

THE STANDARD



ND OFFICE OF MANAGEMENT AND BUDGET

DIRECTORS

Pam Sharp
 Director of OMB
 701-328-4606
www.nd.gov/omb/

Sherry Neas, Director
 Central Services Division
 701-328-1726
www.nd.gov/csd/

John Boyle, Director
 Facility Management
 Division
 701-328-2471
www.nd.gov/fac/

Sheila Peterson, Director
 Fiscal Management Division
 701-328-2680
www.nd.gov/fiscal/

Laurie Steriotti Hammeren,
 Director
 Human Resource
 Management Services
 Division
 701-328-3293
www.nd.gov/hrms/

Tag Anderson, Director
 Risk Management Division
 701-328-7584
www.nd.gov/risk/

FISCAL MANAGEMENT

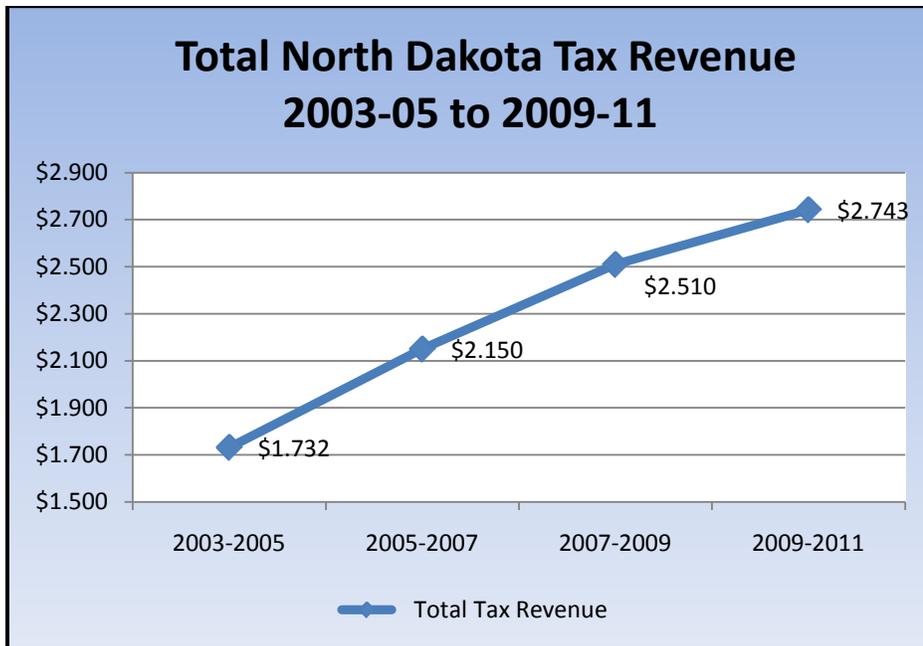
2009 - 2011 REVENUE SUMMARY

The state fiscal year ended June 30, 2011, which marked the close of the 2009-11 biennium. The biennium ended with a record \$2.74 billion in state tax collections. Total general fund revenues were even higher when transfers and other revenues are included. In just the last four bienniums, state tax collections have increased by nearly 60.0 percent, from \$1.73 billion in 2003-05 to \$2.74 billion in 2009-11. Making this growth even more remarkable is the fact that it occurred after taking into account the effects of legislatively approved tax reduction measures. The 2009 legislature passed Senate

Bill No. 2199, which lowered individual and corporate tax rates by \$100.0 million. For next biennium, the 2011 legislature passed House Bill No. 1047, which lowers tax rates even further and reduces state tax revenues by another nearly \$150.0 million.

Although a share of this revenue is being invested in one-time building projects and infrastructure improvements, much of it is being saved for the future. Many state funds have record balances. The general fund, after transfers from the close-out of the permanent oil tax trust fund, ended the

Continued on page 7



HRMS

PEOPLESOFT TALENT MANAGEMENT PROJECT

PeopleSoft Talent Management

Suite – The project has begun, and the implementation partner has been selected from the ITD Vendor pool. The project will run between 22-26 weeks with a target go live of early 2012. The following functionality will be implemented in the project.

ePerformance

The new PS 9.1 ePerformance module will now enable strategic goals and objectives to be driven downward in the organization. The Business Objectives Chart is a new interactive graphical tool that allows higher level objectives to be cascaded downward through the organization. This new capability should make agency directors very happy, their department managers happier, and their employees will gain insight of how the agency's goals relate to them and their performance.

