

State Auditor Joshua C. Gallion

# State of North Dakota Single Audit Report

For the Two-Year Period Ended June 30, 2024





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The 2024 and 2023 Annual Comprehensive Financial Reports were issued separately and are included in this report following the appendix.

STATE AUDITOR
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March 19, 2025

Honorable Kelly Armstrong Governor, State of North Dakota Members of the Legislative Assembly of the State of North Dakota

Mr. Joe Morrissette, Director Office of Management and Budget

We are pleased to submit the single audit of the State of North Dakota, covering the fiscal years ended June 30, 2024 and 2023.

This report complies with the State's audit requirements, including those placed upon the State as a condition for the receipt of federal funds for fiscal years 2024 and 2023. The audit meets the requirements of Chapter 54-10 of the North Dakota Century Code, the Single Audit Act Amendments of 1996, and the provisions of the Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (contained in Title 2 of the U.S. Code of Federal Regulations Part 200).

We issued separate reports on the State of North Dakota's financial statements for fiscal years 2024 and 2023. These reports are included in the State of North Dakota's Annual *Comprehensive Financial Report* issued under separate cover for each of the two fiscal years ended June 30, 2024 and 2023 and are available upon request.

Respectfully submitted,

/S/

Joshua C. Gallion State Auditor

# **Single Audit Report**

**Auditor's Section** 







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# Report on Internal Control and Compliance

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

The Honorable Doug Burgum, Governor of North Dakota Members of the North Dakota Legislative Assembly

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the state of North Dakota as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the state's basic financial statements and have issued our report thereon dated December 13, 2024.

Our report includes a reference to other auditors who audited the following entities, as described in our report on the state of North Dakota's financial statements:

Bank of North Dakota **Building Authority** College SAVE Comprehensive Health Association of North Dakota Department of Trust Lands North Dakota Development Fund Guaranteed Student Loan Program Housing Finance Agency Housing Incentive Fund Job Service North Dakota Mandan Remediation Trust Public Employees Retirement System Public Finance Authority Retirement and Investment Office State Fair Association State Historical Society of North Dakota Foundation Student Loan Trust Workforce Safety and Insurance

This report includes our consideration of the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of other auditors. The financial statements of the North Dakota University System's foundations and the State Historical Society of North Dakota Foundation, that are reported as discretely presented component units, were not audited in accordance with Government Auditing Standards, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the North Dakota University's foundations and State Historical Society of North Dakota Foundation by those auditors who audited

the financial statements.

#### REPORT ON INTERAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the state of North Dakota's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the state of North Dakota's internal control. Accordingly, we do not express an opinion on the effectiveness of the state of North Dakota's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify and deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

#### REPORT ON COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the state of North Dakota's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests and those of the other auditors disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

#### PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the state of North Dakota's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the state of North Dakota's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

/S/

JOSHUA C. GALLION NORTH DAKOTA STATE AUDITOR **DECEMBER 13, 2024** 





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### Report on Internal Control and Compliance

### Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in **Accordance with Government Auditing Standards**

The Honorable Doug Burgum, Governor of North Dakota Members of the North Dakota Legislative Assembly

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the businesstype activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the state of North Dakota as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the state's basic financial statements and have issued our report thereon dated December 14, 2023.

Our report includes a reference to other auditors who audited the following entities, as described in our report on the state of North Dakota's financial statements:

Addiction Counselor Internship

Loan Program Bank of North Dakota

Beginning Farmer Revolving Loan Fund

**Building Authority** 

Clean Sustainable Energy Authority

College SAVE

Comprehensive Health Association of

North Dakota

Covid-19 Pace Recovery Program

Department of Trust Lands

North Dakota Development Fund

Guaranteed Student Loan Program

Housing Finance Agency Housing Incentive Fund

Infrastructure Revolving Loan Fund

Innovation Technology Fund

Job Service North Dakota Mandan Remediation Trust

Medical Facility Infrastructure Loan Fund

PACE and AG PACE Funds

Public Employees Retirement System

**Public Finance Authority** Rebuilders Loan Program

Retirement and Investment Office

School Construction Assistance Revolving

Loan Fund

State Fair Association

State Historical Society of North Dakota

Foundation

Student Loan Trust

Transmission Authority

Water Infrastructure Revolving Loan Fund

Workforce Safety and Insurance

This report includes our consideration of the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of other auditors. The financial statements of the North Dakota University System's foundations and the State Historical Society of North Dakota Foundation, that are reported as discretely presented component units, were not audited in accordance with Government Auditing Standards, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the North Dakota University's foundations and State Historical Society of North Dakota Foundation by those auditors who audited the financial statements.

#### REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the state of North Dakota's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the state of North Dakota's internal control. Accordingly, we do not express an opinion on the effectiveness of the state of North Dakota's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify and deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

#### REPORT ON COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the state of North Dakota's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests and those of the other auditors disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

#### **PURPOSE OF THIS REPORT**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the state of North Dakota's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the state of North Dakota's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

/S/ Joshua C. Gallion State Auditor December 14, 2023 STATE AUDITOR

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# REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

#### Independent Auditor's Report

The Honorable Kelly Armstrong, Governor of the State of North Dakota

Members of the Legislative Assembly of the State of North Dakota

Mr. Joe Morrissette, Director Office of Management and Budget

### Report on Compliance for Each Major Federal Program

#### **Qualified and Unmodified Opinions**

We have audited the State of North Dakota's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the State of North Dakota's major federal programs for the years ended June 30, 2024 and 2023. The State of North Dakota's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Qualified Opinion on the Coronavirus State and Local Fiscal Recovery Funds, Coronavirus Capital Projects Fund, Disaster Grants – Public Assistance (Presidentially Declared Disasters), and Research and Development Cluster

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the State of North Dakota complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Coronavirus State and Local Fiscal Recovery Funds, Coronavirus Capital Projects Fund, Disaster Grants – Public Assistance (Presidentially Declared Disasters), and Research and Development Cluster for the years ended June 30, 2024 and 2023.

#### Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the State of North Dakota complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the years ended June 30, 2024 and 2023.

#### Basis for Qualified and Unmodified Opinions

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States

(Government Auditing Standards); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the State of North Dakota and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified and unmodified opinions on compliance for each major federal program. Our audit does not provide a legal determination of the State of North Dakota's compliance with the compliance requirements referred to above.

Matter's Giving Rise to Qualified Opinion on Coronavirus State and Local Fiscal Recovery Funds, Coronavirus Capital Projects Fund, Disaster Grants – Public Assistance (Presidentially Declared Disasters), and Research and Development Cluster.

As described in the accompanying schedule of findings and questioned costs, the State of North Dakota did not comply with the requirements regarding the following.

<u>Finding</u>	Assistance Listing <u>Number</u>	Program/Cluster Title	Compliance Requirement
2024-020	21.027	Coronavirus State and Local Fiscal Recovery Funds	Procurement
2024-002	21.029	Coronavirus Capital Projects Fund	Reporting
2024-003 2024-004	21.029	Coronavirus Capital Projects Fund	Subrecipient Monitoring
2024-001	97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)	Reporting
2024-021	10.001 10.170 47.074 93.323 93.387 93.855 93.859	Research and Development Cluster	Activities Allowed or Unallowed Allowable Costs/Cost Principles

Compliance with such requirements is necessary, in our opinion, for the State of North Dakota to comply with the requirements applicable to that program.

### Other Matter – Federal Expenditures Not Included in the Compliance Audit

The State of North Dakota's basic financial statements include the operations of Housing Finance Agency, Job Service North Dakota, Bank of North Dakota, and Public Finance Authority which expended federal awards which are not included in the State of North Dakota's schedule of expenditures of federal awards during the years ended June 30, 2024 and 2023. Our compliance

audit, described in the "Opinion on Each Major Federal Program," does not include the operations of Housing Finance Agency, Job Service North Dakota, Bank of North Dakota, and Public Finance Authority because the organization units engaged other auditors to perform an audit of compliance.

#### Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the State of North Dakota's federal programs.

### Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the State of North Dakota's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the State of North Dakota's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgement and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the State of North Dakota's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain and understanding of the State of North Dakota's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the State of North Dakota's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

#### Other Matters

The results of our auditing procedures disclosed other instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2024-005, 2024-006, 2024-007, 2024-009, 2024-010, 2024-011, 2024-012, 2024-014, 2024-015, 2024-016, 2024-017, 2024-017, 2024-019, 2024

018, 2024-019, 2024-022, 2024-023, and 2024-024. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the State of North Dakota's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The State of North Dakota's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The State of North Dakota is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The State of North Dakota's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

### **Report on Internal Control Over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-001, 2024-002, 2024-003, 2024-004, 2024-020, and 2024-021 to be material weaknesses.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-005, 2024-006, 2024-007, 2024-008, 2024-009, 2024-010, 2024-011, 2024-012, 2024-013, 2024-014, 2024-015, 2024-016, 2024-017, 2024-018, 2024-019, 2024-022, 2024-023, and 2024-024 to be significant deficiencies.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the State of North Dakota's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The State of North Dakota's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information for the State of North Dakota as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the State of North Dakota's basic financial statements. We issued our reports thereon dated December 13, 2024 and December 14, 2023, respectively, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

/S/

Joshua C. Gallion State Auditor

Bismarck, North Dakota

March 19, 2025

# Schedule of Findings and Questioned Costs - Index Fiscal Years Ended June 30, 2024 and 2023

#### **SECTION I**

Summary of Auditors' Results, page D-4 Identification of Major Programs, page D-5

#### **SECTION II**

Schedule of Findings and Questioned Costs for Federal Awards, page D-6

# **Adjutant General**

ALN NUMBER	FEDERAL AGENCY	FINDING NUMBER
97.036	U.S. DEPARTMENT OF HOMELAND SECURITY	2024-001

### **Career and Technical Education**

ALN NUMBER	FEDERAL AGENCY	FINDING NUMBER
21.029	U.S. DEPARTMENT OF TREASURY	2024-002
21.029	U.S. DEPARTMENT OF TREASURY	2024-003
21.029	U.S. DEPARTMENT OF TREASURY	2024-004

# **Department of Health and Human Services**

ALN NUMBER	FEDERAL AGENCY	FINDING NUMBER
84.126	U.S. DEPARTMENT OF EDUCATION	2024-005
93.558	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	2024-006
93.777, 93.778, 93.767	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	2024-007
93.777, 93.778	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	2024-008
21.026	U.S. DEPARTMENT OF TREASURY	2024-009
93.566	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	2024-010
93.791	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	2024-011
10.557	U.S. DEPARTMENT OF AGRICULTURE	2024-012
21.023	U.S. DEPARTMENT OF TREASURY	2024-013

Schedule of Findings and Questioned Costs - Index Fiscal Years Ended June 30, 2024 and 2023

# **Department of Public Instruction**

ALN NUMBER	FEDERAL AGENCY	FINDING NUMBER
10.553, 10.555, 10.556, 10.559, 10.582	U.S. DEPARTMENT OF AGRICULTURE	2024-014
84.367	U.S. DEPARTMENT OF EDUCATION	2024-015
10.553, 10.555, 10.558, 10.559, 10.560, 10.574, 10.579, 10.582, 17.285, 84.002, 84.010, 84.027, 84.173, 84.196, 84.287, 84.358, 84.365, 84.367, 84.369, 84.371, 84.424, 84.425	U.S. DEPARTMENT OF AGRICULTURE U.S. DEPARTMENT OF LABOR U.S. DEPARTMENT OF EDUCATION	2024-016
10.558, 84.010, 84.027, 84.173, 84.367, 84.425	U.S. DEPARTMENT OF AGRICULTURE U.S. DEPARTMENT OF EDUCATION	2024-017

# Office of Management and Budget

ALN NUMBER	FEDERAL AGENCY	FINDING NUMBER
21.027	U.S. DEPARTMENT OF TREASURY	2024-018

### **State Treasurer's Office**

ALN NUMBER	FEDERAL AGENCY	FINDING NUMBER
15.437	U.S. DEPARTMENT OF THE INTERIOR	2024-019

Schedule of Findings and Questioned Costs - Index Fiscal Years Ended June 30, 2024 and 2023

# **University System**

ALN NUMBER	FEDERAL AGENCY	FINDING NUMBER
21.027	U.S. DEPARTMENT OF TREASURY	2024-020
10.001, 10.170, 47.074, 93.323, 93.387, 93.855, 93.859	U.S. DEPARTMENT OF AGRICULTURE NATIONAL SCIENCE FOUNDATION U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	2024-021
10.320, 43.001, 43.008, 66.509, 81.089, 93.243, 93.732, 93.859, 93.866	U.S. DEPARTMENT OF AGRICULTURE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION U.S. ENVIRONMENTAL PROTECTION AGENCY U.S. DEPARTMENT OF ENERGY U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	2024-022
81.089	U.S. DEPARTMENT OF ENERGY	2024-023
12.431, 81.089	U.S. DEPARTMENT OF DEFENSE U.S. DEPARTMENT OF ENERGY	2024-024

Schedule of Findings and Questioned Costs Fiscal Years Ended June 30, 2024 and 2023

# Section I **Summary of Auditors' Results**

Dollar threshold used to distinguish between Type A and Type B programs: \$20,566,281

Auditee qualified as a low risk auditee? No

FINANCIAL STATEMENTS	2024	2023
Type of auditors' report issued	Unmodified	Unmodified
Internal control over financial reporting:		
Material weakness(es) identified?	No	No
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	No	No
Noncompliance material to financial statements noted?	No	No
FEDERAL AWARDS	2024	2023
Internal control over major programs:		
Material weakness(es) identified?	Yes	Yes
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	Yes	Yes
Type of auditors' report issued on compliance for major programs:		
Coronavirus State and Local Fiscal Recovery Funds	Qualified	Qualified
Coronavirus Capital Projects Fund	Qualified	Qualified
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	Qualified	Qualified
Research and Development Programs	Qualified	Qualified
All other major programs	Unmodified	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	Yes	Yes

Schedule of Findings and Questioned Costs Fiscal Years Ended June 30, 2024 and 2023

# **Identification of Major Programs**

ALN Number(s)	Name of Federal Program or Cluster
10.553, 10.555, 10.556, 10.559, 10.582	Child Nutrition Cluster
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)
12.401	National Guard Military Operations and Maintenance (O&M) Projects
15.437	Minerals Leasing Act
15.518	Garrison Diversion Unit
15.605, 15.611, 15.626	Fish and Wildlife Cluster
20.205	Highway Planning and Construction (Federal-Aid Highway Program)
20.509	Formula Grants for Rural Areas and Tribal Transit Program
20.933	National Infrastructure Investments
21.023	Emergency Rental Assistance Program
21.026	Homeowner Assistance Fund Program
21.027	Coronavirus State and Local Fiscal Recovery Funds
21.029	Coronavirus Capital Projects Fund
84.010	Title I Grants to Local Educational Agencies (Title I, Part A of the ESEA)
84.027, 84.173	Special Education Cluster (IDEA)
84.126	Rehabilitation Services - Vocational Grants to States
84.367	Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)
84.425	Education Stabilization Fund (ESF)
93.044, 93.045, 93.053	Aging Cluster
93.558	Temporary Assistance for Needy Families (TANF)
93.563	Child Support Services
93.566	Refugee and Entrant Assistance – State-Administered Programs
93.767	Children's Health Insurance Program (CHIP)
93.775, 93.777, 93.778	Medicaid Cluster
93.791	Money Follows the Person Rebalancing Demonstration
97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)
Various	Research and Development Cluster

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

### **Adjutant General**

FINDING TYPE: Material Weakness - Material Noncompliance		
Finding	2024-001	
Federal Program:	Disaster Grants-Public Assistance (Presidentially Declared Disasters)	
ALN #:	97.036	
Federal Award Number(s) and Year(s):	DR4323, DR4444, DR4475, DR4509, DR4553, DR4565, DR4613, DR4660, DR4686, DR4717, and DR4760 (2017, 2019, 2020, 2021, 2022, 2023, and 2024)	
Federal Agency:	U.S. DEPARTMENT OF HOMELAND SECURITY	
	Federal Emergency Management Agency	
Compliance Requirement:	Reporting	
Questioned Cost:	\$0	

#### CONDITION

The Division of Emergency Services did not correctly and timely report subawards on Federal Funding Accountability and Transparency Act (FFATA) reports. The FFATA reporting was made for payments over \$30,000 at the end of every month rather than amounts obligated in that month.

The Division of Emergency Services corrected their procedures in March 2024 to report new subawards based on obligation amount. Expanded testing from USASpending.gov was performed to ensure that new subawards reported obligated subaward amounts. This test found that, while still untimely, all subawards with action dates from March 2024-June 2024 were properly reported with the obligated subaward amounts.

The auditors tested 37 subaward obligations. 26 obligations were selected based on payments made during the audit period. Due to the agency correcting their procedures, an additional 11 obligations were selected from USASpending.gov with subaward action dates after March 1, 2024. One of the 37 subawards, obligated for \$15,888,022 in federal funds, was not reported at all for FFATA. Five of 37 tested subawards were reported for the payment amount rather than the obligation amount of the subaward. The errors in obligation amount for these five subawards netted to \$1,490,193.12. 26 out of 37 tested subawards were not reported by the end of the month following the month of the obligation date. For context, 17 of the 26 errors were reported within 2 weeks after end of the month following the month of obligation. Other key data elements were correct for reported obligations.

Transactions Tested	Subaward not	Report not	Subaward amount	Subaward missing
	reported	timely	incorrect	key elements
37	1	26	5	0
Dollar Amount of	Subaward not	Report not	Subaward amount	Subaward missing
Tested Transactions	reported	timely	incorrect	key elements
\$27,202,125.37	\$15,888,022.00	\$25,637,604.28	\$1,490,193.12	\$0.00

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

#### **CRITERIA**

Federal regulation 2 CFR 170, Appendix A requires a Federal Financial Assistance Transparency Act (FFATA) report for each subaward that equals or exceeds \$30,000 no later than the end of the month following the month in which the obligation was made.

The subaward information is then available to the public on the USA Spending website for transparency.

2 CFR 200.303(a) states that non-Federal entities must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

#### **CAUSE**

The FFATA reporting was made for payments over \$30,000 at the end of every month rather than amounts obligated in that month.

#### **EFFECT**

Not meeting the FFATA requirements increases the likelihood that the public will not have access to transparent and accurate information regarding expenditures of federal awards.

#### CONTEXT

During the audit period, the agency made payments on 308 subawards and 11 disasters. Where sampling was performed, the audit used a non-statistical sampling method.

#### **IDENTIFICATION AS A REPEAT FINDING**

Not a repeat finding.

#### RECOMMENDATION

We recommend the Division of Emergency Services ensures timely and accurate submission of FFATA reports in accordance with federal regulations.

#### **ADJUTANT GENERAL RESPONSE**

The Adjutant General agrees with the finding.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

### **Career and Technical Education**

FINDING TYPE: Material Weakness - Material Noncompliance		
Finding	2024-002	
Federal Program:	Coronavirus Capital Projects Fund	
ALN #:	21.029	
Federal Award Number(s) and Year(s):	CPFFN0155 (2023 and 2024)	
Federal Agency:	U.S. DEPARTMENT OF THE TREASURY	
Compliance Requirement:	Reporting	
Questioned Cost:	\$0	

#### CONDITION

Quarterly Project and Expenditure Reports tested did not accurately report key line items for each project.

#### **CRITERIA**

Coronavirus Capital Projects Fund Compliance and Reporting Guidance For States, Territories, and Freely Associated States (published December 2022) indicates that expenditures may be reported on a cash or accrual basis as long as the methodology is disclosed and is consistently applied. Project and Expenditure Reports must incorporate the definition of expenditures pursuant to 2 CFR 200.1. Recipients must maintain accounting records for compiling and reporting accurate financial data in accordance with appropriate accounting standards and principles. The guidance also defines "Obligations" as orders placed for property and services, contracts and subawards made, and similar transactions that require payment. In addition, for Multipurpose Community Facility Projects, recipients are required to report, for each project, current period obligations, cumulative obligations, current period expenditures, and cumulative expenditures; as well as total square footage funded by CPF dollars (planned/actual). Lastly, the guidance allows edits or changes to be reflected in the next available report.

Federal regulation, 2 CFR 200.303, requires non-Federal entities, in part, to establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. Per GAO Standards for Internal Control in Federal Government, Information and Communication, Principle 13 - Use of Quality Information, Attribute 13.04, management should obtain relevant data from reliable internal and external sources in a timely manner based on the identified information requirements.

#### **CAUSE**

Career and Technical Education did not consistently utilize accounting records for compiling Project and Expenditure Report data in accordance with appropriate accounting standards and principles. The tracking spreadsheet used to prepare the reports lacked a consistent basis of accounting for tracking payments since certain dates reflected in the spreadsheet did not agree to the state's accounting system (PeopleSoft) posted dates. Lastly, Career and Technical Education was unaware of the definition of an "obligation" until it was brought up during the Single Audit.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

#### **EFFECT**

Inaccurate Project and Expenditure Reports limit the Treasury's ability to effectively track and monitor the use of the Coronavirus Capital Projects Fund for approved projects. In addition, inaccurate Project and Expenditures Reports also impacts the accuracy of program reporting for public transparency purposes.

#### **CONTEXT**

The Career and Technical Education entered into grant agreements with subrecipients on March 17, 2022, that obligated the initial CPF appropriation of \$68,276,228 for multipurpose community facility projects. These grant agreements were subsequently amended in March 2024 to allocate \$6,319,473 of CPF initially appropriated for broadband projects.

We tested the Project and Expenditure Reports which covered the periods January 1, 2024, to March 31, 2024, and April 1, 2024, to June 30, 2024. For the covered period January 1, 2024, to March 31, 2024, current period obligations were overstated by \$9,272,777, cumulative obligations were understated by \$36,987,052, current period expenditures were incorrectly reported for 5 out of 19 projects (in total, current period expenditures were understated by \$124,881 using the cash basis) and cumulative expenditures were incorrectly reported for 7 out of 19 projects (in total, cumulative expenditures were overstated by \$143,376 using the cash basis). For the covered period April 1, 2024, to June 30, 2024, current period obligations were overstated by \$10,308,528, cumulative obligation amounts were corrected based on discussions with the auditor, current period expenditures were incorrectly reported for 8 out of 19 projects (in total, current period expenditures were overstated by \$1,639,438 using the cash basis), and cumulative expenditures were incorrectly reported for 9 out of 19 projects (in total, cumulative expenditures were overstated by \$2,223,450 using the cash basis or understated by \$737,558 using the accrual basis). Lastly, it appeared total square footage reported (planned and actual) included square footage funded by all funding sources and not the square footage funded solely by CPF. Where sampling was performed, the audit used a non-statistical sampling method.

#### **IDENTIFICATION AS A REPEAT FINDING**

Not a repeat finding.

#### RECOMMENDATION

We recommend the Career and Technical Education establish a consistent methodology for compiling and reporting financial data that is in accordance with appropriate accounting standards and principles. We also recommend the Career and Technical Education comply with Project and Expenditure Report guidance for reporting obligations, expenditures, and total square footage funded by Capital Project Fund dollars, including making any necessary edits and changes in the next available report.

#### CAREER AND TECHNICAL EDUCATION RESPONSE

The Department agrees with this recommendation

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

FINDING TYPE: Material Weakness - Material Noncompliance		
Finding	2024-003	
Federal Program:	Coronavirus Capital Projects Fund	
ALN #:	21.029	
Federal Award Number(s) and Year(s):	CPFFN0155 (2023 and 2024)	
Federal Agency:	U.S. DEPARTMENT OF THE TREASURY	
Compliance Requirement:	Subrecipient Monitoring	
Questioned Cost:	\$0	

#### CONDITION

Career and Technical Education is not verifying every subrecipient is audited and reviewing audit findings as required by 2 CFR 200, Subpart F. Subsequently, by not verifying every subrecipient is audited, Career and Technical Education is not ensuring their responsibilities for issuing management decisions are performed, if any findings are identified in the audits.

#### **CRITERIA**

All pass-through entities must:

- Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and terms and conditions of the subaward, and that the subaward performance goals are achieved. Pass-through entity monitoring of the subrecipient must include, in part, following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and written confirmation from the subrecipient, highlighting the status of actions planned or taken to address Single Audit findings related to the particular subaward; issuing a management decision for applicable audit findings pertaining only to the federal award provided to the subrecipient from the pass-through entity as required by 2 CFR 200.521; and ensuring audit findings specifically related to the subaward are resolved (2 CFR 200.332(d)).
- Verify that every subrecipient is audited as required by 2 CFR 200, Subpart F, when it is expected that the subrecipient's Federal award expended during the respective fiscal year equaled or exceeded the \$750,000 threshold set forth in 2 CFR 200.501 (2 CFR 200.332(f).

Federal regulation, 2 CFR 200.303, requires non-Federal entities, in part, to establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

#### **CAUSE**

Career and Technical Education has not established processes to identify which subrecipients are subject to required audits or to obtain and review Uniform Guidance Single Audit reports. In addition, Career and Technical Education has not developed a tracking system to ensure timely submission of required audit reports and to ensure timely and appropriate corrective action is taken on all deficiencies.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

#### **EFFECT**

Subrecipient noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward, including audit findings pertaining to the Federal award, may go undetected and unresolved.

#### CONTEXT

Career and Technical Education awarded subawards, individually up to \$10 million, to 13 subrecipients totaling \$74.6 million for 19 different multi-purpose community facility projects. Career and Technical Education has had prior experience with these subrecipients. Projects were included in the state's program plan that was reviewed and approved by U.S. Treasury. Career and Technical Education imposed specific subaward conditions upon each subrecipient requiring payments as reimbursements rather than advance payments. Career and Technical Education performs ongoing monitoring procedures through review and approval of subrecipient requests for reimbursements, which includes reviewing invoices and contractor progress billings for unallowable expenses, prior to disbursing Capital Project Funds. Lastly, Career and Technical Education conducts annual on-site visits of started projects until completed to visually inspect projects are being completed as planned. Where sampling was performed, the audit used a non-statistical sampling method.

This finding, in combination with the finding regarding required communication of award information to the subrecipients (Finding 2024-04), results in a modified opinion for the subrecipient monitoring compliance requirement.

#### **IDENTIFICATION AS A REPEAT FINDING**

Not a repeat finding.

#### RECOMMENDATION

We recommend Career and Technical Education establish processes to identify which subrecipients are subject to required audits and to obtain and review Uniform Guidance Single Audit reports, including developing a tracking system to ensure timely submission of required audit reports and timely and appropriate corrective action is taken on all deficiencies.

We also recommend Career and Technical Education verify every subrecipient is audited as required by 2 CFR 200, Subpart F; follow-up and ensure that subrecipients take timely and appropriate action on all deficiencies of the Federal award; and issue management decisions and ensure audit findings have been resolved.

#### CAREER AND TECHNICAL EDUCATION RESPONSE

The Department agrees with this recommendation

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

FINDING TYPE: Material Weakness - Material Noncompliance		
Finding	2024-004	
Federal Program:	Coronavirus Capital Projects Fund	
ALN #:	21.029	
Federal Award Number(s) and Year(s):	CPFFN0155 (2023 and 2024)	
Federal Agency:	U.S. DEPARTMENT OF THE TREASURY	
Compliance Requirement:	Subrecipient Monitoring	
Questioned Cost:	\$0	

#### CONDITION

The Career and Technical Education did not ensure all required information was provided to subrecipients provided Coronavirus Capital Project Funds CPF). In addition, the pass-through entity's internal controls were insufficient to ensure that subrecipients received communication regarding the necessary items. Required information not communicated included:

- Subrecipient's name did not always match the name associated with its unique entity identifier obtained from SAM.gov;
- Subrecipient's unique entity identifier;
- Federal Award Identification Number;
- Federal Award date;
- Subaward Period of Performance Start and End Date;
- Amounts of the Federal Funds obligated, committed, and in total to the subrecipient by the passthrough entity were not clearly identifiable between Coronavirus Capital Projects Fund and Coronavirus State and Local Fiscal Recovery Funds;
- Assistance Listing Number; and,
- Reference of requirement for auditor access to the subrecipient's records and financial statements.

#### **CRITERIA**

Federal regulation, 2 CFR 200.332(a), requires pass-through entities to communicate specific required information to subrecipients.

Federal regulation, 2 CFR 200.303, requires non-Federal entities, in part, to establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

#### **CAUSE**

Career and Technical Education worked with the Attorney General's Office to develop a standard template for agreements with subrecipients. However, Career and Technical Education did not ensure all required communications applicable to Federal awards were included in the standard template.

#### **EFFECT**

These required communications are required to help subrecipients meet all their reporting requirements, and to meet all award terms. Subrecipients subject to Single Audits also need this information for their audits.

#### **CONTEXT**

Career and Technical Education awarded Capital Project Fund subawards, individually up to \$10 million, to 13 subrecipients totaling \$74.6 million for 19 different multi-purpose community facility projects. Four subaward agreements were tested and all did not include the required information identified in the condition of this finding.

In addition, three subrecipients received \$6,666,667 for the projects from the State and Local Fiscal Recovery Fund. Career and Technical Education only entered into one grant agreement, which commingled Capital Project Funds and State and Local Fiscal Recovery Funds, with three of the 13 subrecipients. One of the three subrecipients that received both Capital Project Funds and State and Local Fiscal Recovery Funds had its fiscal year 2023 Single Audit on the Federal Audit Clearinghouse. This subrecipient incorrectly reported all \$10 million as Capital Project Funds (ALN 21.029) on its Schedule of Expenditures of Federal Awards when only \$3,333,333 should have been reported under ALN 21.029. Where sampling was performed, the audit used a non-statistical sampling method.

This finding, in combination with the finding regarding required audits (Finding 2024-03), results in a modified opinion for the subrecipient monitoring compliance requirement.

#### **IDENTIFICATION AS A REPEAT FINDING**

Not a repeat finding.

#### RECOMMENDATION

We recommend Career and Technical Education:

- Communicate all required information of 2 CFR 200.332(b) to subrecipients;
- Develop procedures to ensure grant agreement templates are updated and that all Coronavirus
   Capital Projects Fund award information is communicated to subrecipients; and,
- Reissue grant agreements to outline the required information.

#### **CAREER AND TECHNICAL EDUCATION RESPONSE**

The Department agrees with this recommendation

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

### **Department of Health and Human Services**

FINDING TYPE: Significant Deficiency - Other Noncompliance		
Finding	2024-005	
Federal Program:	Rehabilitation Services-Vocational Grants to States	
ALN #:	84.126	
Federal Award Number(s) and Year(s):	H126A210051 (2021) H126A220051 (2022)	
Federal Agency:	U.S. DEPARTMENT OF EDUCATION	
Compliance Requirement:	Period of Performance	
Questioned Cost:	\$30,496	

#### CONDITION

The Department of Human Services made payments under the Vocational Rehabilitation program outside of the 2021 and 2022 grant award periods of performance which was 10/1/20 - 9/30/21, and 10/1/21 - 9/30/22 with an allowable liquidation period, to pay for obligations, through 12/31/2022 and 12/31/2023, respectively. Payments made after the liquidation period totaled \$1,495.35 for the 2021 grant. Payments obligated after the obligation period totaled \$23,340 for the 2021 grant and \$7,156 for the 2022 grant.

#### **CRITERIA**

The following criteria requires federal funds to be obligated by the end of the two-year period of performance window and those obligations must be liquidated within 90 days after the end date of period of performance.

#### 2 CFR 200.343 requires:

"Unless the Federal awarding agency or pass-through entity authorizes an extension, a non-Federal entity must liquidate all obligations incurred under the Federal award not later than 90 calendar days after the end date of the period of performance as specified in the terms and conditions of the Federal award.

#### 34 CFR 361.64 requires:

- " (a) Except as provided in paragraph (b) of this section, any Federal funds, including reallotted funds, that are appropriated for a fiscal year to carry out a program under this part that are not obligated by the State by the beginning of the succeeding fiscal year and any program income received during a fiscal year that is not obligated by the State by the beginning of the succeeding fiscal year remain available for obligation by the State during that succeeding fiscal year.
- (b) Federal funds appropriated for a fiscal year remain available for obligation in the succeeding fiscal year only to the extent that the State met the matching requirement for those Federal funds by obligating, in accordance with 34 CFR 76.707, the non-Federal share in the fiscal year for which the funds were appropriated."

The following criteria pertains to the establishment and maintenance of effective internal control to ensure payments are made within the correct period of performance.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

45 CFR 75.303 states the non-Federal entity must, "establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award."

#### **CAUSE**

The Department of Health and Human Services (DHHS), Vocational Rehabilitation Program, allowed payments to universities for tuition to be charged during the federal grant prior to the period when the service was provided. This issue was noted in three of five errors found in sampling and affected both the FFY 2021 and FFY 2022 grants. The remaining two errors were a result of expenditures being assigned improper coding which was not identified during the regular period of performance reviews performed by DHHS. The first occurred prior to the implementation of the period of performance reviews and the second was an expenditure to another state agency that was evaluated by the agency's review using the date of the check rather than the dates on the invoice.

#### **EFFECT**

Known unallowable costs totaling \$30,496. were charged to the grants due to being obligated or liquidated after the period of performance. When projected to the population, an additional \$50,372 in errors are likely.

#### CONTEXT

The Department of Health and Human Services had 395 payments totaling \$514,546 after the period of performance for the FFY2021 and FY2022 federal grants. Of this amount, \$26,367 were tuition fee payments determined to be the total population of known questioned costs related to tuition fees. \$36,969 of the remaining population were sampled and \$4,128 were errors. These errors projected to \$54,401. Where sampling was performed, the audit used a non-statistical sampling method.

#### **IDENTIFICATION AS A REPEAT FINDING**

Finding 2022-021 was reported in the immediate prior year. Findings 2020-019, 2018-031, and 2016-053 were reported in previous years. The prior audit finding was reported as implemented on the summary schedule of prior audit findings. This materially misrepresents the status of the finding.

#### **RECOMMENDATION**

We recommend the Department of Health and Human Services improve procedures to review transactions for period of performance corrections to prevent and detect payments from being charged to the Vocational Rehabilitation program outside the period of performance.

#### DEPARTMENT OF HEALTH AND HUMAN SERVICES RESPONSE

The Department of Health and Human Services agrees with the recommendation.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

FINDING TYPE: Significant Deficiency - Other Noncompliance		
Finding	2024-006	
Federal Program:	Temporary Assistance for Needy Families (TANF)	
ALN #:	93.558	
Federal Award Number(s) and Year(s):	2301NDTANF (2023) 2401NDTANF (2024)	
Federal Agency:	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	
	Administration for Children and Families	
Compliance Requirement:	Activities Allowed or Unallowed Allowable Costs/Cost Principles	
Questioned Cost:	\$78,113	

#### CONDITION

The Department of Health and Human Services made payments under the Temporary Assistance for Needy Families program and recorded the payments to an incorrect grant year. The expenditures were incurred prior to the start of the period of performance of the grants. Of the errors found \$40,420 was incorrectly charged to federal fiscal year 2023 grant and \$37,702 was incorrectly charged to the federal fiscal year 2024 grant without obtaining federal approval.

#### **CRITERIA**

45 CFR 75.309 states that a non-Federal entity may charge to the Federal award only allowable costs incurred during the period of performance and any costs incurred before the HHS awarding agency or pass-through entity made the Federal award that were authorized by the Federal awarding agency or pass-through entity.

45 CFR 75.303 states that the non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

#### CAUSE

The Department of Health and Human Services, Temporary Assistance for Needy Families, incorrectly interpreted the period of performance requirements and the start date for each grant award.

#### **EFFECT**

Costs totaling \$78,113 were charged to the incorrect grant award.

#### CONTEXT

The Department of Health and Human Services, Temporary Assistance for Needy Families program, had non-benefit expenditures of \$3,887,368 through 235 vouchers. 2 of the 24 vouchers that were sampled were found to be paid from an incorrect grant year which resulted in known questioned costs of \$78,113 and, when projected to the population, additional likely questioned costs of \$182,730. Where sampling was performed, the audit used a non-statistical sampling method.

#### **IDENTIFICATION AS A REPEAT FINDING**

Not a repeat finding.

# Schedule of Federal Findings and Questioned Costs Fiscal Years Ended June 30, 2023 and 2024

#### **RECOMMENDATION**

We recommend the Department of Health and Human Services follow period of performance time frames when paying expenditures under grant awards and, if paying expenditures prior to the start of the grant award, federal approval is obtained.

#### **DEPARTMENT OF HEALTH AND HUMAN SERVICES RESPONSE**

The Department of Health and Human Services agrees with the recommendation.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

FINDING TYPE: Significant Deficiency - Other Noncompliance		
Finding	2024-007	
Federal Program:	Medicaid Cluster and Children's Health Insurance Program	
ALN #:	93.777, 93.778, 93.767	
Federal Award Number(s) and Year(s):	2205ND5MAP,2205ND5ADM, and 2205ND5021 (2022)	
	2305ND5MAP, 2305ND5ADM and 2305ND5021 (2023)	
	2405ND5MAP, 2405ND5ADM and 2405ND5021 (2024)	
Federal Agency:	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	
	Centers for Medicare and Medicaid Services	
Compliance Requirement:	Activities Allowed or Unallowed Allowable Costs/Cost Principles	
Questioned Cost:	\$16,150	

#### CONDITION

Providers did not submit proper documentation or incorrectly billed the number of units provided to individuals. The audit requested supporting documentation for tested claims from the providers and found errors in 12 of the total 570 claims tested by the auditors. The error in 1 claim did not have a financial impact. The remaining errors resulted in improper payments totaling \$16,150.19. When projected to the entire population, the additional likely federal questioned costs totaled \$22,320,252.

#### The errors by program are as follows:

There were 9 errors found in 480 Medicaid claims tested with known improper payments of \$15,001.29 which resulted in additional likely federal questioned costs of \$22,213,214 when projected to the entire population. There were 2 errors found in 90 CHIP claims tested with known improper payments of \$1,148.90 which resulted in \$107,038 additional likely federal questioned costs when projected to the entire population.

#### **CRITERIA**

45 CFR 75.303 states that the non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

42 CFR 431.960 (c) (1) states a medical review error is an error resulting in an overpayment or underpayment that is determined from a review of the provider's medical record or other documentation supporting the service(s) claimed, Code of Federal Regulations that are applicable to conditions of payment, the State's written policies, and a comparison between the documentation and written policies and the information presented on the claim resulting in Federal and/or State improper payments.

42 CFR 431.960 (c) (3) states medical review errors include, but are not limited to, the following: (i) lack of documentation, (ii) insufficient documentation, and (iii) procedure coding errors.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

#### **CAUSE**

DHHS was not able to obtain the required documentation after multiple requests or providers submitted documentation that didn't support their billed units.

#### **EFFECT**

Unallowable or inaccurate payments were made to providers who did not submit proper documentation, or who submitted claims that did not match the number of service units provided as evidenced by their documentation when selected for audit.

#### CONTEXT

There were 12,228,253 Medicaid claims and 374,561 CHIP claims that occurred during our audit period of July 1, 2022, through June 30, 2024. The federal portion of the projected likely questioned costs was calculated by using the average federal matching rate for claims paid during our audit period. Where sampling was performed, the audit used a non-statistical sampling method.

#### **IDENTIFICATION AS A REPEAT FINDING**

Finding 2022-008 was reported in the immediate prior year. The prior audit finding was reported as implemented on the summary schedule of prior audit findings. This materially misrepresents the status of the finding.

#### **RECOMMENDATION**

We recommend the Department of Human Services develop a corrective action plan to address the errors identified in the audit and recover payments made on unsupported claims.

#### DEPARTMENT OF HEALTH AND HUMAN SERVICES RESPONSE

The Department of Health and Human Services agrees with the recommendation.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

FINDING TYPE: Significant Deficiency		
Finding	2024-008	
Federal Program:	Medicaid Cluster	
ALN #:	93.777, 93.778	
Federal Award Number(s) and Year(s):	2205ND5MAP and 2205ND5ADM (2022) 2305ND5MAP and 2305ND5ADM (2023) 2405ND5MAP and 2405ND5ADM (2024)	
Federal Agency:	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	
	Centers for Medicare and Medicaid Services	
Compliance Requirement:	Special Tests	
Questioned Cost:	\$0	

#### CONDITION

The Medicaid program integrity unit within DHHS is not independent from other Medicaid operations. The program integrity unit has system access that allows the unit to process and adjudicate Medicaid claims within the Medicaid Management Information System (MMIS).

The audit compared claims by User IDs creating and last editing the claims to the employees by name within the program integrity unit. A review of access of MMIS identified 3 members of the program integrity unit with access within MMIS to process (submit, validate, edit, and override) claims during the audit period of July 1, 2022, through June 30, 2024. The audit did not identify any transactions where the 3 employees either created or last edited claims.

#### **CRITERIA**

The GAO Greenbook Principle 11.14 states "Management designs control activities to limit user access to information technology through authorization control activities such as providing a unique user identification or token to authorized users. These control activities may restrict authorized users to the applications or functions commensurate with their assigned responsibilities, supporting an appropriate segregation of duties."

The GAO Greenbook Principle 10.03 states "Management divides or segregates key duties and responsibilities among different people to reduce the risk of error, misuse, or fraud. This includes separating the responsibilities for authorizing transactions, processing and recording them, reviewing the transactions, and handling any related assets so that no one individual controls all key aspects of a transaction or event."

Per DHHS' security plan for MMIS "The organization employs the concept of least privilege, allowing only authorized accesses for users (and processes acting on behalf of users) which are necessary to accomplish assigned tasks in accordance with missions and business functions."

45 CFR 75.303 states that the non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

#### **CAUSE**

Members of the program integrity unit are given access within MMIS that allows them to adjudicate and process claims.

#### **EFFECT**

There is a risk of self-review that the program integrity employee may review providers related to or actual claims that the same employee previously processed or adjudicated.

#### CONTEXT

42 CFR 456.2 requires "The Medicaid agency must implement a statewide surveillance and utilization control program that safeguards against unnecessary or inappropriate use of Medicaid services and against excess payments." The program integrity unit is the team responsible for performing utilization reviews and other audits of claims and providers within the Medicaid program. During this period there were 12,228,253 claims and over \$2 billion Medicaid expenditures reported on the 2023 and 2024 SEFAs. Where sampling was performed, the audit used a non-statistical sampling method.

#### **IDENTIFICATION AS A REPEAT FINDING**

Not a repeat finding.

#### **RECOMMENDATION**

We recommend that DHHS restrict access of the program integrity unit employees within MMIS from processing and adjudicating claims.

#### DEPARTMENT OF HEALTH AND HUMAN SERVICES RESPONSE

The Department of Health and Human Services disagrees with the finding. The federal regulations do not explicitly mandate the separation of duties between employees conducting audits and those processing claims. While 42 CFR 456.2 requires Medicaid agencies to implement a surveillance and utilization control program, it does not specifically require the segregation of these roles. The regulation promotes control measures but does not mandate a distinct separation of duties.

Based on this, we do not support this recommendation, as it exceeds the requirements outlined in the applicable federal rules. HHS remains committed to maintaining strong internal controls and believe our current structure aligns with regulatory expectations.

See "Management's Response and Corrective Action" section of this report.

#### **AUDITOR'S CONCLUDING COMMENTS**

While the audit did not identify noncompliance due to the lack of segregation of duties, this doesn't remove the requirement of 45 CFR 75.303 to have proper internal controls and the guidance of the GAO Greenbook. This includes separating the responsibilities for authorizing, processing and recording, and reviewing the transactions.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

FINDING TYPE: Significant Deficiency - Other Noncompliance		
Finding	2024-009	
Federal Program:	Homeowner Assistance Fund Program	
ALN #:	21.026	
Federal Award Number(s) and Year(s):	HAF0021 (2023 and 2024)	
Federal Agency:	U.S. DEPARTMENT OF THE TREASURY	
Compliance Requirement:	Eligibility	
Questioned Cost:	\$14,993	

#### CONDITION

The Department of Health and Human Services, Homeowner's Assistance Fund (HAF) program, made assistance payments in excess of the supported payment amounts. More specifically, 2 of the 60 eligibility payments reviewed resulted in actual overpayments of \$14,993 and additional likely questioned costs of \$317,445 when projected to the entire population. One of these errors was identified from a population of applications that had two separate reviewers during application and funding amount processing while the other error was derived from the population that had the same reviewer for the application and funding amount decision processing.

#### **CRITERIA**

- 2 CFR 200.303 states that the non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.
- 2 CFR 200.302(a) Each state must expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the state's and the other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award.
- DHHS's HAF Policies & Procedures outlines its Tier 1 and Tier 2 reviews for its HAF application eligibility process.

#### **CAUSE**

The Department of Health and Human Services, Homeowner's Assistance Fund (HAF) program, did not have procedures in place to ensure assistance payments did not exceed the amounts on supporting documentation provided by the recipient.

#### **EFFECT**

The Department issued assistance payments for amounts greater than the underlying support for two unique households.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

#### CONTEXT

During the audit period, the program paid over \$32 million of Federal HAF assistance to citizens of North Dakota. Approximately \$1.75 million of these payments did not go through the program's two tier eligibility review process. This translates to 1,323 out of the 34,432 payments during the audit period having the same reviewer for both tier 1 and tier 2 review.

The State Auditor's Office performed eligibility testing of 60 applications with 20 of the 60 being from the applications that had the same reviewer for both tier 1 and tier 2 review and 40 being from applications with different reviewers for tier 1 and tier 2 review. From the 20 applications and associated payments with the same reviewer, one overpayment of \$2,993.82 was identified which projected to \$11,953.30. From the 40 applications with different reviewers, one overpayment of \$12,000 was noted which projected to \$320,485.56. In aggregate, these errors totaled \$14,993.82 with an additional likely questioned cost of \$317,445. Where sampling was performed, the audit used a non-statistical sampling method.

#### **IDENTIFICATION AS A REPEAT FINDING**

Not a repeat finding.

#### **RECOMMENDATION**

We recommend the Department of Health and Human Services implement procedures and ensure the funding decision and payment amounts are supported by the applicant provided documentation. Additionally, we recommend the Department ensure the improper payments are recouped through the HAF program's refunding process.

#### **DEPARTMENT OF HEALTH AND HUMAN SERVICES RESPONSE**

The Department of Health and Human Services agrees with the recommendation.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

FINDING TYPE: Significant Deficiency - Other Noncompliance		
Finding	2024-010	
Federal Program:	Refugee and Entrant Assistance – State- Administered Programs	
ALN #:	93.566	
Federal Award Number(s) and Year(s):	2301NDRCMA (2023)	
Federal Agency:	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	
	Administration for Children and Families	
Compliance Requirement:	Activities Allowed or Unallowed Allowable Costs/Cost Principles	
Questioned Cost:	\$29,000	

#### CONDITION

Due to a transposition error in DHHS's fiscal office a payment was approved that was incorrect and was not supported by proper documentation. This resulted in a known questioned cost of \$29,000. When projected to the population, additional likely questioned costs of \$160,247 were calculated.

For the month of January 2024, a foster parent of three unaccompanied refugee minors should have received a payment for \$3,255 based on foster care rates and how many days of January in placement. The payment amount was transposed, and payment was incorrectly made for \$32,255 to the foster parent. Prior to this error, the foster parent received \$3,000-\$3,800 per month from the program. Following this error payments decreased due to one child leaving the program and the foster parent received \$2,100 to \$2,500 per month from the program. The foster parent stopped participating in the unaccompanied refugee minor program after the minors in their care were reunited with relatives, therefore leaving the program.

#### **CRITERIA**

45 CFR 75.303 states that the non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

45 CFR 400.49 states the State agency or its designee agency(s) must maintain a procedure to ensure recovery of overpayments and correction of underpayments in the Refugee Cash Assistance (RCA) program.

45 CFR 400.112 states Foster care maintenance payments must be provided under a State's program under title IV-E of the Social Security Act if a child is eligible under that program.

#### **CAUSE**

Payment was entered incorrectly into the states accounting system and the error was not detected during the manual review process. Also, the unaccompanied refugee minors' program coordinator was not contacted by the foster parent regarding the overpayment.

#### **EFFECT**

Overpayments were made to foster parents receiving unaccompanied refugee minors' funds.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

#### CONTEXT

There were 529 unaccompanied minor foster payments that occurred during our audit period of July 1, 2022, through June 30, 2024, for a total of \$799,439. The audit selected a random sample of seven of 28 unaccompanied minors and tested 95 payments to the foster parents of these minors. The audit identified one known error in the amount of \$29,000. When projected to the population, additional likely questioned costs of \$160,247 were calculated. Where sampling was performed, the audit used a non-statistical sampling method.

#### **IDENTIFICATION AS A REPEAT FINDING**

Not a repeat finding.

#### RECOMMENDATION

We recommend the Department of Human Services develop a corrective action plan to address the errors identified in the audit and recover payments made on unsupported claims.

### **DEPARTMENT OF HEALTH AND HUMAN SERVICES RESPONSE**

The Department of Health and Human Services agrees with the recommendation.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

FINDING TYPE: Significant Deficiency - Other Noncompliance		
Finding	2024-011	
Federal Program:	Money Follows the Person Rebalancing Demonstration	
ALN #:	93.791	
Federal Award Number(s) and Year(s):	1LICMS030171 (2023 and 2024)	
Federal Agency:	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	
	Centers for Medicare and Medicaid Services	
Compliance Requirement:	Activities Allowed or Unallowed Allowable Costs/Cost Principles	
Questioned Cost:	\$176	

#### CONDITION

Providers did not submit proper documentation for care provided to individuals. The audit requested supporting documentation for tested claims from the providers and found errors in 1 of the total 25 claims tested by the auditors.

The error resulted in an improper payment totaling \$176. When projected to the entire population, the additional likely federal questioned costs totaled \$281,698.

#### **CRITERIA**

45 CFR 75.303 states that the non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Money Follows the Person (MFP) is a federally funded Medicaid program.

- 42 CFR 431.960 (c) (1) states a medical review error is an error resulting in an overpayment or
  underpayment that is determined from a review of the provider's medical record or other
  documentation supporting the service(s) claimed, Code of Federal Regulations that are applicable to
  conditions of payment, the State's written policies, and a comparison between the documentation and
  written policies and the information presented on the claim resulting in Federal and/or State improper
  payments.
- 42 CFR 431.960 (c) (3) states medical review errors include, but are not limited to, the following: (i) lack of documentation, (ii) insufficient documentation, and (iii) procedure coding errors.

#### **CAUSE**

DHHS was not able to obtain the required documentation after multiple requests.

#### **FFFFCT**

An unallowable payment was made to the provider who did not submit proper documentation when selected for audit.

# Schedule of Federal Findings and Questioned Costs Fiscal Years Ended June 30, 2023 and 2024

#### CONTEXT

There were 28,533 MFP claims that occurred during our audit period of July 1, 2022, through June 30, 2024. The federal portion of the projected likely questioned costs was calculated by using the average federal matching rate for claims paid during the period of the claim. Where sampling was performed, the audit used a nonstatistical sampling method.

#### **IDENTIFICATION AS A REPEAT FINDING**

Not a repeat finding.

#### **RECOMMENDATION**

We recommend the Department of Human Services develop a corrective action plan to address the errors identified in the audit and recover payments made on unsupported claims.

#### **DEPARTMENT OF HEALTH AND HUMAN SERVICES RESPONSE**

The Department of Health and Human Services agrees with the recommendation.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

FINDING TYPE: Significant Deficiency – Other Noncompliance		
Finding	2024-012	
Federal Program:	Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	
ALN #:	10.557	
Federal Award Number(s) and Year(s):	233ND707W1006 (2023)	
Federal Agency:	U.S. DEPARTMENT OF AGRICULTURE	
	Food and Nutrition Service	
Compliance Requirement:	Activities Allowed or Unallowed Allowable Costs/Cost Principles	
Questioned Cost:	\$15,451	

#### CONDITION

The Department of Health and Human Services (DHHS) charged WIC special formula distribution center food outlay costs to the wrong Federal fiscal year.

#### **CRITERIA**

Federal regulation, 2 CFR 200.403(h), states, in part, in order to be allowable under Federal awards, costs must be incurred during the approved budget period.

Federal regulation, 2 CFR 200.303, requires non-Federal entities, in part, to establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

#### **CAUSE**

The Department of Health and Human Services does not have a procedure to ensure special formula distribution center food outlays are applied to the correct Federal fiscal year.

#### **EFFECT**

The WIC special formula distribution center food outlay costs charged to the wrong Federal fiscal year resulted in unallowable costs to the Federal fiscal year in which they were charged since the costs were outside of the period of performance for grant. This also impacted the accuracy of Federal fiscal year expenses reported to USDA Food and Nutrition Services.

#### CONTEXT

State agencies can only charge allowable costs for obligations incurred during the grant's period of performance. The WIC grant is available for one year, October 1 through September 30, and only obligations incurred during that period can be charged to the grant. The Department of Health and Human Services incurred costs in August 2022 for FFY 2022 for special formula distribution center food outlays that were paid in February 2023 and charged to FFY 2023.

A random sample test identified a known error amount is \$15,451 with likely projected questioned costs of \$71,642. Twenty-six special formula distribution center payments were made during the audit period totaling \$604,441. Aside from the projection and based on support provided by DHHS, eight special formula

# Schedule of Federal Findings and Questioned Costs Fiscal Years Ended June 30, 2023 and 2024

distribution center payments, in addition to the known error from sample testing, totaling \$198,289, are likely charged to the incorrect Federal fiscal year. Where sampling was performed, the audit used a non-statistical sampling method.

#### **IDENTIFICATION AS A REPEAT FINDING**

Not a repeat finding.

#### RECOMMENDATION

We recommend the Department of Health and Human Services establish procedures to ensure WIC special formula distribution center food outlay costs are charged to the proper Federal fiscal year. We also recommend the Department of Health and Human Services work with U.S. Food and Nutrition Services to complete a post closeout adjustment to accurately reflect expenses within the correct Federal fiscal years.

#### **DEPARTMENT OF HEALTH AND HUMAN SERVICES RESPONSE**

The Department of Health and Human Services agrees with the recommendation.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

FINDING TYPE: Significant Deficiency		
Finding	2024-013	
Federal Program:	Emergency Rental Assistance Program	
ALN #:	21.023	
Federal Award Number(s) and Year(s):	ERA-2101122971 and ERA2-0190 (2022)	
Federal Agency:	U.S. DEPARTMENT OF THE TREASURY	
Compliance Requirement:	Activities Allowed or Unallowed Allowable Costs/Cost Principles Eligibility	
Questioned Cost:	Unknown	

#### CONDITION

The Department of Health and Human Services, Emergency Rental Assistance (ERA) program, bypassed its two tier review process used for determining program eligibility and the approved funding decision amount that is paid to ERA recipients. Approximately 10% of all ERA payments during the audit period, totaling approximately \$8.2 million, were paid from eligibility determinations where the two tier review was bypassed.

#### **CRITERIA**

- 2 CFR 200.303 states that the non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.
- DHHS's ERA Policies & Procedures outlines its Tier 1 and Tier 2 reviews for its ERA application eligibility process.

#### **CAUSE**

The Department of Health and Human Services, Emergency Rental Assistance (ERA) program, did not require its two tier review of ERA applications and assistance amounts during the entirety of the audit period. The program experienced significant influxes of applications at various times during the audit period which caused a backlog on application processing. To help ensure individuals applying for assistance weren't excessively delayed, the program decided to bypass its two tier review process of eligibility and funding decision amount to alleviate backlog more quickly.

