,148	1,002,148
UI ADMINISTRATION	17,181,103	16,447,274	17,168,744
VETERAN'S OUTREACH	904,862	917,200	965,621
WAGNER-PEYSER	11,617,106	11,248,484	11,777,122
WIA FAITH BASED INITIATIVE	66,420	0	0
WIA INCENTIVE GRANT	1,149,264	1,504,068	1,511,028
WORKFORCE INFORMATION	961,493	669,356	698,991
WORKFORCE INVESTMENT ACT (WIA)	12,687,591	12,224,428	12,614,226
WP REEMPLOYMENT	520,363	507,380	536,094
TOTAL	55,722,496	55,389,281	57,531,256

401 OFFICE OF THE INSURANCE COMMISSIONER

EPA-ENVIRONMENTAL PROTECTION AGENCY	0	50,000	50,000
HCFA	447,374	323,419	335,378
TOTAL	447,374	373,419	385,378

405 INDUSTRIAL COMMISSION

B/RECLAMATION PALEO	6,379	5,296	5,593
CORP/ENG: PALEO SURVEYS	0	5,148	5,445
GEOCHEMICAL MAP/BASELINE SAMPLE	8,618	0	0
NCRDS-COAL	15,000	4,952	5,258
PSC COAL	7,000	6,604	7,011
STATEMAP	50,000	49,998	53,167

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2005-2007

Agency / Fund Source	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
UIC OIL & GAS	170,003	199,996	212,596
TOTAL	257,000	271,994	289,070
406 OFFICE OF THE LABOR COMMISSIONER			
EQUAL EMPLOY OPP. COMM.	220,458	130,420	139,252
FAIR HOUSING	384,240	350,580	358,963
TOTAL	604,698	481,000	498,215
408 PUBLIC SERVICE COMMISSION			
1991 ND PERMANENT PROGRAM	791,292	809,473	877,867
1994 AML ADMINISTRATIVE	260,000	248,546	259,791
1995-98 AML CONSTRUCTION	4,091,583	4,071,785	4,094,563
2003 GAS PIPELINE SAFETY PROGRAM	58,608	113,094	116,083
2003-2004 AML COAL FIRE SUPPRESSION	37,897	29,251	29,251
CY 2002 ONE CALL GRANT	55,000	0	0
INDIRECT COST RECOVERY	398,029	401,288	426,556
OSM TECHNICAL ASSISTANCE	5,358	53,360	56,028
TOTAL	5,697,767	5,726,797	5,860,139
412 AERONAUTICS COMMISSION			
5010 AIRPORT INSPECTIONS	63,000	63,000	63,000
AIRPORT PAVEMENT CONDITION	339,632	339,632	339,632
ECONOMIC IMPACT OF AVIATION	2,587	2,587	2,587
FAA AIRPORT BLOCK GRANT PROGRAM	3,500,000	3,500,000	0
INTERNATIONAL PEACE GARDEN AIRPORT	173,000	173,000	173,000
MASTER PLAN STUDY UPDATE-SG	285,088	285,088	285,088
MULTIPLE AIRPORT LAYOUT	180,000	180,000	180,000
MULTIPLE AIRPORT PAVEMENT	1,540	1,540	1,540
RUNWAY SAFETY AREA SURVEY	2,453	2,453	2,453
THREAT BLAST ANALYSIS	90,000	90,000	90,000
UPDATE AIR SERVICE SYSTEM PLAN-SH	202,500	202,500	202,500
TOTAL	4,839,800	4,839,800	1,339,800

**SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2005-2007**

Agency / Fund Source	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
473 ND HOUSING FINANCE AGENCY			
HOME INVESTMENTS PARTNERSHIP PROG	682,860	650,000	650,000
LOWER INC HOUSING ASSIST PROG SEC 8	3,036,200	2,438,620	2,438,620
RENT SUPPLEMENTS CONTRACT ADMIN	22,189,320	22,332,660	22,332,660
TOTAL	25,908,380	25,421,280	25,421,280
504 HIGHWAY PATROL			
HIGHWAY SAFETY PROGRAMS	1,634,000	1,634,000	1,634,000
MCSAP RESEARCH	4,597,000	3,000,432	2,929,030
MTR CARRIER SAFETY ASSISTANCE PROGR	1,806,033	1,895,634	1,916,810
NORTHERN BORDER SECURITY	0	0	552,328
TOTAL	8,037,033	6,530,066	7,032,168
512 DIV OF EMERGENCY MANAGEMENT			
1002 HAZARD MITIGATION ADMIN.	9,282,134	9,024,306	9,024,306
1279 PUBLIC ASSISTANCE GRANTS	14,603,872	2,779,870	2,779,870
1431 FLOOD RECOVERY ADMIN.	933,200	626,231	626,231
97 FLOOD HAZ-MITIGATION GRANTS	1,500,000	1,500,000	1,500,000
D.O.J. DOMESTIC PREP. EQUIP. PROG.	36,058,300	34,095,228	34,152,470
DOJ DOMESTIC PREP / EXERCISING	1,275,000	1,200,000	1,200,000
DOJ DOMESTIC PREP / TRAINING	125,000	50,000	50,000
EMERGENCY MANAGEMENT PERFORMANCE GR	1,292,769	1,038,920	1,093,948
EMPG - RADIO	272,000	365,230	389,594
EMPG LOCAL PAYMENTS	1,500,000	1,292,528	1,292,528
FY02 SUPP/CITIZEN CORP/CERT	81,004	81,004	81,004
FY02 SUPP/EOC PHASE 1	31,301	31,301	31,301
FY02 SUPP/PLANNING GRANT	101,667	95,167	95,167
HAZ MAT EMERGENCY PREPARDNESS	300,000	400,000	400,000
HAZ. MIT. NOV. 2000 ICE STORM	40,757	40,757	40,757
HOMELAND SECURITY ADMIN / EQUIP	775,000	1,091,370	1,095,034
HOMELAND SECURITY TRAINING	25,000	0	0
PRE-DISASTER MIT. ADMIN.	600,000	600,000	600,000
RADIO HOMELAND SECURITY	3,335,517	1	1
TOTAL	72,132,521	54,311,913	54,452,211

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2005-2007

Agency / Fund Source	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
530 DEPT OF CORRECTIONS AND REHAB			
(WIA) YOUTH SERVICES - YCC	13,300	10,661	10,788
1/4 HOUSE PROGRAM (D02-507)	19,371	148,920	148,920
ADULT EDUC/PEN	85,865	85,866	91,156
ADULT EDUCATION - YCC	50,000	50,000	50,513
COG. TRAINING - BCI	38,868	0	0
CRIME VICTIMS ADVOCACY-DJS	52,000	46,999	46,999
DETENTION SERVICES - FED	20,000	20,000	20,000
DRUG COURT GRANT	162,919	30,657	30,657
DRUG COURT TREATMENT	58,716	93,459	93,459
FY 01 FED VOCA GRANT	3,026,548	2,674,000	2,678,860
FY 2000 FEDERAL CVC GRANT	188,000	186,000	186,000
INSTITUTIONAL CARE (FEDERAL) - YCC	412,634	740,102	752,166
IV E-REFINANCING (YCC)	143,219	89,491	89,491
IV-E/IV-A REIMBURSEMENTS	398,987	418,360	418,360
JAIBG (MISC. TREATMENT) - YCC	436,653	10,707	10,707
JAIBG - DJS	2,545,387	366,750	366,750
LAST CHANCE PROGRAM (D01-504)	31,745	0	0
MEDICAID REIMB-TITLE XIX	695,093	661,569	736,570
NEW GRANT1	2,041	0	0
NEW GRANT2	412,217	0	0
NEW GRANT3	94,672	105,072	111,883
OJJDP - CHALLENGE FUNDS	212,349	30,364	30,364
OJJDP - FORMULA FUNDS	1,267,000	1,152,000	1,152,000
OJJDP - TITLE V FUNDS	200,000	0	0
OJJDP - TRAINING FUNDS	49,000	48,000	48,000
OJP SERIOUS & VIOLENT OFFENDER RE-E	943,112	334,986	334,986
REENTRY GRANT	300,036	85,586	85,586
REENTRY GRANT	1,164,915	479,948	479,948
RESIDENTIAL SUBSTANCE ABUSE TRMT	480,031	370,418	401,331
SCAAP-BJA	81,894	43,674	43,674
SCHOOL LUNCH - YCC	242,112	245,407	245,407
TITLE I - YCC	126,592	126,592	127,802
TRAINING-CENTRAL OFFICE	12,240	0	0

**SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2005-2007**

Agency / Fund Source	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
VOC ED (CARL PERKINS) - YCC	31,736	31,736	31,736
VOC ED (INCARCERATED) - YCC	40,000	40,000	40,631
VOCATIONAL/TECH EDUCATION	65,298	65,298	65,298
VOI/TIS-5TH & 6TH JRCC	2,040,089	0	0
WIA JOB SERVICE-ADULT	95,000	95,001	99,183
YOUTH TRAINING-US DEPT EDUC	52,000	52,000	55,774
TOTAL	16,291,639	8,939,623	9,084,999
540 ADJUTANT GENERAL			
AIR GUARD CONTRACTS	5,648,364	6,146,500	16,681,604
ARMY GUARD CONTRACTS	23,835,352	23,972,623	14,267,390
TOTAL	29,483,716	30,119,123	30,948,994
601 DEPT OF COMMERCE			
APUC RURAL BUSINESS ENTERP. GRANTS	460,000	420,000	420,000
CDBG 1994	12,482,799	12,455,554	12,470,941
CF&N	30,000	30,000	30,000
CSBG 2001	7,470,491	6,969,014	6,976,148
DOE 2000	5,655,567	5,710,953	5,717,852
EAC (KC) 2002	11,114	0	0
EERE	14,000	0	0
ENERGY EFF & RENEWABLE ENERGY - BIO	35,916	0	0
ENERGY EFF & RENEWABLE ENERGY - ENE	2,000	0	0
ESGP 2000	562,370	571,885	572,018
HOME 1994	8,322,799	7,342,521	7,356,264
HUD TA 2001	8	0	0
IC 1999	485,175	457,953	480,172
LHP 2000	4,443,768	4,230,417	4,238,559
LHP EF 2003	4,655,000	4,535,600	4,535,600
NDHRTST	989,122	0	0
SEP ADMIN 2001	829,713	1,007,589	1,017,286
SEP SP 1996	30,000	0	0
SEP SP/FUEL CELL DEMONSTRATION	100,000	0	0
SHELTER PLUS CARE	1,104,097	950,000	950,000
SHOPP HEATING & OIL PROG.	5,877	5,888	6,162
STATE LOAN	0	69,252	69,252

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2005-2007

Agency / Fund Source	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
STATE RURAL DEVELOPMENT COUNCIL	225,874	226,334	235,214
USDA PSCA 2002	301,415	0	0
VAAPB 2002	40,000	80,000	80,000
WFD NDCNCS	1,571,394	1,454,479	1,462,390
WORKFORCE DEVELOPMENT	210,710	210,820	215,177
TOTAL	50,039,209	46,728,259	46,833,035

602 DEPARTMENT OF AGRICULTURE

AG MEDIATION SERVICES	734,472	636,636	659,614
ASIAN PACIFIC RIM MKTING.	25,000	0	0
BIOSECURITY GRANT/HEALTH DEPT	167,437	181,039	188,576
CAPS PROGRAM	0	162,204	167,947
COOPERATIVE WEED MGMT	98,300	133,300	133,300
CUBAN TRADE MISSION	8,400	0	0
DAIRY HEIFER DEVELOPMENT (FSMIP)	64,852	0	0
EXEC RECOM	0	0	86,394
FIRE ASSISTANCE	50,000	0	0
FOREIGN ANIMAL DISEASE(BSE/NAHEMS)	100,537	225,037	225,037
GROUNDWATER SENSITIVITY MAPPING/HEA	284,000	0	0
GYPSY MOTH SURVEY	7,000	0	0
HOMELAND SECURITY (BOAH)	203,751	834,670	834,670
HOMELAND SECURITY (PLANT)	18,000	33,541	33,541
KARNAL BUNT SURVEY	22,000	6,000	6,000
LEAFY SPURGE	104,000	155,000	155,000
MARKET NEWS	50,000	50,000	50,000
MEAT INSPECTION	366,680	371,517	448,032
MEDICATED FEED/BSE INSPECTIONS	18,100	53,664	57,146
ND DAIRY POLLUTION PREVENTION PROGR	580,007	568,685	572,709
NEMATODE/SALT CEDAR	27,241	0	0
ORGANIC CERTIFICATION	102,700	60,200	60,200
PESTICIDE ENFORCEMENT	1,164,096	1,059,573	1,105,915
PROJECT SAFE SEND	150,190	0	0
RENEWABLE ENERGY	5,000	0	0
SALT CEDAR & PURPLE LOOSESTRIFE	23,000	11,450	11,450
SWINE HEALTH PROTECT(BOAH)	38,000	38,000	38,000
TISSUE RESIDUE	4,782	0	0

**SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2005-2007**

Agency / Fund Source	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
USDA DAIRY PLANT INSPECTIONS	30,000	31,126	31,848
USDA JOHNE'S	150,000	150,000	150,000
USDA PROMOTION & SPECIALTY CROPS A	61,605	20,000	20,000
USDA SCRAPIES	85,000	85,000	85,000
WATERBANK 319 NPS/HEALTH DEPT	336,843	0	0
WHEAT SURVEY	16,500	0	0
TOTAL	5,097,493	4,866,642	5,120,379
627 UPPER GREAT PLAINS TRANS INST			
UNIVERSITY TRANSPORTATION CENTERS	7,432,755	10,545,829	10,898,726
TOTAL	7,432,755	10,545,829	10,898,726
630 NDSU EXTENSION SERVICE			
USDA/CREES SMITH LEVER	6,677,210	6,728,203	6,834,768
TOTAL	6,677,210	6,728,203	6,834,768
640 NDSU MAIN RESEARCH CENTER			
UNIDENTIFIED FEDERAL FUNDS	0	4,000,000	2,000,000
USDA/CREES ANIMAL HEALTH	55,014	55,090	55,929
USDA/CREES MCINTIRE STENNIS	183,258	183,258	186,279
USDA/CSREES HATCH 7 MULTI-STATE	4,525,650	4,525,650	4,582,568
TOTAL	4,763,922	8,763,998	6,824,776
701 HISTORICAL SOCIETY			
BOR COLLECTIONS DATABASE	30,000	30,000	30,000
BUREAU OF LAND MANAGEMENT GRANT	53,974	53,974	53,974
BUREAU OF RECLAMATION	97,545	97,545	97,545
DOT GINGRA/DITTON PROJECT	250,000	0	0
DOT GIS PROJECT	81,514	81,514	81,514
HISTORIC PRESERVATION 6100	1,957,873	1,957,873	2,008,786
HOUSING & URBAN DEVELOPMENT GRANT	901,000	0	0
HUMANITIES COUNCIL	40,000	40,000	40,000
IMLS GRANT - CONFL. FROM L&C	22,500	0	0
LAND AND WATER CONSERVATION	37,000	0	0
NATIONAL HISTORICAL PUBLICATIONS	57,636	57,636	57,636
ORAL HISTORY GRANT (GSA)	150,000	0	0

SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2005-2007

Agency / Fund Source	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
TRANSPORTATION ENHANCEMENT CONFLUEN	100,000	0	0
TRANSPORTATION ENHANCMENT	233,000	0	500,000
UNDESIGNATED FEDERAL FUNDS	0	0	56,000
TOTAL	4,012,042	2,318,542	2,925,455
709 COUNCIL ON THE ARTS			
FOLK ARTS APPRENTICESHIP	75,658	76,315	76,315
FOREST SERVICE GRANT	6,000	6,000	6,000
NEA PARTNERSHIP GRANT	1,085,275	1,126,046	1,126,046
NEA PARTNERSHIP GRANT	1,767	6,442	6,442
TOTAL	1,168,700	1,214,803	1,214,803
720 GAME AND FISH DEPARTMENT			
DOI - BUREAU OF RECLAMATION	1,482,553	1,500,000	1,531,060
DOI - FISHERIES RESTORATION	5,484,029	6,281,599	6,395,398
DOI - LANDOWNER INCENTIVE	500,000	500,000	500,000
DOI - WILDLIFE RESTORATION	6,000,000	6,893,356	7,063,058
MISC FEDERAL GRANTS	135,000	245,000	245,000
STATE WILDLIFE GRANTS	1,174,696	1,669,972	1,678,314
USCG - BOATING SAFETY	815,000	755,000	783,514
TOTAL	15,591,278	17,844,927	18,196,344
750 PARKS AND RECREATION DEPT			
2002LWCF	349,500	46,750	276,750
BIG FUNDING	500,000	0	0
BLM CHALLENGE GRANT	0	11,000	11,000
BOR COLLECTIONS DATABASE	24,968	0	0
COAST GUARD	0	250,000	250,000
CORPS	0	500,000	500,000
ENERGY GRANT	0	25,000	25,000
EPA	7,000	0	0
FEMA/DEM	200,000	100,000	100,000
G&F COOPERATIVE AGREEMENT	80,000	124,152	124,152
ISTEA	175,000	0	550,000
LAKE SAKAKAWEA RURAL WATER	125,000	0	0
LAND ACQUISITION	28,000	0	0

**SCHEDULE OF FEDERAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2005-2007**

Agency / Fund Source	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
LWCF 1992 PROJECTS	2,715,500	2,941,250	2,941,250
PLANT CONSERVATION PROGRAM	110,030	127,094	128,078
RTP	1,897,659	3,814,853	3,820,846
SCENIC BYWAYS	25,000	50,566	51,690
TOTAL	6,237,657	7,990,665	8,778,766
770 WATER COMMISSION			
2002 ND WEATHER DAMAGE MODIFICATIO CAP PROGRAM	1,500,000	1,500,000	1,500,000
FED FUND TRANSFER FROM ANOTHER AGEN	194,901	357,496	366,453
FLOOD ASSISTANCE PROGRAM FY 00	88,846	88,600	88,600
MR&I ADMINISTRATION	274,689	244,500	250,620
NORTHWEST AREA WATER SUPPLY (NAWS)	200,959	171,795	181,663
SOUTHWEST PIPELINE	20,125,212	15,000,000	15,000,000
STATE DAM SAFETY GRANT PROGRAM	6,950,000	20,000	20,000
WET NON-POINT SOURCE PROGRAM	130,573	123,473	123,473
WETLANDS PROTECTION PROGRAM	155,998	145,393	149,819
TOTAL	29,916,913	17,651,257	17,680,628
801 DEPT OF TRANSPORTATION			
FED HWY ADMIN PLANNING & CONSTRUC	433,354,732	464,784,989	459,113,383
FED TRANSIT ADMIN CAP ASST PROGRAMS	463,224	462,000	462,000
FED TRANSIT ADMIN CAP INVEST GRANTS	861,926	770,000	770,000
FED TRANSIT ADMIN FORMULA GRANTS NO	4,355,205	4,008,418	4,008,695
FED TRANSIT ADMIN METRO PLANNING GR	2,624,068	2,464,000	2,464,000
STATE & COMMUNITY HIGHWAY SAFETY	12,714,033	13,400,618	13,429,290
TOTAL	454,373,188	485,890,025	480,247,368
TOTAL ALL AGENCIES	2,180,827,408	2,261,787,248	2,266,216,940

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2005-2007

Agency / Fund Source	Fund No	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
108 SECRETARY OF STATE				
SEC. OF STATE GENERAL SERVICES FUND	263	380,363	439,988	439,988
HAVA ELECTION REF.MATCHING	283	0	0	372,594
TOTAL		380,363	439,988	812,582
110 OFFICE OF MANAGEMENT AND BUDGET				
STATE CAPITAL BONDING FUND	011	0	0	3,155,000
STATE FIRE AND TORNADO FUND	211	126,000	126,000	126,000
CAPITAL GROUNDS PLANNING FUND 110F	251	25,000	25,000	25,000
RISK MANAGEMENT WORKERS'S COMP FUND	275	189,756	184,739	190,846
STATE RISK MANAGEMENT FUND 110F	288	700,023	718,836	746,211
OMB UNEMP/PAYROLL CL FUND 110CF	461	1,500,000	1,500,000	1,500,000
CENTRAL DUP SERV FUND 118F	790	4,716,944	4,741,067	4,795,224
FACILITY MANAGEMENT	875	0	0	1,800,000
SPECIAL FUNDS FOR EQUITY	SPEC2	0	0	2,500,000
TOTAL		7,257,723	7,295,642	14,838,281
112 INFORMATION TECHNOLOGY				
INDEPENDENT STUDY OPERATING FUND 11	274	4,783,518	4,828,959	5,017,803
ISD SERVICE FUND 112F	780	93,333,783	83,628,961	93,312,772
TOTAL		98,117,301	88,457,920	98,330,575
117 OFFICE OF THE STATE AUDITOR				
STATE AUDITORS OPERATING FUND 117F	246	1,229,941	1,369,338	1,441,970
TOTAL		1,229,941	1,369,338	1,441,970
125 OFFICE OF THE ATTORNEY GENERAL				
STATE CAPITAL BONDING FUND	011	0	0	3,632,691
ATTY GEN ASSET FORFEITURE FUND 125F	204	101,141	60,142	61,662
ATTORNEY GENERAL REFUND FUND 125F	250	250,207	333,346	343,274
RACING-BREEDERS FUND	278	50,000	76,752	80,419
RACING-PURSE FUND	290	50,001	76,751	80,417
TACTICAL TEAM REIMB. FUND	311	50,000	0	0
ATTORNEY GENERAL FUND 125F	322	3,476,211	3,658,556	3,830,877
RACING-PROMOTION FUND	339	50,000	76,751	80,417

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2005-2007

Agency / Fund Source	Fund No	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
GAMING AND EXCISE TAX ALLOC125F	446	617,000	617,000	617,000
TOTAL		4,644,560	4,899,298	8,726,757
140 OFFICE OF ADMINISTRATIVE HEARINGS				
ADMINISTRATIVE HEARINGS FUND 140F	266	1,242,958	1,243,329	1,306,482
TOTAL		1,242,958	1,243,329	1,306,482
180 JUDICIAL BRANCH				
INDIGENT DEFENSE ADMIN FUND	282	750,000	1,020,000	1,020,000
ELECTRONIC FILING ADMINISTRATION	295	2,500	2,500	2,500
STATE COURTS 180F	312	311,014	0	0
JUDICIAL CONDUCT COMMISSION FUND 18	328	280,801	273,000	286,787
TOTAL		1,344,315	1,295,500	1,309,287
190 RETIREMENT AND INVESTMENT OFFICE				
RETIREMENT AND INVESTMENT FUND	207	4,843,429	2,849,339	2,966,923
TOTAL		4,843,429	2,849,339	2,966,923
192 PUBLIC EMPLOYEES RETIREMENT SYSTEM				
PERS FUND 192F	470	4,391,158	4,400,620	4,692,005
TOTAL		4,391,158	4,400,620	4,692,005
201 DEPT OF PUBLIC INSTRUCTION				
DISPLACED HOMEMAKERS FUND 201F	235	252,409	253,244	253,646
PUBLIC INSTRUCTION FUND 201F	391	71,356,986	73,461,615	73,461,615
TOTAL		71,609,395	73,714,859	73,715,261
215 ND UNIVERSITY SYSTEM				
HIGHER ED SPECIAL REV FUND 215F	340	3,470,919	1,279,750	1,279,750
TOTAL		3,470,919	1,279,750	1,279,750
226 STATE LAND DEPARTMENT				
LAND DEPARTMENT MAINT. FUND	206	2,685,734	2,706,978	2,930,895
ENERGY DEVELOPMENT IMPACT FUND 226F	238	4,888,100	4,888,100	4,888,100
TOTAL		7,573,834	7,595,078	7,818,995

