

2013-2015 BIENNIAL REPORT



July 1, 2013 –
June 30, 2015

Office of Management and Budget

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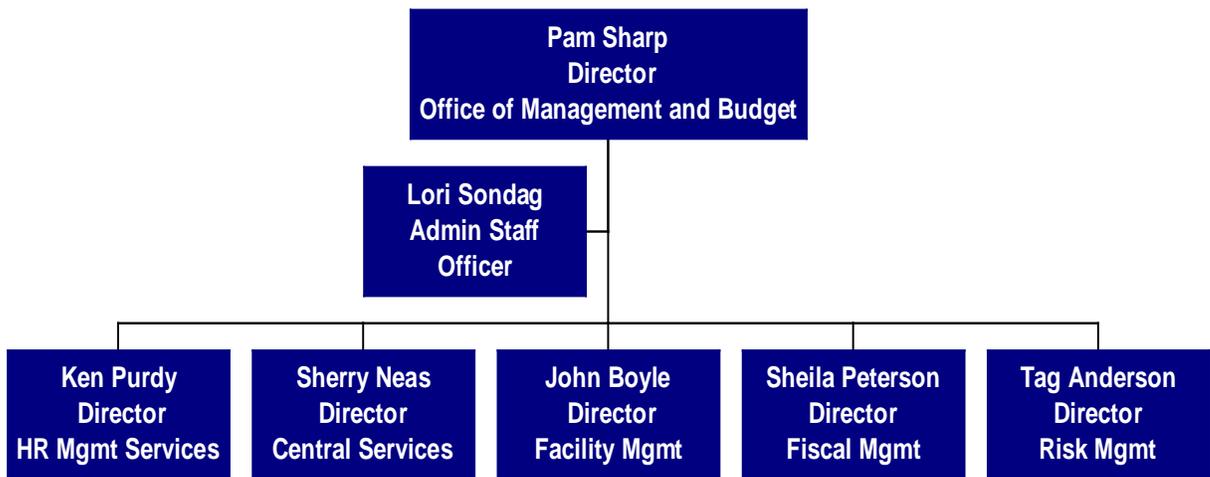
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2013-2015 Biennial Report

Office of Management and Budget

OMB's Mission

The mission of OMB is to provide a range of products and services resulting in a well-run government that meets the needs of North Dakota citizens.



Introduction

The Office of Management and Budget (OMB) is established under the North Dakota Century Code (NDCC) Chapter 55-44. The department, headed by a director appointed by the governor, is vested with the control and supervision of the fiscal administration of the executive branch of government. Pam Sharp has served as director since 2003 beginning with Governor John Hoeven's administration and currently with Governor Jack Dalrymple's administration.

During the 2013-15 biennium the department consisted of the following: Fiscal Management, Human Resource Management Services, Central Services, Facility Management, and Risk Management.

Resources Available

Information pertaining to the Office of Management and Budget is available on the OMB website at <http://www.nd.gov/omb>.

Central Services Division

July 1, 2013 - June 30, 2015

Sherry Neas, Director

Mission

To support state government by providing our customers with quality products and services, enabling them to accomplish their mission.

Responsibilities

Central Services Division (CSD) includes Central Duplicating Services, Central Supply, State Procurement, Vendor Registry, and State and Federal Surplus Property pursuant to NDCC 46-01, 46-02, subsection 19 of 54-44-4, 54-44.4, 54-44-04.5, and 54-44-04.6.

Central Duplicating Services provides state agencies with economical and efficient printing and mailing services. Central Duplicating offers graphic art services, offset and digital printing, a wide variety of finishing services, CD/DVD duplication, and VHS to DVD conversion. Central Duplicating prints Mainframe and LAN reports and checks.

Central Supply is a centralized storeroom within the State Capitol that provides commonly used office and paper supplies to state agencies.

State Procurement is the procurement authority for executive branch state agencies not exempted by statute. State Procurement establishes procurement rules, policies, training, and online procurement information systems. State Procurement makes purchases for state agencies and establishes state contracts for commonly used commodities and services.

Vendor Registry is a section within State Procurement that processes vendor payee applications and bidders list applications, sets up vendors for payment, manages the PeopleSoft Vendor Database and Purchasing Module, and prepares IRS 1099 reports.

State Surplus Property acquires state and federal surplus property for redistribution to state agencies, political subdivisions, other eligible recipients, and the public, in accordance with the applicable state and federal guidance. State Surplus also manages the Federal Law Enforcement Support Office 1033 program.

Financial Report

CSD has three special fund operations that generate revenue from fees for goods and services provided to customers, Central Duplicating, Central Supply, and Surplus Property. State Procurement Office is funded from the state's general fund.