#### **EFFECT**

The Department determined applicant program eligibility and made assistance payments through a single reviewer process resulting in a higher risk of both program ineligibility and inaccurate payment amounts. While no eligibility errors were identified through compliance testing, the bypass of its two tier review process created a control environment inadequate to reduce the risk of eligibility related errors. It was noted that Federal ERA FAQ Guidance states that, "grantees are encouraged to rely on a household's self-attestations for purposes of confirming eligibility" (FAQ 1) and "the grantee may rely on a self-attestation of household income without further verification if the applicant confirms in their application or other document that they are unable to provide documentation of their income" (FAQ 4).

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

#### CONTEXT

During the audit period, the program paid over \$85 million of Federal ERA assistance to those with housing instability or risk of homelessness. Approximately \$8.2 million of these payments did not go through the program's two tier eligibility review process. This translates to 7,853 out of the 94,172 payment numbers during the audit period having the same reviewer for both tier 1 and tier 2 review.

The State Auditor's Office performed eligibility testing of 60 applications and the associated assistance payments and did not identify any eligibility errors. More specifically, 20 of the 60 tested were from the applications with the same reviewer for both tier 1 and tier 2 review. While the 20 had the same reviewer for both tiers of review, no errors were identified in the testing of eligibility. Where sampling was performed, the audit used a non-statistical sampling method.

#### **IDENTIFICATION AS A REPEAT FINDING**

Not a repeat finding.

#### RECOMMENDATION

We recommend the Department of Health and Human Services follow its ERA program policies and procedures surrounding its two tier eligibility review process to ensure the control environment reduces the risk of eligibility determination related errors and associated funding decision errors.

#### **DEPARTMENT OF HEALTH AND HUMAN SERVICES RESPONSE**

The Department of Health and Human Services agrees with the recommendation.

# Schedule of Federal Findings and Questioned Costs Fiscal Years Ended June 30, 2023 and 2024

# **Department of Public Instruction**

FINDING TYPE: Significant Deficiency - Other Noncompliance		
Finding	2024-014	
Federal Program:	Child Nutrition Cluster and Fresh Fruit and Vegetable Program	
ALN #:	10.553, 10.555, 10.556, 10.559, 10.582	
Federal Award Number(s) and Year(s):	3ND300309N1199 (2023 and 2024) 3ND378L1603 (2023)	
Federal Agency:	U.S. DEPARTMENT OF AGRICULTURE	
	Food and Nutrition Service	
Compliance Requirement:	Reporting	
Questioned Cost:	\$0	

#### CONDITION

The Department of Public Instruction (DPI) did not report Child Nutrition Cluster subawards to the Federal Funding Accountability and Transparency Act (FFATA) correctly. After testing FFATA reporting for the Child Nutrition Cluster, it was discovered that there were FFATA errors in the following areas:

1. The Department of Public Instruction did not report the subaward information timely for the Child Nutrition Cluster (CNC) (Assistance Listing number 10.553, 10.555, 10.559) for the 2023 grant year awards (October 2022-September 2023). After an analysis of grants awarded in 2023, we randomly sampled and pulled 11 awards to test. We found that all 11 were not submitted timely. The samples we pulled should have been reported by 4/30/23, 6/30/23, 7/31/23, 9/30/23, 11/30/23, and 1/31/24, but were not reported until 4/3/24 or 4/5/24. DPI explained that this occurred because all CNP reports from March to October of 2023 had to be resubmitted due to the wrong FEIN # being used on the reports. DPI resubmitted these reports on 4/3/24 and 4/5/24. The resubmitting of reports over a year later and without evidence that the reports were initially submitted timely is the reason for the audit finding. Those grant awards totaled \$328,815.19.

Transactions Tested	Subaward not	Report not timely	Subaward amount	Subaward missing
	reported		incorrect	key elements
11	0	11	0	0
Dollar Amount of	Subaward not	Report not timely	Subaward amount	Subaward missing
Tested Transactions	reported		incorrect	key elements
\$328,815.19	\$0	\$328,815.19	\$0	\$0

2. The Department of Public Instruction did not report the subaward information timely for the Child Nutrition Cluster (Assistance Listing number 10.553, 10.555, 10.556, 10.559) for the 2024 grant year awards (October 2023-September 2024). After an analysis of grant awards awarded in 2024, we randomly sampled and pulled 4 awards to test. We found one of the four was not reported timely to FFATA. The report should have been submitted by 1/31/24 but it wasn't reported until 3/4/24.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

Transactions Tested	Subaward not	Report not timely	Subaward amount	Subaward missing
	reported		incorrect	key elements
4	0	1	0	0
Dollar Amount of	Subaward not	Report not timely	Subaward amount	Subaward missing
Tested Transactions	reported		incorrect	key elements
\$77,950.90	\$0	\$30,438.33	\$0	\$0

3. The Department of Public Instruction did not report the subaward information for the Child Nutrition Cluster (Assistance Listing number 10.553, 10.555, 10.556, 10.559) for program months November and December of 2023 of the October 2023-September 2024 grant year. After an analysis of grant awards for that grant year and as reported to the auditor by DPI, it was discovered that 133 subawards should have been reported to FFATA, totaling \$1,437,209.93.

Transactions Tested	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
0	133	0	0	0
Dollar Amount of Tested Transactions	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
0	\$1,437,209.93	\$0	\$0	\$0

4. The Department of Public Instruction did not properly report the subaward action/obligation date in the FSRS system for the Child Nutrition Cluster (Assistance Listing number 10.553, 10.555, 10.556, 10.559, 10.582). DPI staff run the FFATA report from the ND Foods system at the end of every month which is then uploaded into the FSRS system. In the FSRS system, it is listing the subaward action /obligation date as the day the report was pulled which is not the same day that payments are actually made. DPI reported the wrong subaward action/obligation date for all Child Nutrition Cluster samples that were pulled. There is no dollar error for these awards, only the obligation date.

Transactions Tested	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
18	0	0	0	18
Dollar Amount of Tested Transactions	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
\$607,316.09	\$0	\$0	\$0	\$0

#### **CRITERIA**

Federal regulation 2 CFR 170, Appendix A requires a Federal Financial Assistance Transparency Act (FFATA) report for each subaward that equals or exceeds \$30,000 no later than the end of the month following the month in which the obligation was made.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

2 CFR 200.303(a) states that non-Federal entities must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

#### **CAUSE**

DPI does not have adequate policies and procedures to ensure accurate and timely reporting for FFATA

#### **EFFECT**

Not meeting the FFATA requirements increases the likelihood that the public will not have access to transparent and accurate information regarding expenditures of federal awards. Additionally, federal regulations address actions that federal agencies may impose if a state entity does not comply with the U.S. Constitution, federal statutes, regulations, or the terms and conditions of a federal award. According to 2 CFR 200.208(c), "Specific conditions," these actions may include

- requiring reimbursement instead of advance payments;
- not allowing the agency to proceed to the next phase until it submits evidence of acceptable performance;
- requiring additional, more detailed financial reports or additional project monitoring;
- requiring the agency to obtain technical or management assistance; or
- establishing other prior approvals.

If the federal agency determines the state agency cannot remedy its noncompliance through the above actions, 2 CFR 200.339, "Remedies for noncompliance," outlines additional actions the federal agency may take. Depending on the circumstances, these actions may include:

- temporarily withholding payments until the noncompliance has been corrected,
- Denying the use of funds,
- partly or fully suspending or terminating the federal award,
- suspending or debarring the agency,
- withholding further awards for the project or program, or
- pursuing other available legal remedies.

#### CONTEXT

During our audit period, there were 407 subrecipients receiving Federal grant awards for the Child Nutrition Cluster program totaling \$68,351,704. Out of the 407 subrecipients, 309 were over the \$30,000 threshold and should have been reported to FFATA. In 2023, there were 164 subrecipients and, in 2024, 145 subrecipients that met the threshold, for a total of \$66,879,778. Where sampling was performed, the audit used a non-statistical sampling method.

# Schedule of Federal Findings and Questioned Costs Fiscal Years Ended June 30, 2023 and 2024

#### **IDENTIFICATION AS A REPEAT FINDING**

Finding 2022-022 was reported in the immediate prior year.

The prior audit finding was reported as implemented on the summary schedule of prior audit findings. This materially misrepresents the status of the finding.

#### **RECOMMENDATION**

We recommend the Department of Public Instruction implement policies and procedures to ensure timely and accurate submission of FFATA reports in accordance with federal regulations.

#### **DEPARTMENT OF PUBLIC INSTRUCTION RESPONSE**

The Department of Public Instruction agrees with the issues identified.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

FINDING TYPE: Significant Deficiency - Other Noncompliance		
Finding	2024-015	
Federal Program:	Supporting Effective Instruction State Grants	
ALN #:	84.367	
Federal Award Number(s) and Year(s):	S367A22033-22A (2023)	
Federal Agency:	U.S. DEPARTMENT OF EDUCATION	
Compliance Requirement:	Eligibility	
Questioned Cost:	\$60,026	

#### CONDITION

The Department of Public Instruction incorrectly included neglected or delinquent facilities as part of their Title IIA allocation to Local Educational Agencies (LEA). We selected a sample of 17 in 2022-2023 and 17 in 2023-2024. Of the 17 samples in 2022-2023, we identified a 100% error rate. The total known allocation error identified was \$60,026. This amount was the total allocated to negligent and delinquent districts. By allocating this amount to the noneligible districts, the eligible school districts were under allocated by the same amount. This was issue was fixed by the department for the 2023-2024 year and no error were found during the testing of 2023-2024.

#### **CRITERIA**

The Elementary and Secondary Education Act of 1965 (ESEA Section 2012(a)(1)) states, the State, acting through the State Educational Agency (DPI), shall award subgrants to eligible local educational agencies (LEA).

2 CFR 200.303(a) states that non-Federal entities must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulation, and the terms and conditions of the federal award.

The Elementary and Secondary Education Act of 1965 (ESEA Section 8101(30) states "the term local educational agency means a public board of education or other public authority legally constituted within a state for either administrative control or direction of, or to perform a service function for, public elementary schools or secondary schools in a city, county, township, school district, or other political subdivision of a state, or for a combination of school districts or counties that is recognized in a state administrative agency for its public elementary school or secondary schools."

The Elementary and Secondary Education Act of 1965 (ESEA Section 1432) defines Institutions for Neglected or Delinquent Children and Youth as "a public or private residential facility, other than a foster home, that is operated for the care of children who have been committed to the institution or voluntarily placed in the institution under applicable State law, due to abandonment, neglect, or death of their parents or guardian; or a public or private residential facility for the care of children who have deemed adjudicated to be delinquent or in need of supervision."

As Neglected and Delinquent Facilities are operated only for the care of old children who have been committed or placed in their institution due to abandonment, neglect, death of their parents or guardians, or in need of supervision, these facilities are not recognized as Local Educational Agency.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

#### **CAUSE**

The Department of Public Instruction was unaware that neglected and delinquent facilities could not be included in their Title IIA allocation calculation and on subrecipient's grant awards.

#### **EFFECT**

The Department of Public Instruction did not comply with the allocation requirements to LEAs for Title IIA grants. The LEAs eligible to receive funding were allocated less than they should have.

#### CONTEXT

The Department of Public Instruction allocated \$9,834,095 in Federal funds to 169 school districts during the 2022-2023 school year and \$9,939,938 in Federal funds to 169 school districts during the 2023-2024 school year. Where sampling was performed, the audit used a non-statistical sampling method.

#### **IDENTIFICATION AS A REPEAT FINDING**

Finding 2022-032 was reported in the immediate prior year.

The prior audit finding was reported as implemented on the summary schedule of prior audit findings. This materially misrepresents the status of the finding.

#### RECOMMENDATION

We recommend the Department of Public Instruction ensure the Title IIA allocations are calculated based on the Federal requirements.

#### **DEPARTMENT OF PUBLIC INSTRUCTION RESPONSE**

The Department of Public Instruction agrees with the finding.

# Schedule of Federal Findings and Questioned Costs Fiscal Years Ended June 30, 2023 and 2024

FINDING TYPE: Significant Deficience	y - Other Noncompliance
Finding	2024-016
Federal Program:	Child Nutrition Cluster, Child and Adult Care Food Program, State Administered Expenses for Child Nutrition, Team Nutrition Grants, Child Nutrition Discretionary Grants Limited Availability, Registered Apprenticeship, Adult Education – Basic Grants to States, Title I Grants to Local Education Agencies, Special Education Cluster (IDEA), Education for Homeless Children and Youth, Twenty-First Century Community Learning Centers, Rural Education, English Language Acquisition State Grants, Supporting Effective Instruction State Grants, Grants for State Assessments and Related Activities, Comprehensive Literacy Development, Student Support and Academic Enrichment Program, and Education
ALN#:	Stabilization Fund 10.553, 10.555, 10.558, 10.559, 10.560, 10.574, 10.579, 10.582, 17.285, 84.002, 84.010, 84.027, 84.173, 84.196, 84.287, 84.358, 84.365, 84.367, 84.369, 84.371, 84.424, and 84.425
Federal Award Number(s) and Year(s):	3ND300309, 3ND310378, and 3ND308901 (2022 and 2023) 223ND309N1099 and 233ND309N1099 (2022 and 2023) 3ND300011 (2022, 2023, and 2024) 8ND200100 and 8ND300100 (2022 and 2024) 3ND205031 and 3ND300606 (2023) 23A60AP000007-01-00 and 23A60A000047-01-00 (2023 and 2024) V002A220035 and V002A230035 (2023 and 2024) S010A220034-22A and S010A220034-23A (2023 and 2024) H027A210049, H027A220049, H027A230049, H173A210094, H173A220094, and H173A230094 (2021, 2022, and 2023) S196A220035 and S196A230035 (2023 and 2024) S287C210034 and S287C220034 (2022 and 2023) S358B210034, S358B220034, and S358B230034 (2022, 2023, and 2024)

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

	S365A210034 and S365A220034 (2022 and 2023) S367A220033-22A and S367A220033-23A (2023 and 2024) S369A210035, S369A220035, and S369A230035 (2022, 2023, and 2024) S371C190005 (2023 and 2024) S424A220035 and S424A230035 (2023 and 2024) S425D200007, S425D210007, S425R210051, S425V210051, S425U210007, and S425W210035 (2022, 2023, and 2024)
Federal Agency:	U.S. DEPARTMENT OF AGRICULTURE U.S. DEPARTMENT OF LABOR U.S. DEPARTMENT OF EDUCATION
Compliance Requirement:	Subrecipient Monitoring
Questioned Cost:	\$0

#### CONDITION

The Department of Public Instruction did not ensure all subrecipients submitted a Single Audit Report or a form identifying a Single Audit is not required. In addition, The Department of Public Instruction did not issue management decisions on audit findings within 6 months or ensure that timely and appropriate corrective action was taken in all applicable instances.

#### **CRITERIA**

2 CFR 200.331(f) states that a pass-through entity must verify that every subrecipient is audited as required by 2 CFS 200 Subpart F.

2 CFR 200.311(d)(2) states that a pass-through entity must ensure subrecipients take timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity through audits, on-site reviews, and other means.

2 CFR 200.521(d) states that a pass-through entity must issue a management decision within six months of acceptance of the audit report by the Federal Audit Clearinghouse (FAC).

2 CFR 200.303(a) states that non-federal entities must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with statutes, regulations, and the terms and condition of the federal award.

#### **CAUSE**

The Department of Public Instruction maintains a spreadsheet to track all subrecipient audit report monitoring, however, they did not ensure that everyone on the spreadsheet provided a Single Audit report, or review the filed report within 6 months, or provided a certification of total federal expenditures.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

#### **EFFECT**

Subrecipients spending more than \$750,000 from all federal sources may not be obtaining audits as required or may not be implementing a corrective action plan in a timely manner if findings are noted in audits that were completed. The Department of Public instruction is not meeting the requirements of 2 CFR 200 Subpart F.

#### **CONTEXT**

The total number of subrecipients was 536 and the total amount received from the Department of Public Instruction was \$667,731,290. Where sampling was performed, the audit used a non-statistical sampling method. Of all the subrecipients that had errors, the total amount they received from the Department of Public Instruction was \$53,403,270.

Sixty subrecipients that received funds from the Department of Public Instruction were included in our sampling. One subrecipient was not included on the Departments tracking spreadsheet, two subrecipients did not received the required audit as required by 2 CFR Subpart F. 10 Subrecipients had reports filed, but the Department did not review the report within the required 6 month window.

#### **IDENTIFICATION AS A REPEAT FINDING**

Finding 2022-033 was reported in the immediate prior year. Findings 2020-021 and 2018-041 were reported in previous years. The prior audit finding was reported as implemented on the summary schedule of prior audit findings. This materially misrepresents the status of the finding.

#### RECOMMENDATION

We recommend the Department of Public Instruction:

- Ensure all subrecipients obtain audits in accordance with 2 CFR 200 Subpart F if they meet the requirements;
- Issue management decisions within a timely manner;
- Ensure subrecipients took timely corrective action on deficiencies identified in the audits.

#### **DEPARTMENT OF PUBLIC INSTRUCTION RESPONSE**

The Department of Public Instruction agrees with the finding.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2024-017
Federal Program:	Child and Adult Care Food Program, Title I Grants to Local Education Agencies, Special Education Cluster (IDEA), Supporting Effective Instruction State Grants, and Education Stabilization Fund
ALN #:	10.558, 84.010, 84.027, 84.173, 84.367, and 84.425
Federal Award Number(s) and Year(s):	243ND309N1099 (2024) S010A220034 (2023) H027A220049 (2022) S367A220033 and S367A230033 (2023 and 2024) S425D210007 and S425U210007 (2021)
Federal Agency:	U.S. DEPARTMENT OF AGRICULTURE U.S. DEPARTMENT OF EDUCATION
Compliance Requirement:	Subrecipient Monitoring
Questioned Cost:	\$0

#### CONDITION

The Department of Public Instruction did not make subrecipients aware of all required grant award information for the Special Education Cluster, Title 1, Supporting Effective Instruction, Child and Adult Care Food Program, and Education Stabilization Fund.

#### **CRITERIA**

2 CFR 200.332 requires pass-through entities to communicate specific required information to subrecipients. Required information includes:

- Subrecipients name (Must match the name associated with its unique entity identifier)
- Subrecipients unique entity identifier
- Federal award identification number (FAIN)
- Federal award date
- Subaward period of performance start and end date
- Amount of Federal funds obligated in the subaward
- Total amount of Federal funds obligated to the subrecipient by the pass-through entity, including the current financial obligation
- Total amount of the Federal award committed to the subrecipient by the pass-through entity
- Federal award project description, as required by the Federal Funding Accountability and Transparency Act (FFATA)
- Name of the Federal agency, pass-through entity, and contact information for awarding official of the pass-through entity
- Assistance listings title and number; the pass-through entity must identify the dollar amount made available under each federal award and the Assistance listings number at the time of disbursement
- Identification of whether the Federal award is for research and development
- Indirect cost rate for the Federal award (including if the de minimis rate is used)

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

- All requirements of the subaward, including requirements imposed by federal statutes, regulations, and the terms and condition of the Federal award

2 CFR 200.303 requires non-Federal entities, in part, to establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

#### **CAUSE**

Not all grant agreement requirements were entered into the grant award template.

#### **EFFECT**

Subrecipients may not have been aware of all necessary grant information and requirements.

#### CONTEXT

The number of grant agreements during the audit period is listed below.

A. Special Education Cluster - 134 awards - 14 tested with 10 errors noted

The following criteria were missing or incorrect:

- Total amount of the Federal award committed to the subrecipient by the pass-through entity

B. Title I program - 276 awards - 25 tested with 16 errors noted

The following criteria were missing or incorrect:

- Total amount of the Federal award committed to the subrecipient by the pass-through entity

C. Supporting Effective Instruction - 278 awards - 25 tested with 21 errors noted

The following criteria were missing or incorrect:

- Subrecipients unique entity identifier
- Federal award date
- Federal award Identification Number (FAIN)
- Total amount of the Federal award committed to the subrecipient by the pass-through entity

D. Child and Adult Care Food Program - 134 awards - 14 tested with 2 errors noted

The following criteria were missing or incorrect:

- Subrecipients unique entity identifier
- 1 subrecipient did not have a grant contract

E. Education Stabilization Fund - 641 awards - 40 tested with 10 errors noted

The following criteria were missing or incorrect:

- Subrecipient name (1 sample did not have the correct subrecipient name on the grant award)
- Subrecipients unique entity identifier (2 did not match the Subrecipient name on grant award)
- Federal award date (8 awards did not have this)
- Name of Federal awarding agency, pass-through entity, and contact information for awarding official of the Pass-through entity (6 awards did not include Name of Federal Awarding Agency (Dept of Education) on grant award)

Where sampling was performed, the audit used a non-statistical sampling method.

# Schedule of Federal Findings and Questioned Costs Fiscal Years Ended June 30, 2023 and 2024

#### **IDENTIFICATION AS A REPEAT FINDING**

Finding 2022-024 was reported in the immediate prior year. The prior audit finding was reported as implemented on the summary schedule of prior audit findings. This materially misrepresents the status of the finding.

#### RECOMMENDATION

We recommend the Department of Instruction update its grant award templates to ensure that subrecipients are made award of all required grant award information

#### **DEPARTMENT OF PUBLIC INSTRUCTION RESPONSE**

The Department of Public Instruction agrees with the finding.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

### Office of Management and Budget

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2024-018
Federal Program:	Coronavirus State and Local Fiscal Recovery Funds
ALN #:	21.027
Federal Award Number(s) and Year(s):	SLFRP1964 (2022)
Federal Agency:	U.S. DEPARTMENT OF THE TREASURY
Compliance Requirement:	Reporting
Questioned Cost:	\$0

#### CONDITION

The audit tested quarterly Project and Expenditure reports of the State and Local Fiscal Recovery Funds (SLFRF) program for the periods ending March 2023, December 2023, and June 2024. Project and Expenditure reports are prepared and submitted by the ND Office of Management and Budget.

Errors in key line items in all three quarterly Project and Expenditures Reports tested were identified. Key line items with errors included current period expenditures, cumulative expenditures, and current period obligations.

Current period expenditures reported on the March 2023 and December 2023 reports did not agree to the tracking spreadsheet used to prepare the report. The net unreconciled difference in current period expenditures for these quarters was \$732,036. The reason for the difference included that OMB's own SLFRF expenditures were not reported in the proper period.

Cumulative expenditures reported by OMB for all three covered periods did not agree to the tracking spreadsheet used to prepare the report. The state's actual cumulative expenditures were not determined since changes or revisions can be reflected in the next Project and Expenditures report. However, cumulative expenditures reported by OMB for the covered period ending June 30, 2024, totaled \$686,652,130 while cumulative expenditures reported by agencies and universities on SEFAs for the same period totaled \$670,946,688. The basis of accounting used to prepare the SEFA varies amongst the agencies and universities; however, the state's cumulative expenditures are expected to reconcile to the state's SLFRF allocation in its final Project and Expenditure Report.

Current period obligations reported by OMB for the covered period ending June 30, 2024, totaled \$93,696,726, which should have been \$0. This error did not impact the cumulative obligation amount since OMB previously reported the state's SLFRF allotment was 100% obligated in the cumulative obligation amount for the covered period ending December 31, 2023.

#### **CRITERIA**

According to Coronavirus State and Local Fiscal Recovery Funds Compliance and Reporting Guidance, states are required to submit quarterly Project and Expenditure Reports. The 2023 and 2024 Compliance Supplements indicate the following line items are key line items: current period obligation, cumulative

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

obligation, current period expenditure, and cumulative expenditure are key line items. In addition, report corrections cannot be made after the reporting deadline unless prompted by Treasury staff. Any changes or revisions will need to be reflected in the next Project and Expenditure report.

2 CFR 200.502 states that the determination of when a federal award is expended must be based on when the activity related to the award occurs. In general, the activity pertains to events that require the nonfederal entity to comply with federal statutes, regulations, and the terms and conditions of federal awards.

2 CFR 200.303(a) states that non-Federal entities must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

#### **CAUSE**

OMB manages State and Local Fiscal Recovery Funds centrally and developed a process to reimburse agencies for their eligible expenditures once expenditures are incurred and agencies requested reimbursement. As a result, reimbursement from the state's allocation of SLFRF moneys always occurs after the agency expenditure. Funds were included in the federal report for the period in which reimbursement to the agency occurred. In some cases, this resulted in the agency expenditure occurring in a period prior to the period covered under the quarterly SLFRF report. In addition, OMB's reporting process did not identify its own SLFRF expenditures in a timely manner. Lastly, OMB did not consistently utilize its tracking spreadsheet for reporting certain key line items.

#### **EFFECT**

State and Local Fiscal Recovery Funds (SLFRF) data reported to the U.S. Department of Treasury in quarterly Project and Expenditures Reports was inaccurate.

#### CONTEXT

In March 2021, the Federal Department of Treasury obligated funds to all 50 states under the State Local and Fiscal Recovery Fund to help states mitigate negative economic impacts caused by the COVID-19 pandemic. In November 2021, the special session of the 67th legislature obligated use of the majority of the funds to various agencies across the state. As the state was able to show that the revenue lost in years 2020 and 2021 exceeded the amount of the obligation from the Department of Treasury, the state was able to claim use of these funds under revenue replacement which allowed the state to utilize them for 'government operations' in addition to other specific uses and also allowing the state to report use of these funds under a single 'revenue replacement' project. The agencies began using the funds for purposes after they were obligated by the state legislature and began recording expenditures against the grant throughout our audit period. When these funds were initially disbursed to the state in March 2021, the funds were received by OMB and OMB then transferred reimbursement to agencies on request. The remainder of the funds were obligated by the state legislature during the 68th Legislative Assembly, which included any turnback funds obligated in previous legislation.

North Dakota's project description on the reports was consistent and based on legislative appropriation. As reported, "Due to its extraordinary revenue loss during the pandemic, North Dakota's entire SLFRF allocation is dedicated to project expenditure category group 6 – Revenue Replacement. Consequently, all expenditures will fall under project expenditure category 6.1 – Provision of Government Services. Government services, as defined by the North Dakota legislature, includes economic development and workforce development initiatives, infrastructure and deferred maintenance initiatives, state service delivery and information technology improvements, and healthcare and emergency response initiatives."

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

Cumulative expenditures reported by OMB for the covered period ending June 30, 2024, totaled \$686,652,130. Cumulative expenditures reported by agencies and universities on SEFAs for the same period totaled \$670,946,688; however, the basis of accounting used to prepare the SEFA varies amongst the agencies and universities. The state's cumulative expenditures are expected to reconcile to the state's SLFRF allocation in its final Project and Expenditure Report. Where sampling was performed, the audit used a non-statistical sampling method.

#### **IDENTIFICATION AS A REPEAT FINDING**

Finding 2022-035 was reported in the immediate prior year.

#### RECOMMENDATION

We recommend the Office of Management and Budget ensure quarterly Project and Expenditure Reports accurately report the State's SLFRF obligations and expenditures to the Department of Treasury.

#### OFFICE OF MANAGEMENT AND BUDGET RESPONSE

The Office of Management agrees with this finding, but will continue federal reporting based on the timing of reimbursement of expenditures to other state agencies for the duration of the SLFRF reporting period. OMB will ensure all expenditures of SFLRF funding are accurately included in the reports based on the period of reimbursement. Because OMB is responsible for the state reporting under this program, it is necessary to maintain some level of control over these funds. Consequently, OMB manages the funds centrally and developed a process to reimburse agencies for their eligible expenditures once expenditures were incurred and agencies requested reimbursement. As a result, reimbursement from the state's allocation of SLFRF moneys always occurs after the agency expenditure. Funds are included in the Federal report for the period in which reimbursement from the SLFRF occurs. In some cases, this results in the agency expenditure occurring in a period prior to the period covered under the quarterly SLFRF report in which the reimbursement is reported. To better track OMB expenditures of SLFRF moneys, which is a separate process from the reimbursement of other agencies, OMB will run specific expense reports for OMB agency expenditures to ensure all SLFRF expenses are reported in the proper period.

See "Management's Response and Corrective Action" section of this report.

#### **AUDITOR'S CONCLUDING COMMENTS**

While the Office of Management and Budget agrees with the finding, continuing Federal reporting based on the timing of reimbursed expenditures will likely cause further inaccurate SLFRF reporting. In addition, amounts transferred to agencies are not confirmed to not exceed incurred expenditures to ensure a reimbursement process is in place.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

### **State Treasurer's Office**

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2024-019
Federal Program:	Mineral Leasing Act
ALN #:	15.437
Federal Award Number(s) and Year(s):	Certified by ND SAO Mineral Royalty Audits (2023 and 2024)
Federal Agency:	U.S. DEPARTMENT OF THE INTERIOR
Compliance Requirement:	Subrecipient Monitoring
Questioned Cost:	\$0

#### CONDITION

The State Treasurer's Office did not make subrecipients aware of all required grant award information for the Mineral Leasing Act.

#### **CRITERIA**

2 CFR 200.332 requires pass-through entities to communicate specific required information to subrecipients. Required information includes:

- Subrecipients name (Must match the name associated with its unique entity identifier)
- Subrecipients unique entity identifier
- Federal award identification number (FAIN)
- Federal award date
- Subaward period of performance start and end date
- Amount of Federal funds obligated in the subaward
- Total amount of Federal funds obligated to the subrecipient by the pass-through entity, including the current financial obligation
- Total amount of the Federal award committed to the subrecipient by the pass-through entity
- Federal award project description, as required by the Federal Funding Accountability and Transparency Act (FFATA)
- Name of the Federal agency, pass-through entity, and contact information for awarding official of the pass-through entity
- Assistance listings title and number; the pass-through entity must identify the dollar amount made available under each federal award and the Assistance listings number at the time of disbursement
- Identification of whether the Federal award is for research and development
- Indirect cost rate for the Federal award (including if the de minimis rate is used)
- All requirements of the subaward, including requirements imposed by federal statutes, regulations, and the terms and condition of the Federal award

2 CFR 200.303 requires non-Federal entities, in part, to establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

#### **CAUSE**

Not all grant agreement requirements were included in the grant award template.

#### **EFFECT**

Subrecipients may not have been aware of all necessary grant information and requirements.

#### CONTEXT

There were 40 awards during the audit period of 7/1/2022 - 6/30/2024. There were 8 awards tested with 8 errors noted. The following criteria were missing:

- (ii) Subrecipient's unique entity identifier;
- (iii) Federal Award Identification Number (FAIN);
- (xiii) Identification of whether the award is R&D; and
- (xiv) Indirect cost rate for the Federal award (including if the de minimis rate is charged) per § 200.414.
- (4) (i) An approved federally recognized indirect cost rate negotiated between the subrecipient and the Federal Government. If no approved rate exists, the pass-through entity must determine the appropriate rate in collaboration with the subrecipient, which is either: (A) The negotiated indirect cost rate between the pass-through entity and the subrecipient; which can be based on a prior negotiated rate between a different PTE and the same subrecipient. If basing the rate on a previously negotiated rate, the pass-through entity is not required to collect information justifying this rate, but may elect to do so; (B) The de minimus indirect cost rate.
- (ii) The pass-through entity must not require use of a de minimis indirect cost rate if the subrecipient has a Federally approved rate. Subrecipients can elect to use the cost allocation method to account for indirect costs in accordance with § 200.405(d).
- (6) Appropriate terms and conditions concerning closeout of the subaward.

Where sampling was performed, the audit used a non-statistical sampling method.

#### **IDENTIFICATION AS A REPEAT FINDING**

Not a repeat finding.

#### RECOMMENDATION

We recommend the State Treasurer's Office update its grant award templates to ensure that subrecipients are made award of all required grant award information.

#### STATE TREASURER'S OFFICE RESPONSE

The Office of the State Treasurer does agree with finding that our grant award template did not make subrecipients aware of all required grant award information for the Mineral Leasing Act as required.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

### **University System**

FINDING TYPE: Material Weakness - Material Noncompliance	
Finding	2024-020
Federal Program:	Coronavirus State and Local Fiscal Recovery Funds
ALN #:	21.027
Federal Award Number(s) and Year(s):	SLFRP1964 (2022)
Federal Agency:	U.S. DEPARTMENT OF THE TREASURY
Compliance Requirement:	Procurement
Questioned Cost:	\$75,383,168

#### CONDITION

We tested four infrastructure projects that used State and Local Fiscal Recovery Funds: one new construction project at Bismarck State College – Polytechnic Building, one renovation project at Minot State University – Hartnett Hall, and one new construction project and one renovation project at University of North Dakota - Airport Apron and Merrifield Hall, respectively. We noted three of the four infrastructure projects tested did not follow procurement rules for architect and Construction Management at-Risk (CMaR) services. We noted the following:

Bismarck State College - Polytechnic Building:

- The amount of the contract was \$42,205,831 and questioned costs were \$25,253,685.
- The CMaR selection committee was improperly composed as a registered engineer and a registered architect were unknown at the time of solicitation.
- The CMaR request for qualifications were improperly evaluated as a registered engineer and a registered architect did not evaluate the submittals.

Minot State University - Hartnett Hall:

- The amount of the contract was \$23,738,195 and questioned costs were \$22,575,329.
- Architect services were evaluated on a criteria item, understanding the project, which was not
  disclosed in the request for qualifications nor listed in N.D.C.C. There was no addendum issued.
- The CMaR selection committee was improperly composed after the request for qualifications was issued. A change was made to the selection committee which left it with no registered architect.
- The CMaR request for qualifications did not have all the required information in it; the number of persons to be included in the final list were not listed.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

• The CMaR request for qualifications were improperly evaluated as a registered architect did not evaluate the submittals.

University of North Dakota - Merrifield Hall:

- The amount of the contract was \$40,829,950 and questioned costs were \$27,554,154.
- The CMaR selection committee was improperly composed as there was no registered engineer and the licensed contractor had an inactive license during part or all of their selection committee duties.
- The CMaR request for proposal did not have all the required information in it. The selection committee members were not listed, the evaluating criteria and relative weight of each were not listed, and the number of persons to be included in the final list were not listed.
- The CMaR request for proposals were improperly evaluated as a registered engineer did not evaluate the submittals, the licensed contractor had an inactive license during part or all of their selection committee duties which includes evaluations, and the submittals were not evaluated on all of the required criteria the person's compliance with state and federal law was not evaluated.

#### **CRITERIA**

Uniform Guidance 2 Code of Federal Regulations (CFR) Part 200.317, states in part, when conducting procurement transactions under a Federal award, a State must follow the same policies and procedures it uses for procurements with non-Federal funds.

N.D.C.C. 54-44.7-03, subsection 5, states in part, the agency selection committee shall evaluate each of the persons or firms interviewed on the basis of the following criteria:

- a. Past performance.
- b. The ability of professional personnel.
- c. Willingness to meet time and budget requirements.
- d. Location, with higher priority given to firms headquartered in North Dakota.
- e. Recent, current, and projected workloads of the persons or firms.
- f. Related experience on similar projects.
- g. Recent and current work for the agency

N.D.C.C. 48-01.2-20, subsection 1, states, A governing body electing to utilize a construction management atrisk delivery process for a proposed public improvement shall create a selection committee composed of:

- a. An administrative individual from the governing body.
- b. A registered architect.
- c. A registered engineer.
- d. A licensed contractor.

N.D.C.C. 48-01.2-20, subsection 3, lists fourteen items that must be established as content in the request for qualifications, which includes the listing of selection committee members, the evaluating criteria and relative weight of each, and the number of persons to be included in the final list.

N.D.C.C. 48-01.2-20, subsections 5 and 6, states that the selection committee needs to determine the appropriate evaluation criteria for the eight qualification criteria items listed. The selection committee shall evaluate each

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

submission based on the qualification criteria items listed in subsection 5, which includes the person's compliance with state and federal law.

Federal regulation, 2 CFR 200.303, requires non-Federal entities, in part, to establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statues, regulations, and the terms and conditions of the Federal award.

#### **CAUSE**

Bismarck State College:

 There may have been a slight confusion of what and which duties the selection committee was required to perform.

#### Minot State University:

- They are unsure why the additional criteria was used to evaluate the architect request for qualifications.
- The selection committee changed after its initial composition leaving the selection committee with no registered architect.
- The number of persons to be included in the final list was inadvertently overlooked.

#### University of North Dakota:

- They thought that a registered engineer would fulfill the selection committee requirement; however, their registered engineer was registered in Nebraska not North Dakota. The licensed contractor had a lapse in an active license for all or part of their selection committee duties.
- The required information in the request for proposal and the proper evaluating criteria was an oversight.

#### **EFFECT**

By not following N.D.C.C. for the architect and CMaR services, these service contracts may have been awarded incorrectly.

#### CONTEXT

Bismarck State College, Minot State University and the University of North Dakota were allocated \$35 million, \$25 million, and \$55 million, respectively, from the state fiscal recovery fund for specific renovation and construction projects. These institutions were allowed to enter into contracts to procure goods and services with only a subset of federal procurement requirements being applicable to this type of federal funding - recipients must adhere to the same policies and procedures they use for non-federal procurements. These three institutions were allocated a total \$115 million from the state fiscal recovery fund and improperly awarded \$106.8 million in contracts due to not adhering to procurement rules. \$75.4 million was spent on these

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

improperly awarded contracts during our audit period. Where sampling was performed, the audit used a non-statistical sampling method.

#### **IDENTIFICATION AS A REPEAT FINDING**

Not a repeat finding.

#### **RECOMMENDATION**

We recommend that Bismarck State College, Minot State University and the University of North Dakota update their procedures to review and adhere to both the architect and Construction Management at-Risk selection processes to ensure compliance with the N.D.C.C. surrounding procurement for construction projects.

#### **UNIVERSITY SYSTEM RESPONSE**

Bismarck State College agrees with the recommendation.

Minot State University agrees with the recommendation.

University of North Dakota agrees with the recommendation.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

FINDING TYPE: Material Weakness - Material Noncompliance	
Finding	2024-021
Federal Program:	Research and Development Cluster
ALN #:	10.001, 10.170, 47.074, 93.323, 93.387, 93.855, 93.859
Federal Award Number(s) and Year(s):	59-8042-2-011 (2024) 21SCBPND1026 (2024) 1942471 (2024) NU5OCK000514 (2023) NU58DP006811 (2024) R01Al138203 (2024) P20GM109024 (2024)
Federal Agency:	U.S. DEPARTMENT OF AGRICULTURE NATIONAL SCIENCE FOUNDATION U.S. DEPAARTMENT OF HEALTH AND HUMAN SERVICES
Compliance Requirement:	Activities Allowed or Unallowed Allowable Costs/Cost Principles
Questioned Cost:	\$74,051

#### CONDITION

North Dakota State University and the University of North Dakota were not certifying payroll expenditures by the deadlines stated in their payroll certification policies. We noted 7 out of 40 payroll checks tested had payroll expenditures for that semester that wasn't certified in a timely manner. This resulted in unapproved payroll expenditures of \$74,051 being charged to the Research and Development Cluster. When projected against the entire population, the additional likely questioned cost totaled \$13,998,284.

#### **CRITERIA**

In 2 CFR 200.430 compensation-personal services part (g) (i) when discussing Standards for Documentation of Personnel Expenses states in part, "be supported by a system of internal control that provides reasonable assurance that the charges are accurate, allowable, and properly allocated."

The North Dakota State University's overview of Effort Reporting states in part that North Dakota State University has three effort reporting periods which follow the University's semester schedule: August 16 – December 31, January 1 – May 15, May 16 – August 15. Approximately 15 days after each effort reporting period, the Grant and Contract Office will generate effort certification reports which are to be reviewed, signed, and returned within 30 days after the department receives them.

The University of North Dakota's Sponsored Project Payroll Confirmation policy states in part that at the end of each semester, after payroll posts (on or about January 15, May 31, and August 31) compliance coordinators (CC) will receive an email notifying them the pre review period has opened. It goes on to state to be considered complete, the Project Payroll Statement (PPS) must be:

- Pre-review by the primary CC or other non-primary CC as assigned.
- Certified by the project principal investigator or their delegate as assigned.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

Only after both steps are accomplished is the PPS considered complete. If statements are not completed by 30 days after the end of 90-day certification period, Grants & Contracts will transfer federal salary charges corresponding to the incomplete statement to a department fund.

The University of North Dakota's 'Guidelines for Effort Commitment & Payroll Certification Associated with Sponsored Projects' states in part that in general, payroll must be certified within 90 days of the date on which the certification window opens. Payroll must be certified on a semester basis.

#### **CAUSE**

Principal Investigators (PI's) are not understanding the requirements per the North Dakota State University and University of North Dakota policy which state a specific time period in which this task of certifying the payroll should be completed.

#### **EFFECT**

Without timely certification of payroll expenses by the Principal Investigator (PI), there is the potential for erroneous payroll amounts charged to a grant, unallowed payroll amounts charged to a grant, and/or payroll expense charged to the wrong grant, and not detected until it's too late to be corrected.

#### CONTEXT

North Dakota State University and the University of North Dakota are not certifying payroll expenses by the deadlines stated in their payroll certification policies. Total payroll expenditures for our audit period (\$98,503,735) make up a significant portion of all Research and Development Cluster program expenses (\$220,862,918) and thus these late payroll certification issues are a critical noncompliance deviation. Where sampling was performed, the audit used a non-statistical sampling method.

#### **IDENTIFICATION AS A REPEAT FINDING**

Not a repeat finding.

#### RECOMMENDATION

We recommend that the North Dakota State University and the University of North Dakota certify their federal payroll expenses in a timely matter to provide reasonable assurance the amounts are accurate, allowable, and properly allocated to the specific project/grant.

#### **UNIVERSITY SYSTEM RESPONSE**

North Dakota State University agrees with the finding.

University of North Dakota agrees with the finding.

# Schedule of Federal Findings and Questioned Costs Fiscal Years Ended June 30, 2023 and 2024

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2024-022
Federal Program:	Research and Development Cluster
ALN #:	10.320, 43.001, 43.008, 66.509, 81.089, 93.243, 93.732, 93.859, and 93.866
Federal Award Number(s) and Year(s):	2019-38502-30120 (2019) 80NSSC20K1748 and 80NSSC20M0261 (2020) 80NSSC22M0258 (2020) 83966001 (2019) DE-FE0031889, DE-FE0032194, DE-FE0031838, DE-FE0032060, DE-FE0032244, and DE-FE0032295 (2020, 2021, 2022, and 2023) H79SM081792 (2022) M0131373 (2021) U54GM128729 and P20GM103442 (2021, 2022 and 2023) RF1AG083029 (2023) 692M15-19-R-00020 (2023)
Federal Agency:	U.S. DEPARTMENT OF AGRICULTURE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION U.S. ENVIRONMENTAL PROTECTION AGENCY U.S. DEPARTMENT OF ENERGY U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Compliance Requirement:	Subrecipient Monitoring
Questioned Cost:	Unknown

#### CONDITION

In the 26 subrecipient awards tested, we found that the University of North Dakota did not sufficiently assess risk for 21 of those. Of the 21 subrecipient awards that were not sufficiently risk assessed, the following was noted:

- There was no risk assessment completed for 12 subaward agreements (46%).
- Risk assessment forms were completed after 9 subaward agreements had been issued (35%).

#### **CRITERIA**

2 CFR 200.332 (c) states in part:

Evaluate each subrecipient's fraud risk and risk of noncompliance with a subaward to determine the appropriate subrecipient monitoring described in paragraph (f) of this section. When evaluating a subrecipient's risk, a pass-through entity should consider the following:

(1) The subrecipient's prior experience with the same or similar subawards;

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

- (2) The results of previous audits. This includes considering whether or not the subrecipient receives a Single Audit in accordance with subpart F and the extent to which the same or similar subawards have been audited as a major program;
- (3) Whether the subrecipient has new personnel or new or substantially changed systems; and
- (4) The extent and results of any Federal agency monitoring (for example, if the subrecipient also receives Federal awards directly from the Federal agency).

During our audit period, University of North Dakota's operating practices stated that a risk assessment was to be completed on each subrecipient entity before a subaward agreement is issued. Institutional, project and threshold questions on the form assess risk of a subrecipient regardless of funding source. The risk assessment will determine whether a risk mitigation strategy should be developed and whether additional requirements should be imposed on the subrecipient.

Federal regulation, 2 CFR 200.303, requires non-Federal entities, in part, to establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statues, regulations, and the terms and conditions of the Federal award.

#### **CAUSE**

University of North Dakota did not have adequate procedures in place to properly monitor subrecipients.

#### **EFFECT**

The University of North Dakota took on additional risk with each subrecipient by not adequately assessing the risk. Each may have a high risk of noncompliance with federal requirements. Additionally, evaluation of risk plays a role in determining the appropriate subrecipient monitoring activities for each subrecipient. As risk assessments were not completed in a timely manner, risk-appropriate monitoring activities may not have been performed.

#### CONTEXT

The University of North Dakota had payments to subrecipients that totaled \$25,929,781 during fiscal years 2023 and 2024. The University of North Dakota did not properly complete risk assessments for 21 out of 26 subaward agreements tested. Where sampling was performed, the audit used a non-statistical sampling method.

#### **IDENTIFICATION AS A REPEAT FINDING**

Not a repeat finding.

#### RECOMMENDATION

We recommend that the University of North Dakota implement procedures to ensure risk assessments forms are completed prior the grant award being issued to provide assurance that appropriate subrecipient monitoring will be performed.

#### **UNIVERSITY SYSTEM RESPONSE**

University of North Dakota agrees with the finding.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2024-023
Federal Program:	Research and Development Cluster
ALN #:	81.089
Federal Award Number(s) and Year(s):	DE-FE0031889 (2020)
Federal Agency:	U.S. DEPARTMENT OF ENERGY
Compliance Requirement:	Procurement
Questioned Cost:	\$115,258

#### CONDITION

The University of North Dakota did not follow procurement guidelines in the Research and Development Cluster. We tested 40 items total and 18 of those were for the University of North Dakota. We found two issues (11%) and \$115,258 in questioned costs for those two errors. The errors were comprised of the following:

- No documentation was provided to ensure the proper procurement was completed for the purchase of a software license for \$116,431. During our audit period, the University of North Dakota expended \$39,928 of federal grant funds for the software license.
- Two pieces of equipment were purchased totaling \$100,440 and formal bidding was not competed. During the audit period, \$75,330 was expended with federal grant funds for the equipment.

When projected against the entire population, the additional likely questioned cost totaled \$489,720.

#### **CRITERIA**

Uniform Guidance 2 Code of Federal Regulations (CFR) Part 200.317, states in part that when conducting procurement transactions under a Federal award, a State must follow the same policies and procedures it uses for procurements with non-Federal funds.

2 CFR 200.318 Ii) states in part that the recipient or subrecipient must maintain records sufficient to detail the history of each procurement transaction. These records must include the rationale for the procurement method, contract type selection, contractor selection or rejection, and the basis for the contract price.

North Dakota University System Procedure 803.1 states in part that for purchases of \$100,000 and over must be purchased using formal sealed bids or a request for proposal. Solicitations must be posted using SPO online with appropriate state bidders list.

Federal regulation, 2 CFR 200.303, requires non-Federal entities, in part, to establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statues, regulations, and the terms and conditions of the Federal award.

#### **CAUSE**

University of North Dakota did not follow procurement requirements when purchasing property and services.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

#### **EFFECT**

Without following federal and state procurement rules, the University of North Dakota cannot ensure they are properly purchasing property and services at the best available price.

#### **CONTEXT**

The University of North Dakota had purchases requiring procurement to vendors for research and development related property and services totaling \$6,448,341 in expenditures during fiscal years 2023 and 2024. The University of North Dakota did not properly procure two items tested with \$115,258 spent during the audit period. Where sampling was performed, the audit used a non-statistical sampling method.

#### **IDENTIFICATION AS A REPEAT FINDING**

Not a repeat finding.

#### RECOMMENDATION

We recommend that the University of North Dakota properly procure property and services in compliance with federal and state regulations and North Dakota University System procurement requirements.

#### **UNIVERSITY SYSTEM RESPONSE**

The University of North Dakota agrees with the finding.

### **Schedule of Federal Findings and Questioned Costs**

Fiscal Years Ended June 30, 2023 and 2024

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2024-024
Federal Program:	Research and Development Cluster
ALN #:	12.431 and 81.089
Federal Award Number(s) and Year(s):	DE-FE0032083 (2022) FA9550-22-1-0274 (2023)
Federal Agency:	U.S. DEPARTMENT OF DEFENSE U.S. DEPARTMENT OF ENERGY
Compliance Requirement:	Equipment
Questioned Cost:	\$0

#### CONDITION

The University of North Dakota has federally funded equipment that is not being properly identified with the corresponding major equipment asset tags on the asset. We tested a total of 21 capital assets and 10 of those were at the University of North Dakota where we found 5 assets without any major equipment identification tags on them for an error rate of 50%.

#### **CRITERIA**

2 CFR section 200.313(d)(3) states in part that a control system must be in place to ensure safeguards for preventing property loss, damage, or theft.

2 CFR section 200.313(b) states in part that a State must use, manage and dispose of equipment acquired under a Federal award in accordance with State laws and procedures.

The University of North Dakota Capital Asset policy states in part that the campus department is responsible for using correct chart field when acquiring all assets, tagging and tracking their major equipment, and completing annual inventory of all major equipment.

#### **CAUSE**

The departments and/or principal investigator (PI) purchasing the equipment did not correctly attach the major equipment tags to the asset as required by the University of North Dakota's Capital Asset policy.

#### **EFFECT**

There is noncompliance with federal rules and regulations as well as the University of North Dakota's Capital Asset policy, thus increasing the risk that federally funded equipment is not properly identified.

#### **CONTEXT**

For the audit period, the Research and Development Cluster had 207 equipment asset additions (\$9,958,360). All the issues noted originated from one single department at the University of North Dakota. The insufficient tagging of capital asset deviations seems to be an isolated incident contained to this department, which in total for our audit period had 16 new additions totaling \$419,060. Where sampling was performed, the audit used a non-statistical sampling method.

#### **IDENTIFICATION AS A REPEAT FINDING**

Not a repeat finding.

### **State of North Dakota**

## Schedule of Federal Findings and Questioned Costs Fiscal Years Ended June 30, 2023 and 2024

#### **RECOMMENDATION**

We recommend that the University of North Dakota ensure federally funded equipment is properly tagged.

#### **UNIVERSITY SYSTEM RESPONSE**

The University of North Dakota agrees with the finding.

See "Management's Response and Corrective Action" section of this report.