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2005-2007

Agency / Fund Source	Fund No	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
227 BISMARCK STATE COLLEGE				
BISMARCK STATE COLLEGE FUND 227C	387	1,785,000	2,302,800	2,302,800
TOTAL		1,785,000	2,302,800	2,302,800
228 LAKE REGION STATE COLLEGE				
STATE CAPITAL BONDING FUND	011	0	343,875	0
UND - LAKE REGION FUND 228C	388	705,463	0	0
TOTAL		705,463	343,875	0
229 WILLISTON STATE COLLEGE				
UND - WILLISTON CENTER FUND 229C	389	1,154,378	4,410,000	4,410,000
TOTAL		1,154,378	4,410,000	4,410,000
230 UNIVERSITY OF NORTH DAKOTA				
STATE CAPITAL BONDING FUND	011	0	3,500,000	0
ENERGY IMPROVEMENT	2400	0	0	2,331,554
UND FUND 230C	341	66,803,609	52,000,000	52,000,000
TOTAL		66,803,609	55,500,000	54,331,554
235 NORTH DAKOTA STATE UNIVERSITY				
STATE CAPITAL BONDING FUND	011	0	3,500,000	3,500,000
NDSU FUND 235C	344	56,463,275	34,000,000	34,000,000
TOTAL		56,463,275	37,500,000	37,500,000
238 ND STATE COLLEGE OF SCIENCE				
STATE CAPITAL BONDING FUND	011	0	736,000	736,000
SCIENCE SCHOOL FUND-NDSCS 238C	347	3,668,920	368,920	368,920
TOTAL		3,668,920	1,104,920	1,104,920
239 DICKINSON STATE UNIVERSITY				
STATE CAPITAL BONDING FUND	011	5,882,047	4,100,557	4,100,557
DICKINSON STATE UNIV. FUND 239C	348	5,000,000	5,000,000	5,000,000
TOTAL		10,882,047	9,100,557	9,100,557

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2005-2007

Agency / Fund Source	Fund No	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
240 MAYVILLE STATE UNIVERSITY				
STATE CAPITAL BONDING FUND	011	1,355,000	0	0
MAYVILLE STATE UNIV. FUND 240C	349	4,150,000	1,500,000	1,500,000
TOTAL		5,505,000	1,500,000	1,500,000
241 MINOT STATE UNIVERSITY				
MINOT STATE UNIV. FUND 241C	350	462,132	3,535,000	3,535,000
TOTAL		462,132	3,535,000	3,535,000
242 VALLEY CITY STATE UNIVERSITY				
STATE CAPITAL BONDING FUND	011	785,300	250,000	0
VALLEY CITY STATE UNIV. FUND 242C	351	3,300,000	32,000	32,000
TOTAL		4,085,300	282,000	32,000
243 MINOT STATE UNIVERSITY - BOTTINEAU				
STATE CAPITAL BONDING FUND	011	0	2,500,000	0
TOTAL		0	2,500,000	0
244 NORTH DAKOTA FOREST SERVICE				
STATE CAPITAL BONDING FUND	011	0	65,000	0
FOREST SERVICE FUND 244C	326	1,292,762	975,001	975,001
TOTAL		1,292,762	1,040,001	975,001
250 STATE LIBRARY				
LIBRARY COMMISSION FUND 250F	390	91,852	91,852	91,852
TOTAL		91,852	91,852	91,852
252 SCHOOL FOR THE DEAF				
SCHOOL FOR THE DEAF FUND 252F	353	505,319	819,629	1,052,479
TOTAL		505,319	819,629	1,052,479
253 ND VISION SERVICES				
SCHOOL FOR THE BLIND FUND 253F	354	1,167,383	810,823	845,535
TOTAL		1,167,383	810,823	845,535

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2005-2007

Agency / Fund Source	Fund No	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
270 CAREER AND TECHNICAL EDUCATION				
VOCATIONAL EDUCATION FUND 270F	393	365,758	365,932	365,932
TOTAL		365,758	365,932	365,932
301 ND DEPARTMENT OF HEALTH				
ABANDONED VEHICLE FUND 301F	202	250,000	250,000	250,000
EHPL ADMINISTRATORS FUND 301F	313	1,000	1,000	1,000
ND HEALTH CARE TRUST FUND 325c	315	714,500	714,500	714,500
COMMUNITY HEALTH TRUST FUND 301F	316	6,564,000	6,604,000	6,610,000
HEALTH & CONSOLIDATED LAB FUND 301F	370	8,313,119	6,110,054	5,562,611
WASTEWATER OPERATORS CERT. FUND 301	371	20,730	20,728	21,214
ENVIRONMENT & RANGELAND PROTECTION	376	250,000	250,000	252,808
DOMESTIC VIOLENCE PREV FUND 301F	462	280,000	280,000	280,000
TOTAL		16,393,349	14,230,282	13,692,133
313 VETERANS HOME				
SOLDIERS HOME FUND 313F	380	4,496,459	3,543,497	3,564,667
TOTAL		4,496,459	3,543,497	3,564,667
324 CHILDREN'S SVC COORD. COMMITTEE				
CHILDREN'S SERV COORD COMM FUND 324	215	2,514,600	0	0
TOTAL		2,514,600	0	0
325 DEPARTMENT OF HUMAN SERVICES				
STATE CAPITAL BONDING FUND	011	0	0	455,000
COMMUNITY HEALTH TRUST FUND	316	144,755	284,356	284,356
CHILDRENS TRUST FUND 325C-120F	419	300,000	300,000	300,000
STATE HOSPITAL- OTHER FUNDS	Z095	12,351,195	11,024,764	11,202,673
DEVELOP. CENTER - OTHER FUNDS	Z097	2,670,264	2,891,185	2,949,523
OTHER FUNDS	Z125	65,756,761	66,931,203	66,944,449
WCHSC-OTHER	Z201	761,130	762,240	772,101
BLHSC - OTHER	Z211	816,504	806,187	818,039
NWHSC-OTHER	Z221	342,416	342,416	346,837
LRHSC-OTHER	Z231	513,582	479,250	485,982
NCHSC-OTHER	Z241	644,703	843,161	854,651
NEHSC-OTHER	Z251	831,703	871,757	884,629

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2005-2007

Agency / Fund Source	Fund No	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
SEHSC-OTHER	Z261	1,067,082	1,218,825	1,237,090
SCHSC-OTHER	Z271	846,170	856,597	868,755
TOTAL		87,046,265	87,611,941	88,404,085
380 JOB SERVICE NORTH DAKOTA				
OASIS TRUST FUND	303	8,000	4,000	4,186
JOB SERVICE NORTH DAKOTA FUND	362	514,221	570,770	603,910
TOTAL		522,221	574,770	608,096
401 OFFICE OF THE INSURANCE COMMISSIONER				
UNSATISFIED JUDGEMENT FUND 401F	209	35,000	35,000	36,117
STATE BONDING FUND 401F	210	35,000	35,000	36,544
STATE FIRE & TORNADO FUND 401F	211	988,576	988,576	1,035,289
PETROLEUM REL. COMP. FUND 401F	233	80,000	120,000	123,287
INSURANCE REGULATORY TRUST FUND 401	239	5,013,461	5,328,316	5,577,311
INSURANCE TAX DISTRIBUTION FUND 401	240	5,304,000	5,304,000	5,304,000
TOTAL		11,456,037	11,810,892	12,112,548
405 INDUSTRIAL COMMISSION				
INDUSTRIAL COMMISSION FUND 405F	305	20,199,508	27,596,802	27,609,953
LIGNITE RESEARCH FUND 120F	314	16,270,000	15,200,000	15,200,000
MUNICIPAL BOND BANK	900	565,328	535,418	555,862
TOTAL		37,034,836	43,332,220	43,365,815
408 PUBLIC SERVICE COMMISSION				
DOT RAIL LITIGATION	200	250,000	0	0
PSC VALUATION REVOLVING FUND 408F	248	125,000	125,000	125,000
TOTAL		375,000	125,000	125,000
412 AERONAUTICS COMMISSION				
Aeronautics Comm. Spec Funds 412F	324	3,790,550	3,856,373	3,898,114
TOTAL		3,790,550	3,856,373	3,898,114

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2005-2007

Agency / Fund Source	Fund No	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
413 DEPT OF FINANCIAL INST				
FINANCIAL INSTIT. REGULATORY FUND 4	242	3,657,232	3,973,533	4,207,793
TOTAL		3,657,232	3,973,533	4,207,793
414 SECURITIES DEPARTMENT				
INVESTOR EDUCATION & TECHNOLOGY	244	311,580	217,199	217,199
TOTAL		311,580	217,199	217,199
471 BANK OF NORTH DAKOTA				
BANK OF NORTH DAKOTA	998	30,731,059	42,203,480	45,704,797
TOTAL		30,731,059	42,203,480	45,704,797
473 ND HOUSING FINANCE AGENCY				
HOUSING FINANCE AGENCY-FEES	473	7,681,387	8,204,052	8,474,427
TOTAL		7,681,387	8,204,052	8,474,427
475 ND MILL AND ELEVATOR ASSOCIATION				
MILL AND ELEVATOR	475	29,982,152	32,442,304	32,657,254
TOTAL		29,982,152	32,442,304	32,657,254
485 WORKFORCE SAFETY AND INSURANCE				
WORKMENS COMPENSATION FUND 485F	213	32,397,631	31,913,254	33,440,814
TOTAL		32,397,631	31,913,254	33,440,814
504 HIGHWAY PATROL				
HIGHWAY TAX DISTRIBUTION FUND	400	7,444,054	8,203,739	7,521,970
TOTAL		7,444,054	8,203,739	7,521,970
512 DIV OF EMERGENCY MANAGEMENT				
RADIO COMMUNICATIONS FUND	373	630,752	661,070	680,531
EMERGENCY MANAGEMENT FUND 512F	375	2,817,887	1,603,227	1,603,226
STATE HAZARDOUS CHEMICAL FUND	378	220,307	220,000	225,553
TOTAL		3,668,946	2,484,297	2,509,310

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2005-2007

Agency / Fund Source	Fund No	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
530 DEPT OF CORRECTIONS AND REHAB				
STATE CAPITAL BONDING FUND	011	0	0	3,586,510
PROBATION VIOLATION TRANSP.FUND	321	165,000	165,000	165,000
PENITENTIARY INDUSTRIES FUND 530F	365	10,719,702	13,969,369	14,156,960
PEN.- LAND REPLACEMENT FUND 530F	366	112,845	0	135,000
CRIME VICTIMS GIFT FUND 530F	372	100,000	44,000	44,000
DEPT OF CORRECTIONS OPERATING 530F	379	6,135,656	4,519,365	4,564,457
TOTAL		17,233,203	18,697,734	22,651,927
540 ADJUTANT GENERAL				
NATIONAL GUARD FUND 540F	383	349,230	349,902	361,647
VETERANS CEMETERY 540F	433	70,770	70,768	74,274
TOTAL		420,000	420,670	435,921
601 DEPT OF COMMERCE				
STATEWIDE CONFERENCE FUND 110F	212	2,000	0	0
ALCOHOL MOTOR VEHICLE FUEL FUND 612	224	1,273,249	850,000	846,078
ECONOMIC DEVELOPMENT COMM. FUND 601	330	701,226	842,018	865,089
INTERGOVERNMENTAL ASSIST. FUND 110F	342	5,892,300	6,517,314	6,522,340
DEPARTMENT OF TOURISM FUND 740F	443	363,000	365,954	365,954
LOAN FROM BANK OF ND	500	0	0	50,000,000
TOTAL		8,231,775	8,575,286	58,599,461
602 DEPARTMENT OF AGRICULTURE				
STATE WATERBANK FUND 602F	236	494,026	216,881	216,881
ANHYD AMMON STOR INSP FUND 602F	264	54,496	58,955	61,410
AGRICULTURE DEPARTMENT FUND 602F	308	1,231,721	1,229,834	1,244,267
ENVIRONMENT & RANGELAND PROTECTION	376	2,529,891	2,491,642	2,725,077
TOTAL		4,310,134	3,997,312	4,247,635
616 STATE SEED DEPARTMENT				
SEED DEPARTMENT FUND 616F	329	5,640,000	5,803,044	5,924,650
TOTAL		5,640,000	5,803,044	5,924,650

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
 Biennium: 2005-2007

Agency / Fund Source	Fund No	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
627 UPPER GREAT PLAINS TRANS INST				
TRANSPORTATION INSTITUTE FUND 627C	352	2,928,896	4,279,977	4,364,302
TOTAL		2,928,896	4,279,977	4,364,302
628 BRANCH RESEARCH CENTERS				
STATE CAPITAL BONDING FUND	011	0	250,000	440,000
CENTRAL GRASSLANDS EXPR. STATION	323	755,391	1,142,327	1,087,515
HETTINGER EXPR. STATION FUND	332	652,902	852,902	866,543
LANGDON EXPR. STATION FUND	333	832,943	425,628	440,107
NORTH CENTRAL EXPR. STATION FUND	335	855,550	2,105,550	2,265,978
WILLISTION EXPR. STATION FUND	336	730,065	1,030,065	1,030,065
CARRINGTON EXPR. STATION FUND	337	1,922,146	2,450,248	2,499,305
DICKINSON EXPR. STATION FUND	359	3,679,877	3,679,877	3,763,021
TOTAL		9,428,874	11,936,597	12,392,534
630 NDSU EXTENSION SERVICE				
EXTENSION DIVISION FUND 630C	357	13,809,620	15,340,046	16,154,460
TOTAL		13,809,620	15,340,046	16,154,460
638 NORTHERN CROPS INSTITUTE				
NORTHERN CROPS INSTITUTE FUND 638C	243	777,345	921,798	950,741
TOTAL		777,345	921,798	950,741
640 NDSU MAIN RESEARCH CENTER				
STATE CAPITAL BONDING FUND	011	0	4,000,000	2,000,000
MAIN EXPERIMENT STATION FUND 640C	358	27,542,552	31,834,840	32,485,442
TOTAL		27,542,552	35,834,840	34,485,442
649 AGRONOMY SEED FARM				
AGRONOMY SEED FARM FUND 649C	226	1,166,604	1,176,472	1,199,685
TOTAL		1,166,604	1,176,472	1,199,685
665 ND STATE FAIR				
STATE FAIR ENTERPRISE FUND 665F	601	20,000	20,000	0
TOTAL		20,000	20,000	0

SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2005-2007

Agency / Fund Source	Fund No	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
701 HISTORICAL SOCIETY				
STATE CAPITAL BONDING FUND	011	0	0	800,000
HISTORICAL SOCIETY FUND 701F	377	2,000,000	0	300,000
TOTAL		2,000,000	0	1,100,000
709 COUNCIL ON THE ARTS				
ARTS & HUMANITIES FUND 709F	399	53,515	53,515	53,515
TOTAL		53,515	53,515	53,515
720 GAME AND FISH DEPARTMENT				
NON-GAME WILDLIFE FUND 720F	216	35,000	35,000	35,000
GAME & FISH DEPARTMENT FUND 720F	222	25,203,552	26,047,803	26,733,822
HABITAT AND DEPREDATION FUND 720F	488	3,567,933	3,500,000	3,500,000
TOTAL		28,806,485	29,582,803	30,268,822
750 PARKS AND RECREATION DEPT				
STATE CAPITAL BONDING FUND	011	0	0	350,000
SNOWMOBILE FUND 750F	261	904,258	904,260	907,262
STATE PARKS GIFT FUND 750F	265	120,691	120,691	120,691
WATER DEVELOPMENT TRUST FUND	267	575,287	0	0
PARKS & RECREATION FUND 750F	398	2,877,714	2,446,514	2,701,530
TRAIL TAX TRANSFER FUND 801F	441	56,500	124,998	128,004
TOTAL		4,534,450	3,596,463	4,207,487
770 WATER COMMISSION				
WATER DEVELOPMENT TRUST FUND 770F	267	18,446,225	24,857,160	24,863,873
WATER COMMISSION FUND 770F	397	105,110,321	58,613,440	68,179,976
TOTAL		123,556,546	83,470,600	93,043,849
801 DEPT OF TRANSPORTATION				
HIGHWAY FUND 801F	200	282,464,638	286,738,680	289,125,801
MOTOR VEHICLE OPERATING	201	7,554,065	7,983,262	8,192,410
ASBESTOS	203	3,175,200	2,488,423	2,488,423
MOTORCYCLE SAFETY FUND 801F	205	247,920	247,920	247,920
MOTOR VEHICLE REGISTRATION FUND 801	217	188,810	225,820	230,862

**SCHEDULE OF SPECIAL FUNDS
REQUEST AND RECOMMENDATION
Biennium: 2005-2007**

Agency / Fund Source	Fund No	2003-2005 Appropriation	2005-2007 Request	2005-2007 Recommendation
SPECIAL ROAD FUND 801F	230	500,000	500,000	500,000
PUBLIC TRANSPORTATION FUND 801F	232	1,777,460	3,100,000	3,100,000
FLEET SERVICES FUND 801F	700	42,081,878	43,137,373	43,280,168
TOTAL		337,989,971	344,421,478	347,165,584
TOTAL ALL AGENCIES		1,228,997,422	1,178,903,518	1,272,136,535

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.

Accounting Cost Center - Provides a means for entering and tracking accounting data. It is the lowest level of detail for accumulating costs.

Addition - Extension, enlargement, or expansion made to an existing asset.

Agency Budget Number - The three-digit number assigned to each department by OMB.

Aid to Political Subdivisions - A category of appropriations and expenditures used to identify payments to local governments, school districts and other local entities.

Allotment - A procedure under which appropriated funds are restricted when resources appear insufficient to cover appropriations. Allotment, authorized by North Dakota Century Code 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 an amount of money to be used for a particular purpose during a period of time, usually one biennium.

Appropriation Authority - Authorization in an Appropriations Act for an agency to expend funds.

Appropriation Bill - A bill through which appropriations are given legal effect.

BARS – Budget Analysis and Reporting System.

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.

Biennium - The period of two state fiscal years for which the budget is written. For example, the 2005-07 budget covers state fiscal years 2006 and 2007.

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 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 composed of the appropriation, revenue and borrowing measures necessary to put the budget into effect.

Budget Level - Consists of one or more accounting cost centers and represents a major program or subprogram.

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 in which a state agency sets forth its financial requirements and plans for a biennium.

Budget Stabilization Fund (Rainy Day Fund) - A special fund with reserve dollars to be used only in time of great need.

Budget Version - Includes several components used to identify the various stages of the budget from request to appropriation. The components include the request biennium, department, a one-character code used to identify version type, and a two-digit number used to distinguish the multiple scenarios within a version type. The different version types are used to distinguish among accounting downloads, agency work, OMB analyst work, governor's recommendation, and the legislative process.

Capital Assets Budget - The portion of the budget devoted to proposed additions to and repair of capital assets and the means of financing those assets. The Capital Assets Budget includes money for building new state facilities and making improvements to existing facilities, as well as major equipment purchases exceeding \$5,000.

Capital Projects - Expenditures for new construction, additions, renovations, restorations and demolitions of buildings and infrastructure.

Carryover - The unexpended balance of an appropriation remaining at the end of the biennium that is approved for expenditure by the carryover committee.

Comprehensive Annual Financial Report (CAFR) - The official annual report of a government. It includes (a) the government-wide financial statements and the major fund financial statements in the basic statements and their related notes, and (b) combining statements for non-major funds by fund type and individual fund financial statements prepared in conformity with GAAP and organized into a financial report.

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. A deficiency appropriation usually applies to the biennium during which it is made. A deficiency appropriation is also termed a supplemental appropriation.

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 - A principal, functional, and administrative entity created by statute within state government.

Direct Costs - Costs specifically traceable to specific 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.

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 - Repairs involving dollar amounts in excess of \$5,000 that are non-recurring in nature and increase the value or the service life of the asset beyond what it was before the repair. It is the category in the Capital Assets Budget for extraordinary repairs, replacements, improvement of buildings and infrastructure, and capital projects that do not meet the minimum dollar requirements of a capital project.

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 to each fund for accounting purposes by OMB.

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 which 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.

Governmental Accounting Standards Board (GASB) - An independent, professional body which 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 a good or service not directly traceable to the product or service. The costs usually relate to objects of expenditure that do not become an integral part of the finished product or service.

Information Technology (IT) Plan - The Information Technology Plan refers to the information technology strategic plan required by chapter 54-44.2 of North Dakota Century Code. This plan is to be used to identify projects and chart the course of information technology within the agency for the upcoming biennium. Planned expenditures for hardware, software, communications, applications development, training and operating expenses related to information technology should be reported in the technology plan. The Information Technology Plan must be submitted to ITD and Legislative Council in July of each even-numbered year. Agencies should submit interim updates to their plan if major changes occur.

Intermediate Object Code - A four-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.

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.

Line Item - A subdivision of an appropriation such as salaries, operating, or grants.

Matching Funds - A type of grant requiring the government or agency receiving the grant to commit a certain amount of funding to a program before a similar amount of funding to that program will be made available by the granting entity.

Navigation Path - The menu options a user must select to access a particular screen.

Non-recurring Revenues - Revenues available during a fiscal period that will not be available during 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.

Other Funds - Non-general fund amounts appropriated by the legislature. Amounts include all federal and special funds.

Pay Plan - The schedule of employees' salaries and benefits used in developing the salaries and wages line item.

Prep Level - The detail level at which the budget request is entered.

Program - A functional unit activity representing the basic budget unit used to describe, organize and account for services provided by state government. Programs have an identifiable manager and an objective, which should be evaluated for performance.

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 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.

Reporting Level - A 16-digit number grouped into seven different "layers" by hyphens used to identify the agency, major program level, and cost center. By using the seven different layers, reports can be generated at any level from accounting cost center to statewide categorization.

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.

Security Level - A code used by BARS to control data access.

Special Funds - Monies derived from sources such as local governmental units, special funds, departmental collections, and private contributors.

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. That 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.

Budget Process

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

At the beginning of each even-numbered year (2004), the Office of Management and Budget's Fiscal Management Division releases instructions and guidelines for state agencies preparing the budget request for the upcoming biennium (July 1, 2005- June 30, 2007).

After the instructions are provided to the agencies, the budget staff visits their assigned agencies. This provides an opportunity to 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 hearings are held on agency budget requests. After the budget hearing, the budget analyst will complete the recommendation for each budget. This is done in discussion with the director of the Office of Management and Budget and the governor and his policy advisor.

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 his 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 (2005), the legislature convenes for a maximum of 80 days. During this time, hearings are held on all appropriation requests by the Appropriations Committee of the House of Representatives and the Senate. 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 line items within an agency budget.
4. The legislature can include provisions in statute to modify appropriations should certain circumstances exist.

BUDGET PROCESS TIMELINE

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Prepare budget instructions and issue to agencies		█	█	█																				
Visit agencies				█	█	█																		
Updated Bldg. & Infrastructure Inventories due from agencies						X																		
Complete initial revenue forecast							X																	
Extensions for budget request due from agencies							X																	
Budget requests & prioritized program list due from agencies							X																	
Optional Package due from agencies								X																
Budget hearings held with agencies							█	█	█															
Analyze budgets							█	█	█															
Complete final revenue forecast											X	X												
Finalize recommendations											X	X												
Present executive budget to legislature																								
Prepare appropriation bills																								
Legislature conducts hearings, acts on appropriation bills. Bills approved by legislature and signed by governor													█	█	█	█								
Prepare legislative appropriation summary																█	█	█						
Update budget instructions, publications and computerized budget system																			█	█	█	█	█	█
Conduct special studies																			█	█	█	█	█	█
Attend interim legislative committee meetings	█	█	█	█	█	█	█	█	█	█	█	█							█	█	█	█	█	█

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE****Biennium: 2005-2007**

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
101 OFFICE OF THE GOVERNOR						
	Base Budget Request	18.00	2,337,821	2,560,000	0	4,897,821
	Transfer from ITD to Governor's Office	.00	40,965	0	0	40,965
	02 Fund Policy Staff Position	.00	79,890	0	0	79,890
	SUBTOTAL	18.00	2,458,676	2,560,000	0	5,018,676
108 SECRETARY OF STATE						
	Base Budget Request	27.00	4,139,681	9,500,000	439,988	14,079,669
	HAVA Election Reform	.00	186,300	0	0	186,300
	02 IT Platform Change from AS400	.00	250,000	0	0	250,000
	SUBTOTAL	27.00	4,575,981	9,500,000	439,988	14,515,969
110 OFFICE OF MANAGEMENT AND BUDGET						
	Base Budget Request	128.50	18,161,139	0	7,295,642	25,456,781
	01 Energy Savings Project	.00	0	0	1,800,000	1,800,000
	01 Fire Suppression System	.00	3,155,000	0	0	3,155,000
	02 Facilities - Utilities	.00	30,000	0	0	30,000
	02 Funding source switch for Procurement position	.00	62,024	0	-62,024	0
	02 Procurement Office - Positions	1.00	100,412	0	0	100,412
	03 Procurement Office - Operating Expenses	.00	21,822	0	0	21,822
	04 Implementation of additional Peoplesoft modules	.00	600,000	0	0	600,000
	05 General funds to Restore Preliminary Planning fund	.00	60,000	0	0	60,000
	06 Building Automation System Integration	.00	80,000	0	0	80,000
	07 Air Curtain	.00	20,000	0	0	20,000
	08 Brass Restoration	.00	40,000	0	0	40,000
	09 Parking Lot Repair	.00	100,000	0	0	100,000
	10 Capitol Elevator Freight Car	.00	55,000	0	0	55,000
	11 Internship Program for State government	.00	50,000	0	0	50,000
	12 COSE requested Budget	.00	8,200	0	0	8,200
	13 One additional FTE for Fiscal Management Division	1.00	118,492	0	0	118,492
	SUBTOTAL	130.50	22,662,089	0	9,033,618	31,695,707
112 INFORMATION TECHNOLOGY						
	Base Budget Request	255.20	8,456,181	0	88,457,920	96,914,101
	01 Capital Assets and Circuits	.00	475,079	0	0	475,079
	02 CJIS	.00	1,000,000	500,000	0	1,500,000
	03 Enhanced Support Center	.00	942,800	0	0	942,800
	04 Enterprise Fund	.00	1,000,000	0	0	1,000,000