Resources Available

Learn more about CSD on the agency's website at <http://www.nd.gov/omb/>. Contact the division located on the 14th Floor Capitol Tower, 600 East Boulevard, Department 112, Bismarck, ND 58505-0310, by calling 701-328-2683, by fax 701-328-1615, or by e-mailing CSD at infospo@nd.gov.

Facility Management
July 1, 2013 - June 30, 2015
John Boyle, Director

Mission

To provide a clean and safe environment with friendly, respectful and efficient service to all who use the Capitol Complex.

Responsibilities

The Facility Management Division (FMD) of OMB is charged with maintaining the State Capitol Complex buildings and grounds pursuant to Chapter 54-21 of the NDCC. Under this section, the office is also responsible for maintaining the Governor's Residence, operating the Central Mail Bureau, and the Capitol Tour and Information Center.

The Capitol Complex consists of approximately 132-acres of manicured lawns, shelterbelts and native prairie grasses. The buildings located on the grounds include the Capitol building, the Judicial Wing, the Heritage Center, the Liberty Memorial building, state office building, the Department of Transportation building, and the Governor's residence.

Facility Management has a staff of 54.5 full-time employees who work throughout the complex. One full-time staff member is assigned to the Central Mail Bureau, two part-time staff members are assigned to the Capitol Tour and Information Center, and the remaining employees provide office support, custodial services, maintenance services, and grounds keeping services for the Capitol Complex. The state facility planner (a licensed architect) is located on the fourth floor, and is a full-time employee of the division.

Capitol Building and Grounds Report

During the biennium there were several projects completed. The largest project was the north parking lot redesign and loading dock expansion. This project achieved three main goals: to provide a safer environment for visitors and employees to enter the north side of the Capitol; to beautify this area with the addition of hundreds of trees and plants; and to expand the existing loading dock by 5,000 square feet.

The Capitol Café and the corridor between the Capitol and Judicial Wing were also redesigned during this biennium. The Capitol Café received a complete makeover resulting in better circulation when obtaining your meal, the ability to pay with credit cards and the addition of 50 seats, including booths. The corridor improvements utilized the same materials used in other areas on the ground floor of the Capitol.

Facility Management continually strives to improve and update all of our building systems so that state employees can work in a safe and comfortable environment.

Resources Available

Information is available on OMB's website at <http://www.nd.gov/omb/>. Printed materials are available at the Capitol's ground floor information desk regarding Capitol Complex tour

schedules, and a brief history of the Governor's residence and the Capitol building. Other documents that are used in the day-to-day operations are available to the public upon request.

Fiscal Management
July 1, 2013 - June 30, 2015
Sheila Peterson, Director

Mission

To provide our customers responsive guidance and knowledgeable management in fiscal operations.

Responsibilities

The Fiscal Management Division exists under the authority of the NDCC Section 54-44.1-02, and was created in 1965 “for the purpose of promoting economy and efficiency in the fiscal management of the state government”. The division serves as the central professional fiscal office of the executive branch. The principal services of the division are statewide accounting, payroll, financial reporting, and budgeting.

The accounting section is responsible for maintaining the general accounts required to monitor the activities of each fund in the State Treasury. These general accounts reflect the resources and balances, together with current revenues and expenditures, and provide the necessary reports to show current conditions of each fund and appropriation.

OMB uses PeopleSoft for the state’s financial system. The PeopleSoft Financial system is part of an enterprise resource plan (ERP) that also includes integrated systems for human resource management services and payroll.

The PeopleSoft Financial System objectives are:

- to secure centralized financial management information based on a uniform chart of accounts and programs;
- to provide data to be used in the preparation of statewide and agency reports in accordance with GAAP (Generally Accepted Accounting Principles); and
- to provide reporting of revenues and expenditures for the general fund, special funds, and federal funds.

The division maintains a searchable database of all expenditures of state government and the university system. Searches can be made by vendor, business unit, account, fund and job title.

During the 2013-15 biennium, the State of North Dakota was presented a Certificate of Achievement for Excellence in Financial Reporting for fiscal years 2013 and 2014. This certificate is presented to government units whose Comprehensive Annual Financial Report (CAFR) achieves the highest standard in government accounting and financial reporting.

The executive budget recommendation also serves as a statewide financial plan of state services. It is presented to the legislature prior to the start of each legislative session. In preparation of the biennial executive budget recommendation, the budget staff provides budget guidelines that result in budget requests from state agencies. After holding meetings on the requests, performing on-site visits and inspections, and performing comparative analyses, the budget staff develops the Governor’s budget in accordance with the Governor’s policy and directives.

Upon completion and presentation of the executive budget recommendations, the budget office assists the Legislative Assembly by explaining the basis on which the executive budget is developed and provides information on state fiscal matters requested by the legislature or its interim committees.