- Create and Publish Business Objectives (Strategic Planning)
- Display Objectives in an Organization Chart View
- Link Individual Goals to Business Objectives
- Simplified ePerformance Document Creation Processes
- Electronic Document Sign-off
- Targeted Performance Notes

eDevelopment

Profiles can be created for employees through self service, manager self service or administrator access. Profiles include such information as: Competencies, skills, certifications, licenses (and their expiration dates), education, professional memberships, project participation, and any other item the State wishes to track.

Career and Succession Planning

Planning careers enables you to retain and motivate employees by providing structure for development activities focused on advancement. Succession planning is the process of identifying the long range needs and cultivating a supply of internal talent pools to meet those needs.

eProfile Manager

Managers will have the ability to initiate employee changes such as: update employee demographic information as well as manage an employee's status within the organization, all within an intuitive web environment. Workflow is used liberally throughout eProfile Manager to streamline processes, and links to related topics and transactions within other PeopleSoft products provide for natural access to associated data.

Agency involvement

Agency involvement is being solicited. The level of involvement is estimated to be up to four hours a week for the duration of the project. Primary duties as the Agency Lead would be to act as the point of contact to disseminate information to the agency about the Talent Management Project and represent the agency's needs for configuration and requirements.

Contact: Darin Anderson, ITD Project Manager, 328-1104; or Darin Schorsch, HRMS Business Analyst, 328-3347.

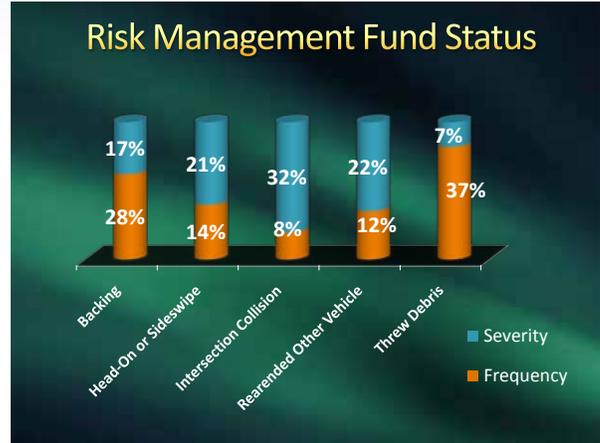


RISK MANAGEMENT

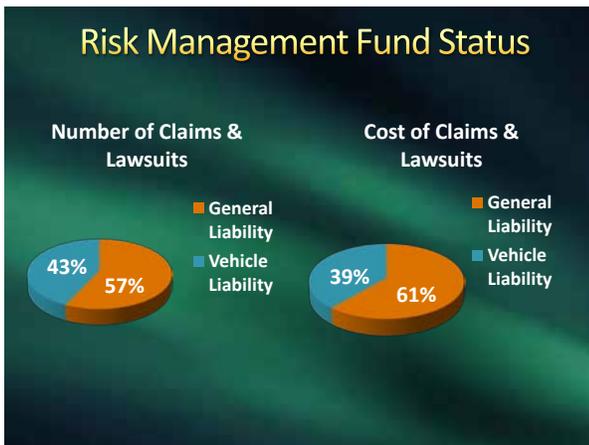
FUND UPDATE

In 1994, the North Dakota Supreme Court abolished the common law doctrine of sovereign immunity in North Dakota. The Legislature responded during the 1995 legislative session by enacting legislation that established the Risk Management Division of the Office of Management and Budget and established a self retention fund to respond to liability claims brought against the State. This legislation and subsequent amendments are codified in chapter 32-12.2 of the North Dakota Century Code.