OPTIONAL ADJUSTMENT REQUESTS

OPTIONAL ADJUSTMENT PACKAGE

Biennium: 2005-2007

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
05	ETC Grants	.00	1,206,182	0	0	1,206,182
06	GIS Initiatives	.00	325,000	0	0	325,000
07	EduTech	.00	112,000	0	0	112,000
SUBTOTAL		255.20	13,517,242	500,000	88,457,920	102,475,162

117 OFFICE OF THE STATE AUDITOR

Base Budget Request	55.00	4,588,802	935,535	1,369,338	6,893,675
01 Fund existing State Auditor positions.	.00	135,510	0	0	135,510
02 Additional salary dollars for staff auditors.	.00	112,200	0	0	112,200
03 Hire consultants to perform a security audit of the stat	.00	100,000	0	0	100,000
04 2 performance auditors	2.00	165,936	0	0	165,936
05 Replace Existing Copier - Division of State Audits	.00	17,000	0	0	17,000
06 2 Information Systems Auditors	2.00	171,536	0	0	171,536
SUBTOTAL	59.00	5,290,984	935,535	1,369,338	7,595,857

120 OFFICE OF THE STATE TREASURER

Base Budget Request	6.00	2,628,617	0	0	2,628,617
SUBTOTAL	6.00	2,628,617	0	0	2,628,617

125 OFFICE OF THE ATTORNEY GENERAL

Base Budget Request	174.00	16,675,618	12,500,806	4,899,298	34,075,722
01 BCI Narcotics Agent	1.00	100,504	0	0	100,504
01 BCI Narcotics Agent Operating and Capital Asset	.00	65,400	0	0	65,400
02 Crime Lab Third Phase of Master Plan	.00	3,646,312	0	0	3,646,312
03 Crime Lab DNA Forensic Scientist	1.00	76,144	0	0	76,144
03 Crime Lab DNA Forensic Scientist Operating and Capital	.00	106,274	0	0	106,274
04 BCI Information Processing Operating Expenses	.00	17,800	0	0	17,800
04 BCI Information Services Additional Word Processor	1.00	62,948	0	0	62,948
05 BCI Agent Equity Adjustment	.00	209,728	0	0	209,728
05 Crime Lab Equity Adjustments	.00	47,838	0	0	47,838
05 IT Staff Equity Adjustments	.00	65,066	23,164	0	88,230
05 Legal Sevices Funding Source for 2003-05 Equity	.00	241,024	0	-241,024	0
06 School Finance Lawsuit	.00	240,000	0	0	240,000
07 BCI Byrne Match Increase	.00	15,700	-15,700	0	0
08 Crime Lab Laboratory Supplies	.00	70,853	0	0	70,853
08 IT Computer Replacements	.00	64,340	0	0	64,340
08 IT ConnectND User Fees - Other Funds	.00	31,078	0	0	31,078
09 Crime Lab Service Agreements	.00	74,552	0	0	74,552

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE**

Biennium: 2005-2007

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
10	BCI Investigative Capital Assets Change Required	.00	128,000	0	0	128,000
11	IT Capital Assets Change Required	.00	6,000	0	0	6,000
12	Crime Lab Capital Asset	.00	38,400	81,600	0	120,000
13	IT Temporary Cleaning	.00	4,180	0	0	4,180
14	Crime Lab Capital Asset - General Fund	.00	14,800	0	0	14,800
SUBTOTAL		177.00	22,002,559	12,589,870	4,658,274	39,250,703
127 OFFICE OF STATE TAX COMMISSIONER						
	Base Budget Request	133.00	21,177,819	120,000	0	21,297,819
	Integrated Tax System	.00	12,625,000	0	0	12,625,000
SUBTOTAL		133.00	33,802,819	120,000	0	33,922,819
140 OFFICE OF ADMINISTRATIVE HEARINGS						
	Base Budget Request	8.00	0	0	1,243,329	1,243,329
SUBTOTAL		8.00	0	0	1,243,329	1,243,329
150 LEGISLATIVE ASSEMBLY						
	Base Budget Request	.00	13,117,952	0	0	13,117,952
SUBTOTAL		.00	13,117,952	0	0	13,117,952
160 LEGISLATIVE COUNCIL						
	Base Budget Request	33.00	7,334,614	0	0	7,334,614
SUBTOTAL		33.00	7,334,614	0	0	7,334,614
180 JUDICIAL BRANCH						
	Base Budget Request	332.00	64,595,258	1,175,096	1,295,500	67,065,854
SUBTOTAL		332.00	64,595,258	1,175,096	1,295,500	67,065,854
190 RETIREMENT AND INVESTMENT OFFICE						
	Base Budget Request	17.00	0	0	2,849,339	2,849,339
	01 Optional Adjustment-Salaries	.00	0	0	53,546	53,546
SUBTOTAL		17.00	0	0	2,902,885	2,902,885
192 PUBLIC EMPLOYEES RETIREMENT SYSTEM						
	Base Budget Request	29.00	0	0	4,400,620	4,400,620
	Equity Adjustments	.00	0	0	90,633	90,633
	IT Plan - Bar Code IBS	.00	0	0	6,000	6,000

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE**

Biennium: 2005-2007

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
	IT Plan - Hardware Replacement	.00	0	0	23,836	23,836
	IT Plan - On-Line Services	.00	0	0	47,632	47,632
	IT Plan - Workflow	.00	0	0	35,000	35,000
	SUBTOTAL	29.00	0	0	4,603,721	4,603,721
201 DEPT OF PUBLIC INSTRUCTION						
	Base Budget Request	92.75	677,989,829	221,749,703	73,714,859	973,454,391
	01 State Assessment Program	.00	1,800,000	0	0	1,800,000
	02 Enterprise Architecture	.00	175,000	0	0	175,000
	03 ND LEAD Center	.00	21,500	0	0	21,500
	04 ND Museum of Art	.00	125,000	0	0	125,000
	05 Governor's School	.00	45,000	0	0	45,000
	06 Northern Plains Writing Project	.00	20,000	0	0	20,000
	07 Education Standards and Practices Board	.00	10,000	0	0	10,000
	SUBTOTAL	92.75	680,186,329	221,749,703	73,714,859	975,650,891
215 ND UNIVERSITY SYSTEM						
	Base Budget Request	20.00	56,484,574	1,057,526	1,279,750	58,821,850
	11 OPT SALARY INCR	.00	233,250	2,560	0	235,810
	12 OPT BOARD INITIATIVE INCR 1	.00	500,000	0	0	500,000
	13 OPT STATE GRANT INCR	.00	1,000,000	0	0	1,000,000
	14 OPT BOARD INITIATIVE INCR 2	.00	2,700,000	0	0	2,700,000
	SUBTOTAL	20.00	60,917,824	1,060,086	1,279,750	63,257,660
226 STATE LAND DEPARTMENT						
	Base Budget Request	17.75	0	0	7,595,078	7,595,078
	01 Optional Auditor II Position	1.00	0	0	91,192	91,192
	SUBTOTAL	18.75	0	0	7,686,270	7,686,270
227 BISMARCK STATE COLLEGE						
	Base Budget Request	115.10	17,308,300	0	2,302,800	19,611,100
	10 OPT PARITY	.00	532,268	0	0	532,268
	20 OPT EQUITY	.00	6,739,584	0	0	6,739,584
	30 OPT CAP ASSET INCR	.00	378,611	0	0	378,611
	SUBTOTAL	115.10	24,958,763	0	2,302,800	27,261,563

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE**

Biennium: 2005-2007

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
228 LAKE REGION STATE COLLEGE						
	Base Budget Request	36.20	5,493,346	0	343,875	5,837,221
	10 OPT PARITY	.00	136,543	0	0	136,543
	20 OPT EQUITY	.00	2,423,537	0	0	2,423,537
	30 OPT CAP ASSET INCR	.00	182,503	0	0	182,503
	SUBTOTAL	36.20	8,235,929	0	343,875	8,579,804
229 WILLISTON STATE COLLEGE						
	Base Budget Request	45.00	5,918,077	2,500,000	4,410,000	12,828,077
	10 OPT PARITY	.00	162,231	0	0	162,231
	20 OPT EQUITY	.00	1,014,040	0	0	1,014,040
	30 OPT CAP ASSET INCR	.00	283,899	0	0	283,899
	SUBTOTAL	45.00	7,378,247	2,500,000	4,410,000	14,288,247
230 UNIVERSITY OF NORTH DAKOTA						
	Base Budget Request	623.80	95,985,031	0	55,500,000	151,485,031
	10 OPT PARITY	.00	2,797,389	0	0	2,797,389
	20 OPT EQUITY	.00	22,591,908	0	0	22,591,908
	30 OPT CAP ASSET INCR	.00	5,261,272	0	0	5,261,272
	SUBTOTAL	623.80	126,635,600	0	55,500,000	182,135,600
232 UND MEDICAL CENTER						
	Base Budget Request	178.60	31,441,890	0	0	31,441,890
	10 OPT PARITY	.00	736,458	0	0	736,458
	20 OPT EQUITY	.00	5,947,654	0	0	5,947,654
	SUBTOTAL	178.60	38,126,002	0	0	38,126,002
235 NORTH DAKOTA STATE UNIVERSITY						
	Base Budget Request	484.00	78,379,102	0	37,500,000	115,879,102
	10 OPT PARITY	.00	2,255,625	0	0	2,255,625
	20 OPT EQUITY	.00	25,006,777	0	0	25,006,777
	30 OPT CAP ASSET INCR	.00	3,152,768	0	0	3,152,768
	SUBTOTAL	484.00	108,794,272	0	37,500,000	146,294,272

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE**

Biennium: 2005-2007

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
238 ND STATE COLLEGE OF SCIENCE						
	Base Budget Request	179.90	26,004,776	0	1,104,920	27,109,696
	10 OPT PARITY	.00	640,530	0	0	640,530
	20 OPT EQUITY	.00	1,129,525	0	0	1,129,525
	30 OPT CAP ASSET INCR	.00	799,969	0	0	799,969
	SUBTOTAL	179.90	28,574,800	0	1,104,920	29,679,720
239 DICKINSON STATE UNIVERSITY						
	Base Budget Request	108.00	15,154,639	0	9,100,557	24,255,196
	10 OPT PARITY	.00	448,447	0	0	448,447
	20 OPT EQUITY	.00	2,994,847	0	0	2,994,847
	30 OPT CAP ASSET INCR	.00	561,507	0	0	561,507
	SUBTOTAL	108.00	19,159,440	0	9,100,557	28,259,997
240 MAYVILLE STATE UNIVERSITY						
	Base Budget Request	66.80	9,319,133	0	1,500,000	10,819,133
	10 OPT PARITY	.00	237,189	0	0	237,189
	30 OPT CAP ASSET INCR	.00	489,245	0	0	489,245
	SUBTOTAL	66.80	10,045,567	0	1,500,000	11,545,567
241 MINOT STATE UNIVERSITY						
	Base Budget Request	198.80	28,071,474	0	3,535,000	31,606,474
	10 OPT PARITY	.00	737,100	0	0	737,100
	20 OPT EQUITY	.00	2,859,147	0	0	2,859,147
	30 OPT CAP ASSET INCR	.00	745,335	0	0	745,335
	SUBTOTAL	198.80	32,413,056	0	3,535,000	35,948,056
242 VALLEY CITY STATE UNIVERSITY						
	Base Budget Request	90.60	12,195,145	0	282,000	12,477,145
	10 OPT PARITY	.00	307,929	0	0	307,929
	30 OPT CAP ASSET INCR	.00	512,732	0	0	512,732
	SUBTOTAL	90.60	13,015,806	0	282,000	13,297,806