Other major functions of the Fiscal Management staff include the preparation of state revenue forecasts, review of state management and organization structures, assistance to and supervision of agencies in the execution of the budget, and the preparation of frequent comparisons of projected and actual revenues and expenditures.

Resources Available

Information is available on OMB's website at <http://www.nd.gov/omb/>.

Human Resource Management Services

July 1, 2013 - June 30, 2015

Ken Purdy, Director

Mission

To provide leadership and expertise in human resource management.

Responsibilities

In 1975, the legislative assembly passed a Central Personnel System Act, codified as NDCC Chapter 54-44.3. The Act created the central personnel division and the state personnel board. The division establishes and maintains classification and compensation plans as well as general policies and rules, which are binding on the affected agencies, relating to a unified system of personnel administration for the employees in the classified service of the state. Although the division and board are separate, they work closely together on classification and pay grade issues.

HRMS has 13 authorized FTE positions. The staff provides comprehensive human resource services to agencies in the areas of classification, compensation, training and staff development, employment services, and employee relations.

Classification and Compensation

HRMS provides survey data and analysis that is used by the Governor, the State Employee Compensation Commission, and the legislature in establishing the state compensation plan for state workers.

HRMS collaborates with the Budget Office in developing the employee compensation proposal for the Governor's Executive Budget. The proposal is developed within the framework of the Compensation Philosophy developed and enacted by the 62nd Legislative Assembly. A key component of the compensation plan is implementation of a Market/Performance Matrix concept to guide agency distribution of salary increases.

HRMS continues to review positions and job classifications as jobs and occupations evolve. Positions and Job Classes are reviewed at monthly meetings of the Job Evaluation Committee (JEC), which was established as a result of the compensation study conducted during the 2009-11 biennium. The JEC includes 7 HRMS classification & compensation staff along with 8 agency HR staff.

The division completed 1,797 position classification reviews during the biennium with no appeals to the State Personnel Board.

Talent Management

The Talent Management suite is a component of our existing PeopleSoft system, and it contains 4 key modules:

- Profile Management – provides employee profiles, showing competencies, skills, certifications, licenses, education, memberships, project participation, and other items the agency wishes to track.
- E-Performance – primary focus is the online annual performance review and development plan.
- Career and Succession Planning – identifies long-range needs to help develop internal talent pools.
- Team HR Desktop – provides managers the ability to initiate certain employee changes, such as location changes, promotions, and reporting changes.

In the 2013-15 biennium, over 9,700 performance documents have been created in PeopleSoft ePerformance. Twenty-one agencies have created different performance documents, all using the sections that have been outlined by HRMS.

Enterprise Learning Management (ELM)

ELM is an internet-based training management solution that allows agencies to manage their learning information in a central location. Employees can sign up for classes to be approved by their manager, managers can enroll employees, or designated learning administrators may enroll learners. Agencies have the ability to upload online, web-based, and instructor-led training and information. Completed learning is automatically maintained in employee records.

State agencies' use of PeopleSoft Enterprise Learning Management continues to grow rapidly. ELM grew by another 3,400 classes this biennium and surpassed 17,000 classes in the system in June 2015. Since go live in January 2010, we have had 381,000 enrollments through ELM. As integration with other PeopleSoft modules like the PeopleSoft Talent Management suite continues, we will continue to see tremendous growth with ELM.

Training and Staff Development

HRMS training staff provides a variety of general and agency specific training to state agencies based on need and request. In addition to classroom style, web based training is also offered.

- HRMS training staff developed and/or coordinated training for 4,301 state employees, offering a total of 36 different courses in 240 sessions during the 2013-15 biennium.
- New courses implemented were:
 - HR Academy
 - Recruitment & Selection
 - FLSA
 - FMLA, ADAA, CRA, GINA
 - Proofreading and Effective Writing
 - Job Description Questionnaire
 - Customer Service
 - CAFR
- Several courses were customized for specific agencies, including Performance Evaluations for the Dept. of Human Services and Harassment and Bullying for the Dept. of Transportation and Dept. of Health.

In addition to providing training for state agencies, the staff also provides user support for the PeopleSoft Enterprise Learning Management (ELM) system.

Employment Services

HRMS provides comprehensive recruitment services to state agencies and promotes internship and cooperative education opportunities by coordinating inquiries and referrals between agencies and colleges.