Since its establishment, the Risk Management Fund has incurred indemnity obligations of \$6,761,559 and expenses of \$3,267,863 for a total of \$10,029,422 in paid and reserved losses. Approximately 43% of the total number of claims and lawsuits involve vehicle liability. Vehicle liability accounts, however, for only 39% of the costs.

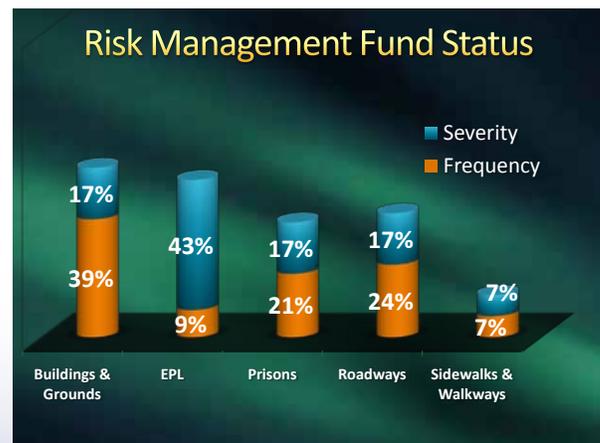


General liability claims represent approximately 57% of the total claims and 61% of the total costs. The most frequent general liability claims involve buildings, grounds and sidewalks. However, it is the least frequent type of claim that generates the most expense. Employment practices liability accounts for less than 10% of the total number of claims but has resulted in approximately 43% of the general liability costs. Prison litigation and related claims account for approximately 21% of the total number of general liability claims and lawsuits and 17% of the costs. Claims involving the condition of roads and highways account for approximately 24% of the number of general liability claims and 17% of the costs.



Of the vehicle liability related claims, over one-third of the claims involve debris falling or being thrown from state vehicles such as sanding trucks. Another 28% involve accidents resulting from improper backing. Claims involving thrown debris have resulted in only approximately 7% of the vehicle liability costs while claims involving improper backing account for 17% of the total vehicle liability costs.

The Risk Management Division tracks claims information and uses it to address risk financing and loss control. Through targeted approaches, the overall cost of risk for State operations can be maintained at the lowest levels possible.



Still time to Register

***2011 Risk Management Seminar
October 5, 2011***

***Pre-Seminar Workshop
October 4, 2011***



Register now by contacting Dawn Moen at 701-328-7584 or by email at dmmoen@nd.gov

Please indicate if special accommodations are needed. We will contact you for further information.

SEMINAR HIGHLIGHTS

- ***Legislation Effecting Risk Management***
- ***Risk Management Manual Changes***
- ***Contract Management in the Procurement Process***
 - ***Claim Adjudication***
- ***Out of State Employee Travel***
 - ***Preventing Workplace Violence/Security Awareness***
- ***Employment Liability Updates***
 - ***Medication Safety Plan***

PRE-SEMINAR WORKSHOP

Managing Risk in State Contracts



A Legal Overview for Agency Legal Counsel and Procurement Professionals

*Presented by: Tag Anderson
Director, Risk Management*

***Tuesday, October 4, 2011
9:00 AM - 12:00 PM***

*Comfort Inn
1030 E. Interstate Ave. Bismarck, ND*

Continuing Education: 2 CLE

For more information visit our website at <http://www.nd.gov/risk/training/upcoming-training-opportunities>

FACILITY MANAGEMENT

PROJECT UPDATES

We have many special events scheduled throughout the capitol complex this fall and winter. These events commence with the annual Trick or Treat at the Governor's Residence on Halloween Day and finish with the New Year's Window Lighting on December 31 through January 1, 2012. Other events you will enjoy during this season include:

- Veterans Day ceremony on November 11
- Arrival and decoration of the State Christmas Tree the week of November 28
- Governor's Official Tree Lighting ceremony on December 5 at 5:00 p.m. in Memorial Hall
- Capitol Tower Window Tree Lighting will commence immediately after the official tree lighting and end on December 28



