

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2004 - Funding Summary**

	<b>Base Budget</b>	<b>Final Legislative Action</b>	<b>Comparison To Base Budget</b>
<b>State Auditor</b>			
Salaries and wages	\$10,113,137	\$12,322,192	\$2,209,055
Operating expenses	901,113	1,195,510	294,397
Information technology consultants	250,000	250,000	
Accrued leave payments	201,157		(201,157)
<b>Total all funds</b>	<b>\$11,465,407</b>	<b>\$13,767,702</b>	<b>\$2,302,295</b>
Less estimated income	3,036,918	3,305,870	268,952
<b>General fund</b>	<b>\$8,428,489</b>	<b>\$10,461,832</b>	<b>\$2,033,343</b>
FTE	53.80	59.80	6.00
<b>Bill Total</b>			
Total all funds	\$11,465,407	\$13,767,702	\$2,302,295
Less estimated income	3,036,918	3,305,870	268,952
<b>General fund</b>	<b>\$8,428,489</b>	<b>\$10,461,832</b>	<b>\$2,033,343</b>
FTE	53.80	59.80	6.00

**Senate Bill No. 2004 - State Auditor - Senate Action**

	<b>Base Budget</b>	<b>Senate Changes</b>	<b>Senate Version</b>
Salaries and wages	\$10,113,137	\$1,131,794	\$11,244,931
Operating expenses	901,113	190,397	1,091,510
Information technology consultants	250,000	200,000	450,000
Accrued leave payments	201,157	(201,157)	
<b>Total all funds</b>	<b>\$11,465,407</b>	<b>\$1,321,034</b>	<b>\$12,786,441</b>
Less estimated income	3,036,918	478,249	3,515,167
<b>General fund</b>	<b>\$8,428,489</b>	<b>\$842,785</b>	<b>\$9,271,274</b>
FTE	53.80	0.00	53.80

**Department 117 - State Auditor - Detail of Senate Changes**

	<b>Adjusts Base Payroll<sup>1</sup></b>	<b>Adds Funding for Salary and Benefit Increases<sup>2</sup></b>	<b>Adds Funding for Royalty Auditor<sup>3</sup></b>	<b>Adds Funding to Continue Other 2013-15 Biennium Salary Adjustments<sup>4</sup></b>	<b>Adds Funding for University System Security Audits<sup>5</sup></b>	<b>Adds Funding for IT Desktop Support<sup>6</sup></b>
Salaries and wages	401,723	643,571	86,500	173,712		
Operating expenses			16,250			99,600
Information technology consultants					200,000	
Accrued leave payments	(201,157)					
<b>Total all funds</b>	<b>\$200,566</b>	<b>\$643,571</b>	<b>\$102,750</b>	<b>\$173,712</b>	<b>\$200,000</b>	<b>\$99,600</b>
Less estimated income	(23,203)	162,563	102,750	0	200,000	30,400
<b>General fund</b>	<b>\$223,769</b>	<b>\$481,008</b>	<b>\$0</b>	<b>\$173,712</b>	<b>\$0</b>	<b>\$69,200</b>
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	<b>Adjusts Base Level Funding<sup>7</sup></b>	<b>Total Senate Changes</b>
Salaries and wages	(173,712)	1,131,794
Operating expenses	74,547	190,397
Information technology consultants		200,000
Accrued leave payments		(201,157)
<b>Total all funds</b>	<b>(\$99,165)</b>	<b>\$1,321,034</b>
Less estimated income	5,739	478,249
General fund	(\$104,904)	\$842,785
FTE	0.00	0.00

<sup>1</sup> Funding is added for cost-to-continue 2013-15 biennium salaries and benefit increases and for other base payroll changes.

<sup>2</sup> The following funding is added for 2015-17 biennium performance salary adjustments of 2 to 4 percent per year and increases in monthly health insurance premiums:

	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
Salary increase - Performance	\$307,054	\$103,356	\$410,410
Health insurance increase	173,954	59,207	233,161
<b>Total</b>	<b>\$481,008</b>	<b>\$162,563</b>	<b>\$643,571</b>

<sup>3</sup> Federal funding is added relating to a royalty auditor position.

<sup>4</sup> Funding is added to continue other salary adjustments made during the 2013-15 biennium.

<sup>5</sup> Funding is added to complete security audits of the 11 institutions in the North Dakota University System.

<sup>6</sup> Funding is added for desktop support services from the Information Technology Department.

<sup>7</sup> Funding for operating expenses is increased and salaries are decreased to adjust to a hold-even budget.

Section 3 is amended to provide the statutory changes increasing the State Auditor's salary. The State Auditor's annual salary is increased from the current level of \$99,698 to \$102,689, effective July 1, 2015, and to \$105,770, effective July 1, 2016, to reflect a 3 percent salary increase each year of the biennium.

#### Senate Bill No. 2004 - State Auditor - House Action

	<b>Base Budget</b>	<b>Senate Version</b>	<b>House Changes</b>	<b>House Version</b>
Salaries and wages	\$10,113,137	\$11,244,931	\$1,077,261	\$12,322,192
Operating expenses	901,113	1,091,510	104,000	1,195,510
Information technology consultants	250,000	450,000	(200,000)	250,000
Accrued leave payments	201,157			
<b>Total all funds</b>	<b>\$11,465,407</b>	<b>\$12,786,441</b>	<b>\$981,261</b>	<b>\$13,767,702</b>
Less estimated income	3,036,918	3,515,167	(209,297)	3,305,870
General fund	\$8,428,489	\$9,271,274	\$1,190,558	\$10,461,832
FTE	53.80	53.80	6.00	59.80

**Department 117 - State Auditor - Detail of House Changes**

	<b>Adds Funding for Higher Education Auditors<sup>1</sup></b>	<b>Adjusts Funding for Health Insurance Premium Increases<sup>2</sup></b>	<b>Removes Funding for University System Security Audits<sup>3</sup></b>	<b>Total House Changes</b>
Salaries and wages	1,117,914	(40,653)		1,077,261
Operating expenses	104,000			104,000
Information technology consultants			(200,000)	(200,000)
Accrued leave payments				
<b>Total all funds</b>	<b>\$1,221,914</b>	<b>(\$40,653)</b>	<b>(\$200,000)</b>	<b>\$981,261</b>
Less estimated income	0	(9,297)	(200,000)	(209,297)
<b>General fund</b>	<b>\$1,221,914</b>	<b>(\$31,356)</b>	<b>\$0</b>	<b>\$1,190,558</b>
FTE	6.00	0.00	0.00	6.00

<sup>1</sup> Funding is added for 6 auditor FTE positions and related operating expenses to provide audit services to the State Board of Higher Education and its institutions.

<sup>2</sup> Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

<sup>3</sup> Funding to complete security audits of the 11 institutions in the North Dakota University System is removed.

This amendment also:

- Amends North Dakota Century Code Section 54-10-01 relating to performance audits conducted by the State Auditor; and
- Creates a new section to Chapter 54-10 to establish a higher education audit division in the State Auditor's office.

**Senate Bill No. 2004 - State Auditor - Senate Action**

The Senate concurred with the House changes.