During the 2013–15 biennium the state government stipend internship program helped to fund 40 internships in 11 state agencies:

- State Treasurer
- Department of Public Instruction
- Department of Veterans Affairs
- Indian Affairs Commission
- Department of Human Services – Human Service Centers and State Hospital
- Job Service
- Department of Corrections and Rehabilitation – State Penitentiary, Youth Correctional Center and James River Correctional Center
- Adjutant General
- Soybean Council
- Historical Society
- Council on the Arts

The program serves as a gateway to introduce students to state government work and the complex challenges facing North Dakota. The number of interns transitioning to full-time state employment (eight) has more than doubled compared to the previous biennium (three). As in the past, the need for internships is greater than the funding available. HRMS received a total of 59 funding requests for internships leaving 19 unfunded requests.

The division assists agencies in their selection process by advertising job vacancies, developing recruitment and selection tools, screening applications, representing state agencies at college and university career fairs, and serving on interview panels.

PeopleSoft Recruiting Solutions Implementation

HRMS worked with State Agencies to implement the Recruiting Solutions Module of PeopleSoft which went live in February 2014. Recruiting Solutions provides the State with an online job announcement and application system allowing applicants to apply for State jobs 24 hours a day. The module was implemented on time and under budget.

Recruiting Solutions gives agencies the ability to ask specific questions of applicants in the application process and aids in the screening process to identify the best applicants for positions. Those screened applications are routed electronically, reducing the use of paper in the recruiting process. In the time since go live we have received over 26,000 applications for the 3,800 jobs posted online resulting in 2,584 hires.

The division also provides mediation services to agencies as a means of alternative dispute resolution for employees and management.

Resources Available

The OMB website <http://www.nd.gov/omb/> contains extensive information for state employees, management, and the public. This site is continually updated with the latest information and includes job announcements. In addition, the division has developed various brochures and model policies that are available on the 14th floor of the Capitol, upon request by calling the division at 701-328-3290; by writing to HRMS at 600 East Boulevard Avenue, Department 113, Bismarck, ND 58505-0120; or by emailing the division at hrms@nd.gov.

State Personnel Board

The State Personnel Board met two times this biennium:

- April 22, 2014 – Considered and adopted proposed changes to the Human Resource Management Services administrative rules
- May 27, 2015 – Approved salary ranges for the 2015-17 Biennium

Risk Management
July 1, 2013 - June 30, 2015
Tag Anderson, Director

Mission

To coordinate efficient functions that promote safety and reduce loss resulting from tort liability or employee injury claims.

Responsibilities

The Risk Management division of OMB was established by the 1995 Legislature to address the state's loss of sovereign immunity for tort liability. The Legislature enacted the State Tort Claims Act (NDCC Chapter 32-12.2) which assigns the responsibility for administering the state's risk management program to OMB.

In an effort to save premium dollars through a deductible program, and to establish a cross agency return-to-work program for North Dakota state agencies, the 2001 Legislature enacted NDCC §65-04-03.1 establishing the Risk Management Workers Compensation Program (RMWCP) and assigned the responsibility for administering the program to the Risk Management division.

Workforce Safety & Insurance (WSI) continues to determine the level of compensation an injured worker and his or her care provider are entitled to receive; and determines experience rates, assessments, and the premiums payable by state entities for workers compensation coverage. Effective July 1, 2001, workers compensation premiums are paid to the Risk Management division rather than to WSI. With the premium dollars it receives from state entities, the Risk Management division has established a fund to pay the first \$100,000 on each claim and the premium to WSI for the state entities' single workers compensation account. Premium savings are shared with state entities through an enhanced discount and dividend program.

Loss Control

To ensure the state is properly addressing its exposure to loss, the Risk Management division:

- analyzes risk exposures through audits and reviews of agency standard operating procedures;
- develops loss control programs through recommendations to agencies on how to address identified and potential risks of loss;
- tracks loss history to identify and address trends; and
- communicates loss control and safety information to state entities through the Risk Management Manual, training materials, electronic newsletters, and Risk Management seminars.

Claims Management

The Risk Management division administers the Risk Management Fund, the state's self-retention fund established to provide tort liability coverage for the state, its agencies and

employees, and the RMWCP Fund, to cover the costs of administering the \$100,000 deductible workers compensation program.

Claims against both funds are investigated and reviewed to ensure they meet statutory requirements and are expediently resolved.

Litigation

The division oversees litigation involving unresolved claims against the Risk Management Fund. The office of the Attorney General provides general legal counsel to the division as well as litigation services. In addition, Risk Management hires attorneys who receive a Special Assistant Attorney General appointment.

The Risk Management division also provides defense for state employees acting within the scope of employment. Division personnel work with and assist state employees to ensure they comply with all statutory requirements so they are provided all defense protections available to them under the State Tort Claims Act.

Workers compensation litigation cases are handled by WSI and are monitored by the manager of the RMWCP.

Resources Available

Information pertaining to the Risk Management division of OMB is available on the agency's website at <http://www.nd.gov/omb/>.