# **Single Audit Report**

**Auditee's Section** 



#### For the Fiscal Years Ended June 30, 2024

ALN ALF	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO UBRECIPIENTS
Corporatio Unclustered	n For National And Community Service					
Direct Progr	rams:					
94.003	AmeriCorps State Commissions Support Grant	60100			87,685	
94.006	AmeriCorps State and National 94.006	60100			975,333	975,333
94.008	AmeriCorps Commission Investment Fund 94.008	60100			110,123	
Total for Un	nclustered				\$ 1,173,141	\$ 975,333
Total For Co	orporation For National And Community Service				\$ 1,173,141	\$ 975,333
<b>Departmen</b> <i>Unclustered</i>	nt Of Commerce					
Direct Progr	rams:					
11.032	State Digital Equity Planning Grants	11200			294,221	
11.035	Broadband Equity, Access, and Deployment Program	11200			1,620,545	
11.303	Economic Development Technical Assistance	UND			43,715	
11.U02	Upper Missouri River Basin Project: Plains Snow and Soil Moisture Monitoring Network	NDSU		1305M223PNWWG0312	272,315	
Pass Throug	gh Non-State Entity:					
11.U01	National Mesonet Program Prime Contract	NDSU	Synoptic Data Corp.	S2020-141	541,808	
Total for Un	nclustered				\$ 2,772,604	\$
Economic D	Development Cluster					
Direct Progr	rams:					
11.307	COVID-19 - Economic Adjustment Assistance	75000			1,861,755	
11.307	COVID-19 - Economic Adjustment Assistance	BSC			1,148,664	
11.307	Economic Adjustment Assistance	60100			458,216	345,879
Pass Throu	gh Non-State Entity:					
11.307	Economic Adjustment Assistance	NDSCS	Fargo-Moorhead-West Fargo Chamber of Commerce	N/A	1,328	
Total for Ec	conomic Development Cluster				\$ 3,469,963	\$ 345,879
Research a	nd Development Cluster					

E - 1

Direct Programs:

#### For the Fiscal Years Ended June 30, 2024

ALN ALP	HA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AI EXPENDITURE SUB	MOUNT TO RECIPIENTS
11.307	Economic Adjustment Assistance	UND			297,852	
11.459	Weather and Air Quality Research	UND			63,114	
Pass Through	h Non-State Entity:					
11.021	NOAA Small Business Innovation Research (SBIR) Program	UND	StratoSolutions, Inc.	PR001-2	47,276	
Total for Res	search and Development Cluster				\$ 408,242 \$	
Total For De	partment Of Commerce				\$ 6,650,809 \$	345,879
Department Unclustered	Of Defense					
Direct Progra	nms:					
12.002	Procurement Technical Assistance For Business Firms	UND			349,216	
12.112	Payments to States in Lieu of Real Estate Taxes	12000			185,940	185,940
12.219	Ease 3.0	10800			128,163	
12.401	National Guard Military Operations and Maintenance (O&M) Projects	54000			35,365,533	
12.600	Community Investment	80100			1,498,949	
12.903	GenCyber Grants Program	BSC			91,878	
12.905	CyberSecurity Core Curriculum	NDSU			131,788	62,800
12.U02	Upper Missouri Basin Soil Moisture and Snowpack Monitoring Existing & New Site Retrofits	NDSU		W9128F20D0066	1,267,112	
12.U05	Army ROTC Cadet Flight Training (Year 6)	UND		N/A	215,256	
12.U06	Educational Service Agreement - Air Force	UND		F33600-99-A-0080	115,091	
12.U07	NAVY - EDUCATIONAL SERVICE AGREEMENT	UND		N00140-98-G2501	75,585	
12.U09	Year 5 Army ROTC Cadet Flight Training	UND		N/A	53,575	
Nonmonetary	/ Assistance:					
12.401	National Guard Military Operations and Maintenance (O&M) Projects	54000			28,219	
Pass Throug	h Non-State Entity:					
12.905	CyberSecurity Core Curriculum	NDSU	City University of Seattle	NCAE-CHI-SUB-NDSU1	1,303	
Total for Und	clustered				\$ 39,507,608 \$	248,740

Research and Development Cluster

Direct Programs:

ALN ALI	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE SU	MOUNT TO BRECIPIENTS
12.300	Basic and Applied Scientific Research	UND			246,625	72,786
12.300	Basic and Applied Scientific Research	NDSU			4,050,392	1,879,854
12.420	Military Medical Research and Development	UND			90,726	
12.431	Basic Scientific Research	NDSU			929,965	
12.431	Basic Scientific Research	UND			914,993	345,864
12.630	Basic, Applied, and Advanced Research in Science and Engineering	NDSU			659,818	
12.800	Air Force Defense Research Sciences Program	NDSU			195,375	
12.RD	Service Life Prediction of Coating Systems under the Impact of Fluid Flow	NDSU		W9132T23C0008	126,092	
12.RD	Air University Quality Enhancement and Improvement Accreditation Support	NDSU		FA330022C0035	135,847	
12.RD	Thermally stable and dielectric perfluorocyclobutyl polymer composite coatings for barrier and corrosion protection applications	NDSU		W9132T23C0017	241,679	
12.RD	Thermal Decomposition of Per and Polyfluoroalkyl Substances on Granular Activated Carbon	UND		W912HQ21P0084	36,096	12,528
12.RD	Study of Advanced Cybersecurity Techniques to Advance the Security of Power Generation SCADA Systems Supporting MDA Capabilities	NDSU		HQ086022C6003	661,546	
12.RD	Development and Integration of a Compact 125-kW Fuel Cell Engine for Army Vehicle Applications	UND		Contract #W56HZV239C004	4,550,197	
12.RD	Engineering low VOC, Intumescence Fire Protective Coatings for Military Infrastructure	NDSU		W9132T23C0022	52,805	
12.RD	Biomimetic and Bioinspired Infrastructure Coatings	NDSU		W9132T23C0006	143,936	
12.RD	Intelligent Thermal Spraying Metallized Polymeric Coating System for Applications in Harsh Environments	NDSU		W9132T23C0010	102,908	
12.RD	A Multifunctional and Multiscale Composite Coating System for Protecting Hydropower Assets from Abrasive/Turbulent Water and Corrosion	NDSU		W9132T23C0018	156,048	
Pass Throu	gh Non-State Entity:					
12.225	Commercial Technologies for Maintenance Activities Program	NDSU	National Center for Manufacturing Science	2023167-142245	18,941	
12.225	Commercial Technologies for Maintenance Activities Program	NDSU	National Center for Manufacturing Science	2020106 - 142043	137,423	
12.225	Commercial Technologies for Maintenance Activities Program	NDSU	National Center for Manufacturing Science	2021017-142060	405,679	

ALN ALP	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE SUBRECIPIENTS
12.225	Commercial Technologies for Maintenance Activities Program	NDSU	National Center for Manufacturing Science	2021021-142041	487,540
12.225	Commercial Technologies for Maintenance Activities Program	NDSU	National Center for Manufacturing Science	2021058-142104	87,912
12.225	Commercial Technologies for Maintenance Activities Program	NDSU	National Center for Manufacturing Science	2021059-142103	245,994
12.225	Commercial Technologies for Maintenance Activities Program	NDSU	National Center for Manufacturing Science	2022017-142125	232,591
12.225	Commercial Technologies for Maintenance Activities Program	NDSU	National Center for Manufacturing Science	2023120-142320	205,610
12.225	Commercial Technologies for Maintenance Activities Program	NDSU	PPG Industries	202049-141016	96,077
12.225	Commercial Technologies for Maintenance Activities Program	NDSU	PPG Industries	202090-141036	25,863
12.225	Commercial Technologies for Maintenance Activities Program	NDSU	PPG Industries	2021013-142054	201,364
12.225	Commercial Technologies for Maintenance Activities Program	NDSU	PPG Industries	2021004-142055	34,596
12.225	Commercial Technologies for Maintenance Activities Program	NDSU	National Center for Manufacturing Science	2022131-142238	99,586
12.431	Basic Scientific Research	UND	University of Missouri System	00078845-01	32,090
12.800	Air Force Defense Research Sciences Program	NDSU	Griffiss Institute	SA10012023050685	197,756
12.RD	Defense Resiliency Platform Against Extreme Cold Weather	UND	Virginia Polytechnic Institute & State University	450917-19F24	745,029
12.RD	Forecasting Risk in Supply-Demand Networks (FRSN).	NDSU	Ohio State University	SPC-1000011512	54,971
12.RD	Fully Non-Isocyanate Next-Generation Polyurethane Topcoats	NDSU	Luna Labs USA, LLC	107066-ARM-1O-NDSU	41,587
12.RD	Navigation and Ecosystem Sustainability Program (NESP) Forecasts, IA, IL, MO, IN, WI, MN, AR, KY, TN, MS, and LA	NDSU	ECS-GEC JV	23F0273	220,387
12.RD	Unique Factors that Influence Healthcare Disclosure/Seeking Behavior in Military Pilots and Proposed Interventions to Prolong Operational Life	UND	The Geneva Foundation	S-10802-01	86,473
12.RD	UND Support of: Counter-Unmanned Aircraft System Technology to Protect Department of Defense Assets in the Arctic	UND	University of Alaska Fairbanks	UA 22-0067	91,636
12.RD	Research regarding cybersecurity assessment for small firms and startups and outreach activities	NDSU	Montana State University	CS230064	26,975

ALN	ALPH	HA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO SUBRECIPIENTS
12.RD	)	Technical Study to Conduct Analysis of Formal Specification Techniques to Advance Test Scenario Planning	UND	GBL Systems Corporation	PO GBL20221027-01	9,114	
12.RD	)	High Efficiency Propeller for Small Unmanned X Systems using Advanced Composite Materials	UND	Catto Propellers	N6833522C0068	111,135	
12.RD	)	Defense Resiliency Platform Against Extreme Cold- Year 3	UND	Virginia Polytechnic Institute & State University	450980-19F24	329,333	
12.RD	)	Dark Swarms in Degraded Environment Support (Year 2)	UND	Utah State University Space Dynamics Laboratory	CP0077015	70,724	
12.RD	)	Dark Swarms in Degraded Environment Support	UND	Utah State University Space Dynamics Laboratory	CP0077424	333,998	
12.RD	)	Thermoplastic Composites for Expedient Protective Systems and Deployable Force Protection Applications	NDSU	University of Alabama at Birmingham	000540941-SC002	231,892	
12.RD	1	Analytical Model Development on Propagation in Biological Tissue	NDSU	University of Dayton	RSC20073	33,450	
12.RD	)	Experimental Investigation of Dynamic Stall Mitigation Using Leading Edge Micro-Cavity Passive Flow Control	NDSU	Ohio Aerospace Institute	OAI-C2644-23692	815	
12.RD	)	Enabling Leader/Follower Technology Using Special Coatings	NDSU	PPG Industries	2021119-142117	28,916	
12.RD	)	Ice Control Enhancement with Closed Loop Molecular Design (ICECycle)	NDSU	University of Michigan	SUBK00018799	76,801	
Total fo	r Rese	earch and Development Cluster				\$ 18,297,306	\$ 2,311,032
Total F	or Dep	partment Of Defense				\$ 57,804,914	\$ 2,559,772
<b>Depart</b> <i>Unclus</i>		Of Education					
Direct F	Program	ms:					
84.002	2 A	Adult Education - Basic Grants to States	20100			1,423,409	907,487
84.010	)	Title I Grants to Local Educational Agencies	20100			50,536,304	48,315,059
84.011	I A	Migrant Education State Grant Program	20100			736,083	469,261
84.013	3	Title I State Agency Program for Neglected and Delinquent Children and Youth	20100			49,448	
84.027	7 A	Special Education Grants to States	20100			38,704,740	34,552,176
84.027	7	COVID-19 - Special Education Grants to States	20100			2,098,030	2,098,030
84.031	l	Higher Education Institutional Aid	MASU			203,348	
84.031	I A	Higher Education Institutional Aid	BSC			442,646	

ALN	ALPH	A PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE SU	AMOUNT TO JBRECIPIENTS
84.041		Impact Aid	DCB			29,543	
84.048	Α	Career and Technical Education Basic Grants to States	27000			5,904,606	3,135,684
84.126		Rehabilitation Services Vocational Rehabilitation Grants to States	32500			11,794,789	
84.144		Migrant Education Coordination Program	20100			116,022	
84.161		Rehabilitation Services Client Assistance Program	32500			126,140	
84.173		COVID-19 - Special Education Preschool Grants	20100			202,748	202,748
84.173	Α	Special Education Preschool Grants	20100			848,122	776,819
84.177		Rehabilitation Services Independent Living Services for Older Individuals Who are Blind	32500			471,088	453,202
84.181		Special Education-Grants for Infants and Families	32500			3,996,821	632,624
84.181		COVID-19 - Special Education-Grants for Infants and Families	32500			35,800	5,800
84.184		School Safely National Activities	UND			1,099,009	
84.184		School Safely National Activities	MSU			659,183	110,659
84.187		Supported Employment Services for Individuals with the Most Significant Disabilities	32500			389,604	
84.196	Α	Education for Homeless Children and Youth	20100			352,998	280,062
84.240		Program of Protection and Advocacy of Individual Rights	36000			174,617	
84.287		Twenty-First Century Community Learning Centers	20100			6,451,176	6,016,994
84.299		Indian Education Special Programs for Indian Children	UND			66,844	
84.325		Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	32500			150,666	40,892
84.326		Special Education Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities	MSU			80,524	
84.358		Rural Education	20100			162,328	155,097
84.365	Α	English Language Acquisition State Grants	20100			591,236	423,927
84.367		Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	20100			10,983,685	10,424,058
84.369	Α	Grants for State Assessments and Related Activities	20100			4,201,050	
84.371	С	Comprehensive Literacy Development	20100			9,816,637	9,548,500
84.372	Α	Statewide Longitudinal Data Systems	20100			579,124	
84.384		Statewide Data Systems, Recovery Act	20100			165,314	

ALN A	LPH	A PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE SU	AMOUNT TO IBRECIPIENTS
84.407		Transition Programs for Students with Intellectual Disabilities into Higher Education	MSU			460,429	180,861
84.424	Α	Student Support and Academic Enrichment Program	20100			6,609,629	6,186,885
84.424	F	Student Support and Academic Enrichment Program	20100			262,324	218,873
84.425	V	COVID-19 - Education Stabilization Fund	11000			1,544,751	1,536,636
84.425	Е	COVID-19 - Education Stabilization Fund	VCSU			(4,850)	
84.425	F	COVID-19 - Education Stabilization Fund	DCB			3,911	
84.425	С	COVID-19 - Education Stabilization Fund	11000			1,676,840	1,676,840
84.425	Ε	COVID-19 - Education Stabilization Fund	WSC			426,687	
84.425	W	COVID-19 - Education Stabilization Fund	20100			690,528	599,700
84.425	V	COVID-19 - Education Stabilization Fund	20100			383,361	233,083
84.425	U	COVID-19 - Education Stabilization Fund	20100			109,031,461	104,598,980
84.425	D	COVID-19 - Education Stabilization Fund	20100			25,915,368	23,612,202
84.425	R	COVID-19 - Education Stabilization Fund	20100			908,374	
84.426		COVID-19 - Randolph-Sheppard – Financial Relief and Restoration Payments	32500			9,805	
Pass Thro	ough	Non-State Entity:					
84.027		Special Education Grants to States	25200	North Dakota Department of Public Instruction	36597	27,488	
84.027		Special Education Grants to States	25200	North Dakota Department of Public Instruction	37805	10,000	
84.173		Special Education Preschool Grants	25200	North Dakota Department of Public Instruction	36510	1,027	
Total for U	Uncl	ustered				\$ 301,600,815	\$ 257,393,139
Research	and	Development Cluster					_
Pass Thro	ough	Non-State Entity:					
84.305		Education Research, Development and Dissemination	NDSU	University of Pennsylvania	583399	10,743	
Total for I	Rese	earch and Development Cluster				\$ 10,743	\$
Special E	duca	ntion Cluster (IDEA)					
Pass Thro	ough	Non-State Entity:					
84.027	-	Special Education Grants to States	UND	Grand Forks Public School District	N/A	65,742	
Total for S	Spec	ial Education Cluster (IDEA)				\$ 65,742	8
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ALN ALI	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE SUBRECIPIENTS
Student Fin	ancial Assistance Cluster				
Direct Progi	rams:				
84.007	Federal Supplemental Educational Opportunity Grants	NDSU			783,000
84.007	Federal Supplemental Educational Opportunity Grants	BSC			77,588
84.007	Federal Supplemental Educational Opportunity Grants	MSU			148,550
84.007	Federal Supplemental Educational Opportunity Grants	UND			966,550
84.007	Federal Supplemental Educational Opportunity Grants	WSC			24,227
84.007	Federal Supplemental Educational Opportunity Grants	DSU			118,526
84.007	Federal Supplemental Educational Opportunity Grants	MASU			61,200
84.007	Federal Supplemental Educational Opportunity Grants	LRSC			27,100
84.007	Federal Supplemental Educational Opportunity Grants	VCSU			89,124
84.007	Federal Supplemental Educational Opportunity Grants	NDSCS			193,149
84.007	Federal Supplemental Educational Opportunity Grants	DCB			30,900
84.033	Federal Work-Study Program	MSU			135,590
84.033	Federal Work-Study Program	BSC			37,340
84.033	Federal Work-Study Program	NDSCS			103,689
84.033	Federal Work-Study Program	MASU			67,847
84.033	Federal Work-Study Program	VCSU			64,513
84.033	Federal Work-Study Program	NDSU			428,578
84.033	Federal Work-Study Program	DSU			236,797
84.033	Federal Work-Study Program	UND			832,350
84.033	Federal Work-Study Program	DCB			26,475
84.033	Federal Work-Study Program	LRSC			39,211
84.038	Federal Perkins Loan Program	LRSC			53,163
84.038	Federal Perkins Loan Program	VCSU			177,026
84.038	Federal Perkins Loan Program	MSU			575,582
84.038	Federal Perkins Loan Program	DCB			27,094
84.038	Federal Perkins Loan Program	UND			3,252,348
84.038	Federal Perkins Loan Program	NDSU			1,536,886
84.038	Federal Perkins Loan Program	MASU			104,330
84.038	Federal Perkins Loan Program	BSC			11,933

ALN ALF	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER EXPENI	AMOUNT TO DITURE SUBRECIPIENTS
84.038	Federal Perkins Loan Program	DSU			227,750
84.038	Federal Perkins Loan Program	WSC			9,581
84.038	Federal Perkins Loan Program	NDSCS			141,612
84.063	Federal Pell Grant Program	VCSU		1,	543,910
84.063	Federal Pell Grant Program	NDSCS		2,	776,623
84.063	Federal Pell Grant Program	UND		9,	085,318
84.063	Federal Pell Grant Program	WSC		1,	038,381
84.063	Federal Pell Grant Program	DCB			823,592
84.063	Federal Pell Grant Program	LRSC			925,268
84.063	Federal Pell Grant Program	MSU		3,	328,926
84.063	Federal Pell Grant Program	BSC		3,	072,204
84.063	Federal Pell Grant Program	MASU		1,	432,503
84.063	Federal Pell Grant Program	NDSU		10,	227,498
84.063	Federal Pell Grant Program	DSU		1,	553,859
84.268	Federal Direct Student Loans	VCSU		3,	586,078
84.268	Federal Direct Student Loans	DCB		1,	231,482
84.268	Federal Direct Student Loans	BSC		5,	333,157
84.268	Federal Direct Student Loans	NDSCS		5,	750,738
84.268	Federal Direct Student Loans	NDSU		43,	955,230
84.268	Federal Direct Student Loans	DSU		3,	338,136
84.268	Federal Direct Student Loans	MSU		7,	135,006
84.268	Federal Direct Student Loans	UND		78,	122,893
84.268	Federal Direct Student Loans	WSC			838,240
84.268	Federal Direct Student Loans	LRSC		1,	659,162
84.268	Federal Direct Student Loans	MASU		3,	202,304
84.379	Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	NDSU			7,544
84.379	Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	MSU			2,829
84.379	Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	VCSU			2,829
84.379	Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	UND			71,203

ALN ALI	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXF	ENDITURE S	AMOUNT TO UBRECIPIEN
84.379	Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	MASU				19,780	
84.408	Postsecondary Education Scholarships for Veteran's Dependents	MSU				3,487	
Total for St	udent Financial Assistance Cluster				\$	200,677,789	\$
TRIO Cluste	er						
Direct Progr	rams:						
84.042	TRIO Student Support Services	MSU				561,259	
84.042	TRIO Student Support Services	LRSC				315,953	
84.042	TRIO Student Support Services	NDSU				527,324	
84.042	TRIO Student Support Services	UND				488,994	
84.044	TRIO Talent Search	UND				548,852	
84.047	TRIO Upward Bound	UND				527,534	
84.047	TRIO Upward Bound	NDSU				264,755	
84.066	TRIO Educational Opportunity Centers	UND				423,349	
84.217	TRIO McNair Post-Baccalaureate Achievement	UND				282,881	
Total for TF	RIO Cluster				\$	3,940,901	\$
Total For D	epartment Of Education				\$	506,295,990	\$ 257,393,1
<b>Departmer</b> Unclustered	nt Of Energy						
Direct Progr	rams:						
81.041	State Energy Program	60100				688,624	326,7
81.042	Weatherization Assistance for Low-Income Persons	60100				4,047,056	3,701,2
Total for Ur	nclustered				\$	4,735,680	\$ 4,028,0
Research a	nd Development Cluster						
Direct Progr	rams:						
81.049	Office of Science Financial Assistance Program	UND				3,156	
81.049	Office of Science Financial Assistance Program	NDSU				574,268	54,4
81.057	University Coal Research	UND				168,973	31,8
81.086	Conservation Research and Development	UND				66,594	25,4
81.086	Conservation Research and Development	NDSU				293,583	92,9

ALN ALF	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	A EXPENDITURE SUI	MOUNT TO BRECIPIENTS
81.087	Renewable Energy Research and Development	UND			444,213	30,720
81.089	Fossil Energy Research and Development	UND			23,519,722	3,879,949
Pass Throug	gh Non-State Entity:					
81.042	Weatherization Assistance for Low-Income Persons	UND	Nevada Department of Business and Industry	N/A	40,126	
81.049	Office of Science Financial Assistance Program	UND	Simonpietri Enterprises LLC	Work No. 2 (2023-0115)	68,774	
81.049	Office of Science Financial Assistance Program	UND	Pennsylvania State University	S003176-USDOE	29,916	
81.049	Office of Science Financial Assistance Program	UND	Semplastics EHC LLC	N/A	44,101	
81.089	Fossil Energy Research and Development	UND	University of Texas at Austin	UTAUS-SUB00000088	23,352	
81.089	Fossil Energy Research and Development	UND	University of Wyoming	1004866-UND	428,700	
81.089	Fossil Energy Research and Development	UND	X-MAT CCC	N/A	414,729	
81.089	Fossil Energy Research and Development	UND	Semplastics EHC LLC	N/A	35,935	
81.089	Fossil Energy Research and Development	UND	Doosan Enerbility	2021900024	13,749	
81.089	Fossil Energy Research and Development	UND	Microbeam Technologies Incorporated	MTI01181615	35,821	
81.135	Advanced Research Projects Agency - Energy	UND	Envergex LLC	DE-AR0001314	245,822	
81.RD	CCSR Adaptive Cybersecurity for Distributed Energy Resources	UND	UChicago Argonne, LLC	NO. 4F-60022	81,669	
81.RD	LEIDOS - Work Pkg 2C.2 - TOR20	UND	Leidos Holdings, Inc.	P010227025	1,001	
81.RD	LEIDOS-TOR24-SMART2-T4	UND	Leidos Holdings, Inc.	P010227025	325,343	
81.RD	LEIDOS-TOR22-Carbon Storage	UND	Leidos Holdings, Inc.	P010227025	92,712	
81.RD	LEIDOS-TOR21-Water Pilot Test	UND	Leidos Holdings, Inc.	P010227025	84,060	
81.RD	LEIDOS-Business Deveop-TOR14	UND	Leidos Holdings, Inc.	P010227025	37,567	
Total for Re	search and Development Cluster				\$ 27,073,886 \$	4,115,378
Total For Do	epartment Of Energy				\$ 31,809,566 \$	8,143,398
<b>Departmen</b> <i>Unclustered</i>	t Of Health And Human Services					
Direct Progr	ams:					
93.041	Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation	32500			2,962	
93.042	COVID-19 - Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	32500			36,595	

ALN	ALPHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO SUBRECIPIENTS
93.04	Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	32500			250,637	
93.04	COVID-19 - Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	32500			53,979	
93.04	Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	32500			152,538	
93.04	Special Programs for the Aging, Title VI, Part A, Grants to Indian Tribes, Part B, Grants to Native Hawaiians	UND			98,211	
93.04	Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	MSU			383,445	
93.04	Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	UND			277,620	
93.04	COVID-19 - Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	32500			52,155	
93.05	National Family Caregiver Support, Title III, Part E	32500			1,995,587	
93.06	Public Health Emergency Preparedness	32500			4,827,091	1,899,030
93.07	1 Medicare Enrollment Assistance Program	40100			44,736	
93.07	2 Lifespan Respite Care Program	32500			44,452	
93.07	Cooperative Agreements to Promote Adolescent Health through School-Based HIV/STD Prevention and School-Based Surveillance	32500			51,574	
93.09	Guardianship Assistance	32500			53,617	
93.10	Food and Drug Administration Research	NDSU			160,897	
93.10	Food and Drug Administration Research	60200			35,357	
93.10	Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)	32500			490,069	
93.10	7 Area Health Education Centers	UND			391,715	
93.11	Maternal and Child Health Federal Consolidated Programs	32500			709,376	413,576
93.11	Project Grants and Cooperative Agreements for Tuberculosis Control Programs	32500			223,539	36,285
93.12	Nurse Anesthetist Traineeship	UND			13,817	
93.12	7 Emergency Medical Services for Children	32500			145,908	
93.13	Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices	32500			217,469	
93.13	Injury Prevention and Control Research and State and Community Based Programs	32500			289,369	63,198

ALN ALI	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO UBRECIPIENTS
93.136	Injury Prevention and Control Research and State and Community Based Programs	UND			1,039,405	693,834
93.138	Protection and Advocacy for Individuals with Mental Illness	36000			498,025	
93.150	Projects for Assistance in Transition from Homelessness (PATH)	32500			2,900	
93.155	Rural Health Research Centers	UND			2,016,312	1,837,297
93.165	Grants to States for Loan Repayment	32500			916,745	
93.178	Nursing Workforce Diversity	UND			411,798	
93.191	Graduate Psychology Education	UND			347,616	
93.217	Family Planning Services	32500			1,087,884	689,335
93.217	COVID-19 - Family Planning Services	32500			61,308	61,308
93.223	Development and Coordination of Rural Health Services	UND			3,802,361	808,339
93.234	Traumatic Brain Injury State Demonstration Grant Program	36000			47,880	
93.234	COVID-19 - Traumatic Brain Injury State Demonstration Grant Program	32500			42,385	
93.234	Traumatic Brain Injury State Demonstration Grant Program	32500			240,180	
93.236	Grants to States to Support Oral Health Workforce Activities	32500			400,961	72,807
93.241	State Rural Hospital Flexibility Program	UND			1,293,786	413,163
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	UND			645,695	166,454
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	32500			1,151,096	
93.247	Advanced Nursing Education Workforce Grant Program	NDSU			365,126	275,063
93.251	Early Hearing Detection and Intervention	MSU			246,638	10,303
93.268	COVID-19 - Immunization Cooperative Agreements	32500			6,325,296	3,890,414
93.268	Immunization Cooperative Agreements	32500			2,550,077	267,738
93.268	COVID-19 - Immunization Cooperative Agreements	NDUS			325,917	
93.270	Viral Hepatitis Prevention and Control	32500			237,796	
93.301	Small Rural Hospital Improvement Grant Program	UND			491,789	406,133
93.314	Early Hearing Detection and Intervention Information System (EHDI-IS) Surveillance Program	MSU			174,843	
93.319	Outreach Programs to Reduce the Prevalence of Obesity in High Risk Rural Areas	NDSU			305,390	82,682

ALN ALF	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE SU	AMOUNT TO JBRECIPIENTS
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	32500			1,568,534	
93.323	COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	32500			12,408,243	3,719,324
93.324	State Health Insurance Assistance Program	40100			296,605	
93.332	Cooperative Agreement to Support Navigators in Federally-facilitated Exchanges	MSU			1,177,797	99,600
93.336	Behavioral Risk Factor Surveillance System	32500			597,845	
93.354	COVID-19 - Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	32500			2,851,886	1,136,578
93.366	State Actions to Improve Oral Health Outcomes and Partner Actions to Improve Oral Health Outcomes	32500			628,358	117,388
93.369	ACL Independent Living State Grants	32500			557,082	
93.384	ADVANCED RESEARCH PROJECTS AGENCY for HEALTH (ARPA-H)	50400			2,468,369	
93.387	National and State Tobacco Control Program	32500			907,879	52,355
93.391	COVID-19 - Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	32500			8,827,900	4,340,900
93.421	COVID-19 - Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	32500			12,767	
93.423	1332 State Innovation Waivers	40100			8,000	
93.426	The National Cardiovascular Health Program	32500			702,592	455,373
93.434	Every Student Succeeds Act/Preschool Development Grants	32500			790,935	84,014
93.464	ACL Assistive Technology	32500			593,340	593,340
93.472	Title IV-E Prevention Program	32500			1,048,952	25,152
93.497	COVID-19 - Family Violence Prevention and Services/ Sexual Assault/Rape Crisis Services and Supports	32500			205,186	185,225
93.498	COVID-19 - Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	32500			27,482	
93.556	COVID-19 - MaryLee Allen Promoting Safe and Stable Families Program	32500			3,393,069	76,204
93.556	MaryLee Allen Promoting Safe and Stable Families Program	UND			234,448	17,603

Program	ALN ALF	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	A EXPENDITURE SUI	MOUNT TO BRECIPIENTS
93.563   Child Support Enforcement   32500   12,086,033	93.556	,	32500			127,964	3,799
Refugee and Entrant Assistance State/Replacement Designee Administered Programs   19,012   193,566   Refugee and Entrant Assistance State/Replacement Designee Administered Programs   32500   5,181,320   3,811   3250   3,811   3250   3,815   3,868   COVID-19 - Low-Income Home Energy Assistance   32500   6,152,537   33,568   CoVID-19 - Community Services Block Grant   60100   199,259   199   33,569   COVID-19 - Community Services Block Grant   60100   4,038,653   3,869   33,569   Community Services Block Grant   60100   4,038,653   3,869   33,569   Community Services Block Grant   60100   4,038,653   3,869   33,569   Community-Based Child Abuse Prevention   32500   38,590   314,73   33,590   COVID-19 - Community-Based Child Abuse Prevention   32500   314,5081   33,590   COVID-19 - Community-Based Child Abuse Prevention   32500   37,416   33,590   Covid   4,038,653   3,690   3,690   3,691	93.558	Temporary Assistance for Needy Families	32500			22,098,039	33,443
Designee Administered Programs	93.563	Child Support Enforcement	32500			12,086,033	
Designee Administered Programs   32500   6,152,537   33.568   COVID-19 - Low-Income Home Energy Assistance   32500   21,359,901   8,178   39.569   COVID-19 - Community Services Block Grant   60100   199,259   199   39.569   Community Services Block Grant   60100   4,038,653   3,869   39.586   State Court Improvement Program   18000   266,218   4,038,653   3,869   3,590   Community-Based Child Abuse Prevention Grants   32500   314,173   3,590   COVID-19 - Community-Based Child Abuse Prevention   32500   315,081   3,597   Grants to States for Access and Visitation Programs   32500   32500   30,597   Grants to States for Access and Visitation Programs   32500   32500   373,599   3,597   Grants to States for Access and Visitation Programs   32500   373,599   3,599	93.566	·	LRSC			19,012	
93.568   Low-Income Home Energy Assistance   32500   21,359,901   8,178     93.569   COVID-19 - Community Services Block Grant   60100   199,259   199     93.560   Community Services Block Grant   60100   4,038,653   3,869     93.586   State Court Improvement Program   18000   286,218     93.590   Community-Based Child Abuse Prevention Grants   32500   314,173     93.591   COVID-19 - Community-Based Child Abuse Prevention Grants   32500   107,416     93.597   Grants to States for Access and Visitation Programs   32500   107,416     93.599   Chafee Education and Training Vouchers Program (ETV)   32500   106,512     93.603   Adoption and Legal Guardianship Incentive Payments   32500   373,599     93.618   Voting Access for Individuals with Disabilities-Grants for Protection and Advocacy Systems   36000   33,701     93.630   Developmental Disabilities Basic Support and Advocacy   32500   671,971   84     93.630   Developmental Disabilities Basic Support and Advocacy   32500   671,971   84     93.631   University Centers for Excellence in Developmental Disabilities Education, Research, and Service   32500   891,578     93.643   Children's Justice Grants to States   32500   891,578     93.658   Foster Care Title IV-E   32500   13,036,324   107     93.659   Adoption Assistance   32500   15,724,498     93.665   COVID-19 - Emergency Grants to Address Mental and   32500   27,456	93.566		32500			5,181,320	3,811,231
93.569   COVID-19 - Community Services Block Grant   60100   199.259   199   93.569   Community Services Block Grant   60100   4.038,653   3.869   93.586   State Court Improvement Program   18000   286,218   93.590   Community-Based Child Abuse Prevention Grants   32500   314,173   93.590   COVID-19 - Community-Based Child Abuse Prevention   32500   32500   345,081   32500   32	93.568	COVID-19 - Low-Income Home Energy Assistance	32500			6,152,537	
93.569         Community Services Block Grant         60100         4,038,653         3,869           93.586         State Court Improvement Program         18000         286,218           93.590         Community-Based Child Abuse Prevention Grants         32500         314,173           93.590         COVID-19 - Community-Based Child Abuse Prevention Grants         32500         145,081           93.597         Grants to States for Access and Visitation Programs         32500         107,416           93.599         Chafee Education and Training Vouchers Program (ETV)         32500         106,512           93.603         Adoption and Legal Guardianship Incentive Payments         32500         373,599           93.618         Voting Access for Individuals with Disabilities-Grants for Protection and Advocacy Systems         36000         93,701           93.630         Developmental Disabilities Basic Support and Advocacy Grants         36000         633,333           93.630         Developmental Disabilities Basic Support and Advocacy Grants         32500         671,971         84           93.643         University Centers for Excellence in Developmental Disabilities Education, Research, and Service         MSU         651,687           93.643         Children's Justice Grants to States         32500         190,261         182	93.568	Low-Income Home Energy Assistance	32500			21,359,901	8,178,811
93.586         State Court Improvement Program         18000         286,218           93.590         Community-Based Child Abuse Prevention Grants         32500         314,173           93.590         COVID-19 - Community-Based Child Abuse Prevention Grants         32500         145,081           93.597         Grants to States for Access and Visitation Programs         32500         107,416           93.599         Chafee Education and Training Vouchers Program (ETV)         32500         106,512           93.603         Adoption and Legal Guardianship Incentive Payments         32500         373,599           93.618         Voting Access for Individuals with Disabilities-Grants for Protection and Advocacy Systems         36000         93,701           93.630         Developmental Disabilities Basic Support and Advocacy Grants         36000         633,333           93.630         Developmental Disabilities Basic Support and Advocacy Grants         32500         671,971         84           93.632         University Centers for Excellence in Developmental Disabilities Education, Research, and Service         MSU         651,687           93.643         Children's Justice Grants to States         32500         891,578           93.655         Stephanie Tubbs Jones Child Welfare Services Program         32500         130,303,324         107	93.569	COVID-19 - Community Services Block Grant	60100			199,259	199,259
93.590   Community-Based Child Abuse Prevention Grants   32500   314,173   93.590   COVID-19 - Community-Based Child Abuse Prevention Grants   32500   145,081   32500   145,081   32500   145,081   32500   107,416   32590   107,416   32590   107,416   32590   106,512   32500   373,599   32500   373,599   32500   325	93.569	Community Services Block Grant	60100			4,038,653	3,869,873
93.590   COVID-19 - Community-Based Child Abuse Prevention Grants   Grants     93.597   Grants to States for Access and Visitation Programs   32500   107,416     93.599   Chafee Education and Training Vouchers Program (ETV)   32500   106,512     93.603   Adoption and Legal Guardianship Incentive Payments   32500   373,599     93.618   Voting Access for Individuals with Disabilities-Grants for Protection and Advocacy Systems   93,600   93,701     93.630   Developmental Disabilities Basic Support and Advocacy Grants   32500   671,971   84     93.632   University Centers for Excellence in Developmental Disabilities Education, Research, and Service   32500   190,261   182     93.643   Children's Justice Grants to States   32500   13,036,324   107     93.658   Foster Care Title IV-E   32500   13,036,324   107     93.659   Adoption Assistance   32500   15,724,498     93.665   COVID-19 - Emergency Grants to Address Mental and   32500   27,456	93.586	State Court Improvement Program	18000			286,218	
Grants         Grants to States for Access and Visitation Programs         32500         107,416           93.599         Chafee Education and Training Vouchers Program (ETV)         32500         106,512           93.603         Adoption and Legal Guardianship Incentive Payments         32500         373,599           93.618         Voting Access for Individuals with Disabilities-Grants for Protection and Advocacy Systems         36000         93,701           93.630         Developmental Disabilities Basic Support and Advocacy Grants         36000         633,333           93.630         Developmental Disabilities Basic Support and Advocacy Grants         32500         671,971         84           93.632         University Centers for Excellence in Developmental Disabilities Education, Research, and Service         MSU         651,687           93.643         Children's Justice Grants to States         32500         190,261         182           93.658         Stephanie Tubbs Jones Child Welfare Services Program         32500         891,578           93.659         Adoption Assistance         32500         13,036,324         107           93.665         COVID-19 - Emergency Grants to Address Mental and         32500         27,456	93.590	Community-Based Child Abuse Prevention Grants	32500			314,173	
93.599 Chafee Education and Training Vouchers Program (ETV) 32500 106,512 93.603 Adoption and Legal Guardianship Incentive Payments 32500 373,599 93.618 Voting Access for Individuals with Disabilities-Grants for Protection and Advocacy Systems 36000 93,701 93.630 Developmental Disabilities Basic Support and Advocacy Grants 671,971 84 671,9	93.590	· · · · · · · · · · · · · · · · · · ·	32500			145,081	
93.603 Adoption and Legal Guardianship Incentive Payments 32500 93.618 Voting Access for Individuals with Disabilities-Grants for Protection and Advocacy Systems 93.630 Developmental Disabilities Basic Support and Advocacy 36000 93.630 Developmental Disabilities Basic Support and Advocacy 32500 93.630 Developmental Disabilities Basic Support and Advocacy 32500 93.632 University Centers for Excellence in Developmental Disabilities Education, Research, and Service 93.643 Children's Justice Grants to States 32500 93.645 Stephanie Tubbs Jones Child Welfare Services Program 32500 93.658 Foster Care Title IV-E 32500 93.659 Adoption Assistance 32500 93.665 COVID-19 - Emergency Grants to Address Mental and 32500	93.597	Grants to States for Access and Visitation Programs	32500			107,416	
93.618         Voting Access for Individuals with Disabilities-Grants for Protection and Advocacy Systems         36000         93,701           93.630         Developmental Disabilities Basic Support and Advocacy Grants         36000         633,333           93.630         Developmental Disabilities Basic Support and Advocacy Grants         32500         671,971         84           93.632         University Centers for Excellence in Developmental Disabilities Education, Research, and Service         MSU         651,687           93.643         Children's Justice Grants to States         32500         190,261         182           93.645         Stephanie Tubbs Jones Child Welfare Services Program         32500         891,578           93.658         Foster Care Title IV-E         32500         13,036,324         107           93.659         Adoption Assistance         32500         15,724,498           93.665         COVID-19 - Emergency Grants to Address Mental and         32500         27,456	93.599	Chafee Education and Training Vouchers Program (ETV)	32500			106,512	
Protection and Advocacy Systems         93.630         Developmental Disabilities Basic Support and Advocacy Grants         36000         633,333           93.630         Developmental Disabilities Basic Support and Advocacy Grants         32500         671,971         84           93.632         University Centers for Excellence in Developmental Disabilities Education, Research, and Service         MSU         651,687           93.643         Children's Justice Grants to States         32500         190,261         182           93.645         Stephanie Tubbs Jones Child Welfare Services Program         32500         891,578           93.658         Foster Care Title IV-E         32500         13,036,324         107           93.659         Adoption Assistance         32500         15,724,498           93.665         COVID-19 - Emergency Grants to Address Mental and         32500         27,456	93.603	Adoption and Legal Guardianship Incentive Payments	32500			373,599	
Grants         93.630         Developmental Disabilities Basic Support and Advocacy Grants         32500         671,971         84           93.632         University Centers for Excellence in Developmental Disabilities Education, Research, and Service         MSU         651,687           93.643         Children's Justice Grants to States         32500         190,261         182           93.645         Stephanie Tubbs Jones Child Welfare Services Program         32500         891,578           93.658         Foster Care Title IV-E         32500         13,036,324         107           93.659         Adoption Assistance         32500         15,724,498           93.665         COVID-19 - Emergency Grants to Address Mental and         32500         27,456	93.618	· · · · · · · · · · · · · · · · · · ·	36000			93,701	
Grants       93.632       University Centers for Excellence in Developmental Disabilities Education, Research, and Service       MSU       651,687         93.643       Children's Justice Grants to States       32500       190,261       182         93.645       Stephanie Tubbs Jones Child Welfare Services Program       32500       891,578         93.658       Foster Care Title IV-E       32500       13,036,324       107         93.659       Adoption Assistance       32500       15,724,498         93.665       COVID-19 - Emergency Grants to Address Mental and       32500       27,456	93.630		36000			633,333	
Disabilities Education, Research, and Service         93.643       Children's Justice Grants to States       32500       190,261       182         93.645       Stephanie Tubbs Jones Child Welfare Services Program       32500       891,578         93.658       Foster Care Title IV-E       32500       13,036,324       107         93.659       Adoption Assistance       32500       15,724,498         93.665       COVID-19 - Emergency Grants to Address Mental and       32500       27,456	93.630		32500			671,971	84,663
93.645       Stephanie Tubbs Jones Child Welfare Services Program       32500       891,578         93.658       Foster Care Title IV-E       32500       13,036,324       107         93.659       Adoption Assistance       32500       15,724,498         93.665       COVID-19 - Emergency Grants to Address Mental and       32500       27,456	93.632		MSU			651,687	
93.658 Foster Care Title IV-E 32500 13,036,324 107 93.659 Adoption Assistance 32500 15,724,498 93.665 COVID-19 - Emergency Grants to Address Mental and 32500 27,456	93.643	Children's Justice Grants to States	32500			190,261	182,372
93.659 Adoption Assistance 32500 15,724,498 93.665 COVID-19 - Emergency Grants to Address Mental and 32500 27,456	93.645	Stephanie Tubbs Jones Child Welfare Services Program	32500			891,578	
93.665 COVID-19 - Emergency Grants to Address Mental and 32500 27,456	93.658	Foster Care Title IV-E	32500			13,036,324	107,715
	93.659	Adoption Assistance	32500			15,724,498	243
	93.665		32500			27,456	
93.667 Social Services Block Grant 32500 3,776,092	93.667	Social Services Block Grant	32500			3,776,092	
93.669 Child Abuse and Neglect State Grants 32500 269,319 79	93.669	Child Abuse and Neglect State Grants	32500			269,319	79,239

ALN ALF	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	A EXPENDITURE SU	MOUNT TO BRECIPIENTS
93.671	COVID-19 - Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	32500			368,392	342,684
93.671	Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	32500			584,966	548,478
93.674	COVID-19 - John H. Chafee Foster Care Program for Successful Transition to Adulthood	32500			21,000	
93.674	John H. Chafee Foster Care Program for Successful Transition to Adulthood	32500			196,210	
93.732	Mental and Behavioral Health Education and Training Grants	UND			441,064	
93.747	COVID-19 - Elder Abuse Prevention Interventions Program	32500			866,261	229,647
93.767	Children's Health Insurance Program	32500			21,935,665	
93.788	Opioid STR	32500			4,213,397	
93.791	Money Follows the Person Rebalancing Demonstration	32500			11,162,929	286,037
93.817	Hospital Preparedness Program (HPP) Ebola Preparedness and Response Activities	32500			329,252	13,157
93.843	ACL Assistive Technology State Grants for Protection and Advocacy	36000			58,023	
93.889	National Bioterrorism Hospital Preparedness Program	32500			1,075,113	101,169
93.898	Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	UND			459,392	
93.898	Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	32500			1,474,894	490,720
93.912	Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement	NDSU			97,626	
93.912	Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement	UND			1,109	
93.913	Grants to States for Operation of State Offices of Rural Health	UND			275,570	14,848
93.917	HIV Care Formula Grants	32500			3,345,181	936,848
93.940	HIV Prevention Activities Health Department Based	32500			819,402	145,293
93.946	Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	UND			106,892	
93.946	Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	32500			89,336	

ALN ALP	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO SUBRECIPIENTS
93.958	COVID-19 - Block Grants for Community Mental Health Services	32500			773,855	
93.958	Block Grants for Community Mental Health Services	32500			1,967,126	
93.959	COVID-19 - Block Grants for Prevention and Treatment of Substance Abuse	32500			4,125,245	
93.959	Block Grants for Prevention and Treatment of Substance Abuse	32500			7,906,165	168,925
93.967	COVID-19 - Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	32500			929,292	297,602
93.969	PPHF Geriatric Education Centers	UND			1,029,710	372,611
93.970	Health Professions Recruitment Program for Indians	UND			1,171,881	
93.977	Sexually Transmitted Diseases (STD) Prevention and Control Grants	32500			260,575	
93.977	COVID-19 - Sexually Transmitted Diseases (STD) Prevention and Control Grants	32500			664,960	125,106
93.988	Cooperative Agreements for Diabetes Control Programs	32500			603,371	314,099
93.991	Preventive Health and Health Services Block Grant	32500			324,018	256,118
93.994	Maternal and Child Health Services Block Grant to the States	32500			2,097,801	307,440
93.U03	MQSA Inspections	30300		HHS75F40122C00099	119,910	
93.U06	Medicated Feeds	60200		75F40121C00107	46,599	
Nonmonetar	y Assistance:					
93.268	Immunization Cooperative Agreements	32500			11,339,851	
93.U04	COVID-19 - COVID-19 - Division of Strategic National Stockpile	32500		N/A	7,935	
Pass Throug	h Non-State Entity:					
93.048	Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	MSU	Jewish Federations of North America	GV-19	9,395	
93.103	Food and Drug Administration Research	32500	Association of Food and Drug Officials	G-BDEV2-202209-02552	4,632	
93.103	Food and Drug Administration Research	32500	Association of Food and Drug Officials	G-OATR-202209-02589	1,682	
93.103	Food and Drug Administration Research	32500	Association of Food and Drug Officials	G-BDEV2-202310-04814	4,196	
93.103	Food and Drug Administration Research	32500	Association of Food and Drug Officials	G-MP-1910-07948	118,890	
93.110	Maternal and Child Health Federal Consolidated Programs	32500	Association of State Public Health Nutritionists	H6262	19,666	7,682
93.110	Maternal and Child Health Federal Consolidated Programs	32500	Association of State Public Health Nutritionists	1 U7nmc39437-01-01	8,172	8,172

ALN	ALPHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE SUBRECIPIENTS
93.110	Maternal and Child Health Federal Consolidated Programs	UND	American College of Obstetricians and Gynecologists	UC4MC28042	33,751
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	UND	Grand Forks Housing Authority	3	9,954
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	UND	University of Missouri System	00127266/00085802	291,822
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	UND	Sanford Health	CY23-157-UND	503
93.359	Nurse Education, Practice Quality and Retention Grants	NDSU	Montana State University	G21-23-WA100	62,780
93.421	Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	NDSU	National Network of Public Health Institutes	G2883_AG-1550	24,659
93.421	Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	NDSU	National Network of Public Health Institutes	G2488 AG-1124	(8,855)
93.421	Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	32500	National Association of Chronic Disease Directors	1592020	9,646
93.424	NON-ACA/PPHF—Building Capacity of the Public Health System to Improve Population Health through National Nonprofit Organizations	MSU	American Academy of Pediatrics	Learn the Signs. Act Early	7,765
93.426	The National Cardiovascular Health Program	NDSU	North Dakota Pharmacy Service Corporation	NDSU-NOV8111	3,000
93.426	The National Cardiovascular Health Program	NDSU	MS4 PLCC	N/A	7,700
93.470	Alzheimer's Disease Program Initiative (ADPI)	UND	Spirit Lake Tribe	N/A	3,371
93.648	Child Welfare Research Training or Demonstration	UND	Research Foundation for the State University of New York, The	11-95862	66,051
93.648	Child Welfare Research Training or Demonstration	UND	Research Foundation for the State University of New York, The	R1235354	16,989
93.788	3 Opioid STR	UND	University of Missouri System	00109612/00077332	54,743
93.788	Opioid STR	NDSU	South Dakota State University	3TB310	221,587
93.U07	COVID-19 - COVID-19 - AHRQ ECHO National Nursing Home COVID-19 Action Network	UND	University of New Mexico	3RJK7	112,548
Total fo	or Unclustered				\$ 266,275,745 \$ 44,507,299
Aging (	Cluster				<u> </u>
Direct F	Programs:				
93.044	Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	32500			2,417,802 525,494

ALN ALPH	HA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE SU	MOUNT TO BRECIPIENTS
93.044	COVID-19 - Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	32500			1,038,977	125,498
93.045	Special Programs for the Aging, Title III, Part C, Nutrition Services	32500			4,929,244	
93.053	Nutrition Services Incentive Program	32500			676,087	
Total for Agin	ng Cluster				\$ 9,062,110 \$	650,992
CCDF Cluster	r					
Direct Program	ms:					
93.575	Child Care and Development Block Grant	32500			27,093,029	1,688,825
93.575	COVID-19 - Child Care and Development Block Grant	32500			13,932,650	
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund	32500			3,466,133	
Total for CCD	DF Cluster				\$ 44,491,812 \$	1,688,825
Head Start Cl	luster					
Direct Program	ms:					
93.600	Head Start	32500			129,141	
93.600	Head Start	MASU			3,084,218	
Nonmonetary	Assistance:					
93.600	Head Start	MASU			333,196	
Total for Head	d Start Cluster				\$ 3,546,555 \$	
Medicaid Clus	ster					
Direct Program	ms:					
93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	32500			2,498,210	
93.778	Medical Assistance Program	32500			1,032,508,225	
93.778	COVID-19 - Medical Assistance Program	32500			8,550	
Total for Med	licaid Cluster				\$1,035,014,985 \$	
Research and	d Development Cluster					
Direct Program	ms:					
93.110	Maternal and Child Health Federal Consolidated Programs	UND			54,359	
93.242	Mental Health Research Grants	UND			1,061,949	

ALN ALF	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	A EXPENDITURE SU	MOUNT TO BRECIPIENTS
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	UND			1,476,456	951,486
93.247	Advanced Nursing Education Workforce Grant Program	NDSU			49,825	9,534
93.273	Alcohol Research Programs	UND			113,760	
93.279	Drug Abuse and Addiction Research Programs	UND			234,380	
93.310	Trans-NIH Research Support	UND			240,676	236,416
93.310	Trans-NIH Research Support	NDSU			77,874	
93.395	Cancer Treatment Research	NDSU			497,017	86,426
93.837	Cardiovascular Diseases Research	NDSU			70,254	
93.838	Lung Diseases Research	NDSU			397,699	107,671
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	UND			733,435	
93.855	Allergy and Infectious Diseases Research	NDSU			86,231	
93.855	Allergy and Infectious Diseases Research	UND			1,083,107	
93.859	Biomedical Research and Research Training	UND			10,813,984	1,244,558
93.859	Biomedical Research and Research Training	NDSU			1,846,204	61,528
93.865	Child Health and Human Development Extramural Research	NDSU			176,412	64,127
93.866	Aging Research	NDSU			1,853,778	469,328
93.866	Aging Research	UND			1,049,374	
93.867	Vision Research	NDSU			227,817	
Pass Throug	gh Non-State Entity:					
93.068	Chronic Diseases: Research, Control, and Prevention	UND	University of North Carolina at Chapel Hill	PO ID Y20DSL0408	38,713	
93.113	Environmental Health	UND	University of North Carolina at Chapel Hill	5129718	11,435	
93.262	Occupational Safety and Health Program	NDSU	University of Minnesota	P010810001	16,594	
93.273	Alcohol Research Programs	NDSU	Sanford Research North	CY21-022-NDSU	25,622	
93.279	Drug Abuse and Addiction Research Programs	UND	Drexel University	PO U0176282	23,989	
93.279	Drug Abuse and Addiction Research Programs	UND	University of Cincinnati	013764-00040	63,580	
93.310	Trans-NIH Research Support	UND	University of Missouri System	C00066571-9	1,137	
93.391	Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	NDSU	LEVEL Mpls	PF21.123	14,495	

ALN	ALPHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE SUBRECIPIENTS
93.393	Cancer Cause and Prevention Research	UND	Trustees of Columbia University in The City of New York	3(GG017297-01)	49,145
93.396	6 Cancer Biology Research	UND	Trustees of Columbia University in The City of New York	3(GG017782-01)	56,719
93.426	The National Cardiovascular Health Program	UND	Montana Department of Public Health and Human Services	22096760050	14
93.838	B Lung Diseases Research	UND	West Virginia University	N/A	169,119
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	NDSU	University of Utah	10055841-29-NDSU	42,885
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	NDSU	Sanford Research North	CY21-048-NDSU	57,797
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	UND	Regents of the University of Michigan	SUBK00016556	217,276
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	UND	Regents of the University of Michigan	SUBK00013359	23,802
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	UND	Trinity College	NS065957-01/UND2023	100,156
93.855	Allergy and Infectious Diseases Research	UND	Regents of the University of Michigan	SUBK00018595	162,044
93.855	Allergy and Infectious Diseases Research	UND	University of Kentucky	3200003246-20-284	61,978
93.859	Biomedical Research and Research Training	NDSU	University Of Texas at Austin	UTA20-001169	27,736
93.859	Biomedical Research and Research Training	NDSU	Sanford Research North	SRN-2021-01	286,664
93.859	Biomedical Research and Research Training	UND	Sanford Health	SRN-2021-02	11,426
93.859	Biomedical Research and Research Training	NDSU	Sanford Health	CY22-401 NDSU	30,321
93.859	Biomedical Research and Research Training	NDSU	Sanford Research North	CY22-334-01	105,408
93.866	Aging Research	UND	SafetySpect Inc.	UND0026538	33,017
93.866	Aging Research	UND	West Virginia University Research Corporation	20-529-UND	181,321
93.866	Aging Research	UND	Oregon Health & Science University	1021735_UNorthDakota	66,952
93.99	Preventive Health and Health Services Block Grant	UND	Montana Department of Public Health and Human Services	24096760010	152,959
Total fo	or Research and Development Cluster				\$ 24,176,895 \$ 3,231,074
Studen	t Financial Assistance Cluster				
Direct F	Programs:				
93.264	Nurse Faculty Loan Program (NFLP)	MASU			129,546
93.264	Nurse Faculty Loan Program (NFLP)	UND			96,450

ALN ALF	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO SUBRECIPIENTS
93.342	Health Professions Student Loans, Including Primary Care Loans and Loans for Disadvantaged Students	UND			438,738	
93.364	Nursing Student Loans	MSU			1,132,739	
93.364	Nursing Student Loans	NDSU			449,353	
93.364	Nursing Student Loans	UND			1,525,587	
93.364	Nursing Student Loans	DSU			289,776	
Total for Stu	udent Financial Assistance Cluster				\$ 4,062,189	\$
Total For Do	epartment Of Health And Human Services				\$1,386,630,291	\$ 50,078,190
<b>Departmen</b> <i>Unclustered</i>	t Of Homeland Security					
Direct Progr	rams:					
97.008	Non-Profit Security Program	54000			600,402	581,169
97.012	Boating Safety Financial Assistance	72000			887,525	18,868
97.023	Community Assistance Program State Support Services Element (CAP-SSSE)	77000			125,404	
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	54000			30,039,549	29,741,914
97.036	COVID-19 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	54000			13,970,496	(121,448)
97.039	Hazard Mitigation Grant	54000			2,862,527	2,834,481
97.039	COVID-19 - Hazard Mitigation Grant	54000			1,180,227	1,180,227
97.041	National Dam Safety Program	77000			118,434	
97.042	COVID-19 - Emergency Management Performance Grants	54000			788,522	
97.042	Emergency Management Performance Grants	54000			2,483,235	1,443,413
97.045	Cooperating Technical Partners	77000			1,196,375	
97.047	BRIC: Building Resilient Infrastructure and Communities	54000			2,443,581	2,222,265
97.067	Homeland Security Grant Program	54000			5,327,250	3,574,333
97.067	Homeland Security Grant Program	32500			61,273	
97.132	Financial Assistance for Targeted Violence and Terrorism Prevention	UND			54,743	
97.132	Financial Assistance for Targeted Violence and Terrorism Prevention	54000			76,942	

#### For the Fiscal Years Ended June 30, 2024

ALN ALPHA PROGRAM TITLE		STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE		IOUNT TO RECIPIENTS
97.137 State and Local Cybersec Cybersecurity Grant Prog	curity Grant Program Tribal ram	54000			1,376,366	1	1,340,498
Total for Unclustered					\$ 63,592,851	\$	42,815,720
Research and Development Cluster					-		
Pass Through Non-State Entity:							
97.005 State and Local Homelan Program	d Security National Training	UND	Mississippi State University	193700.364108.01	39,189	)	
97.005 State and Local Homelan Program	d Security National Training	UND	Mississippi State University	193700.364447.05	2,971		
Total for Research and Development Clu	ster				\$ 42,160	\$	
Total For Department Of Homeland Sec	curity				\$ 63,635,011	\$	42,815,720
Department Of Housing And Urban De Unclustered	velopment						
Direct Programs:							
14.171 Manufactured Home Disp	oute Resolution	60100			6,269	)	
14.228 COVID-19 - Community I Grants/State's program a Hawaii	Development Block nd Non-Entitlement Grants in	60100			489,614	•	331,732
14.228 Community Development and Non-Entitlement Grai	: Block Grants/State's program nts in Hawaii	60100			2,420,080	)	2,222,932
14.231 COVID-19 - Emergency S	Solutions Grant Program	60100			148,739	)	95,906
14.401 Fair Housing Assistance	Program State and Local	40600			48,391		
Total for Unclustered					\$ 3,113,093	\$	2,650,570
CDBG - Disaster Recovery Grants Cluste	er						
Direct Programs:							
14.272 National Disaster Resilier	nce Competition	DCB			3,489,709	)	
Total for CDBG - Disaster Recovery Gran	nts Cluster				\$ 3,489,709	\$	
Total For Department Of Housing And	Urban Development				\$ 6,602,802	\$	2,650,570

#### **Department Of Justice**

Unclustered

Direct Programs:

ALN ALPI	HA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE SUBRECIPIENTS		
16.015	Missing Alzheimer's Disease Patient Assistance Program	MSU			21,803		
16.017	Sexual Assault Services Formula Program	32500			528,662	497,275	
16.034	COVID-19 - Coronavirus Emergency Supplemental Funding Program	12500			197,617		
16.320	Services for Trafficking Victims	12500			264,184	3,865	
16.540	Juvenile Justice and Delinquency Prevention	53000			274,162	274,162	
16.543	Missing Children's Assistance	12500			51,979		
16.548	Delinquency Prevention Program	53000			289,298	289,298	
16.554	National Criminal History Improvement Program (NCHIP)	12500			216,325		
16.575	Crime Victim Assistance	53000			4,990,141	4,965,499	
16.576	Crime Victim Compensation	53000			10,318		
16.582	Crime Victim Assistance/Discretionary Grants	53000			5,000		
16.582	Crime Victim Assistance/Discretionary Grants	12500			78,213		
16.585	Treatment Court Discretionary Grant Program	53000			259,112	29,172	
16.588	Violence Against Women Formula Grants	32500			684,829	598,982	
16.593	Residential Substance Abuse Treatment for State Prisoners	12500			27,300	27,300	
16.596	Justice System Infrastructure Program for Indian Tribes	UND			251,914	67,483	
16.608	Tribal Justice Systems	UND			583,025	251,698	
16.609	Project Safe Neighborhoods	12500			96,049	85,979	
16.710	Public Safety Partnership and Community Policing Grants	12500			45,827	45,052	
16.738	Edward Byrne Memorial Justice Assistance Grant Program	12500			579,294	312,532	
16.741	DNA Backlog Reduction Program	12500			681,310		
16.742	Paul Coverdell Forensic Sciences Improvement Grant Program	12500			523,184		
16.813	NICS Act Record Improvement Program	12500			14,587		
16.827	Justice Reinvestment Initiative	18000			53,036		
16.827	Justice Reinvestment Initiative	53000			382,672	382,672	
Pass Through	n Non-State Entity:						
16.596	Justice System Infrastructure Program for Indian Tribes	UND	Tribal Law and Policy Institute	Sub Agreement 01	16,446		
16.596	Justice System Infrastructure Program for Indian Tribes	UND	Fox Valley Technical College	GRTD2023001065	56,826		
16.608	Tribal Justice Systems	UND	Fox Valley Technical College	D2019001020/D2022012001	4,428		

ALN ALI	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	A EXPENDITURE SU	MOUNT TO BRECIPIENTS
16.608	Tribal Justice Systems	UND	Fox Valley Technical College	D2020010002/D2021011002	9,081	
16.726	Juvenile Mentoring Program	NDSU	National 4-H Council	N/A	5,635	
16.838	Comprehensive Opioid, Stimulant, and other Substances Use Program	UND	The Institute for Intergovernmental Research, Inc.	2023-COSSAF-002	187,751	
Total for Ur	nclustered				\$ 11,390,008 \$	7,830,969
Research a	and Development Cluster					
Pass Through	gh Non-State Entity:					
16.021	Justice Systems Response to Families	UND	Community Violence Intervention Center, Inc.	15JOVW-22-GG-00259-JFFX	8,261	
16.608	Tribal Justice Systems	UND	The National Judicial College	NJC-2019001	215,480	
Total for Re	esearch and Development Cluster				\$ 223,741 \$	
Total For D	Department Of Justice				\$ 11,613,749 \$	7,830,969
<b>Departmen</b> <i>Unclustered</i>						
Direct Progr	rams:					
17.235	Senior Community Service Employment Program	32500			192,465	
17.261	WIOA Pilots, Demonstrations, and Research Projects	BSC			288,185	
17.268	H-1B Job Training Grants	BSC			128,093	
17.285	Apprenticeship USA Grants	20100			428,981	120,000
17.504	Consultation Agreements	BSC			618,072	
17.600	Mine Health and Safety Grants	27000			115,753	115,753
Total for Ur	nclustered				\$ 1,771,549 \$	235,753
Total For D	epartment Of Labor				\$ 1,771,549 \$	235,753
<b>Departmen</b> <i>Unclustered</i>						
Pass Through	gh Non-State Entity:					
19.009	Academic Exchange Programs - Undergraduate Programs	NDSU	World Learning	IDEAS21-NDSU01	20,511	
19.402	Professional and Cultural Exchange Programs - International Visitor Leadership Program	MSU	Global Ties U.S.	CPG-ECA23-020	5,453	
19.402	Professional and Cultural Exchange Programs - International Visitor Leadership Program	MSU	Global Ties U.S.	CPG-FY22-037	108	

#### For the Fiscal Years Ended June 30, 2024

ALN AL	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO SUBRECIPIENTS
Total for Ur	nclustered				\$ 26,072	\$
Total For D	epartment Of State				\$ 26,072	\$
<b>Departmer</b> <i>Unclustered</i>	nt Of The Interior					
Direct Prog	rams:					
15.018	Energy Community Revitalization Program (ECRP)	47400			14,235,092	
15.250	Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining	40800			1,086,714	
15.252	Abandoned Mine Land Reclamation (AMLR)	40800			1,453,625	
15.427	Federal Oil and Gas Royalty Management State and Tribal Coordination	11700			691,722	
15.436	Late Disbursement Interest	12000			4,021	2,301
15.437	Minerals Leasing Act	12000			88,300,140	44,493,200
15.518	Garrison Diversion Unit	72000			895,677	
15.543	Lake Tahoe Regional Wetlands Development	12500			255,588	
15.615	Cooperative Endangered Species Conservation Fund	72000			46,097	
15.634	State Wildlife Grants	72000			433,984	112,008
15.637	Migratory Bird Joint Ventures	72000			31,060	31,060
15.664	Fish and Wildlife Coordination and Assistance	72000			22,226	
15.808	U.S. Geological Survey Research and Data Collection	77000			22,410	
15.810	National Cooperative Geologic Mapping	47400			10,200	
15.904	Historic Preservation Fund Grants-In-Aid	70100			770,412	107,521
15.916	Outdoor Recreation Acquisition, Development and Planning	75000			1,881,144	1,657,990
15.922	Native American Graves Protection and Repatriation Act	UND			27,134	
15.931	Youth and Veteran Organizations Conservation Activities	NDSU			5,388	
Pass Throu	gh Non-State Entity:					
15.518	Garrison Diversion Unit	77000	Garrison Diversion Conservancy District	R23AC00093	3,535,628	
15.518	Garrison Diversion Unit	77000	Garrison Diversion Conservancy District	6-FC-60-00210	6,879,707	
Total for Ur	nclustered				\$ 120,587,969	\$ 46,404,080

Fish and Wildlife Cluster

#### For the Fiscal Years Ended June 30, 2024

ALN AL	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE SU	AMOUNT TO JBRECIPIENTS
Direct Prog	rams:					
15.605	Sport Fish Restoration	72000			5,287,736	375,617
15.611	Wildlife Restoration and Basic Hunter Education and Safety	72000			14,004,253	1,397,104
15.626	Enhanced Hunter Education and Safety	72000			39,770	39,770
Total for Fi	sh and Wildlife Cluster				\$ 19,331,759	\$ 1,812,491
Research a	nd Development Cluster					
Direct Prog	rams:					
15.247	Wildlife Resource Management	NDSU			75,608	
15.664	Fish and Wildlife Coordination and Assistance	NDSU			14,500	
15.678	Cooperative Ecosystem Studies Units	NDSU			72,805	
15.805	Assistance to State Water Resources Research Institutes	NDSU			130,379	
15.808	U.S. Geological Survey Research and Data Collection	NDSU			26,771	
15.810	National Cooperative Geologic Mapping	NDSU			19,635	
15.945	Cooperative Research and Training Programs – Resources of the National Park System	UND			8,252	
15.945	Cooperative Research and Training Programs – Resources of the National Park System	NDSU			72,937	
Pass Throu	gh Non-State Entity:					
15.605	Sport Fish Restoration	UND	South Dakota State University	3TB040	2	
15.634	State Wildlife Grants	UND	Smithsonian Institution	23-SUBC-440-0000489095	10,270	
15.815	National Land Remote Sensing Education Outreach and Research	UND	AmericaView	AV18-ND-01	11,740	
15.815	National Land Remote Sensing Education Outreach and Research	UND	AmericaView	AV23-ND-01	15,344	
15.820	National and Regional Climate Adaptation Science Centers	UND	South Dakota State University	3TA100	55,941	
Total for Re	esearch and Development Cluster				\$ 514,184	\$
Total For D	repartment Of The Interior				\$ 140,433,912	\$ 48,216,571

#### **Department Of The Treasury**

Unclustered

Direct Programs:

ALN ALI	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO SUBRECIPIENTS
21.023	COVID-19 - Emergency Rental Assistance Program	32500			20,940,817	
21.026	COVID-19 - Homeowner Assistance Fund	32500			9,503,958	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	41200			875,784	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	32500			13,678,945	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	80100			75,997,349	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	18000			1,216,530	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	70100			537,847	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	31300			188,646	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	BSC			25,259,030	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	77000			4,543,200	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	60200			1,143	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	32100			121,367	21,731
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	75000			5,469,160	1,625,027
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	MSU			12,880,918	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	DSU			351,020	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	20100			838,113	838,113
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	47400			67,852	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	54000			3,999,344	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	27000			2,584,301	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	53000			3,234,407	

ALN AL	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO JBRECIPIENTS
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	UND			33,314,778	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	40500			3,163,361	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	10800			223,722	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	11000			4,170,852	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	NDUS			45,702	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	11200			8,495,365	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	NDSU			5,520,888	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	60100			14,856,756	
21.029	COVID-19 - Coronavirus Capital Projects Fund	27000			38,854,891	38,854,891
21.029	COVID-19 - Coronavirus Capital Projects Fund	11200			2,377,505	
21.031	State Small Business Credit Initiative Technical Assistance Grant Program	60100			41,274	
Total for U	Inclustered				\$ 293,354,825	\$ 41,339,762
Total For D	Department Of The Treasury				\$ 293,354,825	\$ 41,339,762
<b>Departme</b> <i>Unclustere</i>	nt Of Transportation					
Direct Prog	grams:					
20.106	COVID-19 - Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	41200			2,074	
20.106	Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	41200			140,184	
20.111	Aircraft Pilots Workforce Development Grant Program	UND			176,552	
	Aviation Maintanana Taglariad Waddana Caust Dagana	NDSCS			835	
20.112	Aviation Maintenance Technical Workforce Grant Program					
20.112 20.200	Highway Research and Development Program	80100			26,999	
	· ·	80100 80100			26,999 438,557,248	3,158,529

ALN	ALPHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO UBRECIPIENTS
20.21	Highway Training and Education	NDSU			205,919	125,194
20.21	Highway Training and Education	80100			168,216	
20.219	Recreational Trails Program	75000			1,028,407	942,631
20.23	Motor Carrier Safety Assistance High Priority Activities Grants and Cooperative Agreements	50400			54,941	
20.240	Fuel Tax Evasion-Intergovernmental Enforcement Effort	12700			11,201	
20.30	Railroad Safety	40800			3,155	
20.32	Consolidated Rail Infrastructure and Safety Improvements	80100			4,670,024	47,202
20.50	Metropolitan Transportation Planning and State and Non- Metropolitan Planning and Research	80100			64,884	64,884
20.509	Formula Grants for Rural Areas and Tribal Transit Program	80100			8,462,435	8,060,899
20.509	COVID-19 - Formula Grants for Rural Areas and Tribal Transit Program	80100			338,666	338,665
20.513	Enhanced Mobility of Seniors and Individuals with Disabilities	80100			860,780	860,780
20.513	COVID-19 - Enhanced Mobility of Seniors and Individuals with Disabilities	80100			21,413	21,413
20.526	Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	80100			10,054,981	10,054,981
20.600	State and Community Highway Safety	80100			3,567,514	1,225,396
20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated	80100			580,198	151,033
20.616	National Priority Safety Programs	80100			2,320,682	81,471
20.700	Pipeline Safety Program State Base Grant	40800			262,247	
20.703	Interagency Hazardous Materials Public Sector Training and Planning Grants	54000			220,723	206,225
20.72	PHMSA Pipeline Safety Program One Call Grant	40800			51,843	
20.933	National Infrastructure Investments	80100			30,633,456	
20.934	Nationally Significant Freight and Highway Projects	80100			7,772,488	
20.939	Safe Streets and Roads for All	NDSU			74,800	
20.U0	2 Accelerated Safety Activity Program	80100		693JJ92250142	20,040	
20.U0	Veterans Pilot Training Pilot Program (VPTPP)	UND		693KA8-22-N-80003	759,068	
Pass T	hrough Non-State Entity:					
20.200	Highway Research and Development Program	NDSU	Minnesota Department of Transportation	1036338 work order 1	4,445	

ALN ALF	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO UBRECIPIENTS
20.205	Highway Planning and Construction	NDSU	Grand Forks-East Grand Forks Metropolitan Planning Organization	N/A	20,252	
20.941	Strengthening Mobility and Revolutionizing Transportation (SMART) Grants Program	UND	Three Affiliated Tribes	UND0028542	499,318	
20.U01	5010 Inspections	41200	GCR Inc.	N/A	11,900	
20.U06	Travel Demand Modeling to Support Bismarck Mandan Arrive 2050 Metropolitan Transportation Plan.	NDSU	Bismarck-Mandan Metropolitan Planning Organization	CPG-2024(001); FAR0037860	6,851	
20.U07	North Dakota MPO Planning Support Program Master Agreement	NDSU	Fargo Moorhead Metropolitan Council of Governments	FAR0035100	10,073	
20.U08	North Dakota MPO Planning Support Program Master Agreement	NDSU	Bismarck-Mandan Metropolitan Planning Organization	FAR0035101	9,672	
20.U09	North Dakota MPO Planning Support Program Master Agreement	NDSU	Grand Forks-East Grand Forks Metropolitan Planning Organization	FAR0035102	9,672	
20.U10	Expanding Summer Youth Programs in Rail though Virtual Learning and a National Campus Network	NDSU	Michigan Technological University	2009035Z9	3,738	
Total for Un	clustered				\$ 515,143,339	\$ 25,339,303
FMCSA Clu	ster					
Direct Progr	ams:					
20.218	Motor Carrier Safety Assistance	50400			3,487,559	
20.237	Motor Carrier Safety Assistance High Priority Activities Grants and Cooperative Agreements	NDSU			33,094	
Total for FM	ICSA Cluster				\$ 3,520,653	\$
Research a	nd Development Cluster				_	
Direct Progr	ams:					
20.109	Air Transportation Centers of Excellence	UND			1,626,817	6,409
20.237	Motor Carrier Safety Assistance High Priority Activities Grants and Cooperative Agreements	NDSU			399,161	
20.614	National Highway Traffic Safety Administration (NHTSA) Discretionary Safety Grants and Cooperative Agreements	NDSU			5,517	
20.701	University Transportation Centers Program	NDSU			1,851,028	1,595,630
20.723	PHMSA Pipeline Safety Research and Development "Other Transaction Agreements"	NDSU			241,371	
20.724	Pipeline Safety Research Competitive Academic Agreement Program (CAAP)	NDSU			584,358	92,545
20.RD	Railroad Substructure Moisture Measurement and Monitoring Using Hyperspectral Imagery	UND		693JJ622C000038	127,481	

ALN ALE	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE SUBRECIPIENTS
20.RD	Drone Mitigation Demonstration and Test and Evaluation	UND		692M15-18-D-00014	410,893
Pass Throu	gh Non-State Entity:				
20.200	Highway Research and Development Program	NDSU	National Academies	HR 08-144	48,231
20.200	Highway Research and Development Program	NDSU	Oklahoma State University	1-511223-NDSU	14,715
20.205	Highway Planning and Construction	NDSU	Minnesota Department of Transportation	1036338 - WO5	36,288
20.205	Highway Planning and Construction	NDSU	Fargo-Moorhead Metropolitan Council of Governments	N/A	21,636
20.205	Highway Planning and Construction	NDSU	Grand Forks-East Grand Forks Metropolitan Planning Organization	N/A	1,370
20.232	Commercial Driver's License Program Implementation Grant	NDSU	University of Cincinnati	015585-00002	20,612
20.505	Metropolitan Transportation Planning and State and Non- Metropolitan Planning and Research	NDSU	River Cities Public Transit	N/A	1,739
20.509	Formula Grants for Rural Areas and Tribal Transit Program	NDSU	TransAction	N/A	10,290
20.509	Formula Grants for Rural Areas and Tribal Transit Program	NDSU	Jaunt, Inc.	N/A	76,774
20.701	University Transportation Centers Program	NDSU	Texas A & M University	M2304589	99,934
20.701	University Transportation Centers Program	NDSU	University of Maryland	131987-Z9125304	50,979
20.701	University Transportation Centers Program	NDSU	Montana State University	G226-17-W6460	42,762
20.724	Pipeline Safety Research Competitive Academic Agreement Program (CAAP)	NDSU	Stevens Institute of Technology	2103007-01	673
20.RD	Effectiveness of Third-Party Testing for CDL	NDSU	toXcel, LLC	693JJ421F000061, 2021-004	51,886
20.RD	Travel Demand Model Update for the Bismarck Mandan MPO 2021 Base Year	NDSU	Bismarck-Mandan Metropolitan Planning Organization	CPG-2020(007) - FAR0035799	4,770
20.RD	Travel Demand Model Update for the Fargo Moorhead Metro COG for the 2021 Base Year	NDSU	Fargo-Moorhead Metropolitan Council of Governments	CPG-2021(008) - FAR0035625	3,514
20.RD	Travel Demand Model Update for the Grand Forks/East Grand Forks MPO 2020 Base Year (some data will be from 2020; some from 2021)	NDSU	Grand Forks-East Grand Forks Metropolitan Planning Organization	FAR0035698	7,006
20.RD	National Commercial Driver License Program Assessment	NDSU	eScience & Technology Solutions, Inc.	UGPTI-013289-002	1,899
20.RD	GF-EGF MPO Traffic Data Collection Support 2022-2024	NDSU	Grand Forks-East Grand Forks Metropolitan Planning Organization	FAR0035670	26,880
20.RD	FM Metro COG Turning Movement Counts and Traffic Signal Timing Optimization Support for City of Moorhead	NDSU	Fargo-Moorhead Metropolitan Council of Governments	CPG-2021(008) - FAR0035624	10,789
20.RD	FM Metro COG DTA Use To Optimize Transportation Project	NDSU	Fargo-Moorhead Metropolitan Council of Governments	CPG-2021(008) - FAR0035631	(302)

For the Fiscal Years Ended June 30, 2024

ALN ALI	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO SUBRECIPIENTS
20.RD	National General Aviation Flight Information Database (NGAFID) (FY23)	UND	The MITRE Corporation	Task Order 1162978	120,957	
20.RD	CMV Driving with Limb Loss or Impairment	NDSU	toXcel, LLC	693JJ420D000004, 2021-004	27,089	
20.RD	Signalized Intersections Traffic Data Collection Pilot Project	NDSU	Bismarck-Mandan Metropolitan Planning Organization	CPG-2020(007) - FAR0036127	18,786	
20.RD	Automated CMV Evaluation (ACE) - Inspection Demonstrations and Evaluations	NDSU	toXcel, LLC	693JJ421F000036, 2021-004	8,146	
20.RD	National General Aviation Flight Information Database (NGAFID) (FY24)	UND	The MITRE Corporation	TO 1167998	97,833	
Total for Re	esearch and Development Cluster				\$ 6,051,882	\$ 1,694,584
Total For D	epartment Of Transportation				\$ 524,715,874	\$ 27,033,887
<b>Departmer</b> <i>Unclustered</i>	nt Of Veterans Affairs					
Direct Progr	rams:					
64.014	Veterans State Domiciliary Care	31300			1,154,950	
64.015	Veterans State Nursing Home Care	31300			4,825,912	
64.035	Veterans Transportation Program	32100			504,249	321,108
64.U01	State Approving Agency	32100		V101 (223C) P-5745	149,693	
64.U02	VA - RESIDENTS ROTATIONS	UND		N/A	635,011	
Total for Ur	nclustered				\$ 7,269,815	\$ 321,108
Total For D	epartment Of Veterans Affairs				\$ 7,269,815	\$ 321,108
Unclustered						
Direct Progr		10000			4 004 707	
90.404	HAVA Election Security Grants	10800			1,094,737	σ
Total for Ur					\$ 1,094,737	
Total For E	lections Assistance Commission				\$ 1,094,737	\$

#### **Environmental Protection Agency**

Unclustered

Direct Programs:

ALN ALF	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO UBRECIPIENTS
66.034	Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	30300			180,926	
66.040	Diesel Emissions Reduction Act (DERA) State Grants	30300			425,604	
66.046	Climate Pollution Reduction Grants	30300			588,263	
66.419	Water Pollution Control State, Interstate, and Tribal Program Support	30300			57,354	1,344
66.433	State Underground Water Source Protection	47400			139,000	
66.442	Water Infrastructure Improvements for the Nation Small and Underserved Communities Emerging Contaminants Grant Program	30300			1,052,386	1,052,386
66.454	Water Quality Management Planning	30300			151,562	68,514
66.460	Nonpoint Source Implementation Grants	72000			79,054	
66.460	Nonpoint Source Implementation Grants	30300			4,437,895	2,774,611
66.468	Drinking Water State Revolving Fund	30300			667,337	
66.605	Performance Partnership Grants	60200			564,005	
66.605	Performance Partnership Grants	30300			4,893,704	46,381
66.608	Environmental Information Exchange Network Grant Program and Related Assistance	30300			25,038	
66.700	Consolidated Pesticide Enforcement Cooperative Agreements	NDSU			51,001	
66.804	Underground Storage Tank (UST) Prevention, Detection, and Compliance Program	30300			261,885	
66.805	Leaking Underground Storage Tank Trust Fund Corrective Action Program	30300			324,301	
66.817	State and Tribal Response Program Grants	30300			496,457	
66.820	STATE PROGRAMS FOR CONTROL OF COAL COMBUSTION RESIDUALS	30300			2,404	
66.U01	Water Sample Collection	VCSU		W912ES-21-P-0058	9,897	
66.U02	Water Sample Collection	VCSU		23-CS-11011800-016	8,950	
Pass Throu	gh Non-State Entity:					
66.716	Research, Development, Monitoring, Public Education, Outreach, Training, Demonstrations, and Studies	NDSU	eXtension Foundation	PSEFMP-2024-2414	19,629	
66.950	National Environmental Education Training Program	NDSU	Sustainable Forestry Initiative	6000-017-2023	11,727	
Total for Un	nclustered				\$ 14,448,379	\$ 3,943,236

Research and Development Cluster   Street Program   St	ALN AL	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPE	ENDITURE S	OUNT TO ECIPIENTS
66.461         Regional Wetland Program Development Grants         NDSU         87,914           66.509         Science To Achieve Results (STAR) Research Program         UND         53,088         41,634           66.516         29 Award: National Student Design Competition for Sustainability         NDSU         16,522         16,522         16,522         17,5	Research a	nd Development Cluster						
66.509         Science To Achieve Results (STAR) Research Program (NDS)         UND         53,088         41,634           66.516         P3 Award: National Student Design Competition for (NDS)         NDSU         16,592         16,593         16,592         16,593         16,593         16,593         16,593         16,593         16,593         16,593         16,593         16,593         16,593         16,593         16,593	Direct Prog	rams:						
16.516   P3 Award: National Student Design Competition for Substantiability   16.532   16.	66.461	Regional Wetland Program Development Grants	NDSU				87,914	
Sustainability   Poss Trivory Non-State Entity:	66.509	Science To Achieve Results (STAR) Research Program	UND				53,068	41,634
66.RQ         Real-lime Red Meat Freshness Assessment         UND         SafetySpect Inc         68HERC24C0021         33.322           Total for Reserb and Development Cluster         \$ 190.300         \$ 14,639.285         \$ 3,984,870           Equal Employment Opportunity Commission           Unclustered           Direct Programs           Employment Discrimination - State and Local Fair Employment Practices Agency Contracts         40600         91,390         \$ 91,390         \$ 91.300         \$	66.516		NDSU				16,592	
Total For Research and Development Cluster         \$ 190,906         \$ 41,634           Total For Environmental Protection Agency         \$ 14,639,285         \$ 3,984,870           Equal Employment Opportunity Commission           Unclustered           Direct Programs           30.002         Employment Discrimination - State and Local Fair Employment Practices Agency Contracts         \$ 91,390         <	Pass Throu	gh Non-State Entity:						
Total For Environmental Protection Agency         \$ 14,639,285         \$ 3,984,870           Equal Employment Opportunity Commission           Direct Programs         40600         91,390         \$ 91,390         \$ \$ 91,390         \$ \$ 91,390         \$ \$ 91,390         \$ \$ 91,390         \$ \$ \$ 91,390         \$ \$ \$ 91,390         \$ \$ \$ 91,390         \$ \$ \$ 91,390         \$ \$ \$ 91,390         \$ \$ \$ 91,390         \$ \$ \$ 91,390         \$ \$ \$ 91,390         \$ \$ \$ 91,390         \$ \$ \$ 91,390         \$ \$ \$ 91,390         \$ \$ \$ 91,390         \$ \$ \$ 91,390         \$ \$ \$ 91,390         \$ \$ \$ 91,390         \$ \$ \$ 91,390         \$ \$ \$ 91,390         \$ \$ \$ 91,390         \$ \$ \$ 91,390         \$ \$ \$	66.RD	Real-time Red Meat Freshness Assessment	UND	SafetySpect Inc	68HERC24C0021		33,332	
Equal Employment Opportunity Commission           Unclustered           30.002         Employment Discrimination - State and Local Fair Employment Practices Agency Contracts         40600         91,390         \$           70tal for Unclustered         \$ 91,390         \$         \$           Executive Office of the President           Unclustered           Direct Programs:         95,001         High Intensity Drug Trafficking Areas Program         12500         677,109         269,709           70tal For Luclustered         \$ 677,109         \$ 269,709         \$           Total For Executive Office of the President         \$ 677,109         \$ 269,709           Total For Executive Office of the President         \$ 677,109         \$ 269,709           Total For Executive Office of the President         \$ 677,109         \$ 269,709           Federal Communications Commission         \$ 677,109         \$ 269,709           Total for Unclustered         \$ 77,162         \$ 77,162           State of Unclustered         \$ 77,162         \$ 77,162         \$ 77,162	Total for Re	esearch and Development Cluster				\$	190,906	\$ 41,634
Unclustered           Direct Programs:         30.002         Employment Discrimination - State and Local Fair Employment Practices Agency Contracts         40600         91,390         \$	Total For E	invironmental Protection Agency				\$	14,639,285	\$ 3,984,870
30.002         Employment Discrimination - State and Local Fair Employment Practices Agency Contracts         40600         91,390         \$           Total for Unclustered         \$ 91,390         \$           Total For Equal Employment Opportunity Commission         \$ 91,390         \$           Executive Office of the President           Unclustered           95.001         High Intensity Drug Trafficking Areas Program         12500         677,109         269,709           Total for Unclustered         \$ 677,109         269,709           Total For Executive Office of the President         \$ 677,109         269,709           Federal Communications Commission           Unclustered         \$ 677,109         269,709           Direct Programs:           32.011         Affordable Connectivity Outreach Grant Program         UND         77,162           Total for Unclustered         \$ 77,162	-							
Employment Practices Agency Contracts	Direct Progr	rams:						
Executive Office of the President   Unclustered   Unclus	30.002		40600				91,390	
Executive Office of the President   Unclustered	Total for Ur	nclustered				\$	91,390	\$
Unclustered         Direct Programs:       95.001 High Intensity Drug Trafficking Areas Program 12500       677,109 269,709         Total for Unclustered       \$ 677,109 \$ 269,709         Total For Executive Office of the President       \$ 677,109 \$ 269,709         Federal Communications Commission         Unclustered         Direct Programs:         32.011 Affordable Connectivity Outreach Grant Program UND       77,162         Total for Unclustered       \$ 77,162	Total For E	qual Employment Opportunity Commission				\$	91,390	\$
95.001       High Intensity Drug Trafficking Areas Program       12500       677,109       269,709         Total For Executive Office of the President       \$ 677,109       269,709         Federal Communications Commission         Unclustered         Direct Programs:         32.011       Affordable Connectivity Outreach Grant Program       UND       77,162         Total for Unclustered       \$ 77,162								
Total for Unclustered \$ 677,109 \$ 269,709  Total For Executive Office of the President \$ 677,109 \$ 269,709  Federal Communications Commission Unclustered Direct Programs: 32.011 Affordable Connectivity Outreach Grant Program UND 77,162  Total for Unclustered \$ 77,162 \$	Direct Progr	rams:						
Total For Executive Office of the President  Federal Communications Commission Unclustered  Direct Programs:  32.011 Affordable Connectivity Outreach Grant Program UND  Total for Unclustered  \$77,162 \$	95.001	High Intensity Drug Trafficking Areas Program	12500				677,109	269,709
Federal Communications Commission Unclustered Direct Programs: 32.011 Affordable Connectivity Outreach Grant Program UND  Total for Unclustered  Total for Unclustered	Total for Ur	nclustered				\$	677,109	\$ 269,709
Unclustered  Direct Programs:  32.011 Affordable Connectivity Outreach Grant Program UND  77,162  Total for Unclustered  \$ 77,162 \$	Total For E	xecutive Office of the President				\$	677,109	\$ 269,709
32.011 Affordable Connectivity Outreach Grant Program UND 77,162  Total for Unclustered \$ 77,162 \$								
Total for Unclustered \$ 77,162 \$	Direct Prog	rams:						
	32.011	Affordable Connectivity Outreach Grant Program	UND				77,162	
Total For Federal Communications Commission \$ 77,162 \$	Total for Ur	nclustered				\$	77,162	\$
	Total For F	ederal Communications Commission				\$	77,162	\$

ALN ALP	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AM( EXPENDITURE SUBR	OUNT TO RECIPIENTS
	ervices Administration					
Unclustered						
	ry Assistance:	4.4000			4 000 000	
39.003	Donation of Federal Surplus Personal Property	11000			1,030,232	
Total for Und	clustered				\$ 1,030,232 \$	
Total For Ge	eneral Services Administration				\$ 1,030,232 \$ 	
Institute of Unclustered	Museum and Library Services					
Direct Progra	rams:					
45.310	Grants to States	25000			1,160,190	
Total for Und	oclustered				\$ 1,160,190 \$	
Total For Ins	stitute of Museum and Library Services				\$ 1,160,190 \$	
National Ae Unclustered	eronautics and Space Administration					
Direct Progra	ams:					
43.008	Office of Stem Engagement (OSTEM)	UND			1,257,480	
43.012	Space Technology	60100			300,103	
Total for Uni	nclustered				\$ 1,557,583 \$	
Research ar	nd Development Cluster					
Direct Progra	rams:					
43.001	Science	UND			310,941	74,539
43.003	Exploration	UND			15,239	6,629
43.008	Office of Stem Engagement (OSTEM)	UND			551,424	12,790
43.009	Mission Support	UND			101,033	18,320
43.012	Space Technology	UND			157,561	
Nonmonetar	ry Assistance:					
43.001	Science	UND			136,250	
Pass Throug	gh Non-State Entity:					
43.001	Science	UND	University of Oregon	225390A	43,410	

For the Fiscal Years Ended June 30, 2024

ALN ALI	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXP	PENDITURE S	UNT TO CIPIENTS
43.001	Science	UND	National Space Grant Foundation	NEBP-114		15,600	
43.002	Aeronautics	UND	Mississippi State University	193700.361561.02C		68,102	
43.002	Aeronautics	UND	Mississippi State University	193700.361561.02B		147,373	
43.008	Office of Stem Engagement (OSTEM)	UND	Cankdeska Cikana Community College	N/A		17,520	
43.008	Office of Stem Engagement (OSTEM)	UND	Sitting Bull College	UND0026723		21,906	
43.RD	UAS Research for Public Safety Applications	UND	Mississippi State University	193700.361561.02		143,221	
Total for Re	esearch and Development Cluster				\$	1,729,580	\$ 112,278
Total For N	lational Aeronautics and Space Administration				\$	3,287,163	\$ 112,278
Unclustered							
Direct Progr	rams:						
45.024	Promotion of the Arts Grants to Organizations and Individuals	UND				10,612	
45.024	Promotion of the Arts Grants to Organizations and Individuals	BSC				4,009	
45.025	Promotion of the Arts Partnership Agreements	32500				3,000	
45.025	Promotion of the Arts Partnership Agreements	70900				932,228	631,702
Total for Ur	nclustered				\$	949,849	\$ 631,702
Total For N	ational Endowment For The Arts				\$	949,849	\$ 631,702
National E	ndowment For The Humanties						
Pass Throu	gh Non-State Entity:						
45.162	Promotion of the Humanities Teaching and Learning Resources and Curriculum Development	UND	The Teagle Foundation	2005566		26,214	
45.163	Promotion of the Humanities Professional Development	UND	Pennsylvania State University, The	S004327-NEH		13,476	
Total for Ur	nclustered				\$	39,690	\$
Total For N	ational Endowment For The Humanties				\$	39,690	\$

#### **National Science Foundation**

Unclustered

Direct Programs:

ALN ALI	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO UBRECIPIENTS
47.076	STEM Education (formerly Education and Human Resources)	BSC			294,073	
47.076	STEM Education (formerly Education and Human Resources)	DCB			6,970	
47.076	STEM Education (formerly Education and Human Resources)	NDSCS			126,686	
Total for Un	nclustered				\$ 427,729	\$
Research a	nd Development Cluster					
Direct Progr	rams:					
47.041	Engineering	UND			31,807	
47.041	Engineering	NDSU			881,363	11,098
47.049	Mathematical and Physical Sciences	UND			219,209	
47.049	Mathematical and Physical Sciences	NDSU			813,272	
47.050	Geosciences	UND			218,826	
47.050	Geosciences	NDSU			72,573	
47.070	Computer and Information Science and Engineering	UND			202,610	9,459
47.070	Computer and Information Science and Engineering	NDSU			194,330	
47.074	Biological Sciences	NDSU			1,312,628	12,095
47.074	Biological Sciences	UND			598,268	
47.075	Social, Behavioral, and Economic Sciences	NDSU			262,542	
47.076	STEM Education (formerly Education and Human Resources)	NDSU			937,738	
47.076	STEM Education (formerly Education and Human Resources)	UND			1,687,090	602,513
47.079	Office of International Science and Engineering	UND			31,710	
47.083	Integrative Activities	UND			1,533,658	110,758
47.083	Integrative Activities	NDSU			6,919,794	1,137,256
47.084	NSF Technology, Innovation, and Partnerships	UND			151,298	24,437
47.084	NSF Technology, Innovation, and Partnerships	NDSU			2,514,341	485,289
47.RD	Intergovernmental Personnel Act (IPA) assignment to the National Science Foundation	NDSU		2211298	81,655	
Pass Throu	gh Non-State Entity:					
47.041	Engineering	NDSU	Auburn University	21-BIOSYS-200818-NDSU	8,974	

For the Fiscal Years Ended June 30, 2024

ALN ALE	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE SU	AMOUNT TO JBRECIPIENTS
47.041	Engineering	NDSU	Iowa State University	025584A	14,729	
47.050	Geosciences	UND	Rowan University	51797-1	14,576	
47.070	Computer and Information Science and Engineering	NDSU	American Indian Higher Education Consortium	N/A	7,435	
47.074	Biological Sciences	NDSU	Indiana University Bloomington	8156-NDSU	85,845	
47.075	Social, Behavioral, and Economic Sciences	NDSU	Pennsylvania State University	S004749-NSF	10,407	
47.076	STEM Education (formerly Education and Human Resources)	NDSU	Salish Kootenai College	NDSU-18-2	1,800	
47.076	STEM Education (formerly Education and Human Resources)	NDSU	Auburn University	21-CHEME-200725-NDSU	(81)	
47.076	STEM Education (formerly Education and Human Resources)	NDSU	Missouri University of Science and Technology	00078680-01	23,883	
47.076	STEM Education (formerly Education and Human Resources)	UND	Council of Graduate Schools	N/A	20,654	
47.076	STEM Education (formerly Education and Human Resources)	NDSU	University of Montana	PG23-66474-03	304,557	
47.083	Integrative Activities	NDSU	South Dakota State University	3TB059	34,557	
47.083	Integrative Activities	NDSU	University of South Alabama	A22-0160-S005	324,914	
47.083	Integrative Activities	UND	University of South Alabama	A22-0160-S001	4,713	
47.083	Integrative Activities	UND	University of South Alabama	Seed Grant (NSF 2218046)	8,103	
47.083	Integrative Activities	NDSU	University of South Alabama	N/A	4,103	
47.084	NSF Technology, Innovation, and Partnerships	NDSU	Old Dominion University	23-159-100969-010	31,828	
Total for Re	esearch and Development Cluster				\$ 19,565,709	\$ 2,392,905
Total For N	ational Science Foundation				\$ 19,993,438	2,392,905
Nuclear Re	egulatory Commission					
Direct Progr	rams:					
77.008	U.S. Nuclear Regulatory Commission Scholarship and Fellowship Program	BSC			9,199	
Total for Un	nclustered				\$ 9,199	\$
Total For N	uclear Regulatory Commission				\$ 9,199	\$

**Small Business Administration** 

ALN ALF	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXP	ENDITURE S		UNT TO CIPIENTS
Unclustered								
Direct Progra	ams:							
59.037	Small Business Development Centers	UND				721,690		115,847
59.044	Veterans Outreach Program	UND				261,153		
59.058	Federal and State Technology Partnership Program	UND				86,022		
Total for Un	oclustered				\$	1,068,865	\$	115,847
Total For Si	mall Business Administration				\$	1,068,865	\$	115,847
	urity Administration							
Unclustered								
Direct Progra 96.009	Social Security State Grants for Work Incentives	36000				269,456		
Total for Un	Assistance to Disabled Beneficiaries				\$	269,456	\$	
					Ψ	200,400	Ψ	
	surance/SSI Cluster							
Direct Progra		00500				0.040.000		
96.001	Social Security Disability Insurance	32500			•	3,843,889	•	
Total for Dis	sability Insurance/SSI Cluster				\$	3,843,889	\$	
Total For So	ocial Security Administration				\$	4,113,345	\$	
U.S. Depart	tment Of Agriculture							
Direct Progra	rams:							
10.001	Agricultural Research Basic and Applied Research	NDSU				254,424		
10.025	Plant and Animal Disease, Pest Control, and Animal Care	NDSU				349,319		
10.025	Plant and Animal Disease, Pest Control, and Animal Care	60200				446,068		
10.028	Wildlife Services	72000				95,864		
10.153	Market News	60200				12,884		
10.162	Inspection Grading and Standardization	60200				1,824		
10.163	Market Protection and Promotion	60200				19,600		
10.170	Specialty Crop Block Grant Program - Farm Bill	60200				4,575,326		1,034,737
10.171	Organic Certification Cost Share Programs	60200				85,077		79,483

ALN ALF	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE SU	MOUNT TO BRECIPIENTS
10.182	Food Bank Network	60200			715,310	711,848
10.187	The Emergency Food Assistance Program (TEFAP) Commodity Credit Corporation Eligible Recipient Funds	20100			64,175	64,175
10.190	Resilient Food System Infrastructure Program	60200			19,447	
10.226	Secondary Education, Two-Year Postsecondary Education, and Agriculture in the K-12 Classroom	DCB			42,599	
10.310	Agriculture and Food Research Initiative (AFRI)	NDSCS			63,298	
10.310	Agriculture and Food Research Initiative (AFRI)	DCB			28,799	
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU			22,292	6,015
10.310	Agriculture and Food Research Initiative (AFRI)	BSC			122,290	
10.311	Beginning Farmer and Rancher Development Program	DCB			1,592	
10.329	Minor Crop Pest Management (IR-4)	NDSU			254,609	
10.435	State Mediation Grants	60200			81,671	
10.475	Cooperative Agreements with States for Intrastate Meat and Poultry Inspection	60200			535,967	
10.479	Food Safety Cooperative Agreements	60200			292,862	
10.500	Cooperative Extension Service	NDSU			331,483	94,930
10.511	Smith-Lever Extension Funding	NDSU			3,109,486	
10.514	Expanded Food and Nutrition Education Program	NDSU			401,070	
10.516	Rural Health and Safety Education Competitive Grants Program	NDSU			106,342	
10.525	Farm and Ranch Stress Assistance Network Competitive Grants Program	60200			95,721	
10.527	New Beginning for Tribal Students	NDSU			230,133	4,987
10.541	Child Nutrition-Technology Innovation Grant	20100			395,953	
10.557	WIC Special Supplemental Nutrition Program for Women, Infants, and Children	32500			13,046,347	3,546,906
10.558	Child and Adult Care Food Program	20100			11,103,864	10,753,475
10.560	State Administrative Expenses for Child Nutrition	20100			1,766,145	355,949
10.567	Food Distribution Program on Indian Reservations	20100			2,049,826	1,347,081
10.567	COVID-19 - Food Distribution Program on Indian Reservations	20100			138,073	138,073
10.574	Team Nutrition Grants	20100			283,880	88,643
10.575	Farm to School Grant Program	60200			51,990	

ALN ALI	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	A EXPENDITURE SU	MOUNT TO BRECIPIENTS
10.579	Child Nutrition Discretionary Grants Limited Availability	20100			105,681	105,681
10.594	Food Distribution Program on Indian Reservations Nutrition Education Grants	20100			51,640	51,640
10.645	Farm to School State Formula Grant	20100			146,423	
10.646	Summer Electronic Benefit Transfer Program for Children	32500			42,134	
10.646	Summer Electronic Benefit Transfer Program for Children	20100			13,512	
10.649	COVID-19 - Pandemic EBT Administrative Costs	32500			115,495	
10.664	Cooperative Forestry Assistance	NDSU			2,494,826	668,873
10.680	Forest Health Protection	60200			84,194	84,194
10.691	Good Neighbor Authority	NDSU			72,734	
10.697	State & Private Forestry Hazardous Fuel Reduction Program	NDSU			238,392	
10.698	State & Private Forestry Cooperative Fire Assistance	NDSU			106,900	44,852
10.699	Partnership Agreements	NDSU			18,240	
10.717	Infrastructure Investment and Jobs Act Restoration/Revegetation	NDSU			20,508	
10.727	Inflation Reduction Act Urban & Community Forestry Program	NDSU			34,667	
10.902	Soil and Water Conservation	NDSU			70,634	
10.902	Soil and Water Conservation	60200			95,157	36,679
10.903	Soil Survey	NDSU			10,924	
Nonmoneta	ry Assistance:					
10.475	Cooperative Agreements with States for Intrastate Meat and Poultry Inspection	60200			19,107	
10.567	Food Distribution Program on Indian Reservations	20100			5,687,619	5,687,619
Pass Through	gh Non-State Entity:					
10.025	Plant and Animal Disease, Pest Control, and Animal Care	NDSU	Colorado State University	G-50346-05	411,671	
10.215	Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H008568307	79	
10.215	Sustainable Agriculture Research and Education	NDSU	South Dakota State University	3TA118	1,538	
10.215	Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H009187803	14,636	
10.215	Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H009277427	67,008	
10.217	Higher Education - Institution Challenge Grants Program	NDSU	South Dakota State University	3TG495	11,621	
10.227	1994 Institutions Research Grants	NDSU	Nueta Hidatsa Sahnish College	N/A	10,217	

ALN ALPH	HA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE SUBRECIPIENTS
10.304	Food and Agriculture Defense Initiative (FADI)	NDSU	Kansas State University	A23-0126-S004	23,609
10.304	Food and Agriculture Defense Initiative (FADI)	NDSU	Kansas State University	A22-0145-S004	(69)
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	Purdue University	18499	11,006
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	South Dakota State University	3TF077	12,962
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	University of Minnesota	H008208102	26,632
10.328	Food Safety Outreach Program	NDSU	Cankdeska Cikana Community College	CCCC-202301	25,654
10.328	Food Safety Outreach Program	NDSU	Iowa State University	024575E	1,828
10.329	Minor Crop Pest Management (IR-4)	NDSU	Iowa State University	026461J	14,534
10.329	Minor Crop Pest Management (IR-4)	NDSU	Iowa State University	026461H	10,925
10.500	Cooperative Extension Service	NDSU	Auburn University	24-HDFS-205317-NDSU	49,307
10.500	Cooperative Extension Service	NDSU	University of Minnesota	H010739401	5,857
10.500	Cooperative Extension Service	NDSU	South Dakota State University	3TG521	141,533
10.500	Cooperative Extension Service	NDSU	Auburn University	20HDFS-205212-NDSU	68,122
10.511	Smith-Lever Extension Funding	NDSU	University of Minnesota	PO #0002462048	381,401
10.511	Smith-Lever Extension Funding	NDSU	University of Minnesota	PO #0002293844	(499)
10.511	Smith-Lever Extension Funding	NDSU	South Dakota State University	N/A	26,874
10.516	Rural Health and Safety Education Competitive Grants Program	NDSU	South Dakota State University	3TB360	18,717
10.525	Farm and Ranch Stress Assistance Network Competitive Grants Program	NDSU	University of Illinois Urbana Champaign	101598-18125	68,932
10.525	Farm and Ranch Stress Assistance Network Competitive Grants Program	NDSU	University of Illinois Urbana Champaign	115000-19831	24,196
10.937	Partnerships for Climate-Smart Commodities	NDSU	National Fish and Wildlife Foundation	2004.23.079173	3,264
Total for Unc	lustered				\$ 52,055,952 \$ 24,905,840
Child Nutrition	n Cluster				
Direct Prograi	ms:				
10.553	School Breakfast Program	20100			8,192,601 8,154,227
10.555	National School Lunch Program	20100			27,586,146 27,514,848
10.555	COVID-19 - National School Lunch Program	20100			3,298,281 3,292,728
10.556	Special Milk Program for Children	20100			11,322 11,322
10.559	Summer Food Service Program for Children	20100			1,733,685 1,684,162
10.582	Fresh Fruit and Vegetable Program	20100			2,690,493 2,559,052

ALN ALP	HA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	A EXPENDITURE SUI	MOUNT TO BRECIPIENTS
Nonmonetary	/ Assistance:					
10.555	National School Lunch Program	20100			5,313,357	5,313,357
10.559	Summer Food Service Program for Children	20100			4,627	4,627
Pass Throug	h Non-State Entity:					
10.555	National School Lunch Program	25200	North Dakota Department of Public Instruction	N/A	19,932	
Total for Chi	ld Nutrition Cluster				\$ 48,850,444 \$	48,534,323
Food Distribu	ution Cluster					
Direct Progra	ims:					
10.565	Commodity Supplemental Food Program	20100			140,948	84,427
10.568	Emergency Food Assistance Program (Administrative Costs)	20100			410,819	410,142
Nonmonetary	/ Assistance:					
10.565	Commodity Supplemental Food Program	20100			481,005	481,005
10.568	Emergency Food Assistance Program (Administrative Costs)	20100			1,794,180	1,794,180
10.569	Emergency Food Assistance Program (Food Commodities)	20100			2,727,656	2,727,656
Total for Foo	nd Distribution Cluster				\$ 5,554,608 \$	5,497,410
Forest Servic	ce Schools and Roads Cluster					
Direct Progra	ims:					
10.665	Schools and Roads - Grants to States	12000			251	251
Total for Fore	est Service Schools and Roads Cluster				\$ 251 \$	251
Research an	d Development Cluster					
Direct Progra	ims:					
10.001	Agricultural Research Basic and Applied Research	NDSU			8,645,338	
10.001	Agricultural Research Basic and Applied Research	UND			1,386,719	
10.025	Plant and Animal Disease, Pest Control, and Animal Care	NDSU			57,742	
10.028	Wildlife Services	NDSU			130,637	
10.028	Wildlife Services	UND			91,782	
10.069	Conservation Reserve Program	UND			320,015	
10.069	Conservation Reserve Program	NDSU			46,061	

ALN ALPI	HA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE SU	AMOUNT TO BRECIPIENTS
10.167	Transportation Services	NDSU			200,978	
10.200	Grants for Agricultural Research, Special Research Grants	NDSU			266,478	66,948
10.202	Cooperative Forestry Research	NDSU			120,361	
10.203	Payments to Agricultural Experiment Stations Under the Hatch Act	NDSU			3,865,732	
10.207	Animal Health and Disease Research	NDSU			19,056	
10.250	Agricultural and Rural Economic Research, Cooperative Agreements and Collaborations	NDSU			68,627	
10.291	Agricultural and Food Policy Research Centers	NDSU			835	
10.307	Organic Agriculture Research and Extension Initiative	NDSU			310,948	236,080
10.310	Agriculture and Food Research Initiative (AFRI)	UND			81,257	
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU			2,395,033	330,373
10.330	Alfalfa Seed and Alfalfa Forage Systems Program	NDSU			189,096	88,861
10.664	Cooperative Forestry Assistance	NDSU			(1,387)	
10.680	Forest Health Protection	NDSU			33,213	
10.699	Partnership Agreements	NDSU			17,017	
10.714	Infrastructure Investment and Job Act Joint Fire Science Program (Research & Development)	NDSU			1,235	
10.902	Soil and Water Conservation	NDSU			25,221	
10.902	Soil and Water Conservation	UND			65,482	
10.903	Soil Survey	NDSU			41,902	
10.912	Environmental Quality Incentives Program	NDSU			60,224	
10.924	Conservation Stewardship Program	NDSU			56,959	10,367
10.960	Technical Agricultural Assistance	NDSU			20,879	
Pass Through	h Non-State Entity:					
10.001	Agricultural Research Basic and Applied Research	NDSU	Michigan State University	RC113924-NDSU	1,945	
10.028	Wildlife Services	NDSU	Minnesota Department Of Natural Resources	Contract 244225	5,500	
10.170	Specialty Crop Block Grant Program - Farm Bill	NDSU	Minnesota Department of Agriculture	300004091	31,156	
10.200	Grants for Agricultural Research, Special Research Grants	NDSU	Michigan State University	RC115634NDSU	45,783	
10.200	Grants for Agricultural Research, Special Research Grants	NDSU	Michigan State University	RC112679A	149,017	
10.212	Small Business Innovation Research (SBIR) Program / Small Business Technology Transfer (STTR) Program	UND	Envergex LLC	2022-33530-36920	31,262	

ALN ALF	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE SUBRECIPIENTS
10.212	Small Business Innovation Research (SBIR) Program / Small Business Technology Transfer (STTR) Program	NDSU	Biological Mimetics, Inc	20235140239491	52,655
10.215	Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H011114514	11,294
10.215	Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H007813918	23,878
10.215	Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H007813915	13,549
10.215	Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H010694423	9,494
10.227	1994 Institutions Research Grants	NDSU	United Tribes Technical College	N/A	20,866
10.227	1994 Institutions Research Grants	NDSU	United Tribes Technical College	NDSU 2021-1	39,928
10.303	Integrated Programs	NDSU	Purdue University	F9002796702031	4,304
10.307	Organic Agriculture Research and Extension Initiative	NDSU	University of Wisconsin-Madison	0000003296	899
10.307	Organic Agriculture Research and Extension Initiative	NDSU	Montana State University	G193-19-W7408	144
10.307	Organic Agriculture Research and Extension Initiative	NDSU	Cornell University	137901-21025	19,421
10.309	Specialty Crop Research Initiative	NDSU	University of Minnesota	H007082504	31,182
10.309	Specialty Crop Research Initiative	NDSU	University of Minnesota	A010138707	6,088
10.309	Specialty Crop Research Initiative	NDSU	University of Idaho	AN4829-846777	28,898
10.309	Specialty Crop Research Initiative	NDSU	Montana State University	G102-20-W7553	5
10.309	Specialty Crop Research Initiative	NDSU	Colorado State University	G-01363-02	15,998
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	Iowa State University	027027B	24,703
10.310	Agriculture and Food Research Initiative (AFRI)	UND	Virginia Polytechnic Institute & State University	423802-19F24	26,731
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	South Dakota State University	3TG456	13,863
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	Michigan State University	RC115141NDSU	1,329
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	Mississippi State University	182020.310333.01	42,447
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	Montana State University	G221-23-W9471	26,640
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	Michigan State University	RC115166NDSU	630
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	South Dakota State University	3TB457	83,368
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	University of California - Los Angeles	0145GLA021/442511-WW-2116	115,652
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	University of Connecticut	153720278	12,712
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	University of Missouri-Columbia	C00080426-5	3,018
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	University of Wisconsin-Madison	000001738	209,180
10.320	Sun Grant Program	NDSU	South Dakota State University	3TL372	72,475
10.320	Sun Grant Program	NDSU	South Dakota State University	3TL386	16,687

ALN ALP	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE SU	MOUNT TO BRECIPIENTS
10.320	Sun Grant Program	UND	South Dakota State University	3TG386 / 3TN372	128,927	
10.320	Sun Grant Program	UND	South Dakota State University	3TJ372	49,763	
10.329	Minor Crop Pest Management (IR-4)	NDSU	Cornell University	139252-21124	10,692	
10.568	Emergency Food Assistance Program (Administrative Costs)	NDSU	Great Plains Food Bank	N/A	7,832	
10.912	Environmental Quality Incentives Program	NDSU	University of Illinois Urbana Champaign	103926-18837	11,894	
Total for Res	search and Development Cluster				\$ 19,919,249 \$	732,629
SNAP Cluste	er					
Direct Progra	ams:					
10.551	Supplemental Nutrition Assistance Program	32500			109,678,549	
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	32500			13,533,844	262,769
10.561	COVID-19 - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	32500			353,597	
Total for SN	IAP Cluster				\$ 123,565,990 \$	262,769
Total For U.	S. Department Of Agriculture				\$ 249,946,494 \$	79,933,222
	es Agency For International Development and Development Cluster					
Pass Throug	gh Non-State Entity:					
98.001	USAID Foreign Assistance for Programs Overseas	NDSU	Michigan State University	RC108887-NDSU	(3,867)	
Total for Res	search and Development Cluster				\$ (3,867)	
Total For Ur	nited States Agency For International Development				\$ (3,867)	
TOTAL E	EXPENDITURES OF FEDERAL AWARDS				\$ 3,337,962,601 \$	577,380,584

ALN ALF	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AM( EXPENDITURE SUBF	OUNT TO ECIPIENTS
Corporation Unclustered	n For National And Community Service					
Direct Progra	ams:					
94.003	AmeriCorps State Commissions Support Grant	60100			75,763	
94.006	AmeriCorps State and National 94.006	60100			928,051	928,051
94.008	AmeriCorps Commission Investment Fund 94.008	60100			57,680	
Total for Un	clustered				\$ 1,061,494 \$	928,051
Total For Co	orporation For National And Community Service				\$ 1,061,494 \$	928,051
<b>Departmen</b> <i>Unclustered</i>	t Of Commerce					
Direct Progra	ams:					
11.032	State Digital Equity Planning Grants	11200			221,102	
11.035	Broadband Equity, Access, and Deployment Program	11200			174,325	
11.303	Economic Development Technical Assistance	UND			111,070	
Pass Throug	gh Non-State Entity:					
11.U01	National Mesonet Program Prime Contract	NDSU	Synoptic Data Corp.	S2020-141	356,745	
Total for Un	clustered				\$ 863,242 \$	
Economic D	evelopment Cluster					
Direct Progra	ams:					
11.307	COVID-19 - Economic Adjustment Assistance	75000			201,433	5,800
11.307	COVID-19 - Economic Adjustment Assistance	BSC			668,423	
11.307	COVID-19 - Economic Adjustment Assistance	UND			3,138	
11.307	Economic Adjustment Assistance	60100			378,262	159,169
11.307	Economic Adjustment Assistance	WSC			1,147,200	
Total for Ec	onomic Development Cluster				\$ 2,398,456 \$	164,969
Research ar	nd Development Cluster					
Direct Progra	ams:					
11.307	Economic Adjustment Assistance	UND			177,657	
Pass Throug	gh Non-State Entity:					