Capitol Tower Window Tree Lighting, 2010

We continue managing all aspects of the construction of the 100,000 square foot expansion of the North Dakota Heritage Center. This \$52 million project is progressing very smoothly. Each of the three North Dakota prime contractors maintains a high level of professionalism and performance. Thus far we have had minimal change orders to the construction portion of the project. In conjunction with the actual construction of the building, we assisted the Historical Society staff with the interviewing and selection of the exhibit design and fabrication firm. After extensive reviews of submittal packages and interviews the selection committee unanimously awarded the work to Lord, Xhibitz and Taylor. The established goal set by the Historical Society staff is to have at least one of the three main galleries open by the time the building is complete in January of 2013.

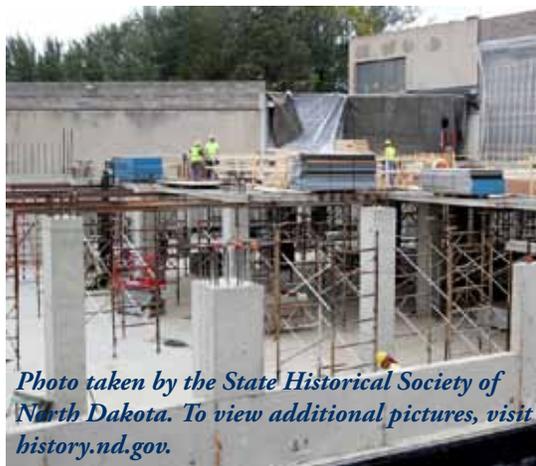


Photo taken by the State Historical Society of North Dakota. To view additional pictures, visit history.nd.gov.

Other projects that will commence or conclude this fall include:

- mechanical and electrical improvements to the Judicial Wing;
- restoration, repair and cleaning of the Capitol tower facade;
- redesign and installation of the parking areas located north of the Capitol; and
- replacement of the roof at the Governor's residence.

CENTRAL SERVICES DIVISION

State Procurement - Automated External Defibrillators (AEDs) State Contract

Automated External Defibrillators (AEDs) save lives—but only if the AED is operational. AED pads expire, and the batteries can go dead. If your agency has an Automated External Defibrillator, remember to periodically check the pads and batteries, and order replacements if needed.

North Dakota is participating in a multi-state contract for purchasing Automated External Defibrillators. This contract will be effective from September 1, 2011, through March 31, 2017. The new contract was executed by the State of Oklahoma in cooperation with the National Association of State Procurement Officials (NASPO). This cooperative contract is available to government entities in North Dakota, including state agencies, counties, cities, townships, institutions under the jurisdiction of the State Board of Higher Education, and public elementary and secondary schools. For more information, go to: <https://secure.apps.state.nd.us/csd/spo/services/bidder/listCurrentContracts.htm>, and click “View” next to State Term Contract 291 (“AED”) in the list. You are also welcome to contact Christy Smith at 701.328.4912 or via e-mail at csmith@nd.gov.

Vendor Registry - One-Time PeopleSoft Purchase Orders

Only about 25% of state agencies are set up in PeopleSoft to enter and process purchase orders. This works fine for the most part, but occasionally, a state agency will contact OMB to do a purchase order for them. This can also happen when the individual who usually enters PeopleSoft purchase orders is out of the office for an extended period of time without a backup.

OMB’s Vendor Registry Office has developed a form for these occasional purchase orders through LiquidOffice. This form will be available soon on their website at <http://www.nd.gov/vt/purchmod/>. Instructions for completing the form will be on the second page, and it will produce a fillable pdf form that can be saved and submitted to Vendor Registry. Vendor Registry staff will enter the purchase order and set up workflow approval

for the agency to do the final acceptance. This form is not intended to take the place of purchasing staff for an agency, and only five purchase orders per year may be requested by a single agency in this manner. If more than five are needed, that agency will be set up in PeopleSoft to enter their own work. It is, however, Vendor Registry’s wish to provide service to those agencies that need an occasional purchase order or in an emergency situation. For assistance, please contact Renee Walery at 701.328.2741.