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE**

Biennium: 2005-2007

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
243 MINOT STATE UNIVERSITY - BOTTINEAU						
	Base Budget Request	34.30	4,492,927	0	2,500,000	6,992,927
	10 OPT PARITY	.00	112,052	0	0	112,052
	20 OPT EQUITY	.00	916,775	0	0	916,775
	30 OPT CAP ASSET INCR	.00	116,393	0	0	116,393
	SUBTOTAL	34.30	5,638,147	0	2,500,000	8,138,147
244 NORTH DAKOTA FOREST SERVICE						
	Base Budget Request	12.40	1,989,653	0	1,040,001	3,029,654
	10 OPT FOREST SVC INCR	2.00	174,815	0	0	174,815
	30 OPT CAP ASSET INCR	.00	71,031	0	0	71,031
	SUBTOTAL	14.40	2,235,499	0	1,040,001	3,275,500
250 STATE LIBRARY						
	Base Budget Request	28.75	3,023,871	1,550,166	91,852	4,665,889
	01 Statewide Online Resources	.00	200,000	0	0	200,000
	02 State Aid to Public Libraries	.00	1,000,000	0	0	1,000,000
	SUBTOTAL	28.75	4,223,871	1,550,166	91,852	5,865,889
252 SCHOOL FOR THE DEAF						
	Base Budget Request	49.94	5,275,617	263,661	819,629	6,358,907
	01 Optional Adjustment	.00	232,850	0	0	232,850
	SUBTOTAL	49.94	5,508,467	263,661	819,629	6,591,757
253 ND VISION SERVICES						
	Base Budget Request	26.50	2,226,919	0	810,823	3,037,742
	01 Optional Adjustment Utilities	.00	37,547	0	0	37,547
	02 Optional Adjustment Salaries	.45	82,218	0	0	82,218
	03 Optional Adj - Repairs	.00	30,000	0	0	30,000
	04 Equipment Refreshable Braille Display	.00	0	0	10,000	10,000
	04 Optional Adjustment Travel	.00	30,000	0	0	30,000
	05 Air conditioning South Wing 2nd Floor	.00	42,380	0	0	42,380
	06 Educational Wing Addition - Remodeled Entrance	.00	1,107,887	0	0	1,107,887
	SUBTOTAL	26.95	3,556,951	0	820,823	4,377,774

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE****Biennium: 2005-2007**

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
270	CAREER AND TECHNICAL EDUCATION					
	Base Budget Request	27.50	17,402,467	10,844,941	365,932	28,613,340
01	High Tech Consortiums	.00	1,500,000	0	0	1,500,000
02	National & Industry based skill assessments	.00	250,000	0	0	250,000
03	Workforce Training	.00	600,000	0	0	600,000
04	Salary equity increase	.00	90,000	0	0	90,000
	SUBTOTAL	27.50	19,842,467	10,844,941	365,932	31,053,340
301	ND DEPARTMENT OF HEALTH					
	Base Budget Request	315.50	12,874,466	97,133,949	14,230,282	124,238,697
	Domestic Violence Rape Crisis Program	.00	500,000	0	0	500,000
	Healthy ND	9.50	26,062,240	0	0	26,062,240
	Suicide Prevention	.00	200,000	0	0	200,000
	SUBTOTAL	325.00	39,636,706	97,133,949	14,230,282	151,000,937
313	VETERANS HOME					
	Base Budget Request	89.41	3,211,258	3,283,157	3,543,497	10,037,912
01	Pharmacy Budget for 2005-2007	.00	603,000	0	0	603,000
02	Additional funding needed for food costs	.00	128,738	0	0	128,738
03	Roofing	.00	54,920	0	0	54,920
04	Additional FTE needed	1.56	0	63,294	16,473	79,767
05	Utility Vehicle	.00	9,700	0	0	9,700
06	Remodel Bathroom at Commandant's House	.00	6,957	0	0	6,957
	SUBTOTAL	90.97	4,014,573	3,346,451	3,559,970	10,920,994
316	INDIAN AFFAIRS COMMISSION					
	Base Budget Request	3.00	356,193	20,000	0	376,193
01	Web site Hosting and File Backup	.00	2,000	0	0	2,000
02	Reclassification of Research Analyst I	.00	4,203	0	0	4,203
03	Reclassification of Administrative Assistant III	.00	4,203	0	0	4,203
04	Assistant Director/Policy Researcher	1.00	93,982	0	0	93,982
05	Strategic Planning Support	.00	15,000	0	0	15,000
	SUBTOTAL	4.00	475,581	20,000	0	495,581

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE****Biennium: 2005-2007**

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
321 DEPARTMENT OF VETERANS AFFAIRS						
	Base Budget Request	4.50	482,392	0	0	482,392
01	Administrative Committee on Veterans Affairs	.00	20,000	0	0	20,000
02	Salaries and Benefits - "Off Budget"	1.50	94,256	0	0	94,256
03	Operating Expenses - "Off Budget"	.00	14,600	0	0	14,600
04	Implement Audit Recommendations	.00	30,000	0	0	30,000
05	IT - Replacement Schedule	.00	3,660	0	0	3,660
	SUBTOTAL	6.00	644,908	0	0	644,908
324 CHILDREN'S SVC COORD. COMMITTEE						
	Base Budget Request	.00	0	0	0	0
	SUBTOTAL	.00	0	0	0	0
325 DEPARTMENT OF HUMAN SERVICES						
	Base Budget Request	2,048.43	482,520,046	1,090,866,728	87,611,941	1,660,998,715
01	PERM (Payment Error Rate Measurement) Regulations	12.00	614,997	614,996	0	1,229,993
02	NE Prairie Harvest SMI Supported Residential Services i	.00	88,899	50,000	0	138,899
03	NE Centre Inc Adolescent Residential Increase	.00	68,013	0	0	68,013
04	NE Centre Inc SMI/CD Adut Residential Increase	.00	63,232	0	0	63,232
05	NE Psych Social Rehabilitation Center	.00	10,000	0	0	10,000
06	SE Mental Health Crises Bed	.00	55,000	0	0	55,000
07	SE Addiction Case Manager Youth Programs	1.00	77,998	0	0	77,998
08	SE Licensed Addiction Counselor Youth	1.00	86,486	0	0	86,486
09	SE Licensed Practical Nurse	1.00	57,645	40,245	0	97,890
11	SH Equity Increase for Mental Health Care Specialists	.00	240,000	0	0	240,000
12	LTC QSP Rate increase	.00	1,106,031	596,172	37,797	1,740,000
13	SH Extraordinary Repairs	.00	558,550	0	0	558,550
14	SH Equipment Over \$5000	.00	150,000	0	0	150,000
15	DC Equipment	.00	388,341	0	0	388,341
16	DC Extraordinary Repairs	.00	404,000	0	0	404,000
17	DoIT Computer 4 Year Replacement Cycle	.00	314,266	48,534	0	362,800
18	DoIT County Staff Assistance for MMIS Rewrite	.00	79,620	139,400	0	219,020
19	DS Match for VR Grant Inflationary Increase	.00	181,553	670,807	0	852,360
20	DSD ISLA Inflation for Administrative Reimbursement	.00	282,505	573,571	0	856,076
21	DS Administrative Reimburse Increase for Enhanced IS	.00	225,780	458,404	0	684,184

OPTIONAL ADJUSTMENT REQUESTS

OPTIONAL ADJUSTMENT PACKAGE

Biennium: 2005-2007

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
22	DS Guardianship Petitions Additional Funding	.00	30,000	0	0	30,000
23	DS Gen Fnd Independent Living Increase	.00	175,000	0	0	175,000
24	MA Funeral Set-Aside Increase for Medicaid	.00	445,915	816,585	0	1,262,500
25	EA Child Care Assistance Enhancement	.00	3,794,376	0	0	3,794,376
26	DS DD Grants Wage Increase of \$1.05	.00	6,057,035	10,960,848	0	17,017,883
27	DoIT Kronos - Time and Attendance	.00	19,972	25,536	0	45,508
SUBTOTAL		2,063.43	498,095,260	1,105,861,826	87,649,738	1,691,606,824
360 PROTECTION AND ADVOCACY						
	Base Budget Request	25.50	772,339	2,778,534	0	3,550,873
SUBTOTAL		25.50	772,339	2,778,534	0	3,550,873
380 JOB SERVICE NORTH DAKOTA						
	Base Budget Request	355.80	1,475,000	55,389,281	574,770	57,439,051
SUBTOTAL		355.80	1,475,000	55,389,281	574,770	57,439,051
401 OFFICE OF THE INSURANCE COMMISSIONER						
	Base Budget Request	46.50	0	373,419	11,810,892	12,184,311
SUBTOTAL		46.50	0	373,419	11,810,892	12,184,311
405 INDUSTRIAL COMMISSION						
	Base Budget Request	51.37	6,501,390	271,994	43,332,220	50,105,604
	IT Equipment over \$5000	.00	23,500	0	0	23,500
01	Equipment over \$5000	.00	22,000	0	0	22,000
SUBTOTAL		51.37	6,546,890	271,994	43,332,220	50,151,104
406 OFFICE OF THE LABOR COMMISSIONER						
	Base Budget Request	11.00	880,482	481,000	0	1,361,482
01	Billable Hours to AG	.00	54,556	0	0	54,556
SUBTOTAL		11.00	935,038	481,000	0	1,416,038
408 PUBLIC SERVICE COMMISSION						
	Base Budget Request	40.00	3,885,261	5,726,797	125,000	9,737,058
01	Restore Unfunded FTE	1.00	94,241	0	0	94,241
02	New Lab Balance	.00	16,000	0	0	16,000
03	Lab Improvements	.00	25,000	0	0	25,000

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE****Biennium: 2005-2007**

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
04	Exam Hand Software	.00	19,500	0	0	19,500
05	Rail Rate Complaint	.00	949,300	0	0	949,300
06	New Facility for Metrology Program	.00	700,000	0	0	700,000
07	Hearing Room Sound System	.00	30,000	0	0	30,000
08	Membership Dues for Interstate Mining Compact Comm	.00	8,750	16,250	0	25,000
09	Purchase Desktop Computers	.00	25,509	0	0	25,509
SUBTOTAL		41.00	5,753,561	5,743,047	125,000	11,621,608
412 AERONAUTICS COMMISSION						
	Base Budget Request	6.00	522,687	4,839,800	3,856,373	9,218,860
01	Reinstate Air Carrier Funding	.00	27,500	0	0	27,500
SUBTOTAL		6.00	550,187	4,839,800	3,856,373	9,246,360
413 DEPT OF FINANCIAL INST						
	Base Budget Request	26.00	0	0	3,973,533	3,973,533
	Data Processing	.00	0	0	15,600	15,600
	It Equipment over \$5,000	.00	0	0	7,500	7,500
	Software Supplies	.00	0	0	8,375	8,375
SUBTOTAL		26.00	0	0	4,005,008	4,005,008
414 SECURITIES DEPARTMENT						
	Base Budget Request	8.00	1,081,365	0	217,199	1,298,564
02	Optional Description	1.00	310,692	0	0	310,692
SUBTOTAL		9.00	1,392,057	0	217,199	1,609,256
471 BANK OF NORTH DAKOTA						
	Base Budget Request	178.50	8,075,000	0	42,203,480	50,278,480
SUBTOTAL		178.50	8,075,000	0	42,203,480	50,278,480
473 ND HOUSING FINANCE AGENCY						
	Base Budget Request	43.00	0	25,421,280	8,204,052	33,625,332
SUBTOTAL		43.00	0	25,421,280	8,204,052	33,625,332
475 ND MILL AND ELEVATOR ASSOCIATION						
	Base Budget Request	127.00	0	0	32,442,304	32,442,304
SUBTOTAL		127.00	0	0	32,442,304	32,442,304