#### For the Fiscal Years Ended June 30, 2023

ALN ALE	PHA PROGRAM TITLE	STATE AGENCY PASS THROUGH ENTITY		IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO UBRECIPIENTS
11.467	Meteorologic and Hydrologic Modernization Development	UND	University Corporation For Atmospheric Research	SUBAWD002620	2,001	
Total for Re	esearch and Development Cluster				\$ 179,658	\$
Total For D	epartment Of Commerce				\$ 3,441,356	\$ 164,969
<b>Departmen</b> <i>Unclustered</i>	nt Of Defense					
Direct Progr	rams:					
12.002	Procurement Technical Assistance For Business Firms	UND			276,932	
12.112	Payments to States in Lieu of Real Estate Taxes	12000			177,503	177,503
12.401	National Guard Military Operations and Maintenance (O&M) Projects	54000			25,085,353	
12.617	Economic Adjustment Assistance for State Governments	UND			251	
12.903	GenCyber Grants Program	BSC			79,940	
12.905	CyberSecurity Core Curriculum	NDSU			58,360	
12.U01	Archaeological Services Midipadi Butte Garrison	70100		W9128F-16-D0043 Task Order 003	3,103	
12.U02	Upper Missouri Basin Soil Moisture and Snowpack Monitoring Existing & New Site Retrofits	NDSU		W9128F20D0066	1,008,042	
12.U04	Flight Training Army ROTC Cadet Year 4	UND		N/A	57,672	
12.U06	Educational Service Agreement - Air Force	UND		F33600-99-A-0080	115,091	
12.U07	NAVY - EDUCATIONAL SERVICE AGREEMENT	UND		N00140-98-G2501	39,508	
12.U08	Summer 2022 AFJROTC Cadet Flight Training	UND		FA3300-19-G-0013	142,538	
12.U09	Year 5 Army ROTC Cadet Flight Training	UND		N/A	283,223	
Nonmoneta	ry Assistance:					
12.401	National Guard Military Operations and Maintenance (O&M) Projects	54000			13,555	
Pass Throu	gh Non-State Entity:					
12.905	CyberSecurity Core Curriculum	NDSU	City University of Seattle	NCAE-CHI-SUB-NDSU1	7,835	
12.U03	Support for the Development of K-12 School Cybersecurity Education in North Dakota	NDSU	University Of Washington	UWSC13535	5,337	
Total for Un	nclustered				\$ 27,354,243	\$ 177,503

Research and Development Cluster

ALN	ALPHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	A EXPENDITURE SU	MOUNT TO BRECIPIENTS
Direct F	Programs:					
12.002	Procurement Technical Assistance For Business Firms	UND			56,029	
12.300	Basic and Applied Scientific Research	NDSU			3,766,359	775,908
12.300	Basic and Applied Scientific Research	UND			108,014	200
12.420	Military Medical Research and Development	UND			54,160	
12.431	Basic Scientific Research	NDSU			2,487,371	
12.431	Basic Scientific Research	UND			773,351	131,074
12.RD	Study of Advanced Cybersecurity Techniques to Advance the Security of Power Generation SCADA Systems Supporting MDA Capabilities	NDSU		HQ086022C6003	425,987	
12.RD	Intelligent Thermal Spraying Metallized Polymeric Coating System for Applications in Harsh Environments	NDSU		W9132T23C0010	4,580	
12.RD	Air University Quality Enhancement and Improvement Accreditation Support	NDSU		FA330022C0035	186,553	
12.RD	Thermal Decomposition of Per and Polyfluoroalkyl Substances on Granular Activated Carbon	UND		W912HQ21P0084	108,393	34,294
Pass T	hrough Non-State Entity:					
12.225	Commercial Technologies for Maintenance Activities Program	NDSU	National Center for Manufacturing Science	2021021-142041	193,983	
12.225	Commercial Technologies for Maintenance Activities Program	NDSU	PPG Industries	2021004-142055	99,646	
12.225	Commercial Technologies for Maintenance Activities Program	NDSU	National Center for Manufacturing Science	2020106 - 142043	227,998	
12.225	Commercial Technologies for Maintenance Activities Program	NDSU	National Center for Manufacturing Science	2021017-142060	205,150	
12.225	Commercial Technologies for Maintenance Activities Program	NDSU	National Center for Manufacturing Science	2021059-142103	309,616	
12.225	Commercial Technologies for Maintenance Activities Program	NDSU	National Center for Manufacturing Science	2022017-142125	378,019	
12.225	Commercial Technologies for Maintenance Activities Program	NDSU	National Center for Manufacturing Science	2022131-142238	15,186	
12.225	Commercial Technologies for Maintenance Activities Program	NDSU	PPG Industries	201828-140912	90,209	
12.225	Commercial Technologies for Maintenance Activities Program	NDSU	PPG Industries	202049-141016	14,334	
12.225	Commercial Technologies for Maintenance Activities Program	NDSU	PPG Industries	201852-140920	20	

ALN ALP	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE SUBRECIPIENTS
12.225	Commercial Technologies for Maintenance Activities Program	NDSU	PPG Industries	201854-140922	20
12.225	Commercial Technologies for Maintenance Activities Program	NDSU	National Center for Manufacturing Science	2021058-142104	66,479
12.225	Commercial Technologies for Maintenance Activities Program	NDSU	PPG Industries	202090-141036	129,369
12.225	Commercial Technologies for Maintenance Activities Program	NDSU	PPG Industries	2021013-142054	127,486
12.431	Basic Scientific Research	NDSU	Elinor Specialty Coatings	N/A	37,452
12.431	Basic Scientific Research	UND	University of Missouri System	00078845-01	9,599
12.800	Air Force Defense Research Sciences Program	NDSU	Griffiss Institute	SA10012023050685	2,781
12.RD	Integrated Academic and Student Support Services: Quality Enhancement and Improvement Accreditation Support	NDSU	Applied Technologies Group, Inc	NDSU-QEP-21-0001	230
12.RD	Dark Swarms in Degraded Environment Support	UND	Utah State University Space Dynamics Laboratory	CP0077424	119,771
12.RD	JDA-GFAFB Resiliency Study	UND	Jeffrey Donohoe Associates, LLC	N/A	527
12.RD	Comprehensive Forensic Approach for Source Allocation of Poly- and Perfluoroalkyl Substances	UND	Trustees of the Colorado School of Mines	401867-5803	28,031
12.RD	High Efficiency Propeller for Small Unmanned X Systems using Advanced Composite Materials	UND	Catto Propellers	N6833522C0068	85,884
12.RD	Development of a Novel PFAS Passive Sampler with Efficient Sorbent Media and Robust Membrane Barrier	UND	University of Wisconsin System	213405471	1,677
12.RD	Analytical Model Development on Propagation in Biological Tissue	NDSU	University of Dayton	RSC20073	123,898
12.RD	Research regarding cybersecurity assessment for small firms and startups and outreach activities	NDSU	Montana State University	CS230064	18,652
12.RD	Technical study to conduct analysis of formal specification techniques to advance test scenario planning	UND	GBL Systems Corporation	PO GBL20221027-01	74,453
12.RD	Experimental Investigation of Passive Control of Dynamic	NDSU	Ohio Aerospace Institute	OAI-C2644-22309	28,649
12.RD	Defense Resiliency Platform Against Extreme Cold Weather	UND	Virginia Polytechnic Institute & State University	450870-19F24	694,016
12.RD	Experimental Investigation of Dynamic Stall Mitigation Using Leading Edge Micro-Cavity Passive Flow Control	NDSU	Ohio Aerospace Institute	OAI-C2644-23692	8,261
12.RD	Enabling Leader/Follower Technology Using Special Coatings	NDSU	PPG Industries	2021119-142117	7,748
12.RD	Dark Swarms in Degraded Environments (DSIDE)	UND	Utah State University Space Dynamics Laboratory	CP0073345	24,720

ALN AL	_PH	A PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE SU	AMOUNT TO JBRECIPIENTS
12.RD		Dark Swarms in Degraded Environments (DSIDE) (Year 2)	UND	Utah State University Space Dynamics Laboratory	CP0077015	49,675	
12.RD		Defense Resiliency Platform Against Extreme Cold Weather	UND	Virginia Polytechnic Institute & State University	450917-19F24	378,184	
12.RD		UND Support of: Counter-Unmanned Aircraft System Technology to Protect Department of Defense Assets in the Arctic	UND	University of Alaska Fairbanks	UA 22-0067	268,516	
Total for R	Rese	earch and Development Cluster				\$ 11,791,036	\$ 941,476
Total For I	Dep	artment Of Defense				\$ 39,145,279	1,118,979
<b>Departme</b> <i>Unclustere</i>		Of Education					
Direct Prog	gran	ns:					
84.002		Adult Education - Basic Grants to States	20100			1,014,045	621,010
84.010		Title I Grants to Local Educational Agencies	20100			49,368,865	48,187,499
84.011		Migrant Education State Grant Program	20100			695,569	500,000
84.013		Title I State Agency Program for Neglected and Delinquent Children and Youth	20100			79,495	
84.031		Higher Education Institutional Aid	MASU			409,771	
84.031	Α	Higher Education Institutional Aid	BSC			147,787	
84.041		Impact Aid	DCB			39,578	
84.048	Α	Career and Technical Education Basic Grants to States	27000			5,903,870	3,099,060
84.126		Rehabilitation Services Vocational Rehabilitation Grants to States	32500			9,338,123	
84.144		Migrant Education Coordination Program	20100			124,028	
84.161		Rehabilitation Services Client Assistance Program	32500			141,817	
84.177		Rehabilitation Services Independent Living Services for Older Individuals Who are Blind	32500			239,543	
84.181		Special Education-Grants for Infants and Families	32500			3,258,400	
84.181		COVID-19 - Special Education-Grants for Infants and Families	32500			283,663	206,165
84.184		School Safely National Activities	MSU			147,488	
84.184		School Safely National Activities	UND			80,770	
84.187		Supported Employment Services for Individuals with the Most Significant Disabilities	32500			358,428	

ALN A	LPH	A PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE SU	AMOUNT TO IBRECIPIENTS
84.196		Education for Homeless Children and Youth	20100			332,306	245,292
84.240		Program of Protection and Advocacy of Individual Rights	36000			175,566	
84.287		Twenty-First Century Community Learning Centers	20100			7,066,119	6,668,222
84.299		Indian Education Special Programs for Indian Children	UND			136,508	
84.325		Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	32500			196,860	
84.326		Special Education Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities	MSU			87,445	
84.358		Rural Education	20100			112,655	105,829
84.365		English Language Acquisition State Grants	20100			579,168	384,957
84.367		Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	20100			10,869,064	10,644,477
84.369		Grants for State Assessments and Related Activities	20100			3,994,894	312,665
84.371		Comprehensive Literacy Development	20100			10,420,296	9,954,825
84.372		Statewide Longitudinal Data Systems	20100			323,100	
84.384		Statewide Data Systems, Recovery Act	20100			151,475	
84.407		Transition Programs for Students with Intellectual Disabilities into Higher Education	MSU			464,002	189,532
84.424	Α	Student Support and Academic Enrichment Program	20100			6,237,495	5,930,987
84.424	F	Student Support and Academic Enrichment Program	20100			4,879	
84.425	F	COVID-19 - Education Stabilization Fund	DCB			340,581	
84.425	D	COVID-19 - Education Stabilization Fund	20100			58,549,106	54,615,654
84.425	R	COVID-19 - Education Stabilization Fund	20100			1,527,132	
84.425	U	COVID-19 - Education Stabilization Fund	20100			100,399,910	95,969,153
84.425	V	COVID-19 - Education Stabilization Fund	20100			420,306	143,491
84.425	W	COVID-19 - Education Stabilization Fund	20100			627,051	503,187
84.425	F	COVID-19 - Education Stabilization Fund	NDSCS			250,512	
84.425	Ε	COVID-19 - Education Stabilization Fund	BSC			4,966	
84.425	F	COVID-19 - Education Stabilization Fund	MSU			1,128,832	
84.425	М	COVID-19 - Education Stabilization Fund	MSU			122,517	
84.425	F	COVID-19 - Education Stabilization Fund	BSC			18,255	
84.425	Е	COVID-19 - Education Stabilization Fund	NDSCS			(2,646)	

ALN AL	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO SUBRECIPIENTS
84.425	E COVID-19 - Education Stabilization Fund	VCSU			939,151	
84.425	F COVID-19 - Education Stabilization Fund	MASU			53,128	
84.425	E COVID-19 - Education Stabilization Fund	WSC			1,449,473	
84.425	F COVID-19 - Education Stabilization Fund	NDSU			2,979,850	
84.425	F COVID-19 - Education Stabilization Fund	VCSU			201,372	
84.425	C COVID-19 - Education Stabilization Fund	11000			1,002,282	1,002,282
84.426	COVID-19 - Randolph-Sheppard – Financial Relief and Restoration Payments	32500			12,340	
Nonmoneta	ry Assistance:					
84.906	American Priting House for the Blind	25300			159,747	
Total for Ur	nclustered				\$ 282,966,937	\$ 239,284,287
Research a	nd Development Cluster					
Pass Throu	gh Non-State Entity:					
84.305	Education Research, Development and Dissemination	NDSU	University of Pennsylvania	583399	44,269	
Total for Re	esearch and Development Cluster				\$ 44,269	\$
Special Edu	ıcation Cluster (IDEA)					
Direct Prog	rams:					
84.027	Special Education Grants to States	20100			35,566,596	31,853,329
84.027	COVID-19 - Special Education Grants to States	20100			3,333,210	3,322,891
84.173	Special Education Preschool Grants	20100			1,005,118	972,100
84.173	COVID-19 - Special Education Preschool Grants	20100			224,412	224,412
Pass Throu	gh Non-State Entity:					
84.027	Special Education Grants to States	25200	North Dakota Department of Public Instruction	24170	10,000	
84.027	Special Education Grants to States	25200	North Dakota Department of Public Instruction	27057	25,602	
84.027	Special Education Grants to States	UND	Grand Forks Public School District	N/A	31,576	
84.027	COVID-19 - Special Education Grants to States	25200	North Dakota Department of Public Instruction	10700	2,606	
84.173	Special Education Preschool Grants	25200	North Dakota Department of Public Instruction	27334	1,006	
84.173	COVID-19 - Special Education Preschool Grants	25200	North Dakota Department of Public Instruction	14529	10,319	

ALN AL	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE SUBRECIPIENTS
Total for Sp	pecial Education Cluster (IDEA)				\$ 40,210,445 \$ 36,372,732
Student Fin	nancial Assistance Cluster				
Direct Prog	rams:				
84.007	Federal Supplemental Educational Opportunity Grants	NDSU			782,174
84.007	Federal Supplemental Educational Opportunity Grants	DSU			152,123
84.007	Federal Supplemental Educational Opportunity Grants	NDSCS			196,868
84.007	Federal Supplemental Educational Opportunity Grants	VCSU			77,684
84.007	Federal Supplemental Educational Opportunity Grants	UND			1,017,476
84.007	Federal Supplemental Educational Opportunity Grants	BSC			77,588
84.007	Federal Supplemental Educational Opportunity Grants	MSU			159,211
84.007	Federal Supplemental Educational Opportunity Grants	MASU			82,691
84.007	Federal Supplemental Educational Opportunity Grants	DCB			44,370
84.007	Federal Supplemental Educational Opportunity Grants	WSC			28,173
84.007	Federal Supplemental Educational Opportunity Grants	LRSC			36,516
84.033	Federal Work-Study Program	LRSC			26,195
84.033	Federal Work-Study Program	NDSU			422,763
84.033	Federal Work-Study Program	VCSU			60,507
84.033	Federal Work-Study Program	UND			729,878
84.033	Federal Work-Study Program	BSC			43,873
84.033	Federal Work-Study Program	MSU			109,423
84.033	Federal Work-Study Program	MASU			46,121
84.033	Federal Work-Study Program	NDSCS			102,918
84.033	Federal Work-Study Program	DCB			16,528
84.033	Federal Work-Study Program	DSU			194,415
84.038	Federal Perkins Loan Program	BSC			33,956
84.038	Federal Perkins Loan Program	DCB			59,501
84.038	Federal Perkins Loan Program	MASU			227,697
84.038	Federal Perkins Loan Program	LRSC			132,104
84.038	Federal Perkins Loan Program	NDSU			2,485,046
84.038	Federal Perkins Loan Program	MSU			979,139
84.038	Federal Perkins Loan Program	NDSCS			320,066

ALN	ALPHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER EXPEND	AMOUNT TO
84.03	8 Federal Perkins Loan Program	DSU		3	376,356
84.03	8 Federal Perkins Loan Program	UND		5,1	25,255
84.03	8 Federal Perkins Loan Program	VCSU		2	277,772
84.03	8 Federal Perkins Loan Program	WSC			21,009
84.06	3 Federal Pell Grant Program	UND		8,2	261,779
84.06	3 Federal Pell Grant Program	NDSCS		2,5	517,639
84.06	3 Federal Pell Grant Program	LRSC		8	397,921
84.06	3 Federal Pell Grant Program	MSU		3,0	004,053
84.06	3 Federal Pell Grant Program	MASU		1,2	243,063
84.06	3 Federal Pell Grant Program	DSU		1,4	159,613
84.06	3 Federal Pell Grant Program	NDSU		9,0	033,069
84.06	3 Federal Pell Grant Program	DCB		6	644,962
84.06	3 Federal Pell Grant Program	BSC		2,6	663,137
84.06	3 Federal Pell Grant Program	VCSU		1,2	261,871
84.06	3 Federal Pell Grant Program	WSC			467
84.26	8 Federal Direct Student Loans	VCSU		3,7	737,631
84.26	8 Federal Direct Student Loans	NDSCS		5,9	974,994
84.26	8 Federal Direct Student Loans	MASU		3,3	336,664
84.26	8 Federal Direct Student Loans	MSU		7,3	339,261
84.26	8 Federal Direct Student Loans	UND		77,9	953,756
84.26	8 Federal Direct Student Loans	LRSC		1,5	593,710
84.26	8 Federal Direct Student Loans	NDSU		45,7	791,371
84.26	8 Federal Direct Student Loans	DSU		3,9	961,057
84.26	8 Federal Direct Student Loans	DCB		1,4	34,403
84.26	8 Federal Direct Student Loans	BSC		5,7	773,255
84.26	8 Federal Direct Student Loans	WSC		8	373,393
84.37	9 Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	MSU			8,016
84.37	9 Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	MASU			29,704
84.37	9 Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	UND			42,430

ALN AL	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE SUBRECIPIEN	
84.379	Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	NDSU			7,544	
84.379	Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	VCSU			3,772	
84.408	Postsecondary Education Scholarships for Veteran's Dependents	MSU			6,501	
Total for St	udent Financial Assistance Cluster				\$ 203,300,432	\$
TRIO Clust	er					
Direct Prog	rams:					
84.042	TRIO Student Support Services	UND			413,543	
84.042	TRIO Student Support Services	NDSU			549,895	
84.042	TRIO Student Support Services	LRSC			273,673	
84.042	TRIO Student Support Services	MSU			591,847	
84.044	TRIO Talent Search	UND			552,035	
84.047	TRIO Upward Bound	UND			500,940	
84.047	TRIO Upward Bound	NDSU			230,837	
84.066	TRIO Educational Opportunity Centers	UND			465,138	
84.217	TRIO McNair Post-Baccalaureate Achievement	UND			285,097	
Total for Th	RIO Cluster				\$ 3,863,005	\$
Total For D	epartment Of Education				\$ 530,385,088	\$ 275,657,019
<b>Departmer</b> Unclustered	nt Of Energy					
Direct Prog	rams:					
81.041	State Energy Program	60100			471,226	112,635
81.042	Weatherization Assistance for Low-Income Persons	60100			3,043,988	2,844,003
81.138	State Heating Oil and Propane Program	60100			2,222	
Total for U	nclustered				\$ 3,517,436	\$ 2,956,638
Research a	nd Development Cluster					
Direct Prog	rams:					
81.049	Office of Science Financial Assistance Program	UND			73,751	
81.049	Office of Science Financial Assistance Program	NDSU			669,769	

ALN ALPH	IA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE SU	AMOUNT TO IBRECIPIENTS
81.057	University Coal Research	UND			140,531	15,905
81.086	Conservation Research and Development	NDSU			234,400	62,656
81.086	Conservation Research and Development	UND			9,592	5,592
81.087	Renewable Energy Research and Development	UND			570,655	205,816
81.089	Fossil Energy Research and Development	UND			16,815,782	1,698,329
81.135	Advanced Research Projects Agency - Energy	UND			207,932	
Pass Through	Non-State Entity:					
81.042	Weatherization Assistance for Low-Income Persons	UND	Nevada Department of Business and Industry	N/A	38,725	
81.049	Office of Science Financial Assistance Program	UND	Envergex LLC	Agreement DE-SC0021728	7	
81.049	Office of Science Financial Assistance Program	UND	Pennsylvania State University	S003176-USDOE	11,737	
81.049	Office of Science Financial Assistance Program	UND	Precision Combustion, Inc.	PO No 1968	4,431	
81.049	Office of Science Financial Assistance Program	UND	Semplastics EHC LLC	N/A	17,142	
81.087	Renewable Energy Research and Development	NDSU	Washington State University	136936-G004139	102,912	
81.089	Fossil Energy Research and Development	UND	Microbeam Technologies Incorporated	MTI01181626	29,993	
81.089	Fossil Energy Research and Development	UND	X-MAT CCC	N/A	272,972	
81.089	Fossil Energy Research and Development	UND	University of Texas at Austin	UTAUS-SUB00000088	14,346	
81.089	Fossil Energy Research and Development	UND	University of Louisville	ULRF_20-0756-01	727	
81.089	Fossil Energy Research and Development	UND	University of Alaska Fairbanks	PO 528936 / UAF 19-0014	26,884	
81.089	Fossil Energy Research and Development	UND	Semplastics EHC LLC	N/A	99,716	
81.089	Fossil Energy Research and Development	UND	Minnkota Power Cooperative Inc.	PO#200336	1,185	
81.089	Fossil Energy Research and Development	UND	University of Wyoming	1004866-UND	1,114,777	
81.089	Fossil Energy Research and Development	UND	Microbeam Technologies Incorporated	MTI01181615	96,877	
81.089	Fossil Energy Research and Development	UND	Doosan Enerbility	2021900024	44,435	
81.089	Fossil Energy Research and Development	UND	Barr Engineering Company	UND-FE0031756	123,844	
81.089	Fossil Energy Research and Development	UND	Pennsylvania State University	S001343-USDOE	186,702	
81.135	Advanced Research Projects Agency - Energy	UND	Envergex LLC	DE-AR0001314	183,542	
81.RD	LEIDOS-TOR21-Water Pilot Test	UND	Leidos Holdings, Inc.	P010227025	14,638	
81.RD	Technical Review and Input of NETL Research - Task 4	UND	Leidos Holdings, Inc.	P010227025	48,114	
81.RD	LEIDOS-Business Deveop-TOR14	UND	Leidos Holdings, Inc.	P010227025	48,459	
81.RD	LEIDOS-Adv Airfoils - TOR15	UND	Leidos Holdings, Inc.	P010227025	7,619	

ALN ALF	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AI EXPENDITURE SUE	MOUNT TO BRECIPIENTS
81.RD	LEIDOS - Work Pkg 2C.2 - TOR20	UND	Leidos Holdings, Inc.	P010227025	286,230	-
81.RD	LEIDOS - Work Pkg 2C.1 - TOR19	UND	Leidos Holdings, Inc.	P010227025	15,886	
81.RD	LEIDOS - Work Pkg 2A - TOR18	UND	Leidos Holdings, Inc.	P010227025	43,265	
81.RD	LEIDOS-LDRD Support-TOR17	UND	Leidos Holdings, Inc.	P010227025	30,868	
81.RD	LEIDOS - Cofiring Post - TOR 12	UND	Leidos Holdings, Inc.	P010227025	1,538	
81.RD	ESPIKU-Solar Desalination	UND	Espiku LLC	Proposal No. 2023-0004	35,958	
81.RD	LEIDOS-TOR22-Carbon Storage	UND	Leidos Holdings, Inc.	P010227025	21,876	
Total for Re	esearch and Development Cluster				\$ 21,647,817 \$	1,988,298
Total For Do	epartment Of Energy				\$ 25,165,253 \$	4,944,936
<b>Departmen</b> <i>Unclustered</i>	nt Of Health And Human Services					
Direct Progr	rams:					
93.042	COVID-19 - Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	32500			27,907	
93.042	Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	32500			6,019	
93.043	Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	32500			163,272	
93.047	Special Programs for the Aging, Title VI, Part A, Grants to Indian Tribes, Part B, Grants to Native Hawaiians	UND			161,382	
93.048	Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	MSU			375,264	
93.048	Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	UND			345,501	
93.048	COVID-19 - Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	32500			63,858	
93.052	COVID-19 - National Family Caregiver Support, Title III, Part E	32500			878,413	
93.052	National Family Caregiver Support, Title III, Part E	32500			984,126	
93.069	Public Health Emergency Preparedness	30100			5,235,307	2,135,951
93.071	Medicare Enrollment Assistance Program	40100			39,160	
93.071	Medicare Enrollment Assistance Program	MSU			1,397	
93.072	Lifespan Respite Care Program	32500			55,214	

ALN ALP	HA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE SU	AMOUNT TO BRECIPIENTS
93.079	Cooperative Agreements to Promote Adolescent Health through School-Based HIV/STD Prevention and School-Based Surveillance	20100			122,477	
93.090	Guardianship Assistance	32500			34,871	
93.103	Food and Drug Administration Research	NDSU			60,117	
93.103	Food and Drug Administration Research	30100			289	
93.103	Food and Drug Administration Research	60200			21,736	
93.104	Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)	32500			303,590	
93.107	Area Health Education Centers	UND			149,766	
93.110	Maternal and Child Health Federal Consolidated Programs	30100			1,305,032	676,176
93.116	Project Grants and Cooperative Agreements for Tuberculosis Control Programs	30100			266,629	37,307
93.124	Nurse Anesthetist Traineeship	UND			18,923	
93.127	Emergency Medical Services for Children	30100			113,702	
93.130	Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices	30100			155,295	
93.136	Injury Prevention and Control Research and State and Community Based Programs	30100			555,387	189,171
93.136	Injury Prevention and Control Research and State and Community Based Programs	UND			191,795	106,461
93.137	Community Programs to Improve Minority Health Grant Program	30100			202,741	162,968
93.138	Protection and Advocacy for Individuals with Mental Illness	36000			330,472	
93.150	Projects for Assistance in Transition from Homelessness (PATH)	32500			300,000	
93.155	Rural Health Research Centers	UND			2,768,881	2,768,881
93.165	Grants to States for Loan Repayment	30100			470,766	468,047
93.178	Nursing Workforce Diversity	UND			371,943	
93.191	Graduate Psychology Education	UND			239,982	
93.217	Family Planning Services	30100			1,179,592	780,969
93.217	COVID-19 - Family Planning Services	30100			520,927	520,927
93.223	Development and Coordination of Rural Health Services	UND			3,307,504	616,569
93.234	Traumatic Brain Injury State Demonstration Grant Program	36000			40,050	

ALN ALP	HA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO UBRECIPIENTS
93.234	COVID-19 - Traumatic Brain Injury State Demonstration Grant Program	32500			17,865	
93.234	Traumatic Brain Injury State Demonstration Grant Program	32500			207,755	
93.236	Grants to States to Support Oral Health Workforce Activities	30100			414,130	65,968
93.241	State Rural Hospital Flexibility Program	UND			1,069,161	352,736
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	32500			219,000	
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	UND			346,309	
93.251	Early Hearing Detection and Intervention	MSU			267,818	15,415
93.268	COVID-19 - Immunization Cooperative Agreements	30100			11,400,548	5,412,850
93.268	Immunization Cooperative Agreements	30100			2,275,401	298,374
93.268	COVID-19 - Immunization Cooperative Agreements	NDUS			193,022	
93.270	Viral Hepatitis Prevention and Control	30100			202,740	25,364
93.301	Small Rural Hospital Improvement Grant Program	UND			454,358	374,325
93.314	Early Hearing Detection and Intervention Information System (EHDI-IS) Surveillance Program	MSU			159,890	
93.319	Outreach Programs to Reduce the Prevalence of Obesity in High Risk Rural Areas	NDSU			602,439	72,017
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	30100			1,491,411	
93.323	COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	30100			28,697,219	14,684,336
93.324	State Health Insurance Assistance Program	40100			274,231	
93.332	Cooperative Agreement to Support Navigators in Federally-facilitated Exchanges	MSU			1,365,351	
93.336	COVID-19 - Behavioral Risk Factor Surveillance System	30100			11,479	
93.336	Behavioral Risk Factor Surveillance System	30100			400,680	
93.354	COVID-19 - Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	30100			428,488	427,368
93.354	Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	30100			48	
93.366	State Actions to Improve Oral Health Outcomes and Partner Actions to Improve Oral Health Outcomes	30100			508,168	147,537

ALN ALP	HA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO SUBRECIPIENTS
93.369	ACL Independent Living State Grants	32500			285,353	285,353
93.384	ADVANCED RESEARCH PROJECTS AGENCY for HEALTH (ARPA-H)	50400			1,056,137	
93.387	National and State Tobacco Control Program	30100			1,050,517	57,413
93.391	COVID-19 - Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	30100			10,284,640	4,130,083
93.413	The State Flexibility to Stabilize the Market Grant Program	40100			550,000	
93.423	1332 State Innovation Waivers	40100			18,960,784	
93.426	The National Cardiovascular Health Program	30100			1,750,590	1,136,563
93.464	ACL Assistive Technology	32500			315,464	
93.472	Title IV-E Prevention Program	32500			305,542	
93.497	COVID-19 - Family Violence Prevention and Services/ Sexual Assault/Rape Crisis Services and Supports	30100			261,119	250,562
93.498	COVID-19 - Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	31300			177,975	
93.556	COVID-19 - MaryLee Allen Promoting Safe and Stable Families Program	32500			3,642,507	
93.556	MaryLee Allen Promoting Safe and Stable Families Program	32500			174,006	
93.558	Temporary Assistance for Needy Families	32500			17,584,707	152,710
93.558	COVID-19 - Temporary Assistance for Needy Families	32500			288,150	
93.563	Child Support Enforcement	32500			10,979,061	
93.564	Child Support Enforcement Research	32500			4,104	
93.566	Refugee and Entrant Assistance State/Replacement Designee Administered Programs	32500			3,595,425	2,665,922
93.568	Low-Income Home Energy Assistance	32500			27,577,434	7,351,916
93.568	COVID-19 - Low-Income Home Energy Assistance	32500			8,487,115	
93.569	COVID-19 - Community Services Block Grant	60100			1,674,276	1,674,276
93.569	Community Services Block Grant	60100			3,718,010	3,534,823
93.586	State Court Improvement Program	18000			183,338	
93.590	Community-Based Child Abuse Prevention Grants	32500			373,281	146,688
93.590	COVID-19 - Community-Based Child Abuse Prevention Grants	32500			349,165	111,165
93.597	Grants to States for Access and Visitation Programs	32500			97,950	

ALN ALP	HA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO UBRECIPIENTS
93.599	COVID-19 - Chafee Education and Training Vouchers Program (ETV)	32500			27,528	
93.599	Chafee Education and Training Vouchers Program (ETV)	32500			128,311	
93.603	Adoption and Legal Guardianship Incentive Payments	32500			363,600	
93.618	Voting Access for Individuals with Disabilities-Grants for Protection and Advocacy Systems	36000			182,190	
93.630	Developmental Disabilities Basic Support and Advocacy Grants	32500			732,037	7,627
93.630	Developmental Disabilities Basic Support and Advocacy Grants	36000			354,225	
93.630	COVID-19 - Developmental Disabilities Basic Support and Advocacy Grants	32500			26,695	
93.632	University Centers for Excellence in Developmental Disabilities Education, Research, and Service	MSU			649,556	
93.643	Children's Justice Grants to States	32500			155,220	
93.645	COVID-19 - Stephanie Tubbs Jones Child Welfare Services Program	32500			958	
93.645	Stephanie Tubbs Jones Child Welfare Services Program	32500			112,773	
93.658	Foster Care Title IV-E	32500			14,253,296	17,640
93.659	Adoption Assistance	32500			15,378,433	
93.665	COVID-19 - Emergency Grants to Address Mental and Substance Use Disorders During COVID-19	36000			5,763	
93.665	COVID-19 - Emergency Grants to Address Mental and Substance Use Disorders During COVID-19	32500			1,596,863	437,837
93.667	Social Services Block Grant	32500			3,732,237	
93.671	COVID-19 - Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	30100			599,296	587,025
93.671	Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	30100			716,613	674,340
93.674	John H. Chafee Foster Care Program for Successful Transition to Adulthood	32500			532,749	
93.674	COVID-19 - John H. Chafee Foster Care Program for Successful Transition to Adulthood	32500			140,855	
93.732	Mental and Behavioral Health Education and Training Grants	UND			444,549	
93.747	COVID-19 - Elder Abuse Prevention Interventions Program	32500			259,462	

ALN AL	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE SU	AMOUNT TO JBRECIPIENTS
93.767	Children's Health Insurance Program	32500			20,661,878	
93.788	Opioid STR	32500			3,849,383	
93.791	Money Follows the Person Rebalancing Demonstration	32500			7,849,772	491,778
93.817	Hospital Preparedness Program (HPP) Ebola Preparedness and Response Activities	30100			1,194,367	1,194,367
93.843	ACL Assistive Technology State Grants for Protection and Advocacy	36000			40,659	
93.889	National Bioterrorism Hospital Preparedness Program	30100			1,118,506	338,182
93.898	Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	30100			1,982,687	898,913
93.898	Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	UND			455,704	
93.912	Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement	NDSU			263,661	
93.912	Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement	UND			97,980	
93.913	Grants to States for Operation of State Offices of Rural Health	UND			235,721	20,014
93.917	HIV Care Formula Grants	30100			2,830,145	1,026,649
93.940	HIV Prevention Activities Health Department Based	30100			995,486	152,121
93.946	Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	UND			33,064	
93.946	Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	30100			177,584	
93.958	COVID-19 - Block Grants for Community Mental Health Services	32500			224,455	36,242
93.958	Block Grants for Community Mental Health Services	32500			834,509	199,607
93.959	Block Grants for Prevention and Treatment of Substance Abuse	32500			6,913,386	
93.959	COVID-19 - Block Grants for Prevention and Treatment of Substance Abuse	32500			1,275,514	
93.967	COVID-19 - Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	30100			29,512	
93.969	PPHF Geriatric Education Centers	UND			1,102,562	331,794
93.970	Health Professions Recruitment Program for Indians	UND			1,107,933	

ALN ALPI	HA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	A EXPENDITURE SUI	MOUNT TO BRECIPIENTS
93.977	Sexually Transmitted Diseases (STD) Prevention and Control Grants	30100			283,777	
93.977	COVID-19 - Sexually Transmitted Diseases (STD) Prevention and Control Grants	30100			566,925	41,039
93.982	Mental Health Disaster Assistance and Emergency Mental Health	32500			471,261	162,641
93.991	Preventive Health and Health Services Block Grant	30100			431,914	217,190
93.994	Maternal and Child Health Services Block Grant to the States	30100			1,356,220	343,437
93.U02	MQSA Inspections	30300		HHSF223201710056C	25,088	
93.U06	Medicated Feeds	60200		75F40121C00107	44,068	
Nonmonetary	Assistance:					
93.268	Immunization Cooperative Agreements	30100			8,786,611	
93.U01	COVID-19 - COVID-19 - Division of Strategic National Stockpile	30100		N/A	10,238	
Pass Through	Non-State Entity:					
93.103	Food and Drug Administration Research	30100	Association of Food & Drug Officials	G-MP-1910-07948	102,671	
93.103	Food and Drug Administration Research	30100	Association of Food & Drug Officials	G-OATR-202209-02589	6,036	
93.103	Food and Drug Administration Research	30100	Association of Food & Drug Officials	G-MP-1910-07947	7,500	
93.103	Food and Drug Administration Research	30100	Association of Food & Drug Officials	G-MP-1910-07946	6,933	
93.110	Maternal and Child Health Federal Consolidated Programs	30100	Association of State Public Health Nutritionists	U7NMC30388-03-02	5,835	
93.110	Maternal and Child Health Federal Consolidated Programs	UND	American College of Obstetricians and Gynecologists	UC4MC28042	16,581	
93.110	Maternal and Child Health Federal Consolidated Programs	30100	Association of State Public Health Nutritionists	H6262	17,055	
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	UND	University of Missouri System	00118573/00079829	272,268	
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	UND	Montana Department of Public Health and Human Services	21-332-74548-0	15,545	
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	UND	Grand Forks Housing Authority	3	19,967	
93.421	Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	MSU	Association of University Centers on Disabilities	28-8814-22	25,375	

ALN AI	LPHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO UBRECIPIENTS
93.421	Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	NDSU	National Network of Public Health Institutes	G2129-AG0754	112,722	
93.421	Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	NDSU	National Network of Public Health Institutes	G2488 AG-1124	108,855	
93.421	Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	30100	National Association of Chronic Disease Directors	1592020	6,306	
93.424	NON-ACA/PPHF—Building Capacity of the Public Health System to Improve Population Health through National Nonprofit Organizations	MSU	Association of University Centers on Disabilities	Act Early Ambassor Program	2,643	
93.426	The National Cardiovascular Health Program	NDSU	North Dakota Pharmacy Service Corporation	N/A	2,750	
93.426	The National Cardiovascular Health Program	NDSU	North Dakota Pharmacy Service Corporation	NDSU-NOV8111	32,300	
93.470	Alzheimer's Disease Program Initiative (ADPI)	UND	Spirit Lake Tribe	N/A	40,986	
93.648	Child Welfare Research Training or Demonstration	UND	Research Foundation for the State University of New York, The	11-95862	90,467	
93.648	Child Welfare Research Training or Demonstration	UND	Research Foundation for the State University of New York, The	R1235354	142,135	
93.648	Child Welfare Research Training or Demonstration	UND	Research Foundation for the State University of New York, The	11-92159	52,752	
93.788	Opioid STR	UND	University of Missouri System	00109612/00077332	102,277	
93.788	Opioid STR	NDSU	South Dakota State University	3TB310	55,165	
93.884	Primary Care Training and Enhancement	UND	University of Washington	UWSC10279 / BPO 49251	31	
93.912	Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement	UND	City-County Health District	N/A	4,823	
93.U05	ND State Council on Developmental Disabilities (SCDD)	36000	North Dakota Department of Health and Human Services	N/A	3,368	
93.U08	Consensus Council (Bush)	36000	North Dakota Consensus Council	N/A	8,026	
Total for L	Inclustered				\$ 293,008,599	\$ 59,015,634
Aging Clus	ster .					
Direct Prog	grams:					
93.044	COVID-19 - Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	32500			1,184,638	83,967

ALN ALF	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	A EXPENDITURE SUE	MOUNT TO BRECIPIENTS
93.044	Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	32500			2,532,391	546,942
93.045	Special Programs for the Aging, Title III, Part C, Nutrition Services	32500			4,872,082	
93.045	COVID-19 - Special Programs for the Aging, Title III, Part C, Nutrition Services	32500			3,186,503	
93.053	Nutrition Services Incentive Program	32500			796,791	
Total for Ag	ning Cluster				\$ 12,572,405 \$	630,909
CCDF Clust	ter					
Direct Progra	rams:					
93.575	Child Care and Development Block Grant	32500			18,200,500	1,652,898
93.575	COVID-19 - Child Care and Development Block Grant	32500			41,931,091	
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund	32500			10,879,975	
Total for CC	CDF Cluster				\$ 71,011,566 \$	1,652,898
Head Start (	Cluster					
Direct Progra	rams:					
93.600	Head Start	MASU			3,244,656	
93.600	COVID-19 - Head Start	MASU			2,024	
93.600	Head Start	32500			95,048	
Nonmonetar	ry Assistance:					
93.600	Head Start	MASU			687,040	
Total for He	ead Start Cluster				\$ 4,028,768 \$	
Medicaid Cl	luster					
Direct Progr	rams:					
93.775	State Medicaid Fraud Control Units	12500			705,680	
93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	30100			1,905,645	
93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	32500			1,019,846	
93.778	COVID-19 - Medical Assistance Program	30100			30,080	
93.778	Medical Assistance Program	32500			1,079,713,487	9,186
Total for Me	edicaid Cluster				\$1,083,374,738 \$	9,186

ALN	N ALPHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO UBRECIPIENTS
Resea	earch and Development Cluster					
Direct	t Programs:					
93.2	Mental Health Research Grants	UND			779,845	
93.24	Substance Abuse and Mental Health Services Projects of Regional and National Significance	UND			1,790,407	1,215,956
93.24	Advanced Nursing Education Workforce Grant Program	NDSU			397,136	254,841
93.2	Alcohol Research Programs	UND			199,220	
93.3	10 Trans-NIH Research Support	UND			225,715	69,903
93.39	95 Cancer Treatment Research	NDSU			720,741	144,222
93.73	Mental and Behavioral Health Education and Training Grants	UND			1,064	
93.83	Cardiovascular Diseases Research	NDSU			77,530	
93.83	Lung Diseases Research	NDSU			416,382	136,946
93.84	Diabetes, Digestive, and Kidney Diseases Extramural Research	NDSU			476,774	476,774
93.8	Extramural Research Programs in the Neurosciences and Neurological Disorders	UND			500,052	
93.8	Allergy and Infectious Diseases Research	NDSU			171,871	
93.8	Allergy and Infectious Diseases Research	UND			1,805,615	43,497
93.8	Biomedical Research and Research Training	NDSU			3,116,032	35,853
93.8	Biomedical Research and Research Training	UND			13,467,355	1,670,859
93.86	Aging Research	NDSU			1,342,204	174,716
93.86	Aging Research	UND			967,224	
93.80	Vision Research	NDSU			94,140	
Pass	Through Non-State Entity:					
93.0	Chronic Diseases: Research, Control, and Prevention	UND	University of North Carolina at Chapel Hill	PO ID Y20DSL0408	47,963	
93.2	Alcohol Research Programs	NDSU	Sanford Research North	CY21-022-NDSU	7,872	
93.2	Drug Abuse and Addiction Research Programs	UND	Drexel University	PO U0176282	116,734	
93.2	Drug Abuse and Addiction Research Programs	UND	University of Cincinnati	013764-00031	135,516	
93.2	Drug Abuse and Addiction Research Programs	UND	University of Cincinnati	013764-00040	27,486	
93.3	Trans-NIH Research Support	UND	University of Missouri System	C00066571-9	49,280	

#### For the Fiscal Years Ended June 30, 2023

ALN A	ALPHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE SUBRECIPIENTS
93.391	Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	NDSU	Cavalier County Health District	N/A	6,677
93.396	Cancer Biology Research	UND	Trustees of Columbia University in The City of New York	3(GG017782-01)	19,288
93.426	The National Cardiovascular Health Program	UND	Montana Department of Public Health and Human Services	22096760050	136,493
93.569	Community Services Block Grant	UND	Community Services Agency	N/A	14
93.838	Lung Diseases Research	UND	West Virginia University	N/A	360,919
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	UND	Regents of the University of Michigan	SUBK00016556	151,706
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	NDSU	University of Utah	10055841-29-NDSU	24,533
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	NDSU	Sanford Research North	CY21-048-NDSU	64,057
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	UND	Regents of the University of Michigan	SUBK00013359	3,694
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	UND	Trinity College	NS065957-01/UND2023	87,547
93.855	Allergy and Infectious Diseases Research	UND	University of Kentucky	3200003246-20-284	48,578
93.855	Allergy and Infectious Diseases Research	UND	Regents of the University of Michigan	SUBK00018595	53,006
93.859	Biomedical Research and Research Training	NDSU	Sanford Research North	CY22-334-01	31,233
93.859	Biomedical Research and Research Training	NDSU	Sanford Research North	SRN-2021-01	390,067
93.859	Biomedical Research and Research Training	NDSU	Sanford Health	SR-2022-01	15,879
93.859	Biomedical Research and Research Training	UND	West Virginia University	12-303G-ND	56,535
93.859	Biomedical Research and Research Training	UND	University of Nebraska	34-5250-2032-728	6,923
93.859	Biomedical Research and Research Training	UND	Sanford Health	SRN-2021-02	11,598
93.859	Biomedical Research and Research Training	NDSU	University Of Texas at Austin	UTA20-001169	21,402
93.866	Aging Research	UND	West Virginia University Research Corporation	20-529-UND	254,176
93.866	Aging Research	UND	University of Tennessee	22-4302	35,760
93.866	Aging Research	UND	Oregon Health & Science University	1021735_UNorthDakota	13,798
93.866	Aging Research	UND	SafetySpect Inc.	UND0026538	20,289
Total for	Research and Development Cluster				\$ 28,748,330 \$ 4,223,567

Student Financial Assistance Cluster

ALN ALI	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO UBRECIPIENTS
Direct Progr	ams:					
93.264	Nurse Faculty Loan Program (NFLP)	MASU			73,193	
93.264	Nurse Faculty Loan Program (NFLP)	UND			110,474	
93.342	Health Professions Student Loans, Including Primary Care Loans and Loans for Disadvantaged Students	UND			455,291	
93.364	Nursing Student Loans	UND			1,506,576	
93.364	Nursing Student Loans	DSU			271,122	
93.364	Nursing Student Loans	NDSU			444,996	
93.364	Nursing Student Loans	MSU			1,088,191	
Total for Sta	udent Financial Assistance Cluster				\$ 3,949,843	\$
Total For D	epartment Of Health And Human Services				\$1,496,694,249	\$ 65,532,194
<b>Departmen</b> <i>Unclustered</i>	t Of Homeland Security					
Direct Progr	ams:					
97.008	Non-Profit Security Program	54000			190,321	185,462
97.012	Boating Safety Financial Assistance	72000			987,984	30,580
97.023	Community Assistance Program State Support Services Element (CAP-SSSE)	77000			58,856	
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	54000			31,778,778	30,949,802
97.036	COVID-19 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	54000			37,459,793	1,339,018
97.036	COVID-19 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	32500			6,330	
97.039	Hazard Mitigation Grant	54000			1,354,732	1,154,479
97.041	National Dam Safety Program	77000			134,233	
97.042	COVID-19 - Emergency Management Performance Grants	54000			99,351	
97.042	Emergency Management Performance Grants	54000			2,979,477	1,480,995
97.045	Cooperating Technical Partners	77000			6,135,433	
97.047	BRIC: Building Resilient Infrastructure and Communities	54000			2,524,195	2,466,620
97.067	Homeland Security Grant Program	54000			5,671,935	4,051,131
97.132	Financial Assistance for Targeted Violence and Terrorism Prevention	54000			30,403	

ALN ALF	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE SI	AMOUNT TO JBRECIPIENTS
97.137	State and Local Cybersecurity Grant Program Tribal Cybersecurity Grant Program	54000			33,825	31,330
Total for Un	nclustered				\$ 89,445,646	\$ 41,689,417
Research a	nd Development Cluster					
Pass Throu	gh Non-State Entity:					
97.005	State and Local Homeland Security National Training Program	UND	Mississippi State University	193700.364108.01	10,270	
Total for Re	esearch and Development Cluster				\$ 10,270	\$
Total For Do	epartment Of Homeland Security				\$ 89,455,916	\$ 41,689,417
<b>Departmen</b> <i>Unclustered</i>	nt Of Housing And Urban Development					
Direct Progr	rams:					
14.171	Manufactured Home Dispute Resolution	60100			8,613	
14.228	COVID-19 - Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	60100			69,023	
14.228	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	60100			557,007	376,572
14.231	COVID-19 - Emergency Solutions Grant Program	60100			1,162,964	1,015,547
14.231	Emergency Solutions Grant Program	60100			726,264	690,226
14.401	Fair Housing Assistance Program State and Local	40600			107,560	
Total for Un	nclustered				\$ 2,631,431	\$ 2,082,345
CDBG - Dis	aster Recovery Grants - Pub. L. No. 113-2 Cluster					
Pass Throu	gh Non-State Entity:					
14.272	National Disaster Resilience Competition	DCB	City of Minot	N/A	1,388,885	
Total for CE	DBG - Disaster Recovery Grants - Pub. L. No. 113-2 Cluster				\$ 1,388,885	\$
Total For Do	epartment Of Housing And Urban Development				\$ 4,020,316	\$ 2,082,345
<b>Departmen</b> <i>Unclustered</i>	at Of Justice					
Direct Progr	rams:					
16.015	Missing Alzheimer's Disease Patient Assistance Program	MSU			4,489	

ALN ALPH	HA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE SI	AMOUNT TO JBRECIPIENTS
16.017	Sexual Assault Services Formula Program	30100			449,146	426,615
16.034	COVID-19 - Coronavirus Emergency Supplemental Funding Program	12500			679,653	243,356
16.320	Services for Trafficking Victims	12500			195,674	
16.540	Juvenile Justice and Delinquency Prevention	53000			283,553	283,553
16.543	Missing Children's Assistance	12500			326,813	
16.548	Delinquency Prevention Program	53000			80,568	80,568
16.554	National Criminal History Improvement Program (NCHIP)	12500			245,294	
16.575	Crime Victim Assistance	53000			63,682	
16.576	Crime Victim Compensation	53000			5,393,977	5,266,371
16.582	Crime Victim Assistance/Discretionary Grants	53000			4,918	
16.582	Crime Victim Assistance/Discretionary Grants	12500			108,673	
16.585	Treatment Court Discretionary Grant Program	53000			87,959	
16.588	Violence Against Women Formula Grants	30100			916,125	814,560
16.596	Justice System Infrastructure Program for Indian Tribes	UND			199,701	
16.608	Tribal Justice Systems	UND			475,163	120,695
16.609	Project Safe Neighborhoods	12500			109,615	103,156
16.710	Public Safety Partnership and Community Policing Grants	12500			630,020	
16.738	Edward Byrne Memorial Justice Assistance Grant Program	12500			560,308	301,157
16.741	DNA Backlog Reduction Program	12500			640,333	
16.742	Paul Coverdell Forensic Sciences Improvement Grant Program	12500			96,524	
16.750	Support for Adam Walsh Act Implementation Grant Program	12500			24,406	
16.813	NICS Act Record Improvement Program	12500			265,363	
16.827	Justice Reinvestment Initiative	18000			300,931	
16.827	Justice Reinvestment Initiative	53000			442,241	441,731
Pass Through	Non-State Entity:					
16.596	Justice System Infrastructure Program for Indian Tribes	UND	Fox Valley Technical College	GRTD2023001065	4,650	
16.608	Tribal Justice Systems	UND	Fox Valley Technical College	D2020010002/D2021011002	3,814	
16.608	Tribal Justice Systems	UND	Fox Valley Technical College	D2019001020/D2022012001	8,293	
16.726	Juvenile Mentoring Program	NDSU	National 4-H Council	2020-JU-FX-0031	4,851	

ALN ALF	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPE	ENDITURE S	OUNT TO ECIPIENTS
16.726	Juvenile Mentoring Program	NDSU	National 4-H Council	N/A		20,609	
16.838	Comprehensive Opioid, Stimulant, and other Substances Use Program	UND	The Institute for Intergovernmental Research, Inc.	2023-COSSAF-002		37,575	
16.841	VOCA Tribal Victim Services Set-Aside Program	UND	Fox Valley Technical College	D2019008055		18,957	
Total for Un	nclustered				\$	12,683,878	\$ 8,081,762
Research ar	nd Development Cluster						
Pass Throug	gh Non-State Entity:						
16.021	Justice Systems Response to Families	UND	Community Violence Intervention Center, Inc.	15JOVW-22-GG-00259-JFFX		679	
16.608	Tribal Justice Systems	UND	National Judicial College, The	NJC-2019001		175,974	
Total for Re	esearch and Development Cluster				\$	176,653	\$
Total For De	epartment Of Justice				\$	12,860,531	\$ 8,081,762
<b>Departmen</b> <i>Unclustered</i>							
Direct Progr	rams:						
17.201	Registered Apprenticeship	27000				197,944	
17.235	Senior Community Service Employment Program	32500				74,740	
17.261	WIOA Pilots, Demonstrations, and Research Projects	BSC				96,572	
17.285	Apprenticeship USA Grants	60100				361,517	
17.504	Consultation Agreements	BSC				642,837	
17.600	Mine Health and Safety Grants	27000				113,915	113,915
Total for Un	oclustered				\$	1,487,525	\$ 113,915
Total For De	epartment Of Labor				\$	1,487,525	\$ 113,915
Departmen Unclustered							
Pass Throug	gh Non-State Entity:						
19.009	Academic Exchange Programs - Undergraduate Programs	NDSU	World Learning	IDEAS21-NDSU01		6,495	
19.402	Professional and Cultural Exchange Programs - International Visitor Leadership Program	MSU	Global Ties U.S.	CPG-FY22-037		2,185	
Total for Un	nclustered				\$	8,680	\$

ALN AL	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO UBRECIPIENTS
Total For D	Department Of State				\$ 8,680	\$
<b>Departmen</b> <i>Unclustered</i>	nt Of The Interior					
Direct Prog	rams:					
15.018	Energy Community Revitalization Program (ECRP)	40500			3,075,563	
15.227	Distribution of Receipts to State and Local Governments	12000			5,040	5,040
15.250	Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining	40800			1,012,376	
15.252	Abandoned Mine Land Reclamation (AMLR)	40800			3,537,206	
15.427	Federal Oil and Gas Royalty Management State and Tribal Coordination	11700			462,102	
15.436	Late Disbursement Interest	12000			2,046	562
15.437	Minerals Leasing Act	12000			99,125,713	49,692,113
15.518	Garrison Diversion Unit	72000			830,123	
15.615	Cooperative Endangered Species Conservation Fund	72000			74,730	50,000
15.634	State Wildlife Grants	72000			436,633	117,416
15.637	Migratory Bird Joint Ventures	72000			34,888	34,888
15.664	Fish and Wildlife Coordination and Assistance	72000			40,348	
15.808	U.S. Geological Survey Research and Data Collection	77000			22,411	
15.810	National Cooperative Geologic Mapping	40500			6,113	
15.814	National Geological and Geophysical Data Preservation	40500			5,283	
15.904	Historic Preservation Fund Grants-In-Aid	70100			717,109	77,162
15.916	Outdoor Recreation Acquisition, Development and Planning	75000			3,074,904	3,050,325
15.931	Youth and Veteran Organizations Conservation Activities	NDSU			15,615	
Pass Throu	igh Non-State Entity:					
15.518	Garrison Diversion Unit	77000	Garrison Diversion Conservancy	6-FC-60-00210	24,993,420	
Total for U	nclustered				\$ 137,471,623	\$ 53,027,506
Fish and W	'ildlife Cluster					
Direct Prog	rams:					
15.605	Sport Fish Restoration	72000			4,533,605	416,832