Central Duplicating - New Product *Thermanent*

Central Duplicating is pleased to announce that we are offering a new type of printing stock. It is called *Thermanent*. *Thermanent* is a polyester based stock that is flexible, strong, and durable. It is waterproof and greaseproof. *Thermanent* looks like paper, but it is not paper. It is a white, polyester stock with a smooth, matte-like finish. It is available in 5 different thicknesses and it prints beautifully.

Thermanent is available by special order with a 5 to 10 day lead time.

If you have a project that is demanding, yet your budget can’t afford laminating, we have a product for you! Items that are subjected to weather or the elements are good candidates for this product. If you have a need for something different, contact us for samples. Pricing with *Thermanent* is competitive yet, more affordable than laminating.

Call 328-2772, stop by or email Ken Hamel (kehamel@nd.gov) in Central Duplicating for more info.



A Day’s End, Pat Phillips



Birch Trees in Autumn, Ronald Fischer

CENTRAL SERVICES DIVISION CTD...

Surplus Property - Overseas Screening Program

Surplus Property has been actively using the overseas screening program administered by the General Services Administration to acquire property from Japan, England, Spain and most recently, Iraq.

The property from Iraq that was allocated to Surplus Property was formerly used by the United States military and although it had been exposed to extreme combat and weather conditions, the equipment was well maintained and could be used by North Dakota government entities.

The North Dakota Game and Fish Department (NDGF) - Wildlife Division recently purchased two pieces of property from Surplus Property that had been in Iraq, a 2005 John Deere tractor and a 2007 Kubota RTV900. With district offices located throughout the state, the NDGF - Wildlife Division, utilizes Surplus Property's services to assist in fulfilling their various equipment needs where applicable, which allows the Wildlife Division to stretch their equipment budget dollars.

"With ever increasing demands on our equipment budget dollars, the opportunity to purchase the 2005 John Deere tractor in good condition at a fair price enabled our division to acquire a much needed tractor at a time when purchasing a new tractor was not an option," explained Raymond Parsons, Procurement Officer for the Wildlife Division. "We're going to use the tractor at our Devils Lake District Office for various projects such as planting corn or wildlife food plots, cultivating and planting trees, and mowing and manipulating various habitats to enhance wildlife production." The 2007 Kubota RTV900 will be put to work at the Riverdale District Office as a support vehicle for noxious weed control, prescribed burning, trap/transplant efforts and for wildlife survey work in remote areas. "We appreciate the effort that Surplus Property puts into screening serviceable equipment that is made available to agencies such as ours," said Parsons.

Surplus Property will continue searching for property utilizing the overseas screening program to help North Dakota government entities acquire affordable, reliable property to help them fulfill their equipment needs.

FISCAL MANAGEMENT

2009 - 2011 Revenue Summary

Continued from page 1

biennium with a balance of \$996.8 million. In addition, the budget stabilization fund, to be accessed in the event of a revenue shortfall, contains \$386.4 million. The foundation aid stabilization fund, to be used to protect the state school aid program in the event of a revenue shortfall, contains \$140.2 million. The property tax relief sustainability fund, used to reserve money for the continuation of the state's mill levy reduction grant program, contained \$295.0 million as of the end of the 2009-11 biennium.

In addition, a new state "savings account" was created by the voters in November 2010, when Measure No. 1 was approved. The measure establishes the North Dakota Legacy fund, which will receive 30.0 percent of all state oil and gas tax collections. Moneys in the fund will be invested and no moneys will be spent until at least July 2017. Based on the current forecast for oil and gas taxes, over \$600.0 million will be accumulated in this fund during the next two years.



Great News! There is now a gift card program option available for state agencies to use for tenure/retirement awards. The Bank of North Dakota (BND) has put in place a gift card program for the state. The gift cards are \$1.50 each plus shipping. All funds must go to the BND who will then fill the order. Please contact Val Timm at 701-328-5652 for further information on how the gift card program works.



Corn, M McMerty



Morning's Fog, Ken Yetter