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE****Biennium: 2005-2007**

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
485	WORKFORCE SAFETY AND INSURANCE					
	Base Budget Request	223.14	0	0	31,913,254	31,913,254
	SUBTOTAL	223.14	0	0	31,913,254	31,913,254
504	HIGHWAY PATROL					
	Base Budget Request	180.00	18,239,024	6,530,066	8,203,739	32,972,829
	01 Security Consolidation	4.00	0	0	421,396	421,396
	02 Case Management System	.00	0	0	200,000	200,000
	SUBTOTAL	184.00	18,239,024	6,530,066	8,825,135	33,594,225
512	DIV OF EMERGENCY MANAGEMENT					
	Base Budget Request	54.00	4,918,975	54,311,913	2,484,297	61,715,185
	Authorization for two FTE positions	2.00	156,140	0	0	156,140
	Computer Aided Dispatch	.00	500,000	0	0	500,000
	Connection of State Radio tower sites through T-1 lines	.00	200,000	0	0	200,000
	Conversion of State Radio system from Analog to Digital	.00	3,780,000	0	0	3,780,000
	SUBTOTAL	56.00	9,555,115	54,311,913	2,484,297	66,351,325
530	DEPT OF CORRECTIONS AND REHAB					
	Base Budget Request	644.19	91,053,945	8,939,623	18,697,734	118,691,302
	Male Inmate Contract Housing	.00	5,245,999	0	0	5,245,999
	01 Salary Equity	.00	4,180,716	0	0	4,180,716
	02 YCC - Inflationary/Workload Changes	.00	147,317	0	0	147,317
	03 DJS - Intensive In-Home Program	.00	510,960	0	0	510,960
	04 Prisons Division - Contract LSI/ASI	.00	262,165	0	0	262,165
	05 FS - Funding Source Change	.00	1,193,706	0	0	1,193,706
	06 ITAG System Upgrade	.00	411,650	0	0	411,650
	07 FS - Sex Offender PO Temp to Perm	3.00	359,288	0	0	359,288
	07 FS - Sex Offender PO Temp to Perm - Operating	.00	171,836	0	0	171,836
	08 FS - Interstate Compact Admin FTE - Operating	.00	4,746	0	0	4,746
	08 FS - Interstate Compact Administrative FTE	1.00	84,860	0	0	84,860
	09 FS - Inflationary/Workload Changes	.00	665,984	0	43,981	709,965
	10 NDSP - Account Technician II	1.00	63,682	0	0	63,682
	11 JRCC - Instructor GED/ABE	1.00	84,962	0	0	84,962
	12 NDSP - Registered Nurse II	1.00	87,334	0	0	87,334
	13 MRCC - Registered Nurse II	1.00	87,334	0	0	87,334
	14 NDSP - Registered Nurse II	1.00	87,334	0	0	87,334

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE****Biennium: 2005-2007**

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
15	JRCC - Correctional Officer III	4.00	313,382	0	0	313,382
16	Best Practices Coordinator	1.00	134,627	0	0	134,627
17	Sex Offender Treatment	11.00	938,505	0	0	938,505
19	Best Practice Treatment Staff	6.25	493,884	0	0	493,884
20	FS - Parole Officers Workload Study	7.00	594,971	0	0	594,971
20	FS- Parole Officers Workload Study - Operating	.00	147,708	0	0	147,708
21	Research Positions	2.00	182,038	0	0	182,038
22	MRCC Relapse Program	3.00	259,819	0	0	259,819
23	Additional Treatment Staff	6.00	523,618	0	0	523,618
24	Contract Relapse Treatment	.00	610,650	0	0	610,650
25	FS - Institutional Parole Officers	2.00	194,280	0	0	194,280
26	FS - Assessment Beds	.00	910,800	0	0	910,800
27	FS - Program Manager additional Community Programs	1.00	111,152	0	0	111,152
27	FS - Program Managers add'l Community programs - Op	.00	21,408	0	0	21,408
28	FS - Treatment Beds	.00	684,375	0	0	684,375
29	FS - Fargo Transition Center	.00	1,408,704	0	0	1,408,704
30	JRCC - Correctional Officer II	3.50	266,166	0	0	266,166
31	NDSP - Correctional Officer II (Front Lobby)	2.50	191,600	0	0	191,600
32	FS - Administrative to Perm	5.10	303,220	0	0	303,220
32	FS - Staffing - Operating	.00	23,368	0	0	23,368
33	FS - Williston Parole Officer to Permanent	1.00	94,226	0	0	94,226
34	FS -Temp Community Correctional Agent to Perm	2.50	161,078	0	0	161,078
35	Dentist - Prisons	1.00	360,974	0	0	360,974
36	Dental Assistant I - Prisons	1.00	59,060	0	0	59,060
37	MRCC - Food Service Supervisor	1.00	64,050	0	0	64,050
38	MRCC - Correctional Officer II (Night Shift)	3.00	223,131	0	0	223,131
39	NDSP - Correctional Caseworker (AS)	1.00	78,017	0	0	78,017
40	Physician - Prisons Division	1.00	360,974	0	0	360,974
41	JRCC - Correctional Officer II (Visiting Room)	1.00	73,916	0	0	73,916
42	NDSP - Correctional Officer II (Perimeter Patrol)	1.50	117,446	0	0	117,446
43	NDSP - Office Assistant III	1.00	55,434	0	0	55,434
44	NDSP - Instructor GED / ABE	.25	15,918	0	0	15,918
45	JRCC - Office Assistant III (Medical)	.50	19,828	0	0	19,828
46	JRCC - Correctional Officer (Housing / Recreation)	8.00	585,509	0	0	585,509
47	MRCC - Carpentry Instructor	1.00	84,962	0	0	84,962
48	NDSP - Correctional Officer (Transport)	1.00	74,180	0	0	74,180
49	Nurser Practitioner - Prisons Division	1.00	168,022	0	0	168,022
50	MRCC - Maintenance Supervisor I	1.00	66,812	0	0	66,812

OPTIONAL ADJUSTMENT REQUESTS

OPTIONAL ADJUSTMENT PACKAGE

Biennium: 2005-2007

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
51	MRCC - Correctional Officer II (Day Shift)	3.00	222,542	0	0	222,542
52	NDSP - Food Service Director	.50	38,062	0	0	38,062
53	JRCC - Deputy Warden	2.00	216,286	0	0	216,286
54	NDSP - Correctional Officer II (Control Room)	1.00	74,180	0	0	74,180
55	MRCC - Welding Instructor	1.00	84,962	0	0	84,962
56	JRCC - Registered Nurse II	2.00	174,642	0	0	174,642
57	JRCC - Correctional Officer III	1.00	79,812	0	0	79,812
58	TPCI Treatment Staff	5.00	302,705	0	0	302,705
59	Case Manager - Prisons Division	1.00	87,531	0	0	87,531
60	NDSP - Investigations Officer	1.00	76,934	0	0	76,934
61	NDSP - Pharmacy Technician	1.00	59,235	0	0	59,235
62	NDSP - Office Assistant (Education)	.50	33,968	0	0	33,968
63	JRCC - Human Service Program Administrator II	.50	47,696	0	0	47,696
64	NDSP (RRI) - Correctional Officer II	2.00	148,360	0	0	148,360
65	NDSP - Law Librarian	.50	42,844	0	0	42,844
66	JRCC - Librarian I	.50	42,844	0	0	42,844
67	Prisons Division Master Plan	.00	100,000	0	0	100,000
68	IT Consolidation	.00	274,390	0	0	274,390
69	Temporary Grounds Keeper	.00	25,168	0	0	25,168
70	Leadership Training	.00	16,000	0	0	16,000
70	Special Fund Cash Balance	.00	223,000	0	-223,000	0
73	NDSP - Medical	.00	320,238	0	0	320,238
74	Prisons Division XO Repairs - Optional Adj	.00	1,074,100	0	0	1,074,100
75	Prison Division - Equip - Optional Adjust	.00	262,200	0	0	262,200
76	Prisons Division - Operating - Optional Adj	.00	91,030	0	0	91,030
76	YCC - Air Exchange System	.00	135,000	0	0	135,000
77	YCC - Roof Repair	.00	200,500	0	0	200,500
78	YCC - Extraordinary Repair Projects	.00	55,000	0	0	55,000
79	YCC - South Entrance Road	.00	390,000	0	0	390,000
80	MRCC Multipurpose Building	.00	2,022,510	0	0	2,022,510
81	JRCC ET Building Improvements	.00	980,000	0	0	980,000
82	JRCC Programs Building - Code Improvements	.00	584,000	0	0	584,000
83	NDSP East Unit Replacement	.00	29,157,210	0	0	29,157,210
84	NDSP Warden's House - Structural Improvements	.00	129,150	0	0	129,150
85	JRCC Training Center - Remodel	.00	245,000	0	0	245,000
86	NDSP & JRCC - Duct Cleaning	.00	435,750	0	0	435,750
87	NDSP Gatehouse Entrance Building	.00	682,500	0	0	682,500
88	NDSP Parking Lot Expansion	.00	448,350	0	0	448,350

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE****Biennium: 2005-2007**

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
89	YCC - Security Windows - Brown Cottage	.00	70,000	0	0	70,000
90	YCC - Security Gates	.00	30,000	0	0	30,000
91	YCC - Building Demolition	.00	167,000	0	0	167,000
92	YCC - Infrastructure Upgrade	.00	1,545,000	0	0	1,545,000
93	YCC - Security Beds	.00	29,601	0	0	29,601
94	YCC - Sewer Grinder	.00	25,000	0	0	25,000
SUBTOTAL		757.79	157,131,930	8,939,623	18,518,715	184,590,268

540 ADJUTANT GENERAL

Base Budget Request	139.00	9,134,495	30,119,123	420,670	39,674,288
01 Tuition Program Increase	.00	1,000,000	0	0	1,000,000
02 Veterans Bonus Program	.00	5,000,000	0	0	5,000,000
03 Maintenance and Repairs	.00	1,127,360	0	0	1,127,360
04 Medical Detachment Building - Utilities	.00	75,000	0	0	75,000
05 Raymond J Bohn Armory Roof Replacement	.00	250,000	250,000	0	500,000
06 Minot AFRC Parking Lot Repair	.00	100,000	300,000	0	400,000
07 Fargo AFRC Parking Lot Repair	.00	150,000	0	0	150,000
08 Equipment over \$5,000	.00	50,000	0	0	50,000
09 ConnectND Charges	.00	32,271	0	0	32,271
10 Special Assessments	.00	226,000	0	0	226,000
SUBTOTAL	139.00	17,145,126	30,669,123	420,670	48,234,919

601 DEPT OF COMMERCE

Base Budget Request	57.00	17,545,402	46,728,259	8,575,286	72,848,947
01 DOC Accountability	1.00	125,432	0	0	125,432
02 DOC Marketing	1.00	1,500,000	0	0	1,500,000
03 DCS Energy Engineer	.00	117,427	-42,930	-74,497	0
04 Discretionary Grants	.00	450,000	0	0	450,000
05 EDF Development Fund	2.00	150,000	0	222,940	372,940
06 Tourism Visitors Center	1.00	490,510	0	0	490,510
07 EDF Trade Promotion Authority	1.00	332,265	0	0	332,265
08 EDF Business Development	.00	50,000	0	0	50,000
09 Not in use	.00	0	0	0	0
SUBTOTAL	63.00	20,761,036	46,685,329	8,723,729	76,170,094

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE****Biennium: 2005-2007**

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
602 DEPARTMENT OF AGRICULTURE						
	Base Budget Request	58.00	4,431,463	4,866,642	3,997,312	13,295,417
01	Meat Inspection FTE & Oper	1.00	58,994	55,762	0	114,756
02	Crop Harmonization Minor Use Fund	.00	0	0	200,000	200,000
03	Saltcedar-Environment and Rangeland Protect	.00	0	0	250,000	250,000
04	Board of Animal Health Vet and Support Staff	1.00	166,938	0	0	166,938
05	Board of Animal Health Support Staff	.00	29,000	0	0	29,000
06	Agriculture in the Classroom	.00	85,000	0	0	85,000
07	Waterbank	.00	200,000	0	0	200,000
	SUBTOTAL	60.00	4,971,395	4,922,404	4,447,312	14,341,111
616 STATE SEED DEPARTMENT						
	Base Budget Request	32.00	0	0	5,803,044	5,803,044
	SUBTOTAL	32.00	0	0	5,803,044	5,803,044
627 UPPER GREAT PLAINS TRANS INST						
	Base Budget Request	48.50	483,099	10,545,829	4,279,977	15,308,905
10	OPT 20 PCT INCR	2.00	96,620	158,503	0	255,123
	SUBTOTAL	50.50	579,719	10,704,332	4,279,977	15,564,028
628 BRANCH RESEARCH CENTERS						
	Base Budget Request	77.41	7,705,087	0	11,936,597	19,641,684
10	OPT 20 PCT INCR	9.00	1,540,359	0	0	1,540,359
	SUBTOTAL	86.41	9,245,446	0	11,936,597	21,182,043
630 NDSU EXTENSION SERVICE						
	Base Budget Request	266.10	14,114,446	6,728,203	15,340,046	36,182,695
10	OPT 20 PCT INCR	8.15	2,185,440	0	0	2,185,440
	SUBTOTAL	274.25	16,299,886	6,728,203	15,340,046	38,368,135
638 NORTHERN CROPS INSTITUTE						
	Base Budget Request	7.62	746,002	0	921,798	1,667,800
10	OPT 20 PCT INCR	1.00	149,200	0	39,605	188,805
	SUBTOTAL	8.62	895,202	0	961,403	1,856,605