ALN ALI	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE SU	AMOUNT TO IBRECIPIENTS
15.611	Wildlife Restoration and Basic Hunter Education and Safety	72000			13,724,306	671,592
15.626	Enhanced Hunter Education and Safety	72000			107,273	107,273
Total for Fis	sh and Wildlife Cluster				\$ 18,365,184	1,195,697
Research a	nd Development Cluster					
Direct Progr	rams:					
15.247	Wildlife Resource Management	NDSU			47,283	
15.678	Cooperative Ecosystem Studies Units	NDSU			76,854	
15.805	Assistance to State Water Resources Research Institutes	NDSU			130,532	7,520
15.808	U.S. Geological Survey Research and Data Collection	NDSU			47,656	
15.810	National Cooperative Geologic Mapping	NDSU			8,769	
15.945	Cooperative Research and Training Programs – Resources of the National Park System	UND			4,397	
15.945	Cooperative Research and Training Programs – Resources of the National Park System	NDSU			111,280	
Pass Through	gh Non-State Entity:					
15.605	Sport Fish Restoration	UND	South Dakota State University	3TB040	9,902	
15.634	State Wildlife Grants	UND	Smithsonian Institution	23-SUBC-440-0000489095	2,328	
15.815	National Land Remote Sensing Education Outreach and Research	UND	AmericaView	AV18-ND-01	31,176	
15.815	National Land Remote Sensing Education Outreach and Research	UND	AmericaView	AV18-ND-01-003		
15.820	National and Regional Climate Adaptation Science Centers	UND	South Dakota State University	3TA100	28,789	
Total for Re	esearch and Development Cluster				\$ 498,966	7,520
Total For D	epartment Of The Interior				\$ 156,335,773	54,230,723
<b>Departmen</b> <i>Unclustered</i>	nt Of The Treasury					
Direct Progr	rams:					
21.019	COVID-19 - Coronavirus Relief Fund	30100			60,139	
21.023	COVID-19 - Emergency Rental Assistance Program	32500			94,706,438	
21.026	COVID-19 - Homeowner Assistance Fund	32500			27,458,799	

ALN	ALPHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO SUBRECIPIENTS
21.02	7 COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	60200			1,000,000	
21.02	7 COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	27000			18,353,620	
21.02	7 COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	31300			644,800	
21.02	7 COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	32500			8,608,685	
21.02	7 COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	NDSU			2,437,845	
21.02	7 COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	40500			3,123,640	
21.02	7 COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	41200			3,682,022	
21.02	7 CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	30100			1,981,584	
21.02	7 COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	60100			14,749,963	
21.02	7 COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	NDUS			347,780	
21.02	7 COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	12500			10,088	
21.02	7 COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	53000			1,718,625	
21.02	7 COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	54000			1,849,854	
21.02	7 COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	70100			2,375,438	
21.02	7 COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	20100			5,150,394	5,061,887
21.02	7 COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	18000			644,406	
21.02	7 COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	UND			14,434,569	
21.02	7 COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	32100			11,250	
21.02	7 COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	MSU			11,265,386	
21.02	7 COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	BSC			4,036,340	

ALN AL	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE SU	AMOUNT TO BRECIPIENTS
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	DSU			3,273,561	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	75000			4,949,755	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	80100			87,686,948	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	72000			212,573	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	11200			38,991,837	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	11000			2,859,372	
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	77000			42,169,153	
21.029	COVID-19 - Coronavirus Capital Projects Fund	11200			184,493	
21.029	COVID-19 - Coronavirus Capital Projects Fund	27000			9,959,586	9,959,586
Pass Throu	igh Non-State Entity:					
21.027	COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	31300	North Dakota Department of Veterans Affairs	N/A	223,559	
Total for U	nclustered				\$ 409,162,502 \$	15,021,473
Total For D	Department Of The Treasury				\$ 409,162,502 \$	15,021,473
<b>Departmer</b> <i>Unclustered</i>	nt Of Transportation					
Direct Prog	rams:					
20.106	COVID-19 - Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	41200			5,067	
20.106	Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	41200			59,830	
20.111	Aircraft Pilots Workforce Development Grant Program	UND			182,107	
20.200	Highway Research and Development Program	80100			86,141	
20 205	COVID-19 - Highway Planning and Construction	80100			29,088,690	574,286
20.205	<i>o</i> , <i>o</i>					
20.205	Highway Planning and Construction	80100			376,697,496	7,347,208

ALN ALPH	HA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO SUBRECIPIENTS
20.215	Highway Training and Education	80100			93,302	
20.219	Recreational Trails Program	75000			1,090,844	745,828
20.240	Fuel Tax Evasion-Intergovernmental Enforcement Effort	12700			21,312	
20.301	Railroad Safety	40800			12,054	
20.325	Consolidated Rail Infrastructure and Safety Improvements	80100			177,220	177,220
20.505	Metropolitan Transportation Planning and State and Non- Metropolitan Planning and Research	80100			1,150,227	1,150,227
20.509	COVID-19 - Formula Grants for Rural Areas and Tribal Transit Program	80100			4,475,093	4,475,093
20.509	Formula Grants for Rural Areas and Tribal Transit Program	80100			4,785,904	4,252,847
20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated	80100			868,912	6,493
20.700	Pipeline Safety Program State Base Grant	40800			310,864	
20.703	Interagency Hazardous Materials Public Sector Training and Planning Grants	54000			269,882	258,654
20.721	PHMSA Pipeline Safety Program One Call Grant	40800			39,743	
20.933	National Infrastructure Investments	80100			11,763,356	
20.U02	Accelerated Safety Activity Program	80100		693JJ92250142	17,583	
20.U03	Accelerated Safety Activity Program	80100		DTNH22-17-H-00142	(3,525)	
20.U04	Veterans Pilot Training Pilot Program (VPTPP)	UND		693KA8-22-N-80003	399,540	
Pass Through	Non-State Entity:					
20.200	Highway Research and Development Program	NDSU	Minnesota Department of Transportation	1036338 work order 1	5,150	
20.U01	5010 Inspections	41200	GCR Inc.	N/A	17,650	
20.U05	FM Metro COG Review and Adjustment to Household and Job Data for the TDM	NDSU	Fargo-Moorhead Metropolitan Council of Governments	CPG-2021(008) - FAR0035633	3,816	
20.U07	North Dakota MPO Planning Support Program Master Agreement	NDSU	Fargo-Moorhead Metropolitan Council of Governments	FAR0035100	5,924	
20.U08	North Dakota MPO Planning Support Program Master Agreement	NDSU	Bismarck-Mandan Metropolitan Planning Organization	FAR0035101	5,924	
20.U09	North Dakota MPO Planning Support Program Master Agreement	NDSU	Grand Forks-East Grand Forks Metropolitan Planning Organization	FAR0035102	5,924	
20.U11	F-M Metro COG Regional ITS Architecture Update	NDSU	Fargo-Moorhead Metropolitan Council of Governments	CPG-2021(008) - FAR0035626	7,586	
20.U12	Bismarck East Main Ave Corridor Study	NDSU	Bismarck-Mandan Metropolitan Planning Organization	CPG-2020(007) - FAR0035634	2,308	

ALN ALI	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE		IOUNT TO RECIPIENTS
Total for Un	nclustered				\$ 431,708,142	\$	19,025,941
Federal Tra	nsit Cluster						
Direct Progr	rams:						
20.526	Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	80100			2,236,822	2	2,236,822
Total for Fe	deral Transit Cluster				\$ 2,236,822	\$	2,236,822
FMCSA Clu	ster						
Direct Progr	rams:						
20.218	Motor Carrier Safety Assistance	50400			2,636,182	2	
20.237	Motor Carrier Safety Assistance High Priority Activities Grants and Cooperative Agreements	50400			54,675	;	
20.237	Motor Carrier Safety Assistance High Priority Activities Grants and Cooperative Agreements	NDSU			235,332	2	
Total for FN	MCSA Cluster				\$ 2,926,189	\$	
Highway Sa	nfety Cluster						
Direct Progr	rams:						
20.600	State and Community Highway Safety	80100			2,759,005	j	335,897
20.616	National Priority Safety Programs	80100			2,254,348	}	367,165
Total for Hig	ghway Safety Cluster				\$ 5,013,353	\$	703,062
Research a	nd Development Cluster						
Direct Progr	rams:						
20.109	Air Transportation Centers of Excellence	UND			2,184,357	,	52,017
20.237	Motor Carrier Safety Assistance High Priority Activities Grants and Cooperative Agreements	NDSU			33,835	5	
20.701	University Transportation Centers Program	NDSU			3,464,726	;	2,640,864
20.723	PHMSA Pipeline Safety Research and Development "Other Transaction Agreements"	NDSU			217,875	5	
20.724	Pipeline Safety Research Competitive Academic Agreement Program (CAAP)	NDSU			206,722	2	9,532
20.RD	A27: Establish Risk-Based Thresholds for Approvals Needed to Certify UAS for Safe Operation	UND		15-C-UAS-UND-015	30,632	!	
20.RD	Railroad Substructure Moisture Measurement and Monitoring Using Hyperspectral Imagery	UND		693JJ622C000038	54,208	3	

ALN ALPH	A PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO SUBRECIPIENTS
20.RD	UAS Safety Case Development, Process Improvement, and Data Collection	UND		15-C-UAS-UND-021	104,187	55,769
20.RD	Integrating Expanded and Nonsegregated UAS Operations	UND		15-C-UAS-UND-014	437	
20.RD	A31 Safety Risks and Mitigations for UAS Operations On and Around Airports	UND		15-C-UAS-UND-026	146,714	
20.RD	Drone Mitigation Demonstration and Test and Evaluation	UND		692M15-18-D-00014	219,786	
Pass Through	Non-State Entity:					
20.200	Highway Research and Development Program	NDSU	Longboard Power LLC	SUB0001738	4,982	
20.200	Highway Research and Development Program	NDSU	National Academies	NCHRP-219	8,003	
20.200	Highway Research and Development Program	NDSU	Oklahoma State University	1-511223-NDSU	26,723	
20.205	Highway Planning and Construction	NDSU	University of Wisconsin - Milwaukee	223405560	24,409	
20.205	Highway Planning and Construction	NDSU	Fargo-Moorhead Metropolitan Council of Governments	N/A	8,613	
20.600	State and Community Highway Safety	NDSU	South Dakota Department of Public Safety	N/A	19,224	
20.701	University Transportation Centers Program	NDSU	Montana State University	G226-17-W6460	233,762	
20.724	Pipeline Safety Research Competitive Academic Agreement Program (CAAP)	NDSU	Stevens Institute of Technology	2103007-01	10,994	
20.RD	Travel Demand Model Update for the Fargo Moorhead Metro COG for the 2021 Base Year	NDSU	Fargo-Moorhead Metropolitan Council of Governments	CPG-2021(008) - FAR0035625	21,734	
20.RD	Travel Demand Model Update for the Grand Forks/East Grand Forks MPO 2020 Base Year (some data will be from 2020; some from 2021)	NDSU	Grand Forks-East Grand Forks Metropolitan Planning Organization	FAR0035698	31,782	
20.RD	National General Aviation Flight Information Database (NGAFID)	UND	The MITRE Corporation	TO 140068	120,858	
20.RD	Effectiveness of Third-Party Testing for CDL	NDSU	toXcel, LLC	693JJ421F000061, 2021-004	29,151	
20.RD	FM Metro COG DTA Use To Optimize Transportation Project	NDSU	Fargo-Moorhead Metropolitan Council of Governments	CPG-2021(008) - FAR0035631	1,567	
20.RD	Investigating the Safety of CMV Operation by Deaf and Hard of Hearing Drivers	NDSU	toXcel, LLC	693JJ421F000067; 2021-004	36,371	
20.RD	Automated CMV Evaluation (ACE) - Inspection Demonstrations and Evaluations	NDSU	toXcel, LLC	693JJ421F000036, 2021-004	33,232	
20.RD	GF-EGF MPO Traffic Data Collection Support 2022-2024	NDSU	Grand Forks-East Grand Forks Metropolitan Planning Organization	FAR0035670	10,623	
20.RD	Travel Demand Model Update for the Bismarck Mandan MPO 2021 Base Year	NDSU	Bismarck-Mandan Metropolitan Planning Organization	CPG-2020(007) - FAR0035799	32,185	
20.RD	National General Aviation Flight Information Database (NGAFID) (FY23)	UND	The MITRE Corporation	Task Order 1162978	181,350	

ALN AL	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE SU	AMOUNT TO JBRECIPIENTS
20.RD	Sunset Drive Corridor Study	NDSU	Bismarck-Mandan Metropolitan Planning Organization	CPG-2020(007) - FAR0035819	1,894	
20.RD	Signalized Intersections Traffic Data Collection Pilot Project	NDSU	Bismarck-Mandan Metropolitan Planning Organization	CPG-2020(007) - FAR0036127	5,438	
20.RD	National Commercial Driver License Program Assessment	NDSU	eScience & Technology Solutions, Inc.	UGPTI-013289-002	24,779	
20.RD	FM Metro COG Turning Movement Counts and Traffic Signal Timing Optimization Support for City of Moorhead	NDSU	Fargo-Moorhead Metropolitan Council of Governments	CPG-2021(008) - FAR0035624	11,091	
Total for Re	esearch and Development Cluster				\$ 7,542,244	\$ 2,758,182
Transit Ser	vices Programs Cluster					
Direct Prog	rams:					
20.513	COVID-19 - Enhanced Mobility of Seniors and Individuals with Disabilities	80100			68,186	68,186
20.513	Enhanced Mobility of Seniors and Individuals with Disabilities	80100			529,298	529,298
Total for Tr	ansit Services Programs Cluster				\$ 597,484	\$ 597,484
					A 450 004 004	25 224 404
Total For D	epartment Of Transportation				\$ 450,024,234	25,321,491
	nt Of Veterans Affairs				=======================================	25,321,491
<b>Departmen</b> <i>Unclustered</i>	nt Of Veterans Affairs				\$ 450,024,234	25,321,491
<b>Departmen</b> <i>Unclustered</i>	nt Of Veterans Affairs	31300			1,107,409	25,321,491
<b>Departmen</b> <i>Unclustered</i> Direct Prog	nt Of Veterans Affairs d rams:	31300 31300			-	23,321,491
<b>Departmen</b> <i>Unclustered</i> Direct Prog 64.014	nt Of Veterans Affairs d rams: Veterans State Domiciliary Care				1,107,409	303,291
Department Unclustered Direct Prog 64.014 64.015	nt Of Veterans Affairs  rams:  Veterans State Domiciliary Care  Veterans State Nursing Home Care	31300			1,107,409 3,790,731	
Department Unclustered Direct Prog 64.014 64.015 64.035	nt Of Veterans Affairs  rams:  Veterans State Domiciliary Care  Veterans State Nursing Home Care  Veterans Transportation Program	31300 32100		V101 (223C) P-5745	1,107,409 3,790,731 492,465	
Department Unclustered Direct Prog 64.014 64.015 64.035 64.204	nt Of Veterans Affairs of rams:  Veterans State Domiciliary Care  Veterans State Nursing Home Care  Veterans Transportation Program  Veterans Legacy Grants Program  State Approving Agency	31300 32100 NDSU		V101 (223C) P-5745	1,107,409 3,790,731 492,465 6,855	303,291
Department Unclustered Direct Prog 64.014 64.015 64.035 64.204 64.U01 Total for United Direct Programment Total for United Direct Programment United	nt Of Veterans Affairs of rams:  Veterans State Domiciliary Care  Veterans State Nursing Home Care  Veterans Transportation Program  Veterans Legacy Grants Program  State Approving Agency	31300 32100 NDSU		V101 (223C) P-5745	1,107,409 3,790,731 492,465 6,855 127,532	303,291 303,291
Department Unclustered Direct Prog 64.014 64.015 64.035 64.204 64.U01 Total for United Total For Direct Programment Control of the Control of	rams:  Veterans State Domiciliary Care  Veterans State Nursing Home Care  Veterans Transportation Program  Veterans Legacy Grants Program  State Approving Agency  Inclustered  Repartment Of Veterans Affairs  Assistance Commission	31300 32100 NDSU		V101 (223C) P-5745	1,107,409 3,790,731 492,465 6,855 127,532 \$ 5,524,992	303,291 303,291
Department Unclustered Direct Prog 64.014 64.015 64.035 64.204 64.U01 Total for Unclustered Unclustered Direct Prog Department of the Unclustered Direct Prog Direct Pro	rams:  Veterans State Domiciliary Care  Veterans State Nursing Home Care  Veterans Transportation Program  Veterans Legacy Grants Program  State Approving Agency  Inclustered  Repartment Of Veterans Affairs  Assistance Commission	31300 32100 NDSU		V101 (223C) P-5745	1,107,409 3,790,731 492,465 6,855 127,532 \$ 5,524,992	303,291 303,291
Department Unclustered Direct Prog 64.014 64.015 64.035 64.204 64.U01 Total for United Total For Discussion of the Control of	rams:  Veterans State Domiciliary Care  Veterans State Nursing Home Care  Veterans Transportation Program  Veterans Legacy Grants Program  State Approving Agency  Inclustered  Repartment Of Veterans Affairs  Assistance Commission	31300 32100 NDSU		V101 (223C) P-5745	1,107,409 3,790,731 492,465 6,855 127,532 \$ 5,524,992	303,291 303,291

ALN ALF	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO SUBRECIPIENTS
Total For El	lections Assistance Commission				\$ 1,594,666	\$
Environme Unclustered	ental Protection Agency					
Direct Progr	rams:					
66.034	Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	30300			60,836	
66.034	COVID-19 - Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	30300			128,190	
66.040	Diesel Emissions Reduction Act (DERA) State Grants	30300			99,472	
66.419	Water Pollution Control State, Interstate, and Tribal Program Support	30300			203,261	3,778
66.433	State Underground Water Source Protection	40500			130,000	
66.454	Water Quality Management Planning	30300			99,719	31,646
66.460	Nonpoint Source Implementation Grants	30300			3,808,727	2,253,520
66.460	Nonpoint Source Implementation Grants	72000			5,032	
66.605	Performance Partnership Grants	60200			425,665	
66.605	Performance Partnership Grants	30300			4,245,192	46,708
66.608	Environmental Information Exchange Network Grant Program and Related Assistance	30300			34,030	
66.700	Consolidated Pesticide Enforcement Cooperative Agreements	NDSU			51,001	
66.804	Underground Storage Tank (UST) Prevention, Detection, and Compliance Program	30300			239,407	
66.805	Leaking Underground Storage Tank Trust Fund Corrective Action Program	30300			307,452	
66.817	State and Tribal Response Program Grants	30300			272,833	
66.818	Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements	DCB			62,250	
66.U01	Water Sample Collection	VCSU		W912ES-21-P-0058	6,459	
Pass Throug	gh Non-State Entity:					
66.034	Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	UND	National Center for Healthy Housing, Inc.	NCHH-22-1370	4,307	

### For the Fiscal Years Ended June 30, 2023

ALN AL	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXP	ENDITURE S	OUNT TO ECIPIENTS
Total for U	nclustered				\$	10,183,833	\$ 2,335,652
Drinking Wa	ater State Revolving Fund Cluster						
Direct Prog	rams:						
66.468	Drinking Water State Revolving Fund	30300				288,103	
Total for Di	rinking Water State Revolving Fund Cluster				\$	288, 103	\$
Research a	and Development Cluster						
Direct Prog	rams:						
66.461	Regional Wetland Program Development Grants	NDSU				102,068	
66.509	Science To Achieve Results (STAR) Research Program	UND				183,093	128,061
Pass Throu	gh Non-State Entity:						
66.460	Nonpoint Source Implementation Grants	NDSU	Bowman-Slope Soil Conservation District	NDSU-NOV6973		16,396	
Total for Re	esearch and Development Cluster				\$	301,557	\$ 128,061
Total For E	invironmental Protection Agency				\$	10,773,493	\$ 2,463,713
Equal Emp	oloyment Opportunity Commission						
Direct Prog	rams:						
30.002	Employment Discrimination - State and Local Fair Employment Practices Agency Contracts	40600				86,940	
Total for U	nclustered				\$	86,940	\$
Total For E	equal Employment Opportunity Commission				\$	86,940	\$
Executive	Office of the President						
Unclustered							
Direct Prog							
95.001	High Intensity Drug Trafficking Areas Program	12500				764,579	 236,895
Total for U	nclustered				\$	764,579	\$ 236,895
Total For E	xecutive Office of the President				\$	764,579	\$ 236,895

#### **General Services Administration**

Unclustered

Nonmonetary Assistance:

ALN ALF	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
39.003	Donation of Federal Surplus Personal Property	11000			870,360	)
Total for Un	nclustered				\$ 870,36	\$
Total For G	eneral Services Administration				\$ 870,360	\$
Institute of Inclustered	Museum and Library Services					
Direct Progr	ams:					
45.310	Grants to States	25000			887,313	3
45.310	COVID-19 - Grants to States	25000			1,325,338	3
Total for Un	nclustered				\$ 2,212,65	<del>\$</del>
Total For In	stitute of Museum and Library Services				\$ 2,212,65	\$
National Ae Unclustered	eronautics and Space Administration					
Direct Progr	ams:					
43.008	Office of Stem Engagement (OSTEM)	UND			588,93	5 14,544
43.012	Space Technology	60100			132,129	9
Pass Throug	gh Non-State Entity:					
43.U01	NASA Psyche Mission Innovation Toolkit	UND	Arizona State University	PO# PO-22-00014294	3,180	)
Total for Un	nclustered				\$ 724,24	4 \$ 14,544
Research ar	nd Development Cluster					
Direct Progr	rams:					
43.001	Science	UND			689,99 <sup>-</sup>	1 49,311
43.003	Exploration	UND			29,98	5
43.008	Office of Stem Engagement (OSTEM)	UND			507,388	5,609
43.009	Mission Support	UND			74,28	1,883
43.012	Space Technology	UND			30,468	3
Pass Throug	gh Non-State Entity:					
43.001	Science	UND	University Corporation For Atmospheric Research	SUBAWD002194	4,84	7
43.001	Science	UND	National Space Grant Foundation	NEBP-114	3,148	3
43.002	Aeronautics	UND	Mississippi State University	193700.361561.02B	121,278	2

ALN ALF	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXF	PENDITURE S	UNT TO ECIPIENTS
43.002	Aeronautics	UND	Mississippi State University	193700.361561.02C		199,463	
43.003	Exploration	NDSU	National Space Grant Foundation	M2M-XHab 2023-01		28,719	
43.RD	UAS Research for Public Safety Applications	UND	Mississippi State University	193700.361561.02		207,826	
Total for Re	search and Development Cluster				\$	1,897,394	\$ 56,803
Total For Na	ational Aeronautics and Space Administration				\$	2,621,638	\$ 71,347
National Ar	chives And Records Administration						
Direct Progr	ams:						
89.003	National Historical Publications and Records Grants	70100				5,410	
Total for Un	clustered				\$	5,410	\$
Total For Na	ational Archives And Records Administration				\$	5,410	\$
National Er	ndowment For The Arts						
Direct Progr	ams:						
45.024	Promotion of the Arts Grants to Organizations and Individuals	UND				9,389	
45.024	Promotion of the Arts Grants to Organizations and Individuals	BSC				12,421	
45.025	Promotion of the Arts Partnership Agreements	70900				846,900	494,648
Pass Throug	gh Non-State Entity:						
45.025	COVID-19 - Promotion of the Arts Partnership Agreements	MSU	North Dakota Humanities Council	#ORG2213		7,000	
Total for Un	clustered				\$	875,710	\$ 494,648
Total For Na	ational Endowment For The Arts				\$	875,710	\$ 494,648
National Er Unclustered	ndowment For The Humanties						
Direct Progr	ams:						
45.164	Promotion of the Humanities Public Programs	NDSU				3,648	
45.169	Promotion of the Humanities Office of Digital Humanities	UND				342,470	288,840
Pass Throug	gh Non-State Entity:						

ALN ALI	PHA PROGRAM TITLE	STATE AGENCY PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE SU	AMOUNT TO UBRECIPIENTS
45.129	Promotion of the Humanities Federal/State Partnership	UND Humanities North Dakota	22506	10,000	
45.129	Promotion of the Humanities Federal/State Partnership	70100 Humanities North Dakota	N/A	70,417	
Total for Ur	nclustered			\$ 426,535	\$ 288,840
Total For N	ational Endowment For The Humanties			\$ 426,535	\$ 288,840
National S	cience Foundation				
Direct Progi	rams:				
47.076	STEM Education (formerly Education and Human Resources)	BSC		284,610	
47.076	STEM Education (formerly Education and Human Resources)	NDSCS		116,911	
Total for Ur	nclustered			\$ 401,521	\$
Research a	nd Development Cluster				
Direct Progi	rams:				
47.041	Engineering	UND		33,479	
47.041	Engineering	NDSU		632,198	10,828
47.049	Mathematical and Physical Sciences	NDSU		827,987	
47.049	Mathematical and Physical Sciences	UND		384,576	
47.050	Geosciences	NDSU		169,225	
47.050	Geosciences	UND		207,103	404
47.070	Computer and Information Science and Engineering	UND		33,922	
47.070	Computer and Information Science and Engineering	NDSU		249,192	
47.074	Biological Sciences	UND		547,083	
47.074	Biological Sciences	NDSU		987,218	
47.075	Social, Behavioral, and Economic Sciences	NDSU		263,248	18,147
47.075	Social, Behavioral, and Economic Sciences	UND		19,645	
47.076	STEM Education (formerly Education and Human Resources)	UND		1,081,130	186,997
47.076	STEM Education (formerly Education and Human Resources)	NDSU		820,705	11,139
47.079	Office of International Science and Engineering	UND		47,136	
47.083	Integrative Activities	NDSU		6,271,938	1,668,662

For the Fiscal Years Ended June 30, 2023

ALN ALPH	HA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO UBRECIPIENTS
47.083	Integrative Activities	UND			149,078	
47.084	NSF Technology, Innovation, and Partnerships	NDSU			375,867	33,896
47.084	NSF Technology, Innovation, and Partnerships	UND			55,213	
47.RD	Intergovernmental Personnel Act (IPA) assignment to the National Science Foundation	NDSU		2211298	163,492	
Pass Through	n Non-State Entity:					
47.041	Engineering	NDSU	Auburn University	21-BIOSYS-200818-NDSU	2,087	
47.041	Engineering	NDSU	Iowa State University	025584A	37,949	
47.070	Computer and Information Science and Engineering	UND	University of Illinois	096085-17571	17,721	
47.070	Computer and Information Science and Engineering	NDSU	American Indian Higher Education Consortium	N/A	87,814	
47.074	Biological Sciences	NDSU	Indiana University Bloomington	8156-NDSU	107,143	
47.076	STEM Education (formerly Education and Human Resources)	NDSU	University of Montana	PG23-66474-03	141,679	
47.076	STEM Education (formerly Education and Human Resources)	NDSU	Auburn University	21-CHEME-200725-NDSU	4,173	
47.076	STEM Education (formerly Education and Human Resources)	NDSU	Missouri University of Science and Technology	00078680-01	7,190	
47.076	STEM Education (formerly Education and Human Resources)	NDSU	Salish Kootenai College	NDSU-18-2	1,900	
47.076	STEM Education (formerly Education and Human Resources)	UND	American Indian Science and Engineering Society	2040994	14,999	
47.076	STEM Education (formerly Education and Human Resources)	UND	Council of Graduate Schools	N/A	4,346	
47.079	Office of International Science and Engineering	NDSU	University of South Alabama	A19-0039-S001	5,788	
47.083	Integrative Activities	NDSU	Bates College	S19-004	94,007	
47.083	Integrative Activities	NDSU	University of South Alabama	A22-0160-S005	123,331	
47.084	NSF Technology, Innovation, and Partnerships	NDSU	Old Dominion University	23-159-100969-010	19,626	
Total for Rese	earch and Development Cluster				\$ 13,989,188	\$ 1,930,073
Total For Nat	tional Science Foundation				\$ 14,390,709	\$ 1,930,073

#### **Nuclear Regulatory Commission**

Unclustered

Direct Programs:

ALN ALI	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXP	PENDITURE S	UNT TO
77.008	U.S. Nuclear Regulatory Commission Scholarship and Fellowship Program	BSC				23,580	
Total for Ur	nclustered				\$	23,580	\$
Total For N	uclear Regulatory Commission				\$	23,580	\$
Small Busi Unclustered	iness Administration						
Direct Progr	rams:						
59.037	COVID-19 - Small Business Development Centers	UND				98,362	27,662
59.037	Small Business Development Centers	UND				889,657	137,472
59.044	Veterans Outreach Program	UND				290,452	
59.058	Federal and State Technology Partnership Program	UND				81,304	
Total for Ur	nclustered				\$	1,359,775	\$ 165,134
Total For S	mall Business Administration				\$	1,359,775	\$ 165,134
Social Sec	urity Administration						
Direct Progr	rams:						
96.009	Social Security State Grants for Work Incentives Assistance to Disabled Beneficiaries	36000				152,130	
Total for Ur	nclustered				\$	152,130	\$
Disability In	surance/SSI Cluster						
Direct Progr	rams:						
96.001	Social Security Disability Insurance	32500				3,449,042	
Total for Dis	sability Insurance/SSI Cluster				\$	3,449,042	\$
Total For S	ocial Security Administration				\$	3,601,172	\$
U.S. Depar	rtment Of Agriculture						
Direct Progr	rams:						
10.025	Plant and Animal Disease, Pest Control, and Animal Care	NDSU				330,795	
10.025	Plant and Animal Disease, Pest Control, and Animal Care	60200				380,370	

ALN ALI	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	A EXPENDITURE SU	MOUNT TO BRECIPIENTS
10.153	Market News	60200			14,400	
10.162	Inspection Grading and Standardization	60200			5,157	
10.163	Market Protection and Promotion	60200			4,200	
10.170	Specialty Crop Block Grant Program - Farm Bill	60200			4,915,062	1,149,212
10.170	Specialty Crop Block Grant Program - Farm Bill	DCB			15,838	
10.171	Organic Certification Cost Share Programs	60200			55,101	51,007
10.182	Food Bank Network	60200			352,317	350,089
10.226	Secondary Education, Two-Year Postsecondary Education, and Agriculture in the K-12 Classroom	DCB			22,051	
10.310	Agriculture and Food Research Initiative (AFRI)	NDSCS			31,518	
10.310	Agriculture and Food Research Initiative (AFRI)	DCB			57,988	
10.310	Agriculture and Food Research Initiative (AFRI)	BSC			148,719	
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU			2,559	
10.311	Beginning Farmer and Rancher Development Program	DCB			9,202	
10.329	Minor Crop Pest Management (IR-4)	NDSU			221,810	
10.435	State Mediation Grants	60200			83,718	
10.475	Cooperative Agreements with States for Intrastate Meat and Poultry Inspection	60200			557,598	
10.479	Food Safety Cooperative Agreements	60200			202,099	
10.500	Cooperative Extension Service	NDSU			355,879	137,569
10.511	Smith-Lever Extension Funding	NDSU			3,203,277	
10.514	Expanded Food and Nutrition Education Program	NDSU			333,057	
10.515	Renewable Resources Extension Act	NDSU			143,482	
10.516	Rural Health and Safety Education Competitive Grants Program	NDSU			13,209	
10.525	Farm and Ranch Stress Assistance Network Competitive Grants Program	60200			153,742	
10.527	New Beginning for Tribal Students	NDSU			209,788	2,735
10.537	Supplemental Nutrition Assistance Program (SNAP) Employment and Training (E&T) Data and Technical Assistance Grants	32500			2,534	
10.541	Child Nutrition-Technology Innovation Grant	20100			123,826	
10.557	WIC Special Supplemental Nutrition Program for Women, Infants, and Children	30100			13,434,385	3,814,158

ALN ALPI	HA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE SU	AMOUNT TO BRECIPIENTS
10.558	Child and Adult Care Food Program	20100			11,958,680	11,574,860
10.560	State Administrative Expenses for Child Nutrition	20100			1,882,948	432,355
10.567	Food Distribution Program on Indian Reservations	20100			1,800,509	1,272,395
10.567	COVID-19 - Food Distribution Program on Indian Reservations	20100			247,750	247,750
10.574	Team Nutrition Grants	20100			127,024	
10.575	Farm to School Grant Program	60200			11,922	
10.579	Child Nutrition Discretionary Grants Limited Availability	20100			99,834	99,595
10.645	Farm to School State Formula Grant	20100			36,522	
10.649	COVID-19 - Pandemic EBT Administrative Costs	32500			486,292	
10.664	Cooperative Forestry Assistance	NDSU			2,158,309	528,486
10.675	Urban and Community Forestry Program	NDSU			115,130	115,130
10.680	Forest Health Protection	60200			28,671	19,061
10.691	Good Neighbor Authority	NDSU			42,718	
10.697	State & Private Forestry Hazardous Fuel Reduction Program	NDSU			97,875	
10.698	State & Private Forestry Cooperative Fire Assistance	NDSU			3,950	
10.717	Infrastructure Investment and Jobs Act Restoration/Revegetation	NDSU			20,934	
10.720	Infrastructure Investment and Jobs Act Community Wildfire Defense Grants	NDSU			300	
10.902	Soil and Water Conservation	DCB			58,344	
10.902	Soil and Water Conservation	NDSU			63,946	
10.902	Soil and Water Conservation	60200			40,810	
10.903	Soil Survey	NDSU			9,744	
10.950	Agricultural Statistics Reports	NDSU			20,000	
10.U01	Curation of Artifacts	70100		18-PA-11011800-21	34,439	
Nonmonetary	Assistance:					
10.475	Cooperative Agreements with States for Intrastate Meat and Poultry Inspection	60200			13,991	
10.567	Food Distribution Program on Indian Reservations	20100			3,685,830	3,685,830
Pass Through	h Non-State Entity:					
10.215	Sustainable Agriculture Research and Education	NDSCS	Northcentral Technical College	210910-08-02	5,961	

For the Fiscal Years Ended June 30, 2023

ALN AL	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE SUBRECIPIENTS
10.215	Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H009187803	63,432
10.215	Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H008568307	45,432
10.215	Sustainable Agriculture Research and Education	NDSU	South Dakota State University	3TA118	153
10.215	Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H008403501	3,347
10.217	Higher Education - Institution Challenge Grants Program	NDSU	Texas Tech University	21A579-01	34,590
10.217	Higher Education - Institution Challenge Grants Program	NDSU	South Dakota State University	3TG495	18,304
10.227	1994 Institutions Research Grants	NDSU	Nueta Hidatsa Sahnish College	N/A	13,319
10.304	Food and Agriculture Defense Initiative (FADI)	NDSU	Kansas State University	A23-0126-S004	24,187
10.304	Food and Agriculture Defense Initiative (FADI)	NDSU	Kansas State University	A22-0145-S004	12,136
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	South Dakota State University	3TF077	17,735
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	University of Minnesota	H008208102	31,855
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	Purdue University	18499	7,489
10.328	Food Safety Outreach Program	NDSU	Iowa State University	N/A	986
10.328	Food Safety Outreach Program	NDSU	Iowa State University	024575E	10,782
10.328	Food Safety Outreach Program	NDSU	Cankdeska Cikana Community College	CCCC-202301	3,917
10.329	Minor Crop Pest Management (IR-4)	NDSU	Iowa State University	026461H	16,196
10.329	Minor Crop Pest Management (IR-4)	NDSU	Michigan State University	RC108974F	32,033
10.331	Food Insecurity Nutrition Incentive Grants Program	NDSU	Fair Food Network	N/A	5,372
10.500	Cooperative Extension Service	NDSU	South Dakota State University	3TG521	141,662
10.500	Cooperative Extension Service	NDSU	Kansas State University	A22-0394-S015	27,886
10.500	Cooperative Extension Service	NDSU	Auburn University	20HDFS-205212-NDSU	123,892
10.500	Cooperative Extension Service	NDSU	University of Nebraska-Lincoln	25-6324-0187-308	8,288
10.511	Smith-Lever Extension Funding	NDSU	South Dakota State University	NI19SLBCXXXXG039	10,487
10.511	Smith-Lever Extension Funding	NDSU	South Dakota State University	N/A	13,841
10.511	Smith-Lever Extension Funding	NDSU	University of Minnesota	PO #0002293844	339,618
10.516	Rural Health and Safety Education Competitive Grants Program	NDSU	South Dakota State University	3TB360	62,541
10.525	Farm and Ranch Stress Assistance Network Competitive Grants Program	NDSU	University of Illinois Urbana Champaign	101598-18125	142,502
Total for U	nclustered				\$ 49,648,096 \$ 23,480,232

Child Nutrition Cluster

Direct Programs:

ALN ALF	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
10.553	School Breakfast Program	20100			7,823,718	7,785,137
10.555	National School Lunch Program	20100			29,980,781	29,906,793
10.555	COVID-19 - National School Lunch Program	20100			4,498,815	4,478,064
10.556	Special Milk Program for Children	20100			12,886	12,886
10.559	Summer Food Service Program for Children	20100			1,314,804	1,194,573
10.582	Fresh Fruit and Vegetable Program	20100			2,474,480	2,380,081
Nonmoneta	ry Assistance:					
10.555	National School Lunch Program	20100			7,270,756	7,270,756
10.559	Summer Food Service Program for Children	20100			216,187	216,187
Pass Throug	gh Non-State Entity:					
10.555	National School Lunch Program	25200	North Dakota Department of Public Instruction	N/A	19,069	)
Total for Ch	hild Nutrition Cluster				\$ 53,611,496	5 \$ 53,244,477
Food Distrib	bution Cluster					
Direct Progr	rams:					
10.565	Commodity Supplemental Food Program	20100			195,177	141,048
10.568	Emergency Food Assistance Program (Administrative Costs)	20100			512,999	511,188
Nonmoneta	ry Assistance:					
10.565	Commodity Supplemental Food Program	20100			746,848	746,848
10.568	Emergency Food Assistance Program (Administrative Costs)	20100			309,161	309,161
10.569	Emergency Food Assistance Program (Food Commodities)	20100			1,902,631	1,902,631
Total for Fo	ood Distribution Cluster				\$ 3,666,816	\$ 3,610,876
Forest Serv	rice Schools and Roads Cluster				'	
Direct Progr	rams:					
10.665	Schools and Roads - Grants to States	12000			289	289
Total for Fo	orest Service Schools and Roads Cluster				\$ 289	\$ 289
Research a	nd Development Cluster					
Direct Progr	rams:					
10.001	Agricultural Research Basic and Applied Research	NDSU			5,883,855	i

ALN ALP	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE S	AMOUNT TO SUBRECIPIENTS
10.001	Agricultural Research Basic and Applied Research	UND			1,353,974	
10.025	Plant and Animal Disease, Pest Control, and Animal Care	NDSU			31,498	
10.028	Wildlife Services	NDSU			91,593	
10.028	Wildlife Services	UND			95,150	
10.069	Conservation Reserve Program	UND			103,746	
10.069	Conservation Reserve Program	NDSU			8,539	
10.167	Transportation Services	NDSU			157,455	
10.200	Grants for Agricultural Research, Special Research Grants	NDSU			81,249	4,154
10.202	Cooperative Forestry Research	NDSU			142,844	
10.203	Payments to Agricultural Experiment Stations Under the Hatch Act	NDSU			2,968,368	
10.207	Animal Health and Disease Research	NDSU			2,293	
10.307	Organic Agriculture Research and Extension Initiative	NDSU			169,539	125,330
10.310	Agriculture and Food Research Initiative (AFRI)	UND			136,945	
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU			2,128,193	421,642
10.330	Alfalfa Seed and Alfalfa Forage Systems Program	NDSU			147,689	100,419
10.664	Cooperative Forestry Assistance	NDSU			19,303	
10.680	Forest Health Protection	NDSU			12,642	
10.699	Partnership Agreements	NDSU			8,349	
10.707	Research Joint Venture and Cost Reimbursable Agreements	NDSU			10,997	
10.902	Soil and Water Conservation	NDSU			42,891	
10.902	Soil and Water Conservation	UND			104,035	
10.903	Soil Survey	NDSU			12,895	
10.912	Environmental Quality Incentives Program	NDSU			117,946	13,309
10.924	Conservation Stewardship Program	NDSU			37,089	13,432
10.932	Regional Conservation Partnership Program	UND			7,176	
10.RD	USFS-FTIR-Data-Reduction and Interpretation for the U.S. Forest Service	UND		N/A	2,458	
Pass Throug	h Non-State Entity:					
10.001	Agricultural Research Basic and Applied Research	NDSU	Michigan State University	RC113924-NDSU	853	
10.167	Transportation Services	NDSU	University of Georgia	SUB00002668	17,990	

ALN AL	PHA PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE SUBRECIPIENTS
10.170	Specialty Crop Block Grant Program - Farm Bill	NDSU	Minnesota Department of Agriculture	300004091	23,669
10.200	Grants for Agricultural Research, Special Research Grants	NDSU	Michigan State University	RC110838NDSU	37,046
10.200	Grants for Agricultural Research, Special Research Grants	NDSU	Michigan State University	RC112679A	202,307
10.212	Small Business Innovation Research (SBIR) Program / Small Business Technology Transfer (STTR) Program	UND	Simonpietri Enterprises LLC	2021-39410-35996	63,213
10.212	Small Business Innovation Research (SBIR) Program / Small Business Technology Transfer (STTR) Program	UND	Envergex LLC	2022-33530-36920	26,682
10.215	Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H007179324	16,204
10.215	Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H008917114	8,835
10.215	Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H007813925	20,548
10.215	Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H007813918	66,184
10.215	Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H007813915	39,027
10.227	1994 Institutions Research Grants	NDSU	United Tribes Technical College	NDSU 2021-1	16,383
10.227	1994 Institutions Research Grants	NDSU	United Tribes Technical College	N/A	30,849
10.303	Integrated Programs	NDSU	Purdue University	F9002796702031	15,944
10.307	Organic Agriculture Research and Extension Initiative	NDSU	Cornell University	137901-21025	12,868
10.307	Organic Agriculture Research and Extension Initiative	NDSU	Montana State University	G193-19-W7408	94,599
10.309	Specialty Crop Research Initiative	NDSU	University of Minnesota	H007082504	206,246
10.309	Specialty Crop Research Initiative	NDSU	Colorado State University	G-01363-02	24,236
10.309	Specialty Crop Research Initiative	NDSU	Montana State University	G102-20-W7553	58,593
10.309	Specialty Crop Research Initiative	NDSU	University of Idaho	AN4829-846777	102,312
10.309	Specialty Crop Research Initiative	NDSU	University of Minnesota	A010138707	55
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	Kansas State University	S19134	7,512
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	South Dakota State University	3TG456	13,004
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	University of California - Los Angeles	0145GLA021/442511-WW-2116	18,416
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	University of Connecticut	153720278	7,238
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	University of Wisconsin-Madison	000001738	214,837
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	South Dakota State University	3TB457	13,025
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	Mississippi State University	182020.310333.01	3,226
10.310	Agriculture and Food Research Initiative (AFRI)	NDSU	Montana State University	G221-23-W9471	44
10.320	Sun Grant Program	NDSU	South Dakota State University	3TL372	35,443
10.320	Sun Grant Program	UND	South Dakota State University	3TG386 / 3TN372	116,406

ALN ALPHA PROGRAM TITLE		STATE AGENCY	PASS THROUGH ENTITY IDENTIFYING NUMBER		AMOUNT TO EXPENDITURE SUBRECIPIENTS		
10.320	Sun Grant Program	NDSU	South Dakota State University	3TL386	24,087		
10.320	Sun Grant Program	UND	South Dakota State University	3TJ372	40,178		
10.329	Minor Crop Pest Management (IR-4)	NDSU	Michigan State University	RC108974G	31,124		
10.329	Minor Crop Pest Management (IR-4)	NDSU	Cornell University	139252-21124	16,509		
10.912	Environmental Quality Incentives Program	NDSU	University of Illinois Urbana Champaign	103926-18837	15,000		
Total for Re	esearch and Development Cluster				\$ 15,519,403	\$ 678,286	
SNAP Clust	ter						
Direct Progr	rams:						
10.551	Supplemental Nutrition Assistance Program	32500			116,263,593		
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	32500			13,304,450	354,679	
10.561	COVID-19 - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	32500			753,737		
Total for SN	NAP Cluster				\$ 130,321,780	\$ 354,679	
Total For U.S. Department Of Agriculture					\$ 252,767,880	\$ 81,368,839	
	tes Agency For International Development nd Development Cluster						
Pass Throug	gh Non-State Entity:						
98.001	USAID Foreign Assistance for Programs Overseas	NDSU	Michigan State University	RC108887-NDSU	316,254		
Total for Re	esearch and Development Cluster				\$ 316,254	\$	
Total For United States Agency For International Development					\$ 316,254	\$	
TOTAL	EXPENDITURES OF FEDERAL AWARDS				\$ 3,517,464,540	\$ 582,210,054	

For the Fiscal Years Ended June 30, 2024 and 2023

### NOTE 1. PURPOSE OF THE SCHEDULE

The Schedule of Expenditures of Federal Awards (Schedule) is a supplementary schedule to the State's basic financial statements (BFS) and is presented for the purposes of additional analysis. The Schedule is required by Office of Management and Budget (OMB) Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

#### NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Basis of Presentation

<u>Federal Financial Assistance</u> – Pursuant to the Single Audit Act of 1984 (Public Law 98-502), the Single Audit Act Amendments of 1996 (Public Law 104-156), and OMB Uniform Guidance, federal financial assistance is defined as assistance provided by a federal agency, either directly or indirectly, that non-federal entities receive or administer, in the form of grants, contracts, cooperative agreements, loans, loan guarantees, property interest subsidies, insurance, or direct appropriations. Accordingly, nonmonetary federal assistance, including food commodities, food stamps, vaccines, and donated surplus property is included in federal financial assistance and, therefore, is reported on the Schedule. Federal financial assistance does not include direct federal cash assistance to individuals. Contracts between the state and federal government for which the federal government procures tangible goods or services are not considered to be federal financial assistance.

<u>Assistance Listing Numbers</u>— Uniform Guidance requires the Schedule to show the total expenditures for each of the State's federal financial assistance programs as identified in the Assistance Listing Number (ALN). The ALN is a government-wide compendium of individual federal programs.

Each program included in the ALN is assigned a five-digit program identification number (ALN). The first two digits designate the federal agency and the last three digits designate the federal assistance program within the federal agency.

The 2023 Compliance Supplement Part 8 Appendix VII directs non-federal entities to separately identify and report COVID-19 related expenditures for both new and existing programs. The Schedule presents this information on a separate line by the ALN with "COVID-19" as a prefix to the program name.

Federal financial assistance programs that have not been assigned an ALN are indicated using the federal agency's two digit code as the prefix and using a "U" followed by a two-digit number (e.g., U01, U02, etc.) for the last three digits. If the Federal program is part of the Research and Development (R&D) cluster, "RD" is used as the ALN extension.

#### For the Fiscal Years Ended June 30, 2024 and 2023

<u>Clusters of Programs</u> – Closely related programs with different ALN's that share common compliance requirements are to be considered a cluster of programs. The only program clusters presented on the Schedule are those mandated by OMB in the 2 CFR Part 200, Appendix XI, *Compliance Supplement*.

### B. Type A and Type B Programs

The Uniform Guidance establishes the levels of expenditures to be used in defining Type A and Type B federal financial assistance programs. Type A assistance programs for the State of North Dakota are those programs that exceeded \$20,566,281 in federal expenditures, distributions, or issuances for the two-year period ended June 30, 2024.

#### C. Reporting Entity

The Schedule includes all federal financial assistance programs administered by those State departments and entities included in the State's Annual Comprehensive Financial Report, except the departments audited by independent public accounting firms that file their own single audit with the federal clearinghouse. The departments not included in the Schedule are: Housing Finance Authority, Bank of North Dakota, Job Service North Dakota, and Public Finance Authority.

#### D. Basis of Accounting

Federal financial assistance expenditures included in the Schedule are reported using the accrual, modified accrual and cash basis. The breakout of methods used by the agencies and universities can be seen in the paragraphs below.

#### Accrual

Adjutant General National Guard, Aeronautics Commission, Department of Agriculture, ND Council on the Arts, Commerce Department, Game and Fish Department, ND Highway Patrol, ND Courts, State Library, Parks and Recreation Department, Protection and Advocacy, School for the Deaf, Office of the State Tax Commissioner, Department of Transportation, Department of Water Resources, Bismarck State College, Dakota College at Bottineau, Dickinson State University, Lake Region State College, Mayville State University, Minot State University, North Dakota State College of Science, North Dakota State University, Williston State College System Office, University of North Dakota, Valley City State University, Williston State College

#### **Modified Accrual**

Career and Technical Education, Department of Corrections and Rehabilitation, Department of Environmental Quality, Industrial Commission, ND Information Technology, Public Service Commission, Veterans Affairs Department, Department of Mineral Resources

#### For the Fiscal Years Ended June 30, 2024 and 2023

#### Cash

Adjutant General Department of Emergency Services, Attorney Generals Office, Office of the State Auditor, State Historical Society, Department of Health and Human Services, Insurance Department, Department of Labor, Office of Management and Budget, Department of Public Instruction, School for the Blind, Secretary of State, State Treasurer's Office, Veterans Home

<u>Indirect Costs</u> – The State has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance except for the following agencies:

Department of Veterans Affairs Aeronautics Commission State Auditor's Office Industrial Commission Mineral Resources Mayville State University

<u>Matching Costs</u> – The Schedule does not include matching expenditures.

Nonmonetary Assistance – The Schedule contains values for several nonmonetary assistance programs. The Commodities and Vaccine programs are presented at the federally assigned values of the products distributed by the state. The Surplus Property program is presented at the fair market value of property received. The fair market value was estimated to be 23.34% of the property's original federal acquisition value.

<u>Loan and Loan Guarantee Programs</u> – Information on federal loan and federal loan guarantee programs is included in the Notes to the Schedule instead of on the Schedule itself.

<u>Federal Transactions Between State Entities</u> – Some state entities transfer federal assistance to other state entities (i.e., a pass-through of funds by the primary recipient state entity to a subrecipient state entity). In this case, the expenditures are recognized by the primary state entity on the Schedule of Expenditures of Federal Awards. Purchases of services between state entities using federal moneys are reported as expenditures by the purchasing entity and as revenues for services rendered by the providing entity.

<u>Supplemental Nutrition Assistance Program (SNAP) Expenditures</u> – The Supplemental Nutrition Assistance Program (SNAP) is presented at the dollar value of food stamp electronic benefit transfers authorized and used by recipients.

North Dakota Department of Emergency Services – The FY23 SEFA for the ND Department of Emergency Services includes \$884,987 in expenditures under ALN #97.036 that are recognized in FY23 but were incurred in prior years. In FY24 \$385,158 in expenditures in reported under ALN #97.036 but were incurred in prior years. A negative amount was recorded in the FY24 SEFA under ALN #97.036. This was caused by a subrecipient that returned federal funds due to

#### For the Fiscal Years Ended June 30, 2024 and 2023

another funding source and there were not enough non-state agency reimbursements to offset the return of funds.

Other negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business.

#### NOTE 3. NONMONETARY ASSISTANCE INVENTORY

As described previously in Note 2, nonmonetary assistance is reported in the Schedule based on the amount disbursed. At June 30, 2024 and 2023, the inventory balances of nonmonetary assistance were as follows:

Nonmonetary Assistance	June 30, 2023	June 30, 2024		
Food Commodities	\$ 1,144,732	\$ 1,290,383		
Donated Surplus Property	870,360	1,045,461		
Vaccines	9,399,150	9,428,531		
Total Inventory Balance	\$ 11,414,242	\$ 11,764,375		

#### **NOTE 4. LOAN PROGRAM**

The state administers the Community Development Block Grants/State's Program with continuing compliance requirements other than Student Financial Aid. At June 30, 2024 and 2023, the amount of loans receivable were \$1,435,460 and \$1,579,829 respectively.

#### NOTE 5. STUDENT FINANCIAL AID PROGRAMS

Expenditures as included on the Schedule of Expenditures of Federal Awards for student financial assistance programs include refunds to grantors, administrative expenses, collection costs, litigation costs, etc.

Advances to students, loans receivable, and federal capital contributions for applicable loan programs for the fiscal years ended June 30, 2024 and 2023 are identified below:

#### For the Fiscal Years Ended June 30, 2024 and 2023

Student Financial Aid Program		ŧ	FY23	FY24	
Loan Advances:					
Federal Direct Student Loans	84.268	\$	157,769,495	\$	154,152,426
Nurse Faculty Loan Program (NFLP)	93.264		62,474		63,457
Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students	93.342		74,015		40,000
Nursing Student Loans	93.364		667,603		438,143
Total Loan Advances		\$	158,573,587	\$	154,694,026
Loans Receivable:					
Federal Perkins Loan Program	84.038	\$	6,149,982	\$	3,966,579
Nurse Faculty Loan Program (NFLP)	93.264		162,539		200,775
Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students Nursing Student Loans	93.342 93.364		398,738 2,959,312		334,782 2,946,256
Total Loans Receivable		\$	9,670,571	\$	7,448,392

Loan advances represent new loans made directly by the institution for the Perkins, Nursing, and Health Professions loan programs. The colleges and universities are responsible for completing portions of the loan application, verifying student eligibility, filing enrollment verification reports, refunding money to lenders, and disbursing loan checks received from the lending institutions for Federal Family Education Loans.

Loans receivables are shown at gross and are derived from the financial records of the applicable college or university.

#### NOTE 6. AGENCY CHANGES

The 2023 Legislative Assembly provided a separate budget for the Department of Mineral Resources which was previously reported under the Industrial Commission and therefore an additional business unit was added to the 2024 SEFA. The 2023 Legislative Assembly also merged the Health Department with the Department of Human Services to create the Department of Health and Human Services. The Health Department was reported separately for the 2023 SEFA but was reported under the Department of Health and Human services for the 2024 SEFA.







### **Management's Response and Corrective Action**

Fiscal Years Ended June 30, 2023 and 2024



Emergency Services National Guard

Adjutant General Finding: 2024-001

#### Adjutant General Response/Corrective Action Plan:

The agency agrees with the finding.

In March 2024, the agency self-identified the reporting change and adjusted internal procedures to report new subawards based on obligation amount vs reporting on payments over \$30,000 at the end of every month. Any obligations that have been identified as missed in the transition have since been reported, and the new method of reporting on obligations will be followed moving forward. The agency will ensure per Federal regulation 2 CFR 170, Appendix A that each subaward that equals or exceeds \$30,000 no later than the end of the month following the month in which the obligation was made will be reported.

Contact Person: Jennifer Scheet, Division Chief – Fiscal & Admin Services, 701-333-2079, jenniferscheet@nd.gov

Anticipated Completion Date: The audit period covered July 1, 2022 – June 30, 2024 and the agency corrected the reporting in March 2024 after self-identifying the reporting criteria.

P.O. Box 5511 | Bismarck, ND 58506-5511

National Guard Phone: 701.333.2001 | ndguard.nd.gov | Emergency Services Phone: 701.328.8100 | des.nd.gov

### **Management's Response and Corrective Action**

Fiscal Years Ended June 30, 2023 and 2024



#### DEPARTMENT OF CAREER AND TECHNICAL EDUCATION

State Capitol, 15th Floor, 600 E Boulevard Ave., Dept. 270, Bismarck, ND 58505-0610 701-328-3180 www.cte.nd.gov email: cte@nd.gov

Career and Technical Education

Finding: 2024-002

#### Career and Technical Education Response/Corrective Action Plan:

The department agrees with this recommendation

The department has established a methodology for compiling and reporting financial data that is in accordance with appropriate accounting standards and principles and has corrected reporting obligations, and expenditures. The department has also worked directly with the Treasury Department to make sure the square footage being claimed is consistent with what they are looking for.

Contact Person: Wayde Sick, Director and Executive Officer and Gwen Ferderer, Finance Director

Anticipated Completion Date: August 2024

Finding: 2024-003

#### Career and Technical Education Response/Corrective Action Plan:

The department agrees with this recommendation

The department has developed a system to identify which subrecipients are subject to required audits and are tracking subrecipients to ensure timely submission of required audit reports and appropriate corrective actions.

Contact Person: Wayde Sick, Director and Executive Officer and Gwen Ferderer, Finance Director

Anticipated Completion Date: August 2024

Finding: 2024-004

#### Career and Technical Education Response/Corrective Action Plan:

The department agrees with this recommendation

The department has:

- A. Communicated all required information of 2 CFR 200.332(b) to subrecipients
- B. Developed procedures to ensure grant agreement templates are updated and that all Coronavirus Capital Projects Fund award information is communicated to subrecipients
- Reissued grant agreements to outline the required information.

Contact Person: Wayde Sick, Director and Executive Officer and Gwen Ferderer, Finance Director

Anticipated Completion Date: September 2024

#### **Management's Response and Corrective Action**

Fiscal Years Ended June 30, 2023 and 2024



Department of Health and Human Services

Finding: 2024-005

Department of Health and Human Services Response/Corrective Action Plan The Department of Health and Human Services agrees with the recommendation.

To address this, the department will run quarterly reports from AWARE to identify any payments charged to the incorrect period of performance. Grant guidance has been updated to ensure items with unique service dates are properly reviewed. Additionally, during the three-month liquidation period, a monthly review of all expenditures will be conducted to verify they are applied to the correct period of performance. These actions will strengthen oversight and ensure compliance with grant requirements.

Contact Person: Eric Haas, Assistant CFO

Anticipated Completion Date: December 2024

Finding: 2024-006

Department of Health and Human Services Response/Corrective Action Plan The Department of Health and Human Services agrees with the recommendation.

The department will monitor expenses within the budget and grant period based on guidance from the federal agency to ensure that the date of expenditures are not claimed before grant funds are received.

Contact Person: Eric Haas, Assistant CFO

Anticipated Completion Date: December 2024

Finding: 2024-007

Department of Health and Human Services Response/Corrective Action Plan The Department of Health and Human Services agrees with the recommendation.

The department has controls in place to prevent errors. The target for this year's Payment Error Rate Measurement (PERM) audit is 3.02%. Currently, our error rate stands at 2.1%, which is below the CMS PERM target. The department will continue to recover the payments made on unsupported claims.

Contact Person:

Sarah Aker, Medicaid Executive Director Krista Fremming, Assistant Director

Anticipated Completion Date: 06/30/2025

#### FISCAL ADMINISTRATION

600 E Boulevard Ave Dept 325 Bismarck ND 58505-0250

701.328.2339 Fax 701.328.1927 800.755.2671 711 (TTY) www.hhs.nd.gov

#### **Management's Response and Corrective Action**

Fiscal Years Ended June 30, 2023 and 2024

Finding: 2024-008

#### Department of Health and Human Services Response/Corrective Action Plan

The Department of Health and Human Services disagrees with the finding. The federal regulations do not explicitly mandate the separation of duties between employees conducting audits and those processing claims. While 42 CFR 456.2 requires Medicaid agencies to implement a surveillance and utilization control program, it does not specifically require the segregation of these roles. The regulation promotes control measures but does not mandate a distinct separation of duties.

Based on this, we do not support this recommendation, as it exceeds the requirements outlined in the applicable federal rules. HHS remains committed to maintaining strong internal controls and believe our current structure aligns with regulatory expectations.

#### Contact Person:

Sarah Aker, Medicaid Executive Director Krista Fremming, Assistant Director

Anticipated Completion Date: N/A

Finding: 2024-009

Department of Health and Human Services Response/Corrective Action Plan The Department of Health and Human Services agrees with the recommendation.

During review of audit found two overpayment errors as a result of outdated supporting documents. Refunds have been requested. HHS provides ongoing training with eligibility and supervisory staff regarding document and eligibility requirements with staff. HHS actively monitors application quality and provides ongoing quality control reviews ensuring consistent adherence to best practices.

Contact Person: Jessica Thomasson, Executive Policy Director

Anticipated Completion Date: October 2024

#### **Management's Response and Corrective Action**

Fiscal Years Ended June 30, 2023 and 2024

Finding: 2024-010

Department of Health and Human Services Response/Corrective Action Plan The Department of Health and Human Services agrees with the recommendation.

HHS has begun the process of recoupment and will work to receive full repayment, to date the balance remaining was \$5,000 and a payment plan has been sent up to recoup the remaining amount. The Accounts Payable team will collaborate with OMB to implement additional processes within Peoplesoft to verify payment information in the future. Currently, we are working to add display options in the Mass Voucher Approval screen to allow for tallying of the totals of vouchers in range. This addition will enhance the review step to ensure payments are consistent with Program totals for a secondary check before approval of payments are made.

Contact Person: Karol Riedman, Assistant CFO Ann Scott, AP Accounting Manager

Anticipated Completion Date: 06/30/2025

Finding: 2024-011

Department of Health and Human Services Response/Corrective Action Plan The Department of Health and Human Services agrees with the recommendation.

The department will develop and implement a process whereby any provider who fails to respond to a request for records as part of an audit or program integrity review by the established deadline will be subject to a corrective sanction process. This process will include a pre-payment review of claims for a designated period. Additionally, the department will continue to recover payments made on unsupported claims.

Contact Person: Sarah Aker, Medicaid Executive Director

Anticipated Completion Date: 12/31/2025

Finding: 2024-012

Department of Health and Human Services Response/Corrective Action Plan The Department of Health and Human services agrees with the recommendation.

WIC special formula distribution costs from August 2022 were invoiced in January 2023, exceeding the 120-day closeout period for the FFY22 grant. HHS has addressed the issue with the vendor and will follow up to ensure future invoices are received promptly and aligned with the correct fiscal year.

Contact Person: Karol Riedman, Assistant CFO
Anticipated Completion Date: August 28, 2024

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## **Management's Response and Corrective Action**

Fiscal Years Ended June 30, 2023 and 2024

Finding: 2024-013

Department of Health and Human Services Response/Corrective Action Plan HHS agrees with the recommendation.

During a period of high application volume, HHS temporarily bypassed its two-stage review process, assigning supervisors to review cases directly. The audit found no errors in eligibility during this time. To address this, HHS updated policies to document exceptions, including thresholds for initiating and ending them, ensuring transparency. Training sessions are being conducted to familiarize staff with these updates, and weekly monitoring of application volumes continues to anticipate surges. Contingency hiring plans and cross-training initiatives are in place to reduce future exceptions. Periodic reviews will ensure compliance, fostering a scalable, accountable process while maintaining high standards during peak periods. These measures ensure consistency and preparedness moving forward.

Contact Person: Jessica Thomasson, Executive Policy Director

Anticipated Completion Date: August 2024

### **Management's Response and Corrective Action**

Fiscal Years Ended June 30, 2023 and 2024

Kirsten Baesler State Superintendent

Dr. Donna Fishbeck Deputy Superintendent



600 E. Boulevard Ave, Dept. 201 Bismarck, ND 58501-0440

> Phone: (701) 328-2260 Fax: (701) 328-2461

> > nd.gov/dpi

Department of Public Instruction

Finding: 2024-014

Department of Public Instruction Response/Corrective Action Plan:

We agree with the issues identified.

NDDPI acknowledges the late reports in FSRS.gov from October 2022 to September 2023. As stated in
the finding, the reports were initially reported, but according to the Helpdesk with FSRS.gov, they
required removal to re-submit using the corrected FAIN numbers. NDDPI administrators were not
aware that the reports initially filed would be deleted from the records, versus the incorrect reports
becoming labeled as inactive and saved for historical purposes. Kim Vega, Administrative Officer with
NDDPI will review current archive processes and determine where changes may be needed.

The FSRS website will be eliminated as the reporting application for FFATA in the Spring of 2025, and from that time forward, will be performed in the SAM.gov application. Currently, NDDPI administrators are participating in training and presentations for the test website and will continue to watch for any changes to administrative tasks. An introduction of the new website's capabilities did address enhancing the feature for deleted reports as a part of the user's tasks rather than the Helpdesk's responsibility. NDDPI will continue to follow this development while in training for SAM.gov reporting.

With the changes in application sites, the future enhancement in ND Foods will include an Application Programming Interface (API) for FFATA reporting. This API will provide the capability of real-time reporting, eliminate most manual tasks, increase report accuracy, and improve team member productivity and efficiency.

The new website also mentions the zip code validation as an upgraded process. This process in the current system has been an intense time drain for staff members who enter FFATA by manual entry or batch upload, so improved functionality in this area is a much-needed upgrade.

2. NDDPI acknowledges the submission of the late report leading up to March 2024 as stated in item number 1. Reports for the meal claims were not reported in FSRS.gov until the FAIN numbers and programming were corrected in ND Foods, and a new Excel report was written with the corrections. Therefore, the report was not submitted within the required deadline. NDDPI Administrative officer worked with the Child Nutrition Administrative Staff Officer and NDIT programmers to correct the programming and process new reports for batch upload.

ND Center for Distance Education Fargo, ND (701) 298-4830 ND School for the Deaf / RCDHH Devils Lake, ND (701) 665-4400

ND State Library Bismarck, ND (701) 328-2492 ND Vision Services / School for the Blind Grand Forks, ND (701) 795-2700

### **Management's Response and Corrective Action**

Fiscal Years Ended June 30, 2023 and 2024

- 3. NDDPI acknowledges the missing reports for November and December 2023. During the transition from one claim year to the following, multiple reports must be run in ND Foods to complete the block FFATA reports. In 2023, NDDPI administrators were not aware of the overlap of claim years and how it would affect reporting, and therefore, only the current-year reports were processed. Currently, ND Foods has been upgraded to include an automated feature for FFATA reporting to include the final claims from the prior year and the new year's claims in its reports for batch upload. Every effort was made to report both the old claim year and the new claim year in 2024.
- 4. NDDPI administrators have reviewed the reporting dates and the obligation date for claims in the CN block reporting, and we have agreed on the federal guidance which indicates the awards are obligated in advance will have the date of signature or acceptance at NDDPI, and the batch upload for payments made to an award will have the action or obligation date of the approval date for payment. This process will correct the reporting dates for claim payment processing (10.559, 10.555, 10.558, 10.556, 10.553) or reporting month for an obligated award (10.582) and its required obligation date.

NDDPI staff members should be able to test and implement a programming change in our current reporting system in the next 2 months. If this change proves to be more intense than planned, we will wait on a quick fix until the upcoming interface upgrade with Sam.gov. We know the interfacing upgrade will require an even greater amount of time, energy, and money, and it will be a change we must complete; therefore, if the quick fix proves to be ineffective and time-consuming, the change in reporting will wait until the programming begins for the API Interface. Currently, federal officials are reporting the transfer between reporting sites will be 'Spring of 2025' but are not giving users a specific date.

We have consolidated the coordination of FFATA reporting to a single individual rather than having each area do their own. We will prepare and implement procedures for the FFATA reporting.

Contact Person: Jamie Mertz, CFO

Anticipated Completion Date: June 30, 2025

Finding: 2024-015

Department of Public Instruction Response/Corrective Action Plan:

We agree with the finding.

The issue has already been corrected as stated in the finding.

Contact Person: Jamie Mertz, CFO

Anticipated Completion Date: The issue has already been corrected.

Finding: 2024-016

Department of Public Instruction Response/Corrective Action Plan:

DPI agrees with the finding.

### **Management's Response and Corrective Action**

Fiscal Years Ended June 30, 2023 and 2024

We have split the duties of subrecipient review among two employees. One person does the administrative functions and responses to subrecipients who have no findings. The other employee works on the more complex audit reviews. We feel that this change along with the increase to the audit threshold and the end of the COVID related federal funding will allow us to stay in compliance of federal regulations.

Contact Person: Jamie Mertz, CFO

Anticipated Completion Date: This was implemented January 2, 2025

Finding: 2024-017

Department of Public Instruction Response/Corrective Action Plan:

We agree with the finding.

We have updated our grant award templates to include all required information.

Contact Person: Jamie Mertz, CFO

Anticipated Completion Date: This has already been implemented effective 2/1/2025.

### **Management's Response and Corrective Action**

Fiscal Years Ended June 30, 2023 and 2024



Office of Management and Budget

Finding: 2024-018

#### Office of Management and Budget Response/Corrective Action Plan:

The Office of Management and Budget agrees with this finding.

OMB agrees but will continue federal reporting based on the timing of reimbursement of expenditures to other state agencies for the duration of the SLFRF reporting period. OMB will ensure all expenditures of SFLRF funding are accurately included in the reports based on the period of reimbursement. Because OMB is responsible for the state reporting under this program, it is necessary to maintain some level of control over these funds. Consequently, OMB manages the funds centrally and developed a process to reimburse agencies for their eligible expenditures once expenditures were incurred and agencies requested reimbursement. As a result, reimbursement from the state's allocation of SLFRF moneys always occurs after the agency expenditure. Funds are included in the Federal report for the period in which reimbursement from the SLFRF occurs. In some cases, this results in the agency expenditure occurring in a period prior to the period covered under the quarterly SLFRF report in which the reimbursement is reported. To better track OMB expenditures of SLFRF moneys, which is a separate process from the reimbursement of other agencies, OMB will run specific expense reports for OMB agency expenditures to ensure all SLFRF expenses are reported in the proper period.

Contact Person: Elizabeth Rogers, Account Budget Specialist

Anticipated Completion Date: December 2026

600 E Boulevard Ave, Dept 110 | Bismarck, ND 58505-0400 | omb.nd.gov

ADMINISTRATION 4th Floor 701.328.4904 SERVICES 14th Floor 701,328,2740 MANAGEMENT 4th Floor 701 328 2471 MANAGEMENT 4th Floor 701,328,2680 HUMAN RESOURCE MANAGEMENT SERVICES 14th Floor 701 328 3293 RISK MANAGEMENT 1600 E Century Ave, Suite 4 Barnaros, ND 56503 701,328,7584

# **Management's Response and Corrective Action** *Fiscal Years Ended June 30, 2023 and 2024*



## State of North Dakota OFFICE OF STATE TREASURER

Thomas Beadle, State Treasurer

Office of State Treasurer Finding: 2024-019

#### Office of State Treasurer Response/Corrective Action Plan:

The Office of State Treasurer does agree with finding that our grant award template did not make subrecipients aware of all required grant award information for the Mineral Leasing Act as required.

The Office of State Treasurer will review and update its grant award templates to ensure that subrecipients are made aware of all required grant award information.

#### Contact Person:

Nicole Krivoruchka Director of Finance

Anticipated Completion Date December 31, 2025

### **Management's Response and Corrective Action**

Fiscal Years Ended June 30, 2023 and 2024



State Capitol – 600 E Boulevard Ave – Dept. 215
Bismarck ND 58505-0230
Phone: 701.328.2960 Fax: 701.328.2961
E-mail: ndus.inquiry@ndus.edu Web: ndus.edu

**University System** 

Finding: 2024-020

#### University System Response/Corrective Action Plan

Bismarck State College: Agree. On the published RFQ, Bismarck State College identified a selection committee composed of nine members with the registered engineer and registered architect listed as TBD, as these members had not yet been identified. The selection committee later downsized to seven members. Bismarck State College understands that an amendment to the RFQ should have been released. Four selection committee members evaluated the RFQ submittals, three from Bismarck State College and a licensed contractor. Bismarck State College understands that all seven members must be present during the initial review. Bismarck State College did have all seven members present, including a registered engineer and registered architect during the interviews and final decision when selecting the CMAR. Bismarck State College has reviewed the selection process and will adhere to ensure compliance for construction projects.

Minot State University: Minot State agrees with the audit recommendation in that not all the proper steps were completed in the procurement of architect and Construction Management at Risk (CMaR) services and will ensure proper procedures are followed going forward. Upon review, Minot State is confident that all Hartnett Hall remodel project expenses are appropriate, allowable, and allocable to the project.

University of North Dakota: Agree. The University of North Dakota's solicitation templates for A/E and CMAR have been moved to an electronic system effective 2023, and our templates were updated with the correct proposal criteria at that time.

#### Contact Person:

Bismarck State College: Sonya Koble - Chief Financial Officer

Minot State University: Krista Lambrecht, VP for Administration & Finance

University of North Dakota: Tom Scrivener, CPO

#### **Anticipated Completion Date:**

Bismarck State College: September 2024 Minot State University: Immediately University of North Dakota: Completed.

Finding: 2024-021

#### University System Response/Corrective Action Plan

North Dakota State University: Agree. North Dakota State University agrees to certify federal payroll expenses in a timely manner. North Dakota State University implemented a new payroll certification system which went live Spring 2024. Previously, North Dakota State University utilized a manual effort reporting process as part of PeopleSoft. The new payroll certification process was built into Novelution Research Management System,

### **Management's Response and Corrective Action**

Fiscal Years Ended June 30, 2023 and 2024



State Capitol – 600 E Boulevard Ave – Dept. 215
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Phone: 701.328.2960 Fax: 701.328.2961
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which supports multiple aspects of grant management. Novelution allows PIs to review salary information and certify within the software, provides automated reminder emails, and provides a better tracking mechanism for compliance. There has been a learning curve in utilizing the new system, and during FY2025 we continued to refine the process and implement additional mechanisms to improve compliance.

University of North Dakota: Agree. In accordance with University of North Dakota's policy, we will remind pre-reviewers and certifiers of University of North Dakota's requirement for timely certification. As outlined in the policy, we will invoke the consequences for failing to timely certify, including removing uncertified payroll from a project.

#### Contact Person:

North Dakota State University: Karin Hegstad, Associate Vice President Finance & Administration

University of North Dakota: Lauren Pite, Director Grants & Contracts

#### Anticipated Completion Date:

North Dakota State University: June 30, 2025

University of North Dakota: March 31, 2025

Finding: 2024-022

#### University System Response/Corrective Action Plan

Agree. A new Subrecipient Policy and new Subrecipient Monitoring Procedure were put in place effective November 2024. In accordance with the new Policy and Procedure, risk assessments are being completed before subaward agreements are issued.

Contact Person: Lauren Pite, Director Grants & Contracts

Anticipated Completion Date: Completed

Finding: 2024-023

#### University System Response/Corrective Action Plan

Regarding the finding that no documentation was provided to ensure the proper procurement was completed for the purchase of a software license for \$116,431. The University of North Dakota agrees, the software license was signed by an individual without authority. The individual responsible is no longer in a departmental administrative position at the University of North Dakota. The University of North Dakota has implemented mandatory campus-wide Procurement training for all users with security roles in our procurement system, effective December 2024.

### **Management's Response and Corrective Action**

Fiscal Years Ended June 30, 2023 and 2024



State Capitol – 600 E Boulevard Ave – Dept. 215
Bismarck ND 58505-0230
Phone: 701.328.2960 Fax: 701.328.2961
E-mail: ndus.inquiry@ndus.edu Web: ndus.edu

Regarding the finding that two pieces of equipment were purchased totaling \$100,440 and formal bidding was not competed. The University of North Dakota agrees; due to an error in completing the public notice posting, the relevant state bidders list was not notified of the procurement opportunity. The University of North Dakota notes that three bidders were contacted (simplified acquisition) but agree this does not meet the formal bidding requirements. The procurement officer responsible for the error has been retrained. The University of North Dakota also understands that the state's new public notice system, which should go live in May 2025, is anticipated to require/mandate the selection of a bidders for all future public notices.

Contact Person: Tom Scrivener, CPO

Anticipated Completion Date: Completed

Finding: 2024-024

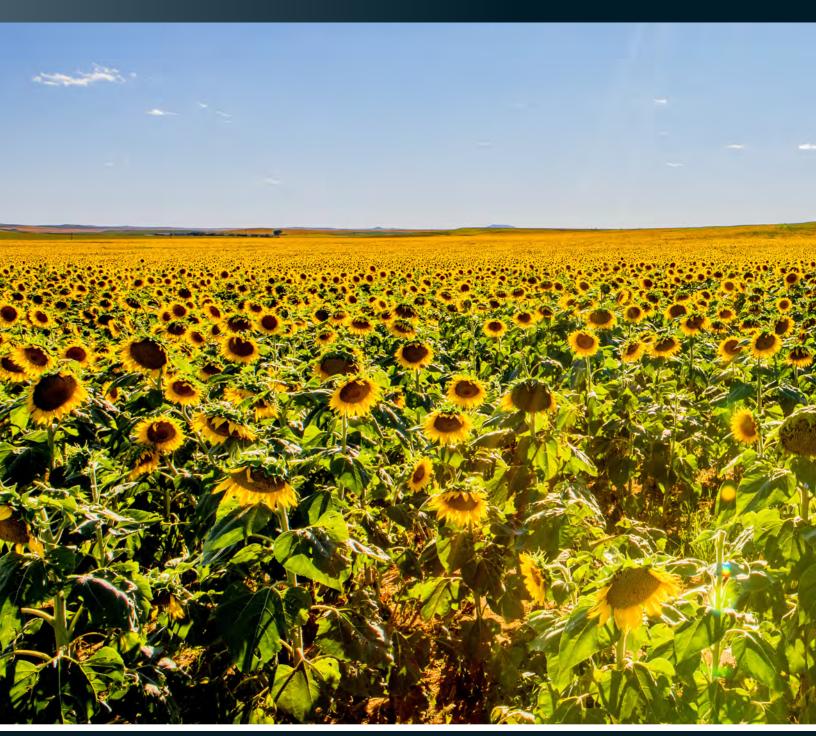
#### University System Response/Corrective Action Plan

Agree. UND Asset Management adequately informs UND departments that the department is required to secure the tag to the asset. The requirement is also clearly listed in UND's Capital Asset policy. UND Asset Management will work closely with departments to stress that they are required to secure tags to all major equipment assets.

Contact Person: Sharon Loiland, Controller

Anticipated Completion Date: March 31, 2025





### **Summary Schedule of Prior Audit Findings**

Fiscal Years Ended June 30, 2024 and 2023



March 6, 2025

Mr. Josh Gallion State Auditor 600 E Boulevard Avenue, Dept. 117 Bismarck, ND 58505

RE: Summary Schedule of Prior Audit Findings North Dakota Single Audit Report For Fiscal Years Ended June 30, 2024 and 2023

Dear Mr. Gallion:

In accordance with OMB's final guidance located in Title 2 of the Code of Federal Regulations, the state of North Dakota is responsible for follow-up and corrective action on all audit findings identified in the North Dakota Single Audit Report. As part of this responsibility, the state is required to prepare a summary schedule reporting the status of all audit findings included in the prior audit's schedule of findings and questioned costs relative to the federal awards. The Office of Management and Budget compiles this information on behalf of the state and oversees the implementation status of these audit findings.

Attached is the State of North Dakota's Summary Schedule of Prior Audit Findings for the two fiscal years ended June 30, 2024 and 2023. This summary identifies the implementation status of all prior audit findings, except for those findings that have been fully corrected, are no longer valid, or do not warrant further action on the part of the state.

Sincerely,

Joe Goplin

**Director of State Financial Services** 

600 E Boulevard Ave, Dept 110 | Bismarck, ND 58505-0400 | omb.nd.gov

### **Summary Schedule of Prior Audit Findings**

Fiscal Years Ended June 30, 2024 and 2023

### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

#### DEPARTMENT OF COMMERCE

Finding 2022-001 Page D-8

Awarding Agency U.S. DEPARTMENT OF TREASURY

ALN# 21.019 Coronavirus Relief Fund

Questioned Cost: \$174,422

Recommendation: We recommend the Department of Commerce enhance internal controls to

ensure duplicate payments are not made to recipients of Federal funds.

Status: At this time five of the eight payments have either been voided or returned

to the agency and the funds have been returned to the Treasury. The remaining three payments, totaling, \$44,870.59, have been turned over to the North Dakota Attorney Generals Office, to recoup the grant award and

refund the U.S. Department of the Treasury.

## **Summary Schedule of Prior Audit Findings**

Fiscal Years Ended June 30, 2024 and 2023

### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

Finding 2022-002 Page D-10

Awarding Agency U.S. DEPARTMENT OF TREASURY

ALN # 21.019 Coronavirus Relief Fund

Questioned Cost: \$434,568

Recommendation: We recommend the Department of Commerce:

A) Review available guidelines published by the U.S. Treasury Department

for allowable costs under the Coronavirus Relief Fund,

B) Obtain some proof that the organization was impacted by the public

health emergency, and

C) Request support from the organization for allowable expenditures

incurred during the period beginning March 1, 2020, and ending December

31, 2021, to offset the questioned costs; OR

D) Recoup the money from the organization and refund the Department of

Treasury.

Status: The agency continues to work with the current legislative body and the

department of treasury to resolve this finding.

### **Summary Schedule of Prior Audit Findings**

Fiscal Years Ended June 30, 2024 and 2023

#### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

Finding 2022-003 Page D-12

Awarding Agency U.S. DEPARTMENT OF TREASURY

ALN # 21.019 Coronavirus Relief Fund

Questioned Cost: \$4,880

Recommendation: We recommend the Department of Commerce continue it's efforts to:

A) Obtain support from the beneficiary for allowable expenditures under the

Fund; or

B) Recoup the grant award from the beneficiary and refund the U.S.

Department of Treasury.

Status: The agency has attempted to obtain allowable expenditures under the fund

with no cooperation from the beneficiary. The beneficiary was turned over to the North Dakota Attorney General's Office on August 13, 2022, to recoup the grant award and refund the U.S. Department of the Treasury.

Finding 2022-004 Page D-14

Awarding Agency U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

ALN # 93.568 Low-Income Home Energy Assistance

Questioned Cost: \$0

Recommendation: We recommend the Department of Commerce ensure subrecipient risk

assessments are completed and used to determine the nature and extent

of subrecipient monitoring.

Status: The finding was implemented in accordance with the corrective action plan.

### **Summary Schedule of Prior Audit Findings**

Fiscal Years Ended June 30, 2024 and 2023

#### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

#### DEPARTMENT OF HEALTH

Finding 2022-005 Page D-16

Awarding Agency U.S. DEPARTMENT OF TREASURY

ALN # 21.019 Coronavirus Relief Fund

Questioned Cost: \$0

Recommendation: We recommend the Department of Health:

A) Communicate all required information of 2 CFR 200.322(a) to

subrecipients.

B) Develop procedures to ensure that all Coronavirus Relief Fund award

information is communicated to subrecipients.

Status: This recommendation was implemented. Procedures and internal controls

were updated to ensure required information is communicated to

subrecipients.

Finding 2022-006 Page D-18

Awarding Agency U.S. DEPARTMENT OF TREASURY

ALN # 21.019 Coronavirus Relief fund

Questioned Cost: \$0

Recommendation: We recommend the Department of Health conduct during the award

monitoring activities aw required for pass-through entities in accordance

with 2 CFR 200.332.

Status: This recommendation was implemented. The Department of Health, now

part of the Department of Health and Human Services, has integrated into and adopted the subrecipient monitoring processes used by DHHS, including the 2 CFR 200 Subpart F requirements. Procedures were updated to ensure monitoring is completed during the award period.

# Summary Schedule of Prior Audit Findings Fiscal Years Ended June 30, 2024 and 2023

### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

Finding 2022-007		Page D-20
Awarding Agency		U.S. DEPARTMENT OF AGRICULTURE U.S. DEPARTMENT OF TREASURY U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES U.S. DEPARTMENT OF HOMELAND SECURTY
ALN#	10.557	WIC Special Supplemental Nutrition Program for Women, Infants, and Children
	10.578	WIC Grants to States (WGS)
	21.019	Coronavirus Relief Funds
	93.069	Public Health Emergency Preparedness
	93.116	Project grants and Cooperative Agreements for Tuberculosis Control Programs
	93.130	Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices
	93.217	Family Planning Services
	93.268	Immunization Cooperative Agreements
	93.426	Improving the Health of Americans though Preventive and Management of Diabetes and Heart Disease and Stroke
	93.898	Cancer Prevention and Control Programs for Sate, Territorial and Tribal Organizations
	93.917	HIV Care Formula Grants
	93.991	Preventive Health and Health Services Block Grant
Questioned Cost:		\$0
Recommendation:		We recommend the Health Department ensure all subrecipients obtain audits or a certification that an audit is not required in accordance with 2 CFR 200 Subpart F.
Status:		This recommendation was implemented. The Department of Health, now part of the Department of Health and Human Services, has integrated into and adopted the subrecipient monitoring processes used by DHHS, including the 2 CFR 200 Subpart F requirements. Procedures were implemented to ensure all subrecipients obtain audits or a certification that an audit is not required.

### **Summary Schedule of Prior Audit Findings**

Fiscal Years Ended June 30, 2024 and 2023

### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

#### DEPARTMENT OF HUMAN SERVICES

Finding 2022-008 Page D-22

Recurring: 2020-005 reported in the immediate prior year

Awarding Agency U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

ALN # 93.777 State Survey and Certification of Health Care Providers and Suppliers (Title

XVII) Medicare

93.778 Medical Assistance Program

Questioned Cost: \$6,622

Recommendation: We recommend the Department of Human Services develop a corrective

action plan to address the errors identified in the audit and recover

payments made on unsupported claims.

Status: This recommendation was implemented. Payments were recovered. The

Division of Medical Services has implemented a continuous improvement effort to expand guidance to providers regarding coverage requirements

and required documentation.

## **Summary Schedule of Prior Audit Findings**

Fiscal Years Ended June 30, 2024 and 2023

### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

Finding 2022-009 Page D-24

Awarding Agency U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

ALN # 93.777 State Survey and Certification of Health Care Providers and Suppliers (Title

XVII) Medicare

93.778 Medical Assistance Program

Questioned Cost: \$0

Recommendation: We recommend the Department of Human Services complete a risk

analysis and security review of MMIS biennially.

Status: This recommendation was implemented. The Department worked with

NDIT to ensure they restarted and maintain the risk analysis and security review for MMIS. NDIT conducted a web application penetration test on the MMIS application, which was completed in May 2023. The result was only one high finding, that was a result of a specific non-prod environment that is not exposed externally, so there was no action to take on this finding. There were an additional 16 medium findings and 1 low finding, all of which will be discussed with the MMIS vendor to provide possible fixes. NDIT will

complete the risk analysis every 2 years.

### **Summary Schedule of Prior Audit Findings**

Fiscal Years Ended June 30, 2024 and 2023

### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

Finding 2022-010 Page D-26

Awarding Agency U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

ALN # 93.777 State Survey and Certification of Health Care Providers and Suppliers (Title

XVII) Medicare

93.778 Medical Assistance Program

Questioned Cost: \$0

Recommendation: We recommend the Department of Human Services ensures the medical

loss ratio report is finalized as outlined in the contract and all required

documentation is properly maintained.

Status: This recommendation was implemented. Medicaid Expansion MCO

contract was re-procured for January 1, 2022 with specific guidelines on the

MLR report that addresses this finding. The MLR for CY2021 was

completed and filed with CMS on 4/15/2023.

### **Summary Schedule of Prior Audit Findings**

Fiscal Years Ended June 30, 2024 and 2023

### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

Finding 2022-011 Page D-28

Awarding Agency U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

ALN# 93.777 State Survey and Certification of Health Care Providers and Suppliers (Title

XVII) Medicare

93.778 Medical Assistance Program

Questioned Cost: \$0

Recommendation: We recommend the Department of Human Services review access rights to

the Medicaid Management Information System (MMIS) fee schedule and all

major Medicaid information systems on a regular basis.

Status: This recommendation was implemented. The Department worked with

NDIT to ensure they restarted and maintain the access and security reviews of Medicaid information systems. A full comprehensive user audit was conducted by NDIT in March 2023 and completed on April 19th 2023.

A full access review of MMIS is conducted once per quarter.

### **Summary Schedule of Prior Audit Findings**

Fiscal Years Ended June 30, 2024 and 2023

#### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

Finding 2022-012 Page D-30

Recurring: 2020-011 was reported in the immediate year.

2018-013 2016-026

Award Agency U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

ALN # 93.575 Child Care and Development Block Grant

93.596 Child Care Mandatory and Matching Funds of the Child Care and

Development Fund

Questioned Cost: \$0

Recommendation: We recommend the Department of Human Services improve procedures to

endure child care correction orders are resolved before the end of each

allowed correction period with accurate tracking of dates.

Status: This recommendation was partially implemented. The Department

implemented its new technology solution for early childhood services licensing in December 2022. The system was designed to collect the data needed to comply with the finding by tracking the issuance and status of correction orders. Information on correction orders is connected to the Child Care Resource and Referral database to help assure transparency for members of the public. Post-system implementation, HHS has continued to make system updates and process improvements to support compliance

with expectations related to monitoring of correction orders.

### **Summary Schedule of Prior Audit Findings**

Fiscal Years Ended June 30, 2024 and 2023

### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

Finding 2022-013 Page D-32

Recurring: 2020-015 was reported in the immediate prior year.

2018-017 2016-027

ALN # 93.575 Child Care and Development Block Grant

93.596 Child Care Mandatory and Matching Funds of the Child Care and

Development Fund

Questioned Cost: \$0

Recommendation: We recommend the Department of Human Services develop corrective

action and perform annual unannounced inspections of child care providers in operation in accordance with 45 CFR 98.42(b)(2)(B) and Department

policy.

Status: This recommendation was partially implemented. The Department

implemented its new technology solution for early childhood services licensing in December 2022. The system was designed to auto generate dates for unannounced inspection visits as per policy. The system provides each licensing specialist with information that helps them successfully comply with policy related to unannounced inspections. Post-system implementation, HHS has continued to take steps to improve processes

and train staff to support compliance.

## **Summary Schedule of Prior Audit Findings**

Fiscal Years Ended June 30, 2024 and 2023

### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

Finding 2022-014 Page D-34

Awarding Agency U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

ALN# 93.568 Low-Income Home Energy Assistance

Questioned Cost: \$0

Recommendation: We recommend the Department of Human Services coordinate with the

Department of Commerce to properly report subawards of the state under

the LIHEAP program for FFATA reporting.

Status: This recommendation was implemented. FFATA reporting is completed

monthly. HHS is reviewing to ensure proper reporting for any other funds

passed to other state agencies through a sub-award.

### **Summary Schedule of Prior Audit Findings**

Fiscal Years Ended June 30, 2024 and 2023

### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

Finding 2022-015 Page D-37

Awarding Agency U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

ALN# 93.568 Low-Income Home Energy Assistance

Questioned Cost: \$0

Recommendation: We recommend the Department of Human Services ensure adequate rental

documentation is on file and proper eligibility determination of the Low-

Income Home Energy Assistance Program (LIHEAP) are made.

Status: This recommendation was implemented. Policy was updated and included

in FY2024 training to ensure adequate rental documentation and proper

eligibility determinations.

Finding 2022-016 Page D-39

Awarding Agency U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

ALN# 93.568 Low-Income Heating Energy Assistance

Questioned Cost: \$1,943

Recommendation: We recommend the Department of Human Services ensure policies and

procedures prevent duplicate payments from being applied to LIHEAP cases. We also recommend the Department of Human Services ensure required documentation is obtained for individuals appearing in multiple

cases in accordance with state LIHEAP Policy.

Status: This recommendation was implemented. Monthly LIHEAP payment reports

were reviewed and researched for potential duplicate payments. The SPACES system was updated to give a warning for a duplicate SSN

starting January 2023.

### **Summary Schedule of Prior Audit Findings**

Fiscal Years Ended June 30, 2024 and 2023

### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

Finding 2022-017 Page D-41

Awarding Agency U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

ALN # 93.568 Low-Income Home Heating Assistance

Questioned Cost: \$0

Recommendation: We recommend the Department of Human Services ensure eligibility is

verified through the State NDVerify system prior to approval of all LIHEAP applications or revise the State Plan to identify the use of NDVerify as

optional for approval by the Federal awarding agency.

Status: This recommendation was implemented. LIHEAP was added to SPACES in

September 2022. ND Verify is integrated into SPACES which means it is now also integrated into LIHEAP policy and practice as a program that is supported by SPACES. No further action is required to comply with this

recommendation.

## **Summary Schedule of Prior Audit Findings**

Fiscal Years Ended June 30, 2024 and 2023

### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

Finding 2022-018 Page D-44

Awarding Agency U.S. DEPARTMENT OF THE TREASURY

ALN # 21.023 Emergency Rental Assistance Program

Questioned Cost: \$977

Recommendation: We recommend the Department of Human Services (ERA Program) ensure

monthly payment amounts are calculated correctly and reviewed for accuracy. Additionally, we recommend the Department ensure the improper payments are recouped through the ERA program's refunding process.

Status: This recommendation was implemented. This recommendation is complete;

no further action is required. The overage amount identified in the Audit Report review of eligibility determination was subsequently applied to the renter's future months' rent, as per program policy. HHS provided training to application review staff on state policies and practices related to time-

based adjustment of payment amounts.

### **Summary Schedule of Prior Audit Findings**

Fiscal Years Ended June 30, 2024 and 2023

### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

Finding 2022-019 Page D-46

Recurring: 2020-002 was reported in the immediate prior year.

2018-002 2016-004

Awarding Agency U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

ALN # 93.767 Children's Health Insurance Program

Questioned Cost: \$498

Recommendation: We recommend the Department of Human Services review the SPACES

system edit checks and ensure eligibility determinations made for the CHIP programs are proper. We also recommend corrections to payments and

Federal reimbursement of CHIP.

Status: This recommendation was implemented. Due to the Medicaid continuous

enrollment requirements ending on March 30, 2023, the SPACES system has been converted back to pre-PHE rules and logic. This should ensure

eligibility determinations for the CHIP programs are proper.

### **Summary Schedule of Prior Audit Findings**

Fiscal Years Ended June 30, 2024 and 2023

#### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

Finding 2022-020 Page D-48

Awarding Agency U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

ALN # 93.959 Block Grants for Prevention and Treatment of Substance Abuse

Questioned Cost: \$509,330

Recommendation: We recommend the Department of Human Services develop corrective

action and expend, at a minimum, the amount expended by the State for fiscal year 1994, for the availability of treatment services designed for pregnant women and women with dependent children either by establishing

new programs or expanding the capacity of existing programs.

Status: This recommendation was partially implemented. Initially, no providers

were available to take the contracts, and funding was requested from the Legislative Assembly to develop the program within the Department (March 2023). The requested funding was received, and an RFP was issued on March 28, 2024, with a closing date of May 17, 2024, and an anticipated contract start date of July 1, 2024. However, the RFP has since been canceled, and a contract has been established with a new entity that will begin services in SFY26. In the interim, a newly appointed Federal Project Officer for the Substance Use Disorder Prevention, Treatment, and Recovery Services Block Grant (SUPTRS BG) has identified an opportunity for North Dakota to address prior federal reporting shortfalls. This will be achieved by incorporating data from pregnant women receiving addiction

treatment services and support through regional public behavioral health clinics, the state-funded Substance Use Disorder (SUD) Voucher program,

and North Dakota Medicaid.

### **Summary Schedule of Prior Audit Findings**

Fiscal Years Ended June 30, 2024 and 2023

### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

Finding 2022-021 Page D-50

Recurring: 2020-019 was reported in the immediate prior year.

2018-031 2016-053

Awarding Agency U.S. DEPARTMENT OF EDUCATION

ALN # 84.126 Rehabilitation Services Vocational Rehabilitation Grants to States

Questioned Cost: \$2,454

Recommendation: We recommend the Department of Human Services follow its procedures to

prevent and detect Vocational Rehabilitation payments from occurring

outside the period of performance.

Status: This recommendation was implemented. The Department runs reports

quarterly from AWARE to identify any payments made that were charged to

the incorrect period of performance and makes any necessary journal

vouchers.

# Summary Schedule of Prior Audit Findings Fiscal Years Ended June 30, 2024 and 2023

### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

### DEPARTMENT OF PUBLIC INSTRUCTION

	Finding 2	2022-022	Page D-52
Awarding Agency		g Agency	U.S. DEPARTMENT OF AGRICULTURE
	ALN#	10.553 10.555 10.556 10.559 10.582	School Breakfast Program National School Lunch Program Special Milk Program for Children Summer Food Service Program for Children Fresh Fruit and Vegetable Program
Questioned Cost:		ned Cost:	\$0
Recommendation:		nendation:	We recommend the Department of Public Instruction ensures timely and accurate submission of FFATA reports in accordance with Federal regulations and retain further instructions or waiver from the Federal agency.
Status:			Correction was implemented in accordance with the corrective action plan.

### **Summary Schedule of Prior Audit Findings**

Fiscal Years Ended June 30, 2024 and 2023

### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

Finding 2022-023 Page D-56

Recurring: 2020-022 was reported in the immediate year.

2018-042 2016-068

Awarding Agency U.S. DEPARTMENT OF AGRICULTURE

ALN# 10.553 School Breakfast Program 10.555 National School Lunch Program 10.556 Special Milk Program for Children

10.559 Summer Food Service Program for Children

Questioned Cost: \$0

Recommendation: We recommend the Department of Public Instruction continue the

corrective action that was implemented in February of 2021 to ensure subrecipients are made aware of all required grant award information for

the Child Nutrition Cluster program.

Status: Correction had been implemented during the period being audited.

### **Summary Schedule of Prior Audit Findings**

Fiscal Years Ended June 30, 2024 and 2023

### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

Finding 2022-024 Page D-58

Recuring: 2020-022 was reported in the immediate prior year.

2018-042 2016-068

Awarding Agency U.S. DEPARTMENT OF AGRICULTURE

ALN # 10.558 Child and Adult Care Food Program

Questioned Cost: \$0

Recommendation: We recommend the Department of Public Instruction continue the

corrective action that was implemented in February of 2021 to ensure subrecipients are made aware of all required grant award information for

the Child and Adult Care Food program.

Status: Correction had been implemented during the period being audited.

Finding 2022-025 Page D-60

Awarding Agency U.S. DEPARTMENT OF EDUCATION

ALN # 84.425D Education Stabilization Fund

Questioned Cost: \$0

Recommendation: We recommend the Department of Public Instruction improve procedures

for tracking to ensure all Education Stabilization program letters of intent from non-public schools are received in order to verify all of them were

contacted.

Status: Correction was implemented in accordance with the corrective action plan.

## **Summary Schedule of Prior Audit Findings**

Fiscal Years Ended June 30, 2024 and 2023

### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

Finding 2022-026 Page D-62

Awarding Agency U.S. DEPARTMENT OF EDUCATION

ALN # 84.425 Education Stabilization Fund

Questioned Cost: \$0

Recommendation: We recommend the Department of Public Instruction ensure FFATA reports

are submitted timely and accurately according to the instructions and

definitions posted on the FSRS website and in the grant award.

Status: Correction was implemented in accordance with the corrective action plan.

Finding 2022-027 Page D-64

Awarding Agency U.S. DEPARTMENT OF EDUCATION

ALN # 84.371 Comprehensive Literacy Development

Questioned Cost: \$0

Recommendation: We recommend the Department of Public Instruction ensure risk

assessments are completed for each grant their subrecipients receive and adjust monitoring procedures as necessary based on the results of these

assessments.

Status: Correction was implemented in accordance with the corrective action plan.

## **Summary Schedule of Prior Audit Findings**

Fiscal Years Ended June 30, 2024 and 2023

#### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

Finding 2022-028 Page D-66

Awarding Agency U.S. DEPARTMENT OF EDUCATION

ALN# 84.371 Comprehensive Literacy Development

Questioned Cost: \$0

Recommendation: We recommend the Department of Public Instruction ensure that

subrecipients are made aware of all required grant award information.

Status: Correction was implemented in accordance with the corrective action plan.

Finding 2022-029 Page D-68

Awarding Agency U.S. DEPARTMENT OF EDUCATION

ALN # 84.371 Comprehensive Literacy Development

Questioned Cost: \$0

Recommendation: We recommend the Department of Public Instruction ensure FFATA reports

are submitted timely and accurately according to the instructions and

definitions posted on the FSRS website.

Status: Correction was implemented in accordance with the corrective action plan.

## **Summary Schedule of Prior Audit Findings**

Fiscal Years Ended June 30, 2024 and 2023

#### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

Finding 2022-030 Page D-70

Awarding Agency U.S. DEPARTMENT OF EDUCATION

ALN# 84.367 Supporting Effective Instruction State Grants

Questioned Cost: \$0

Recommendation: We recommend the Department of Public Instruction ensure the

maintenance of effort requirement is met in accordance with the Supporting

Effective Instruction program guidelines.

Correction was implemented in accordance with the corrective action plan. Status:

Finding 2022-031 Page D-72

U.S. DEPARTMENT OF EDUCATION Awarding Agency

ALN# 84.367 Supporting Effective Instruction State Grants

Questioned Cost: \$0

We recommend the Department of Public Instruction ensure subrecipient Recommendation:

risk assessments are completed timely and used to determine the nature of

subrecipient monitoring for the Supporting Effective Instruction program.

Status: Correction was implemented in accordance with the corrective action plan.

# Summary Schedule of Prior Audit Findings Fiscal Years Ended June 30, 2024 and 2023

### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

Finding 2022-032 Page D-74

Awarding Agency U.S. DEPARTMENT OF EDUCATION

ALN# 84.367 Supporting Effective Instruction State Grants

Questioned Cost: \$62,547

Recommendation: We recommend the Department of Public Instruction ensure the Title IIA

allocations are calculated based on the Federal requirements.

Status: Correction was implemented in accordance with the corrective action plan.

## Summary Schedule of Prior Audit Findings Fiscal Years Ended June 30, 2024 and 2023

#### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

Finding 2022-033	Page D-76				
Awarding Agency	U.S. DEPARTMENT OF EDUCATION U.S. DEPARTMENT OF AGRICULTURE				
Recurring:	Finding 2020-021 was reported in the immediate year. 2018-41				
ALN# 10.533 10.555 10.556 10.558 10.559 10.579 10.582 84.010 84.027 84.173 84.287 84.367 84.367	School Breakfast Program National School Lunch Program Special Milk Program for Children Child and Adult Care Food Program Summer Food Service Program for Children Child Nutrition Discretionary Grants Limited Availability Fresh Fruit and Vegetable Program Title I Grants to Local Educational Agencies Special Education Grants to States Special Education Preschool Grants Twenty-First Century Community Learning Centers Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants) Comprehensive Literacy Development Education Stabilization Fund				
Questioned Cost:	\$0				
Recommendation:	We recommend the Department of Public Instruction:  - Ensure all subrecipients obtain audits in accordance with 2 CFR 200 Subpart F if they meet the requirements;  - Issue management decision within a timely manner;  - Ensure subrecipients took timely corrective action on deficiencies identified in the audits.				
Status:	Correction was implemented in accordance with the corrective action plan.				

#### **Summary Schedule of Prior Audit Findings**

Fiscal Years Ended June 30, 2024 and 2023

#### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

#### OFFICE OF MANAGEMENT AND BUDGET

Finding 2022-034 Page D-79

Awarding Agency U.S. DEPARTMENT OF THE TREASURY

ALN # 21.019 Coronavirus Relief Fund

Questioned Cost: \$0

Recommendation: We recommend the Office of Management strengthen procedures to

ensure Federal reports are complete, accurate and reconcile to the state's

accounting system.

Status: The CRF program is completed. In the future the Office of Management

and Budget will review existing procedures to take whatever steps are reasonable to ensure federal reports are complete, accurate and reconcile

to the state's accounting system.

Finding 2022-035 Page D-82

Awarding Agency U.S. DEPARTMENT OF THE TREASURY

ALN # 21.027 Coronavirus State and Local Fiscal Recovery Funds

Questioned Cost: \$0

Recommendation: We recommend the Office of Management develop a corrective action and

properly report the state's SLFRF current period expenditures and cumulative expenditures to the Department of Treasury as accumulated

from each agency's records within the state's accounting system.

Status: The Office of Management and Budget does not feel a corrective action

plan is necessary and plans to continue federal reporting based on the timing of reimbursed expenditures for the duration of the SLFRF reporting to ensure all expenditures of SFLRF funding are accurately included in the

reports covering the period of reimbursement.

#### **Summary Schedule of Prior Audit Findings**

Fiscal Years Ended June 30, 2024 and 2023

#### STATE OF NORTH DAKOTA SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Fiscal Years Ended June 30, 2024 and 2023

By State Agency

#### OFFICE OF THE STATE TREASURER

Finding 2022-036 Page D-85

Awarding Agency U.S. DEPARTMENT OF THE TREASURY

ALN # 21.019 Coronavirus Relief Fund

Questioned Cost: \$0

Recommendation: We recommend the State Treasurer's Office:

A) Communicate all required information of 2 CFR 200.332(a) to

subrecipients.

B) Develop procedures to ensure that all Coronavirus Relief Fund award

information is communicated to subrecipients.

Status: The Office of State Treasurer has created a fillable form to provide to

subrecipients that regards are necessary information as stated in Federal

regulation, 2 CFR 200.332(a) for any future needs.

Finding 2022-037 Page D-87

Awarding Agency U.S. DEPARTMENT OF THE TREASURY

ALN # 21.019 Coronavirus Relief Fund

Questioned Cost: \$4,000

Recommendation: We recommend the State Treasurer's Office:

A) Request support from the county for allowable expenditures incurred

during the period beginning March 1, 2020, and ending on December

21,2021, to offset the overpayment; or

B) Recoup the overpayment from the county and refund the Department of

Treasury.

Status: The Office of State Treasurer requested additional data from the county

and the funds were used for law enforcement payroll expenses as incurred from March 1, 2020 through December 31, 2021 therefore the county did

not need to repay the \$4,000







## Schedule of Federal Findings and Questioned Costs Fiscal Years Ended June 30, 2023 and 2024

Agency Code	Agency Name
10800	Secretary of State
11000	Office of Management and Budget
11200	Information Technology Department
11700	Office of the State Auditor
12000	Office of the State Treasurer
12500	Attorney General's Office
12700	Office of the State Tax Commissioner
18000	State Courts
20100	Department of Public Instruction
25000	State Library
25200	School for the Deaf
25300	School for the Blind
27000	Department of Career and Technical Education
30100	Department of Health
30300	Department of Environmental Quality
31300	Veterans Home
32100	Department of Veterans Affairs
32500	Department of Health and Human Services
36000	Protection and Advocacy
40100	Insurance Department
40500	Industrial Commission
40600	Department of Labor and Human Rights
40800	Public Service Commission
41200	Aeronautics Commission
47400	Department of Mineral Resources
50400	Highway Patrol
53000	Department of Corrections and Rehabilitation
54000	Office of the Adjutant General
60100	Department of Commerce
60200	Department of Agriculture
70100	State Historical Society
70900	Council on the Arts

## Schedule of Federal Findings and Questioned Costs Fiscal Years Ended June 30, 2023 and 2024

Agency Code	Agency Name			
72000	Game and Fish Department			
75000	Parks and Recreation			
77000	Department of Water Resources			
80100	Department of Transportation			
BSC	Bismarck State College			
DCB	Dakota College at Bottineau			
DSU	Dickinson State University			
LRSC	Lake Region State College			
MASU	Mayville State University			
MSU	Minot State University			
NDSCS	North Dakota State College of Science			
NDSU	North Dakota State University			
NDUS	North Dakota University System			
UND	University of North Dakota			
VCSU	Valley City State University			
WSC	Williston State College			



2023 ACFR

### ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

## STATE OF NORTH DAKOTA

## **Annual Comprehensive Financial Report**

FOR THE FISCAL YEAR ENDED

June 30, 2023



Prepared by the Office of Management and Budget

State of North Dakota
Office of Management and Budget Fiscal Management Division
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This ACFR is also available at our Fiscal Management website: <a href="https://www.omb.nd.gov/financial-transparency/annual-comprehensive-financial-reports-acfr">https://www.omb.nd.gov/financial-transparency/annual-comprehensive-financial-reports-acfr</a>

# ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2023 TABLE OF CONTENTS

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## **Introductory Section**



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December 14, 2023

To the governor, legislators, and citizens of the state of North Dakota,

In accordance with North Dakota Century Code (NDCC) section 54-44-04(14), we are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the state of North Dakota for the fiscal year ended June 30, 2023. This report has been prepared by the Office of Management and Budget. The financial statements contained in the ACFR have been prepared in accordance with generally accepted accounting principles (GAAP) applicable to state and local governments, as promulgated by the Governmental Accounting Standards Board (GASB). Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the state's management. To the best of our knowledge and belief, the information contained in the ACFR is accurate in all material respects and reported in a manner that presents fairly the financial position and results of operations of the state's primary government and the component units for which it is financially accountable. All disclosures necessary to enable the reader to gain an understanding of the state of North Dakota's financial affairs have been included.

The state's management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the U.S. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the costs of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

In compliance with state statute, the Office of the State Auditor audited the state's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the state for the fiscal year ended June 30, 2023 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and evaluating the overall financial statement presentation. Their examination was conducted in accordance with GAAP and the standards applicable to financial audits contained in *Government Auditing Standards* as published by the Comptroller General of the United States. The Office of the State Auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the state's financial statements for the fiscal year ended June 30, 2023, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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DIRECTOR & ADMINISTRATION 4th Floor 701.328.4904 CENTRAL SERVICES 14th Floor 701.328.2740 FACILITY MANAGEMENT 4th Floor 701.328.2471 FISCAL MANAGEMENT 4th Floor 701.328.2680 HUMAN RESOURCE MANAGEMENT SERVICES 14th Floor 701.328.3293

RISK MANAGEMENT 1600 E Century Ave, Suite 4 Bismarck, ND 58503 701.328.7584 The state of North Dakota is also required to undergo a single audit in conformity with the provision of the Single Audit Act Amendments of 1996 and the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (contained in Title 2 U.S. Code of Federal Regulations Part 200). Information related to this single audit, including a schedule of expenditures of federal awards, the independent auditor's reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs, are included in a separately issued biennial single audit report.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditor's Report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it.

#### PROFILE OF THE GOVERNMENT

The state of North Dakota provides for a full range of services, including education, health and social services, highway maintenance and construction, law enforcement, judicial, public safety, business regulation, community and economic development, and natural resource development. The state's reporting entity reflected in the ACFR includes all the funds of the state as legally defined, as well as all of its component units in conformity with the requirements of GASB Statement No. 61. Statement No. 61 provides that the financial statements should emphasize the primary government and permit financial statement users to distinguish between the primary government and its component units. Consequently, the transmittal letter, MD&A, and the financial statements focus on the primary government and its activities. Although information pertaining to the discretely presented component units is provided, their separately issued financial statements should be read to obtain a complete overview of their financial position. The state's reporting entity is described more fully in Note 1A to the basic financial statements.

The state operates through a biennial appropriation, which represents agency appropriations recommended by the governor and presented to the legislative assembly at the beginning of each legislative session. The budget is legally required to be adopted through passage of appropriation bills by the legislative assembly and signed by the governor. The governor has line-item veto powers over all appropriations subject to legislative override. Once passed and signed, the appropriation bill becomes the departments' financial plan for the next two years. Changes to the appropriation are limited to Emergency Commission authorization, initiative, allotment, or referendum action.

The state does not budget by fund nor does it formally budget revenues. The legal level of budgetary control is at the agency, appropriation authority and expenditure line-item level. The state's budgetary policies and procedures are further explained in Note 1D on the notes to the basic financial statements.

#### LOCAL ECONOMY

Although North Dakota's economy is increasingly diversified, the agricultural industry continues to play a key role in the state's economy. The North Dakota Agricultural Statistics report states: North Dakota led the nation in the production of all dry edible beans, pinto beans, canola, flaxseed, honey, oats, rye, all sunflowers, durum wheat and spring wheat for 2022. North Dakota also ranked second in the production of barley, pink beans, small red beans, lentils, dry edible peas, and sugar beets.