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE**

Biennium: 2005-2007

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
640 NDSU MAIN RESEARCH CENTER						
	Base Budget Request	337.05	27,718,332	8,763,998	35,834,840	72,317,170
	10 OPT 20 PCT INCR	25.60	6,181,774	0	0	6,181,774
	SUBTOTAL	362.65	33,900,106	8,763,998	35,834,840	78,498,944
649 AGRONOMY SEED FARM						
	Base Budget Request	2.97	0	0	1,176,472	1,176,472
	SUBTOTAL	2.97	0	0	1,176,472	1,176,472
665 ND STATE FAIR						
	Base Budget Request	.00	581,750	0	20,000	601,750
	01 Increase premiums	.00	58,250	0	0	58,250
	02 Additional funding for cap improvements and ext	.00	7,455,000	0	0	7,455,000
	SUBTOTAL	.00	8,095,000	0	20,000	8,115,000
701 HISTORICAL SOCIETY						
	Base Budget Request	57.00	6,879,491	2,318,542	0	9,198,033
	01 Salary Equity Adjustment	.00	383,537	0	0	383,537
	02 Heritage Center Archives Bonding Repayment	.00	6,000,000	0	0	6,000,000
	03 Chateau Capital Proj	.00	1,050,000	500,000	1,000,000	2,550,000
	04 Abercrombie Interpretive Center Bonding Repayment	.00	1,000,000	200,000	300,000	1,500,000
	05 Collections Access, Research and Maintenance	4.00	336,902	0	0	336,902
	06 Visitor Services and Programming	2.00	175,454	0	0	175,454
	07 Enhanced Internal Support	1.00	98,938	0	0	98,938
	08 Historic Sites Enhancements	1.00	76,518	0	0	76,518
	09 Museum Collection Compact Storage	.00	250,000	0	0	250,000
	10 Equipment Over \$5000	.00	81,000	0	0	81,000
	11 Equipment under \$5000 to Operating for Sites	.00	27,344	0	0	27,344
	12 Heritage Tourism, Marketing and Promotion	.50	32,524	0	0	32,524
	13 Infrastructure/Extraordinary Repairs Update	.00	829,000	0	0	829,000
	14 IT Software	.00	9,000	0	0	9,000
	15 Security Access Replacement	.00	56,000	0	0	56,000
	16 Cultural Heritage Grants Enhancement	.00	175,000	0	0	175,000
	17 Gingras Enhancement	.00	40,000	200,000	0	240,000
	18 Totten Building Rep.	.00	90,000	0	0	90,000
	19 Ft Buford Shop	.00	200,000	0	0	200,000

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE**

Biennium: 2005-2007

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
20	Equipment under \$5000 for Historic Preservation	.00	0	14,444	0	14,444
SUBTOTAL		65.50	17,790,708	3,232,986	1,300,000	22,323,694
709 COUNCIL ON THE ARTS						
	Base Budget Request	5.00	949,679	1,214,803	53,515	2,217,997
01	Endowment	.00	20,000	0	0	20,000
02	New Grant Program/Bricks & Mortar	.00	30,000	0	0	30,000
SUBTOTAL		5.00	999,679	1,214,803	53,515	2,267,997
720 GAME AND FISH DEPARTMENT						
	Base Budget Request	152.00	0	17,844,927	29,582,803	47,427,730
SUBTOTAL		152.00	0	17,844,927	29,582,803	47,427,730
750 PARKS AND RECREATION DEPT						
	Base Budget Request	46.50	7,207,782	7,990,665	3,596,463	18,794,910
01	FTE salary equity increase	.00	309,800	0	0	309,800
02	Temporary salary increase	.00	286,000	0	0	286,000
03	Increase in operations	.00	549,000	0	0	549,000
04	Capital Asset Request	.00	3,168,200	1,285,000	313,500	4,766,700
05	Additional FTE	4.50	292,620	0	0	292,620
06	Optional IT adjustments	.00	175,000	0	0	175,000
07	Elkhorn Ranch Project	2.00	742,280	125,000	0	867,280
08	Peace Garden	.00	500,000	0	0	500,000
SUBTOTAL		53.00	13,230,682	9,400,665	3,909,963	26,541,310
770 WATER COMMISSION						
	Base Budget Request	82.00	9,435,784	17,651,257	83,470,600	110,557,641
01	Salary Equity Adjustments	.00	300,000	0	0	300,000
02	Devils Lake Outlet Operations	2.00	2,081,324	0	0	2,081,324
03	Intern Pilot Program	.00	69,388	0	0	69,388
04	IT Equipment	.00	62,644	0	0	62,644
05	Additional Water Project Funding	.00	51,382,600	0	0	51,382,600
SUBTOTAL		84.00	63,331,740	17,651,257	83,470,600	164,453,597
801 DEPT OF TRANSPORTATION						
	Base Budget Request	1,044.50	0	485,890,025	344,421,478	830,311,503
01	District Road Repairs	.00	0	0	1,308,822	1,308,822

OPTIONAL ADJUSTMENT REQUESTS**OPTIONAL ADJUSTMENT PACKAGE****Biennium: 2005-2007**

Priority	Description	FTE	General Fund	Federal Funds	Special Funds	Total Funds
02	Fleet Payments	.00	0	0	4,663,032	4,663,032
03	One half IT FTE	.50	0	0	44,246	44,246
04	Tioga Section (operating-capital assets)	.00	0	0	1,455,970	1,455,970
04	Tioga Section (payroll)	4.00	0	0	291,190	291,190
06	Drivers License System Rewrite	.00	0	0	2,019,930	2,019,930
07	Devils Lake Facility	.00	0	0	2,500,000	2,500,000
08	Asbestos Abatement and Remodeling of Central Office	.00	0	0	1,400,000	1,400,000
09	Drivers License Satellite Office Fargo (operating)	.00	0	0	108,821	108,821
09	Drivers License satellite office in Fargo (payroll)	2.00	0	0	137,128	137,128
10	Motor Vehicle License General License Issuance (payroll)	.00	0	0	146,432	146,432
10	Motor Vehicle License Plate General Issuance (operating)	.00	0	0	2,981,000	2,981,000
SUBTOTAL		1,051.00	0	485,890,025	361,478,049	847,368,074
TOTAL ALL AGENCIES		10,785.74	2,351,972,722	2,280,499,293	1,200,594,550	5,833,066,565

OMB AND LEGISLATIVE COUNCIL ANALYST ASSIGNMENTS

<u>Budget No.</u>	<u>Agency</u>	<u>OMB Analyst</u>	<u>Leg Council Analyst</u>
101	Office of the Governor	Sandy Paulson	Allen Knudsen
108	Office of the Secretary of State	Sandy Paulson	Allen Knudsen
110	Office of Management and Budget	Lori Laschkewitsch	Don Wolf
112	Information Technology Dept	Lori Laschkewitsch	Roxanne Woeste
117	Office of the State Auditor	Joe Morrissette	Stephanie Johnson
120	Office of the State Treasurer	Sandy Paulson	Don Wolf
125	Office of the Attorney General	Sandy Paulson	Allen Knudsen
127	Office of State Tax Commissioner	Sandy Paulson	Don Wolf
140	Office of Administrative Hearings	Sandy Paulson	Don Wolf
150	Legislative Assembly	Lori Laschkewitsch	Allen Knudsen
160	Legislative Council	Lori Laschkewitsch	Allen Knudsen
180	Judicial Branch	Sandy Paulson	Stephanie Johnson
190	Retirement and Investment Office	Lori Laschkewitsch	Stephanie Johnson
192	Public Employees Retirement System	Lori Laschkewitsch	Stephanie Johnson
201	Department of Public Instruction	Joe Morrissette	Roxanne Woeste
215	North Dakota University System	Celeste Kubasta	Roxanne Woeste
226	State Land Department	Lori Laschkewitsch	Stephanie Johnson
227	Bismarck State College	Celeste Kubasta	Stephanie Johnson
228	Lake Region State College	Celeste Kubasta	Stephanie Johnson
229	Williston State College	Celeste Kubasta	Stephanie Johnson
230	University of North Dakota	Celeste Kubasta	Don Wolf
232	UND Medical Center	Celeste Kubasta	Don Wolf

<u>Budget No.</u>	<u>Agency</u>	<u>OMB Analyst</u>	<u>Leg Council Analyst</u>
235	ND State University	Celeste Kubasta	Don Wolf
238	ND State College of Science	Celeste Kubasta	Stephanie Johnson
239	Dickinson State University	Celeste Kubasta	Roxanne Woeste
240	Mayville State University	Celeste Kubasta	Roxanne Woeste
241	Minot State University	Celeste Kubasta	Roxanne Woeste
242	Valley City State University	Celeste Kubasta	Roxanne Woeste
243	Minot State Univ - Bottineau	Celeste Kubasta	Roxanne Woeste
244	ND Forest Service	Celeste Kubasta	Roxanne Woeste
250	State Library	Joe Morrissette	Roxanne Woeste
252	School for the Deaf	Joe Morrissette	Roxanne Woeste
253	ND Vision Services	Joe Morrissette	Roxanne Woeste
270	Career and Tech Education	Lori Laschkewitsch	Stephanie Johnson
301	ND Department of Health	Lori Laschkewitsch	Don Wolf
313	Veterans Home	Lori Laschkewitsch	Don Wolf
316	Indian Affairs Commission	Sandy Paulson	Don Wolf
321	Department of Veterans Affairs	Lori Laschkewitsch	Don Wolf
325	Department of Human Services	Celeste Kubasta	Allen Knudsen
360	Protection and Advocacy Project	Lori Laschkewitsch	Stephanie Johnson
380	Job Service North Dakota	Sandy Paulson	Roxanne Woeste
401	Office of Insurance Commissioner	Sandy Paulson	Roxanne Woeste
405	Industrial Commission	Sandy Paulson	Stephanie Johnson
406	Office of the Labor Commissioner	Sandy Paulson	Roxanne Woeste
408	Public Service Commission	Sandy Paulson	Don Wolf

<u>Budget No.</u>	<u>Agency</u>	<u>OMB Analyst</u>	<u>Leg Council Analyst</u>
412	Aeronautics Commission	Sandy Paulson	Roxanne Woeste
413	Dept of Financial Institutions	Lori Laschkewitsch	Stephanie Johnson
414	ND Securities Department	Lori Laschkewitsch	Don Wolf
471	Bank of North Dakota	Sandy Paulson	Stephanie Johnson
473	North Dakota Housing Finance Agency	Sandy Paulson	Stephanie Johnson
475	North Dakota Mill and Elevator Assn.	Sandy Paulson	Stephanie Johnson
485	Workforce Safety and Insurance	Sandy Paulson	Roxanne Woeste
504	Highway Patrol	Joe Morrissette	Allen Knudsen
512	Div. of Emergency Management	Joe Morrissette	Roxanne Woeste
530	Department of Corrections & Rehab	Joe Morrissette	Stephanie Johnson
540	Adjutant General	Joe Morrissette	Roxanne Woeste
601	Department of Commerce	Sandy Paulson	Allen Knudsen
602	Department of Agriculture	Sandy Paulson	Don Wolf
616	State Seed Department	Celeste Kubasta	Don Wolf
627	Upper Great Plains Trans Institute	Celeste Kubasta	Don Wolf
628	Branch Research Centers	Celeste Kubasta	Don Wolf
630	NDSU Extension Service	Celeste Kubasta	Don Wolf
638	Northern Crops Institute	Celeste Kubasta	Don Wolf
640	NDSU Main Research Center	Celeste Kubasta	Don Wolf
649	Agronomy Seed Farm	Celeste Kubasta	Don Wolf
665	ND State Fair	Celeste Kubasta	Roxanne Woeste
701	State Historical Society	Joe Morrissette	Stephanie Johnson
709	Council on the Arts	Joe Morrissette	Stephanie Johnson

<u>Budget No.</u>	<u>Agency</u>	<u>OMB Analyst</u>	<u>Leg Council Analyst</u>
720	Game and Fish Department	Joe Morrissette	Stephanie Johnson
750	Dept of Parks and Recreation	Joe Morrissette	Stephanie Johnson
770	State Water Commission	Joe Morrissette	Don Wolf
801	Department of Transportation	Celeste Kubasta	Allen Knudsen