The energy industry plays an important role in the state's economy. The development of wind and coal resources, the production of ethanol and bio-diesel, and oil and natural gas extraction all contribute to the state's economy. North Dakota reached an all-time high for oil production which

averaged over 1.52 million barrels of oil produced per day in November 2019. North Dakota's current crude oil production ranks third in the nation, behind first-ranked Texas and second ranked New Mexico. Oil prices have rebounded since the crash of oil prices at the end of fiscal year 2020 when North Dakota producers were receiving prices below \$15 per barrel. North Dakota price is averaging around \$77 per barrel to start off the 2023-25 biennium which is above the estimated price of \$70.00 used for budgeting purposes for the first year of the biennium.

According to the United States Census Bureau, the state's resident population for 2022 was approximately 779,000 people. Health care and social assistance jobs account for the highest percent of employment in the state. Other leading areas of employment are retail trade, accommodation and food services, educational services, construction, and manufacturing. The unemployment rate for the state in August 2023 was 1.9%, compared to 3.8% for the United States.

A listing of the state's 20 largest employers demonstrates the diversity of the economy. Top employers include: health care providers, educational services, social assistance, the U.S military, manufacturers, financial, banking and insurance companies.

North Dakota exporting continues to stay flat when comparing 2022 to 2021. The International Trade Administration showed that North Dakota's exports were about \$5.2 billion for both 2021 and 2022.

#### LONG-TERM FINANCIAL PLANNING

The long-term financial plan for the state of North Dakota was outlined by Governor Burgum as part of the 2023-25 executive budget address and presented to members of the 68th Legislative Assembly in December 2022. The Governor's long-term financial plan included the following key components:

- Maintaining healthy reserves.
- Providing tax relief.
- Investing in priorities, including technology, education, workforce, infrastructure, families and childcare, healthcare and human services, and inequities in state employee pay
- Ensuring solvency for the state pension fund.

The legislature met in January-April of 2023 and passed significant legislation including providing for healthy reserves, tax relief to the citizens of ND and increased investments in behavior health for women's treatment and reform. In addition, they funded investments in infrastructure including roads and bridges, water resources, a state-of-the-art health lab, and a correctional facility for women.

The state's rainy-day fund, the Budget Stabilization Fund, was nearly depleted during the 2015-17 biennium economic downturn. The fund has been refilled to the maximum balance allowed by law and, due to conservative budget management and strong revenues, the fund was not used during the COVID-19 pandemic which occurred during the 2019-21 biennium. A critical component of ensuring the long-term financial well-being of the state of North Dakota is a well-funded Budget Stabilization Fund that provides a necessary buffer against volatile commodity prices that drive ups and downs in the state's economy. Other reserve funds include the state General Fund balance, the Foundation Aid Stabilization Fund, and the Legacy Fund.

Another component of the state's long-term financial plan is ensuring the solvency of the state's pension fund. During the 2023-25 legislative session a bill was passed to close the Public Employees Defined Benefit plan no later than January of 2025. To support this approach, the governor has proposed \$65 million injection from oil and gas extraction and production taxes to the Public Employees Retirement Plan to help address the state unfunded liability. The legislature also

assessed an additional 1% employer retirement contribution with an additional \$135.0 million from Strategic Investment and Infrastructure Fund to address this liability.

The backbone of the state's financial plan is a revenue forecast that is accurate, conservative, and credible. The state utilizes a Revenue Forecasting Advisory Committee, comprised of representatives of the major industries in the state and the legislative and executive branches of government, along with the expertise of a national economic forecasting consultant. With the assistance of these experts, the state's Tax Department and Office of Management and Budget develop a conservative revenue forecast for use in the budgeting process.

The budgeting process begins with the development of a biennial budget proposal reflecting the Governor's priorities for the next two years. The budget is submitted to the legislature for their consideration and eventual enactment. With a biennial budget cycle, each revenue forecast, and budget proposal provides a three-year plan for the revenues and expenditures of state government.

#### **RELEVANT FINANCIAL POLICIES**

North Dakota's financial policies ensure that in the event of an economic downturn, North Dakota state government will be able to continue to provide its citizens with necessary services. Should North Dakota experience a significant revenue shortfall, the state is able to access funds in the budget stabilization fund.

North Dakota experienced a significant revenue shortfall during the 2015-17 biennium due to decreases in oil and agriculture prices, resulting in a transfer of nearly the entire balance of the budget stabilization fund to the general fund prior to June 30, 2017. The 2017 legislature established an ongoing allocation of \$75 million per biennium from oil and gas tax revenues to the budget stabilization fund. North Dakota Century Code requires the transfer to the budget stabilization fund of any end-of-biennium general fund balance in excess of \$65 million. Pursuant to Section 54-27.2-01, the fund is limited to no more than 15 percent of current biennium appropriations. Any deposits or interest that would otherwise be deposited or retained in the fund must instead be deposited in the General Fund once the maximum balance is reached. The current cap on the fund is \$914 million.

The 2021-23 biennium ended with the budget stabilization fund meeting the cap of \$914 million so no general fund transfer was made to the fund. The balance of the budget stabilization fund is estimated to be over \$914 million by June 30, 2025, due to a combination of existing fund balance and additional oil tax revenue allocations.

In addition to accessing the budget stabilization fund, in the event of an economic downturn the Governor can reduce general fund expenditure authority uniformly across state agencies through a process known as allotment. In the event of an allotment, the foundation aid stabilization fund was established to protect the state school aid program. Dollars from this fund would replace the amount of general fund dollars allotted, thus K-12 education would not experience a reduction in funding. The passage of Measure 2 in the 2016 general election allowed money in the fund to be appropriated for education-related purposes. Funding for the foundation aid stabilization fund comes from 10 percent of oil extraction tax collections. The foundation aid stabilization fund is expected to have a June 30, 2025, balance in excess of \$216.7 million.

#### **MAJOR INITIATIVES**

Major initiatives proposed by Governor Doug Burgum and approved by the legislature for the 2023-25 biennium include:

- Investing in infrastructure and other priorities;
- Supporting K-12 education;
- · Investing in workforce including child care;
- Investing in cybersecurity and upgrading outdated technology; and
- Maintaining reserves and the rainy-day fund.

#### INFRASTRUCTURE INVESTMENTS

The 2023-25 biennial budget includes funding to rebuild and repair roads throughout the state, for water supply and flood control and capital projects for state parks. Funding for infrastructure improvements includes:

- \$903.5 million to rebuild and repair state highways.
- \$159.0 million for city road projects.
- \$133.0 million dedicated to the repair and rebuilding of county and township roads.
- \$19.5 million for projects across the state park system.
- \$780.7 million for water-related projects, including \$316.2 million for water supply, \$52.0 million for rural water supply, \$115.7 million for flood control, \$12.0 million for general water projects, \$218.0 million for state-owned water projects and \$9.0 million for other new projects.

#### **TECHNOLOGY UPDATES**

The Governor's budget included support for replacing outdated technology to better serve the citizens of the state and provide the most efficient use of resources.

- \$28.4 million for Enterprise Digitization to replace outdated technology across numerous agencies for the 2023-25 biennium.
- \$12.4 million for Data Governance
- \$29.0 million for Customer Relationship Management which includes the Business Gateway initiative.
- \$168 million of federal funds for broadband projects.
- 41.0 FTE were requested to support increases in IT operations and initiatives.

#### **EDUCATION**

K-12 education initiatives include:

- \$2.30 billion in state funding for K-12 schools through integrated funding formula;
- \$58.1 million to assist districts in the provision of transportation services;
- \$24 million to go towards special education contracts; and

Higher Education initiatives include:

 \$20.0 million in state funding to continue the North Dakota Higher Education Challenge Grant Program, to encourage philanthropy by providing a state match for private contributions to the state's colleges and universities. • \$429.9 million is slated to be invested for capital projects across the system, with funding from revenue bonds, private donations, capital building funds and carryover authority.

#### Child Care initiatives:

- \$37.0 million for child care assistance and enhanced programs for infant and toddlers.
- \$40.0 million for four year old programs, quality tiers in child care, employer-led cost share programs, grants for shared services, non-traditional hours programs, training and streamlining background checks.

#### **RESERVES**

It is anticipated that by June 30, 2025, there will be a total ending balance of approximately \$2.16 billion in the budget stabilization fund, foundation aid stabilization fund, strategic investment and improvements fund, and tax relief fund. The general fund budget for the 2023-25 biennium totals \$6.10 billion.

#### AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the state of North Dakota for its ACFR for the fiscal year ended June 30, 2022. This was the 32nd consecutive year that North Dakota has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate. In addition, the state of North Dakota received the GFOA's Award for Distinguished Budget Presentation for its 2021-2023 budget. In order to qualify for the Distinguished Budget Presentation Award, the state's budget document was judged to be proficient in several categories, including policy documentation, financial planning, and organization. This report was prepared by staff members of the Fiscal Management Division of the Office of Management and Budget. Their dedication and efforts are greatly appreciated. We also extend our gratitude to the numerous individuals from virtually all the state agencies and institutions, especially the Office of the State Auditor, for their assistance.

Sincerely,

Susan Sisk Director



#### Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

### State of North Dakota

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

June 30, 2022

Christopher P. Morrill

Executive Director/CEO

## Judicial Public Service Commission State Tax Commissioner Secretary of State STATE OF NORTH DAKOTA ORGANIZATIONAL CHART Commissioner Agriculture Governor The Executive Boards & Commissions State State Smeral Commissioner Insurance Superintendent of Public Instruction Legislative Court A Legisbure

TrialCourts

University

Regulatory

Public Safety & Cornections

Natural Res & Recreation

Transportation

Health & Human Services

Government

Mucation

Ag/@mmerce

State

Supreme Count of North Dalots

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#### **NORTH DAKOTA**

#### PRINCIPAL STATE OFFICIALS

June 30, 2023

#### **ELECTED OFFICIALS**

Doug Burgum, Governor
Tammy Miller, Lieutenant Governor
Michael Howe, Secretary of State
Drew Wrigley, Attorney General
Julie Fedorchak, Public Service Commissioner
Randel Christmann, Public Service Commissioner
Sheri Haugen-Hoffart, Public Service Commissioner
Doug Goehring, Commissioner of Agriculture
Josh Gallion, State Auditor
Jon Godfread, Commissioner of Insurance
Kirsten Baesler, Superintendent of Public Instruction
Brian Kroshus, Tax Commissioner
Thomas Beadle, State Treasurer

#### **LEGISLATIVE**

Dennis Johnson, Speaker of the House
Mike Lefor, House Majority Leader
Joshua A. Boschee, House Minority Leader
Lt. Gov. Tammy Miller, President of the Senate
David Hogue, Senate Majority Leader
Kathy Hogan, Senate Minority Leader

#### JUDICIAL

Jon J. Jensen, Chief Justice, North Dakota Supreme Court
Daniel J. Crothers, Justice
Lisa K. Fair McEvers, Justice
Jerod E. Tufte, Justice
Douglas A. Bahr, Justice

## **Financial Section**

STATE AUDITOR
Joshua C. Gallion



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#### **Independent Auditor's Report**

The Honorable Doug Burgum, Governor of the State of North Dakota

Members of the Legislative Assembly of the State of North Dakota

#### **Report on the Audit of the Financial Statements**

#### **Opinions**

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of North Dakota as of and for the year ended June 30, 2023, and the related notes to the financial statements which collectively comprise the State's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements are referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of North Dakota, as of June 30, 2023, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements listed below.

Addiction Counselor Internship Loan Program

Bank of North Dakota

Beginning Farmer Revolving Loan Fund

**Building Authority** 

Clean Sustainable Energy Authority

College SAVE

Comprehensive Health Association of North

Dakota

Covid Pace Recovery Program Department of Trust Lands North Dakota Development Fund

Guaranteed Student Loan Program

Housing Finance Agency Housing Incentive Fund

Infrastructure Revolving Loan Fund

Innovation Technology Fund

Job Service North Dakota Mandan Remediation Trust

Medical Facility Infrastructure Loan Program

PACE and AG PACE Funds

Public Employees Retirement System

Public Finance Authority Rebuilders Loan Program

Retirement and Investment Office

School Construction Assistance Revolving Loan

Fund

State Fair Association

State Historical Society of North Dakota

Foundation

Student Loan Trust Transmission Authority

Water Infrastructure Revolving Loan Fund

Workforce Safety and Insurance

The financial statements of the above entities represent total assets, net position or fund balance, and revenues of the government-wide financial statements and fund financial statements as of June 30, 2023, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended as follows:

	Percent of Assets	Percent of Net Position or Fund Balance	Percent of Revenues
Government-Wide Financial Statements			
Governmental Activities	29%	32%	20%
Business-Type Activities	81%	62%	36%
Aggregate Discretely Presented Component Units	88%	100%	87%
Fund Financial Statements			
Major Governmental Funds			
General Fund	0%	0%	0%
Federal Fund	1%	32%	1%
State Special Revenue Fund	77%	80%	43%
Major Enterprise Funds			
Bank of North Dakota	100%	100%	100%
Housing Finance Agency	100%	100%	100%
University System	0%	0%	0%
Workforce Safety and Insurance	100%	100%	100%
Aggregate Remaining Fund Statements	93%	97%	56%

Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for the financial statements of the above entities are based solely on the report of the other auditors.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United State of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the State of North Dakota and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the North Dakota University System's discretely presented component units (foundations) and the North Dakota Historical Foundation were not audited in accordance with *Government Auditing Standards*.

#### Emphasis of Matter

The actuary for the North Dakota Public Employees Retirement System has determined that the unfunded actuarial accrued liability is approximately \$1.92 billion as of July 1, 2023. The funding for the actuarial accrued liability is predicted on employer and employee funding rates mandated by the State of North Dakota statutes. The actuary has determined that the current statutory rates are insufficient compared to the actuarial accrued liability. Note 6 identifies the net pension liability as calculated using GASB 67 and 68 requirements. Our opinion is not modified with respect to this matter.

As discussed in Note 17 to the basic financial statements, the Bank of North Dakota elected to present an unclassified statement of net position because current assets were not matched with current liabilities. Presentation of a classified statement of net position would give the false impression that there is a liquidity problem at the bank. Presentation of a classified statement of net position for the Bank of North Dakota would be misleading to the extent that the financial statements may be materially misstated. Our opinion is not modified with respect to this matter.

As described in Note 21 to the basic financial statements, the State of North Dakota adopted the provisions of GASB 96 *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

#### Responsibilities of Management for the Financial Statements.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United State of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the State of North Dakota's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit
  procedures that are appropriate in the circumstances, but not for the purpose of
  expressing an opinion on the effectiveness of the State of North Dakota's internal
  control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the State of North Dakota's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules and related reconciliations and notes, information about the state of North Dakota's pension plans and other post-retirement benefits, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State of North Dakota's basic financial statements. The combining and individual fund financial statements are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of

individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

#### Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

#### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2023 on our consideration of the State of North Dakota's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State of North Dakota's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State of North Dakota's internal control over financial reporting and compliance.

oshua C. Gallion

State Auditor

Pismarck, North Dakota December 14, 2023

#### MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the State of North Dakota's (the State's) Annual Comprehensive Financial Report presents a discussion and analysis of the State's financial performance, providing an overview of the activities for the fiscal year ended June 30, 2023. Please read it in conjunction with the transmittal letter at the front of this report and with the State's financial statements, which follow this section.

#### **FINANCIAL HIGHLIGHTS**

#### Government-wide:

Total assets and deferred outflows of resources of the State exceeded its liabilities and deferred inflows of resources at fiscal year-end by \$33.4 billion (reported as net position), an increase of \$3.2 billion from the previous year. The net position of governmental activities increased by 12.2% while the net position of the business-type activities showed an increase of 2.1%.

As a result of implementing GASB Statement 68, *Accounting and Financial Reporting for Pensions*, the State recorded \$16 million net pension asset, \$1.1 billion deferred outflows of resources, \$1.5 billion net pension liability, and \$651.1 million deferred inflows of resources for the primary government. The State increased its net pension liability by \$985.9 million during the year. The increase in the pension liability is due to the fact that beginning in fiscal year 2023 the state is no longer on a path to fully fund the pension plan. As long as the state is not on a path to fully fund the pension plan we are required to use a blended discount rate instead of our longer term rate of return. The liability also increased because of a decrease in PERS investments, which impacts the plan funding status. For the fiscal year 2022 ACFR the funding status was 79.13%, and for the fiscal year 2023 ACFR it is 55.03%.

#### Fund Level:

As of the close of fiscal year 2023 the State's governmental funds reported combined ending fund balances of \$23.9 billion, an increase of \$3.3 billion. Of this amount, \$134.8 million is non-spendable, primarily for Permanent Trust Funds. Spendable fund balance consists of \$8.8 billion restricted for specific purposes such as common schools, highway projects, and state education aid, \$3.5 billion committed and \$301.5 million assigned for specific functional expenditures such as education and health and human service operations, with the unassigned fund balance making up the remaining amount of \$11.2 billion, which is primarily made up of the legacy fund with a balance of \$9.1 billion.

The enterprise funds reported net position at year-end of \$5.1 billion, an increase of \$105.6 million during the year.

#### Long-term Debt:

The State's total debt (bonds, certificates of participation, lease, SBITA, and notes payable) increased approximately 35.4% during the fiscal year to \$3.9 billion, an increase of \$1.01 billion, which represents the net difference between new issuances and payments. During the year the State issued \$570.3 million in bonds and \$4.08 billion in notes.

More detailed information regarding these activities and funds is included in Note 3J.

#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is an introduction to the State's basic financial statements, which consists of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

#### **Government-wide Statements**

The government-wide financial statements provide a broad view of the State's operations in a manner similar to a private-sector business. The statements provide both short-term and long-term information about the State's financial position, which assists in assessing the State's economic condition at the end of the fiscal year. These statements include all non-fiduciary assets, deferred outflows of resources, liabilities, and deferred inflows of

resources using the accrual basis of accounting. The current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Position presents all of the State's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between the two reported as "net position". Over time, increases and decreases in net position is an indicator of whether the State's financial position is improving or deteriorating.

The Statement of Activities presents information showing how the State's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying events giving rise to the change occur, regardless of the timing of related cash flows. Therefore, revenues and expenses are reported in these statements for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both statements report three activities:

Governmental Activities – The activities in this section are primarily supported by taxes and intergovernmental revenue. Most of the State's basic services, such as education, health and human services and transportation, are reported under this category.

Business-type Activities – These functions are intended to recover all or a significant portion of their costs through user fees and charges to external users of goods and services. The Bank of North Dakota, Housing Finance Agency and the University System are examples of the State's business-type activities.

Discretely Presented Component Units – These are operations for which the State has financial accountability but they have certain independent qualities as well. These entities operate similar to private- sector business and the business-type activities described above. The State has 5 discretely presented component units. Financial information for these entities is presented separately from the financial information presented for the primary government.

The government-wide financial statements can be found immediately following this discussion and analysis.

#### **Fund Financial Statements**

A fund is a fiscal and accounting entity with a self-balancing set of accounts that the State uses to keep track of specific sources of funding and spending for a particular purpose. The State, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

The basic fund financial statements begin after the Component Unit FASB basis statements and provide more detail about the major individual funds. The State's funds are divided into three categories – governmental, proprietary, and fiduciary. It is important to note that these fund categories use different accounting approaches and should be interpreted differently.

Governmental funds - Most of the State's basic services are reported in the governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on the near-term inflows and outflows of spendable resources. They also focus on the balances left at year-end that are available for future spending. Such information may be useful in evaluating whether there are more or fewer financial resources that can be spent in the near future to finance the State's programs. These funds are reported using modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a

reconciliation to facilitate this comparison between governmental funds and the governmental activities. These reconciliations are presented on the page immediately following each governmental fund financial statement.

Governmental funds include the General Fund, special revenue, debt service, capital project, and permanent funds. The State has several governmental funds, of which three (3) are considered major individual funds. These three are the General Fund, the Federal Fund, and the State Special Revenue Fund. Each of these major funds is presented in a separate column in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance. The remaining governmental funds are combined in a single aggregated column on the basic fund statements. Individual fund data for each of these non-major governmental funds can be found in the other supplementary information section of this report.

Proprietary funds – Services for which the State charges customers a fee are generally reported in proprietary funds. The state maintains two different types of proprietary funds, enterprise funds and internal service funds. Enterprise funds report activities that provide supplies and services to the general public. Internal service funds report activities that provide supplies and services for the State's other programs and activities. Like the government-wide statements, proprietary funds use the accrual basis of accounting. Although the basis of accounting is the same for the government-wide and proprietary fund statements, reconciliation between these statements is presented because of the allocation of internal service funds' net income.

The State has four (4) major enterprise funds: The Bank of North Dakota, Housing Finance, University System, and Workforce Safety and Insurance. These four funds are each presented in separate columns on the basic proprietary fund financial statements. The remaining enterprise funds are combined in a single total column on these statements. Individual fund data for each of the non-major enterprise funds can be found in the other supplementary information section of this report.

The State's internal service funds are reported as governmental activities on the government-wide statements, because the services they provide predominantly benefit governmental activities. The State's four (4) internal service funds are reported on the basic proprietary fund financial statements in a single combined column. Individual fund data for the internal service funds is provided in the form of combining statements found in the other supplementary information section of this report.

Fiduciary funds - The State acts as a trustee, or fiduciary, for its employee pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. The State's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position. These funds, which include pension (and other employee benefit) trust, investment trust, private-purpose trust, and agency funds, are reported using accrual accounting. The government-wide statements exclude fiduciary fund activities and balances because the State cannot use these assets to finance its operations.

#### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and the fund financial statements. The notes to the financial statements can be found immediately following component units' financial statements.

#### **Required Supplementary Information**

The basic financial statements are followed by a section of required supplementary information. This section includes a budgetary comparison schedule, which includes reconciliation between the statutory fund balances for budgetary purposes and the fund balances for the General Fund, the Federal Fund and the State Special Revenue Fund as presented in the governmental fund financial statements. In addition, the required supplementary information includes up to ten years of information on the State's pension and Other Post Employment Benefit (OPEB) plans, including schedules on the employer proportionate share of the net pension liability and net OPEB liability, changes in the net pension liability and OPEB liability, and employer contributions.

#### **Other Supplementary Information**

Other supplementary information includes combining financial statements for non-major governmental, non-major enterprise, internal service, and fiduciary funds. These funds are added together, by fund type, and presented in single columns in the basic financial statements.

#### FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

As noted previously, net position may serve over time as a useful indicator of a government's financial position. The State's combined net position (governmental and business-type activities) totaled \$33.4 billion at the end of fiscal year 2023. Net position increased \$3.2 billion from the prior fiscal year.

#### State of North Dakota's Net Position

(Expressed in Thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Current and Other Assets	\$ 26,133,316	\$ 23,198,437	\$ 15,243,050	\$ 14,902,101	\$ 41,376,366	\$ 38,100,538
Capital Assets	6,022,104	5,776,444	2,175,967	2,049,599	8,198,071	7,826,043
Total Assets	32,155,420	28,974,881	17,419,017	16,951,700	49,574,437	45,926,581
Deferred Outflows of Resources	881,556	580,523	250,456	203,461	1,132,012	783,985
Long-Term Liabilities						
Outstanding	2,166,481	1,035,960	4,407,365	3,509,904	6,573,846	4,545,865
Other Liabilities	2,092,492	2,460,575	7,951,920	8,432,883	10,044,412	10,893,458
Total Liabilities	4,258,973	3,496,535	12,359,285	11,942,787	16,618,258	15,439,323
Deferred Inflows of Resources	505,393	874,435	229,042	267,685	734,435	1,142,120
Net Position						
Net Investment in						
Capital Assets	5,794,754	5,673,771	1,475,621	1,419,736	7,270,375	7,093,507
Restricted	8,895,774	8,029,841	684,412	1,538,720	9,580,186	9,568,561
Unrestricted	13,582,082	11,480,822	2,921,113	1,986,233	16,503,195	13,467,055
Total Net Position	\$ 28,272,610	\$ 25,184,434	\$ 5,081,146	\$ 4,944,689	\$ 33,353,756	\$ 30,129,123

The largest component (49%) of the State's net position is unrestricted net position. Unrestricted net position may be used at the State's discretion, but often have limitations on use based on State statutes. Restricted net position makes up twenty-nine percent (29%) of the state's net position. Restricted net position represents resources that are subject to external restrictions, constitutional provisions, or enabling legislation on how they can be used.

Twenty-two percent (22%) of the State's net position reflects its investment in capital assets such as land, buildings, equipment, intangibles (software), and infrastructure (roads, bridges and other immovable assets) less any related debt outstanding that was needed to acquire or construct the assets. The State uses these capital assets to provide services to citizens; consequentially, these assets are not available for future spending. Although the State's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The condensed financial information on the following page were derived from the government-wide Statement of Activities and reflects how the State's net position changed during the fiscal year:

#### State of North Dakota's Changes in Net Position

(Expressed in Thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023 2022		2023 2022		2023 2022	
Revenues:						
Program Revenues:						
Charges for Services	\$ 375,655	\$ 386,691	\$ 2,121,930	\$ 1,936,459	\$ 2,497,585	\$ 2,323,150
Operating Grants & Contributions						
	3,789,645	2,869,390	202,540	135,134	3,992,185	3,004,524
Capital Grants & Contributions	3,046	4,091	31,019	54,601	34,065	58,692
General Revenues:						
Income Taxes	812,953	646,802	_	_	812,953	646,802
Sales Taxes	1,725,168	1,459,332	_	_	1,725,168	1,459,332
Oil, Gas and Coal Taxes	2,967,167	3,027,334	_	_	2,967,167	3,027,334
Other Taxes	146,853	137,742	_	_	146,853	137,742
Investment Earnings (Losses)	787,383	(905,927)	_	_	787,383	(905,927)
Tobacco Settlement	24,845	23,206	_	_	24,845	23,206
Other	400,723	316,226	3,218	2,724	403,941	318,950
Total Revenues	11,033,438	7,964,887	2,358,707	2,128,918	13,392,145	10,093,805
Expenses:						
General Government	1,640,333	1,511,677	_	_	1,640,333	1,511,677
Education	1,579,570	1,537,651	_		1,579,570	1,537,651
Health and Human Services	2,753,186	2,527,706	_		2,753,186	2,527,706
Regulatory	232,363	153,118	_		232,363	153,118
Public Safety and Corrections	326,906	259,573		_	326,906	259,573
Agriculture and Commerce	175,559	138,348		<u> </u>	175,559	138,348
Natural Resources	306,631	326,713		_	306,631	326,713
Transportation	679,592	546,264			679,592	546,264
Interest on Long Term Debt	24,213	4,973			24,213	4,973
Bank of North Dakota	24,210	4,575	76,924	67,629	76,924	67,629
Housing Finance	_	_	74,380	56,986	74,380	56,986
Loan Programs			12,580	8,811	12,580	8,811
State Lottery	_	_	28,205	21,962	28,205	21,962
Unemployment Compensation	_	_	68,868	75,427	68,868	75,427
University System	_	_	1,427,039	1,350,757	1,427,039	1,350,757
Workforce Safety and Insurance	_	_	196,649	213,028	196,649	213,028
Other			818,848	771,219	818,848	771,219
Total Expenses	\$ 7,718,353	\$ 7,006,023	\$ 2,703,493	\$ 2,565,819	\$10,421,846	\$ 9,571,842
•	+ 1,112,222	+ 1,000,000		<del>+ =,===,===</del>	<del></del>	<del></del>
Increase (decrease) in Net Position						
Before Contributions, Loss & Transfers	3,315,085	958,860	(344,786)	(436,902)	2,970,299	521,958
Contributions to Permanent Fund	0,010,000	330,000	(344,700)	(430,302)	2,310,233	321,330
Principal	9,148	4,870	_	_	9,148	4,870
Transfers	(254,142)		448,310	454,007	194,168	(29,287)
		·				
Change in Net Position	3,070,091	480,436	103,524	17,105	3,173,615	497,541
Net Position - Beginning	25,184,434	24,708,964	4,944,689	4,915,810	30,129,123	29,624,774
Prior Period Adjustment *	18,085	(4,966)		11,774	51,018	6,808
Net Position- Ending	\$28,272,610	\$25,184,434	\$ 5,081,146	\$ 4,944,689	\$33,353,756	\$30,129,123

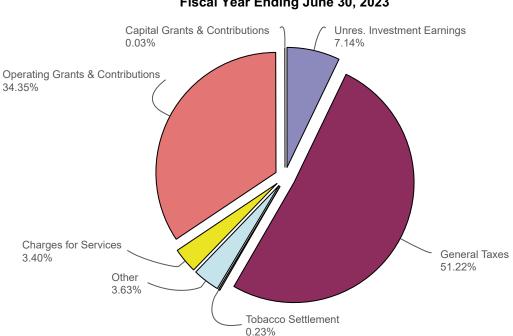
<sup>\*</sup> More detailed information regarding the prior period adjustments can be found in Note 2.

#### **Governmental Activities**

Governmental Activities increased the State's net position by \$3.1 billion. Revenues increased 38.5%, with the largest increase in the State's revenues for fiscal year 2023 coming from unrestricted investment income which saw an increase of \$1.7 billion. This is primarily due to higher investment returns for the Legacy and Budget Stabilization funds, which significantly increased due to financial markets in fiscal year 2023 recovering substantially from the significant pullback, caused by many uncertain conditions such as inflation, the war in Ukraine, and the Chinese supply chain concerns that were realized in fiscal year 2022. The investments earnings are unrestricted because it is not for a particular function. Operating grants and contributions also saw an increase of \$920.3 million. The increase was primarily due to royalty revenues increasing due to higher oil and gas prices, and stronger investment performance in the public equity market. The State saw increases in sales and use taxes due to a strong and diverse North Dakota economy. The increases stem from a majority of industrial sectors, most notably the Wholesale Trade sector, and the Mining and Extraction sector.

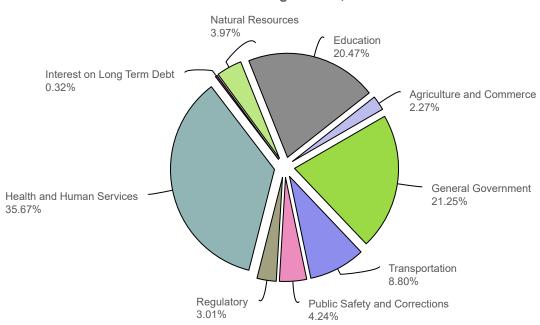
Expenses for governmental activities remained relatively consistent.

The following chart depicts revenues of the governmental activities for the fiscal year:



Revenues - Governmental Activities Fiscal Year Ending June 30, 2023

The following chart depicts expenses of the governmental activities for the fiscal year:



# Expenditures - Governmental Activities Fiscal Year Ending June 30, 2023

### **Business-type Activities**

Net position of the business-type activities increased by \$103.5 million during the fiscal year.

Workforce Safety and Insurance's (WSI) net position increased by \$54.0 million, and WSI's financial position remains stable. Changes in net position are the result of two separate activities or major program revenues: underwriting and investing. In fiscal year 2023, WSI's investment portfolio yielded a year to date return of 2.74% (net of fees), with a gain of \$58 million before expenses. Earned premium net of discounts and reinsurance totaled \$185 million for fiscal years 2023, which is up from the fiscal year 2022 total of \$163 million. The number of total claims filed in fiscal year 2023 is 18,128. This is an increase of 645 from the previous fiscal year 2022 total of 17,483. The fiscal year 2022 total decreased by 379 from the total claims filed in fiscal year 2021 of 17,856.

The Bank of North Dakota net position decreased by \$80.8 million. The loan portfolio increased by \$678 million to \$5.24 billion at December 31, 2022. Interest-bearing deposits totaled \$7.7 billion at December 31, 2022 compared to \$7.4 billion at December 31, 2021. Deposit balances remain high in 2022 due to increased state tax revenues and American Rescue Plan dollars. The increase in 2021 was primarily attributable to \$1 billion American Rescue Plan Dollars, additional state funds of nearly \$1 billion related to Legacy Fund earnings and additional tax revenue as well as higher correspondent bank deposits. The Bank has a tier one capital leverage ratio of 11.43% as of December 31, 2022. The leverage ratio is a measure of strength. Well capitalized per federal regulations requires this percentage to be a minimum of 5%.

The University System's net position increased \$62.5 million. The increase in current assets is mainly attributed to increases in cash of \$30.6 million and grants and contracts receivable of \$23.7 million, offset by a decrease in due from component units of \$5.7 million. DSU's cash declined \$6.9 million in fiscal year 2023 as a result of the completion of the Pulver Hall renovations and the Biesiot Activity Center which were completed and final payments made in fiscal year 2023. Current grants and contracts receivable increased primarily at UND, NDSU and BSC. UND's increase of \$13.7 million is due to an increase in energy-related projects at EERC. NDSU's grants and contracts receivable increased \$7.5 million for Legacy Bond Fund monies for the construction of the Peltier

Complex for agricultural development center. Current grants and contracts receivable increased \$2.5 million at BSC which is related to the construction of the new Larry C. Skogen Polytechnic Building.

Housing Finance Authority (HFA) net position increase of \$13.3 million as a result of the year's program operations and financing activities. Operating revenues in were up \$21 million as a result of higher mortgage and investment income than in the prior year. This was partially offset by a loss on the sale of investments and a slight decrease in fee income. HFA continues to fund mortgage loans at a fast pace given the rise in mortgage rates and the rates on mortgage revenue bonds over the last year continuing to be competitive in the mortgage market. Overall this has not had a large effect on the funding of mortgage loans, however HFA has seen a decrease in loan payoffs due to this increase in mortgage rating making refinances less favorable. Operating expenses were up as a result of higher bond interest expense and pension expense.

#### FINANCIAL ANALYSIS OF THE STATE'S FUNDS

### **Governmental Funds**

As the State completed the year, its governmental funds reported combined fund balances of \$23.9 billion, an increase of \$3.3 billion from the prior fiscal year. Of the \$23.9 billion in net position, \$134.8 million is non-spendable, \$8.8 billion is restricted, \$3.5 billion is committed, \$301.5 million is assigned, and \$11.2 billion is unassigned. These fund balance categories are a result of GASB Statement 54. Note 1U provides definitions for these categories. The following analysis of funds provides the explanation for the overall change in net position for governmental funds.

The General Fund is the chief operating fund of the State. At the end of current fiscal year, unassigned fund balance of the General Fund was \$11.2 billion, non-spendable was \$7.4 million, and \$1.5 billion was committed for expenditure by various governmental functions.

Total General Fund balance increased during the fiscal year by \$1.8 billion. Revenues increased approximately 64%, due to increases in interest and investment income of \$1.6 billion. This decrease was primarily due investment returns for the Legacy and Budget Stabilization funds which are part of the general fund in the governmental fund statements. The legacy fund was created by a constitutional amendment in 2010. The amendment provides that 30% of oil and gas gross production and oil extraction taxes on oil produced after June 30, 2011, be transferred to the Legacy fund. Net investment income for the Legacy Fund exceeded \$683 million in FY2023 and negative \$875 million in FY2022. The State Investment Board is responsible for the investment of the fund. This fund has a current fund balance of \$9.1 billion. The state also saw a increase in individual income taxes due to the strength in the economy and an increase in returns filed as well as an increase in taxable income. The Corporate Income taxes and Sales and Use taxes increased in collections is due to a strong and diverse North Dakota economy. The Sales and Use taxes saw increases as previously discussed in the Governmental Activities Net Pension increase explanation.

General fund expenditures increased by \$121.9 million or 6.1% with the largest increase in Public Safety and Corrections. However, total expenditures for the general fund and special revenue fund remained relatively consistent from Fiscal Year 2022. The increase in Public Safety and Corrections was due to reallocating more expenses to the General Fund and increased snow removal costs.

The State Special Revenue ending fund balance increased by \$1.3 billion resulting in \$10.5 billion fund balance. Revenues increased by 46.8% in the state special revenue fund primarily due to an increase in interest and investment income. The increase is primarily due to investment returns as we saw with investments previously discussed in the Governmental Activities Net Pension increase explanation. Special fund expenditures increased by 8.4% primarily due to increases in General Government and Health and Human Services spending.

The Federal Fund balance of \$37.4 million consists primarily of non-spendable items such as prepaids and inventory. Revenues increased by \$247.9 million and expenditures increased by \$273.2 million primarily due to the increase in federal funding as part of the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program

authorized by the American Rescue Plan Act .The federal fund balance decreased by \$11.0 million due to a larger increase in federal fund expenditures than revenues.

### **Proprietary Funds**

The State's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The increases/decreases in the net position of the proprietary funds are discussed under "Business-type Activities" above.

### **General Fund Budgetary Highlights:**

The general fund budgetary revenues and other financing sources were \$5.3 billion or 22.4% higher than the final budget, primarily because of increased revenue from Sales and Use Tax and Income Tax. The State has a biennial appropriated budget. The fiscal year ending June 30, 2023, was the second year of the 2021-23 budget cycle. The original budget increased \$138.8 million. The increases to the beginning appropriated budget are from authorized carryover of general fund appropriation authority and legislative changes of which the larger ones are noted below.

Several state agencies were authorized by appropriation laws to carryover a portion or all of their general fund appropriation for various purposes, including the University System, \$35.3 million, the Department of Human Services, \$5.7 million, the Department of Commerce, \$9.5 million, the Department of Corrections, \$6 million, Legislative Council and Assembly, \$5.5 million, and Office of Management & Budget, \$21.4 million.

Of the \$304 thousand in capital construction carryover dollars, \$267 thousand was for the Department of Corrections.

There were no expenditures in excess of general fund authority.

#### CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets: At the end of the fiscal year 2023, the State had invested \$7.3 billion, net of accumulated depreciation, in a broad range of capital assets. Depreciation charges for this fiscal year totaled \$392 million.

(Net of Depreciation, Expressed in Thousands)

	_	nmental ⁄ities		ss-Type vities	Total Primary Government			
	2023	2022	2023	2022	2023	2022		
Land and Land Improvements Building & Building	\$ 165,855	\$ 163,381	\$ 26,979	\$ 26,854	\$ 192,834	\$ 190,235		
Improvements	429,743	411,480	1,322,775	1,295,098	1,752,518	1,706,578		
Equipment	199,399	193,829	210,575	177,868	409,974	371,697		
Intangibles								
Software	225,549	234,322	1,164	1,371	226,713	235,693		
Other	10,619	10,224	12,589	12,740	23,208	22,964		
Infrastructure	4,420,165	4,272,040	168,120	168,904	4,588,285	4,440,944		
Construction in Progress	487,746	464,485	332,665	284,654	820,411	749,139		
Right-to-use Lease & SBITA assets:								
Land	86	91	11,480	5,001	11,566	5,092		
Building and Improvements	36,273	43,404	37,277	39,612	73,550	83,016		
Equipment	2,724	3,088	27,681	21,985	30,405	25,073		
Infrastructure	_	_	_	60	_	60		
SBITAs	43,946	56,440	24,663	28	68,609	56,468		
Total	\$ 6,022,105	\$ 5,852,784	\$ 2,175,968	\$ 2,034,175	\$ 8,198,073	\$ 7,886,959		

<sup>\*</sup> Beginning capital asset balances were adjusted for certain reclassifications for FY2022 in the Governmental Activities and Business Type Activities.

The total increase in the State's investments in capital assets for the current fiscal year was 3.9% in terms of net book value. However, actual expenditures to purchase or construct capital assets were approximately \$1.1 billion for the year. A major portion of this amount was used to construct or reconstruct assets for highway construction. More detailed information on the State's capital assets can be found in Note 3H to the financial statements.

Long-term Debt: Article X, Section 13 of the Constitution of North Dakota provides that the state may issue or guarantee the payment of bonds provided that all bonds in excess of \$2 million are: secured by first mortgage upon property and no further indebtedness may be incurred by the state unless evidenced by a bond issue; authorized by law, for a certain purpose; provisioned to pay the interest semiannually, and pay the principal within 30 years. The law authorized the bond issue must specifically appropriate the provisions to the payment of the principal and interest of the bond. The State has no general obligation bonds outstanding at June 30, 2023.

The State does have a number of revenue bonds outstanding at June 30, 2023. Current state statutes empower certain state agencies and the Building Authority to issue bonds as part of their activities. This debt is not backed by the full faith and credit of the State of North Dakota. The principal and interest on revenue bonds issued by state agencies is payable from designated revenue sources. The Building Authority's bonds generate revenue to finance the construction and improvements of State buildings. Revenues derived from leases on the buildings fund the debt service requirements. Starting in FY 22 the state issued appropriation bonds through the Legacy Bond Program, these are appropriation bonds issued to provide financing to legislative approved state projects and programs. The bonds are direct obligations of the Public Finance Authority and secured by the State of North Dakota's Legacy Fund earnings, capitalized interest CD's and interest earnings pursuant to the applicable bond resolutions.

The Bank of North Dakota has advances from the Federal Home Loan Bank due within one year in the amount of \$675 million. The advances have a fixed rate of interest, ranging from 4.44% to 4.60%.

The state had lease additions for equipment and buildings of \$25.3 million for Business Type Activities and \$3.1 million for Governmental Activities.

More detailed information regarding the State's long-term obligations is presented in Note 3J to the financial statements.

### State of North Dakota's Outstanding Debt

(Expressed in Thousands)

	Goverr Activ	 	Business-Type Activities			Total Primary Government			,	
	2023	2022	2023 2022		2023 2022 2023		2023		2022	
Revenue Bonds Certificate of	\$ 787,130	\$ 475,316	\$	1,902,601	\$ 1,795,064		\$	2,689,731	\$	2,270,380
Participation	_	_		260,727		262,217		260,727		262,217
Notes Payable	15,835	17,157		698,447		135,353		714,282		152,510
Lease Payable	41,400	47,547		78,125		67,495		119,525		115,042
SBITA Payable	46,668	44,772		22,336		_		69,004		44,772
Total	\$ 891,033	\$ 584,792	\$	2,962,236	\$	2,260,129	\$	3,853,269	\$	2,844,921

<sup>\*</sup> Beginning Notes Payable balances were adjusted for certain reclassifications for FY2022 in the Governmental Activities.

The State's total debt increased approximately 35.4% during the current fiscal year.

### **ECONOMIC CONDITION AND OUTLOOK**

Moody's Analytics recently completed an analysis of the North Dakota economy for its Précis U.S. State October 2023 publication. The report depicts an economy at risk of a growth recession, which means the economy will grow, but at a very slow rate. The Bakken is the most productive shale oil producer in the nation in terms of output per drilling rig and is driving employment higher, which will help prevent North Dakota from feeling the effects of a recession.

North Dakota's outlook is linked tightly to two major industries, energy and agriculture. The rebound in oil prices has stimulated oil drilling and led to high productivity per rig in the Bakken where the current active rig count is 33. The most recent North Dakota average price per barrel of oil was at \$84.36, which is above the estimated price of \$70.00 used for budgeting purposes. With the most recent production number being at 1.3 million barrels per day compared to 1.1 million bpd used for budgeting. On the agriculture side, production has risen and winter planting has been at a healthy level.

North Dakota's employment growth is slowing, but the slowdown is not as pronounced as what the rest of the U.S. is experiencing. While other industries are seeing a lull in growth the mining industry is still experiencing growth. The unemployment rate in North Dakota remains low at 2.1%, which is slightly lower than the 2.5% reported for the same time frame last year. Anticipation is that the labor force growth will keep the labor market adequately supplied with workers.

Per capita income for North Dakota remains ahead of the national average and after a couple of years in a row lagging the national average. The median household income saw a 14% increase from 2022 numbers and is currently ahead of the national average. For 2023, median household income in North Dakota was at \$78,720 compared to \$74,580 for the U.S. Per capita income for 2023 was \$70,360 for North Dakota, while the U.S. was \$65,470.

### CONTACTING THE STATE'S OFFICE OF FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the State's finances and to demonstrate the State's accountability for the money it receives. Questions about this report or additional financial information should be addressed to the State of North Dakota, Office of Management and Budget, 600 E. Boulevard, Dept. 110, Bismarck, ND 58505.



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# **Basic Financial Statements**

# **Statement of Net Position** June 30, 2023

•		Primary Government						
	Governme Activitie		Business-Type Activities		Total	Component Units (GASB Based)		
ASSETS		, ,						
Cash and Cash Equivalents	\$ 58,33	30,550	\$ 776,669,40	7 \$	834,999,957	\$	22,676,475	
Investments	17,263,00	09,311	6,498,492,36	9	23,761,501,680		275,000	
Accounts Receivable - Net	218,22	25,098	165,969,99	6	384,195,094		74,616	
Taxes Receivable - Net	648,5	53,155	-	-	648,553,155		_	
Interest Receivable - Net	49,7	11,224	73,409,88	1	123,121,105		190,894	
Lease Receivable - Net	1,16	60,639	236,25	5	1,396,894		_	
Intergovernmental Receivable - Net	465,72	25,272	40,806,42	9	506,531,701		_	
Internal Receivable	7,286,00	62,802	-	-	1,074,512,209		_	
Due from Component Units		_	34,356,28	2	34,356,282		_	
Prepaid Items	22,87	75,429	5,137,91	3	28,013,342		_	
Inventory	37,89	94,808	57,226,92	3	95,121,731		_	
Loans and Notes Receivable - Net	51,56	62,423	5,640,319,48	7	5,691,881,910		15,682,786	
Pension Assets	15,68	84,703	-	-	15,684,703		_	
Other Assets	14,42	24,000	106,152,70	4	120,576,704		_	
Restricted Assets:								
Cash and Cash Equivalents	9	96,890	199,264,00	0	199,360,890		40,884,730	
Investments		_	62,331,08	7	62,331,087		1,052,697,958	
Interest Receivable - Net		_	6,496,00	0	6,496,000		5,643,485	
Loans and Notes Receivable - Net		_	1,576,181,00	0	1,576,181,000		122,863,534	
Capital Assets:								
Nondepreciable	653,60	00,105	359,644,34	2	1,013,244,447		1,115,389	
Depreciable, Net	5,368,50	03,700	1,816,322,46	9	7,184,826,169		105,097	
Total Assets	32,155,42	20,109	17,419,016,54	4	43,362,886,060		1,262,209,964	
DEFERRED OUTFLOWS OF RESOURCES								
Deferred Loss on Bond Refunding	17	78,000	2,797,07	6	2,975,076		_	
Decrease in Fair Value of Hedging Derivatives		_	148,37	5	148,375		_	
Derived from Pensions	856,88	82,185	240,047,85	3	1,096,930,038		394,000	
Derived from OPEB	24,49	95,802	7,462,71	8	31,958,520			
Total Deferred Outflows of Resources	881,5	55,987	250,456,02	2	1,132,012,009		394,000	

<sup>\*</sup> An internal receivables balance remains in the Total column because certain Business-Type Activities have different fiscal year ends than the Governmental Activities. As internal balances are reported separately as internal receivables and internal payables, those lines, as well as the total assets and total liabilities, do not crossfoot.

## **Statement of Net Position**

June 30, 2023

ound 00, 2020		Component		
	Governmental Activities	Business-Type Activities	Total	Units (GASB Based)
LIABILITIES				
Accounts Payable	476,225,980	103,887,174	580,113,154	459,159
Accrued Payroll	83,527,308	47,456,533	130,983,841	_
Securities Lending Collateral	380,865,520	10,999,379	391,864,899	_
Interest Payable	5,802,498	30,574,680	36,377,178	4,538,254
Intergovernmental Payable	226,547,534	1,498,684	228,046,218	_
Tax Refunds Payable	185,500,664	_	185,500,664	_
Internal Payable	_	6,211,550,593	_	_
Due to Component Units	_	25,370,111	25,370,111	_
Contract Retainage Payable	17,548,599	8,492,282	26,040,881	_
Federal Funds Purchased	_	205,845,000	205,845,000	_
Other Deposits	_	1,134,566,215	1,134,566,215	_
Amounts Held In Custody for Others	_	18,824,000	18,824,000	_
Unearned Revenue	716,473,682	117,957,263	834,430,945	548,816
Financial Derivative Instrument	_	148,375	148,375	_
Other Liabilities	_	34,749,243	34,749,243	_
Long-Term Liabilities				
Due within one year	66,403,338	992,493,830	1,058,897,168	33,145,000
Due in more than one year	889,306,157	3,044,533,626	3,933,839,783	583,220,000
Net Pension Liability	1,164,884,907	355,976,271	1,520,861,178	524,000
Net OPEB Liability	45,887,057	14,360,833	60,247,890	_
Total Liabilities	4,258,973,244	12,359,284,092	10,406,706,743	622,435,229
DEFERRED INFLOWS OF RESOURCES				
Grant Received Prior to Time Requirements	_	127,374	127,374	_
Unrealized Gain on Interest Rate Swap	_	63,068,000	63,068,000	_
Derived from Pensions	502,037,686	149,032,577	651,070,263	219,000
Derived from OPEB	2,162,011	644,511	2,806,522	_
Financial Derivative Instruments	· · · –	15,936,000	15,936,000	_
Right-to-Use Leases	1,193,574	234,021	1,427,595	_
Deferred Gain on Bond Refunding	· · · –	· _		3,857,000
Total Deferred Inflows of Resources	505,393,271	229,042,483	734,435,754	4,076,000
NET POSITION				
Net Investment in Capital Assets	5,794,753,920	1,475,621,076	7,270,374,996	105,097
Restricted for:				
Education	7,065,494,183	_	7,065,494,183	_
Health and Human Services	18,267,684	_	18,267,684	_
Regulatory Purposes	81,652,972	_	81,652,972	_
Public Safety & Corrections	3,641,748	_	3,641,748	_
Agriculture and Commerce	58,560,898	_	58,560,898	_
Cultural and Natural Resources	617,274,536	_	617,274,536	_
Transportation	391,461,155	_	391,461,155	_
Capital Projects	504,682,000	72,023	504,754,023	_
Debt Service	16,823,977	224,796,110	241,620,087	98,219,959
Loan Purposes	· · · –	26,401,629	26,401,629	508,813,615
Pledged Assets	_	53,798,000	53,798,000	_
Unemployment Compensation	_	329,866,491	329,866,491	_
Pension Benefits	15,684,703		15,684,703	_
Permanent Fund and University System - Nonexpendable	79,104,758	19,088,200	98,192,958	2,155,492
University System - Expendable		24,849,106	24,849,106	_,100,102
Other	43,125,155	5,540,543	48,665,698	66,466
Unrestricted	13,582,081,892	2,921,112,813	16,503,194,705	26,732,106
Total Net Position	\$ 28,272,609,581	\$ 5,081,145,991	\$ 33,353,755,572	
. Stat. 1. St. I CORROLL	¥ 20,272,000,001	¥ 3,001,170,031	<del>-</del> - 55,000,100,012	÷ 000,032,100

### **Statement of Activities**

### For the Fiscal Year Ended June 30, 2023

			Pro	ogram Revenues			
Functions/Programs	Expenses	Charges for Services		Operating Grants and Contributions		Capital Grants and Contributions	
Primary Government:				_			
Governmental Activities:							
General Government	\$ 1,640,333,057	\$ 42,833,545	\$	72,069,096	\$	3,045,978	
Education	1,579,569,829	28,783,948		1,115,186,462		_	
Health and Human Services	2,753,186,043	24,376,640		1,764,742,844		_	
Regulatory	232,362,836	50,903,881		46,753,720		_	
Public Safety and Corrections	326,906,314	23,700,287		95,893,980		_	
Agriculture and Commerce	175,559,082	43,441,972		59,506,311		_	
Natural Resources	306,630,292	45,924,091		106,392,065		_	
Transportation	679,592,179	115,690,263		529,100,645		_	
Interest on Long Term Debt	24,213,233	_		_		_	
Total Governmental Activities	 7,718,352,865	375,654,627		3,789,645,123		3,045,978	
Business-Type Activities:							
Bank of North Dakota	76,924,292	288,783,000		(262,774,000)		_	
Housing Finance	74,380,121	65,371,000		22,273,000		_	
Loan Programs	12,579,456	11,985,500		457,368		_	
State Lottery	28,204,785	39,507,316		15,640		_	
Unemployment Compensation	68,868,118	91,932,860		5,072,711		_	
University System	1,427,038,459	604,037,145		374,350,068		31,018,883	
Workforce Safety & Insurance	196,649,154	190,575,569		58,385,050		_	
Other	818,848,351	829,737,785		4,760,380		_	
Total Business-Type Activities	2,703,492,736	2,121,930,175	_	202,540,217		31,018,883	
Total Primary Government	\$ 10,421,845,601	\$ 2,497,584,802	\$	3,992,185,340	\$	34,064,861	
Component Units (GASB Based):	\$ 33,056,844	\$ 7,772,144	\$	36,514,570	\$		

### General Revenues:

Taxes:

Individual and Corporate Income Taxes

Sales and Use Taxes

Oil, Gas and Coal Taxes

**Business and Other Taxes** 

Unrestricted Investment Earnings

Tobacco Settlement

Miscellaneous

Payment from State of North Dakota

Contributions to Perm Fund Principal

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position, Beginning of Year, as Restated

Net Position, Ending

<sup>\*</sup>Negative balance for Bank of North Dakota 'Operating Grants and Contributions' is a result of Investment Loss.

<sup>\*</sup>Transfers will not zero out due to different year ends of agencies included in the ACFR. See Note 3G for detail.

Net (Expense) Revenue and Change in Net Position Primary Government

	Primary Gover	nment			
Governmental Activities	Business-Ty Activities		Total		Component Units GASB Based)
\$ (1,522,384,438)		\$	(1,522,3	84,438)	
(435,599,419)			(435,5	99,419)	
(964,066,559)			(964,0	66,559)	
(134,705,235)			(134,7	05,235)	
(207,312,047)			(207,3	12,047)	
(72,610,799)			(72,6	10,799)	
(154,314,136)			(154,3	14,136)	
(34,801,271)			(34,8	01,271)	
(24,213,233)			(24,2	13,233)	
(3,550,007,137)		_	(3,550,0	07,137)	
	(50,91	5 202)	(50.9	15,292)	
	13,26		•	63,879	
		6,588)		36,588)	
	11,31		,	18,171	
	28,13			37,453	
	(417,63			32,363)	
	52,31		•	11,465	
	15,64			49,814	
	(348,00			03,461)	
	(0.0,00		(0.0,0	00, 101)	
(3,550,007,137)	(348,00	3,461)	(3,898,0	10,598)	
					\$ 11,229,870
812,953,433		_	812,9	53,433	_
1,725,168,258		_	1,725,1	68,258	_
2,967,166,869		_	2,967,1	66,869	_
146,852,833		_	146,8	52,833	_
787,382,703		_	787,3	82,703	_
24,844,863		_	24,8	44,863	_
400,722,677	3,21	7,757	403,9	40,434	_
_		_		_	8,330,725
9,148,366		_	9,1	48,366	_
(254,142,416)	448,31	0,037	194,1	67,621	
6,620,097,586	451,52	7,794	7,071,6	25,380	8,330,725
3,070,090,449	103,52	4,333	3,173,6	14,782	 19,560,595
25,202,519,132	4,977,62	1,658	30,180,1	40,790	 616,532,140
\$ 28,272,609,581	\$ 5,081,14	5,991 \$	33,353,7	55,572	\$ 636,092,735

### Statement of Net Assets Component Units FASB Basis

June 30, 2023

	Major University System Foundation	Nonmajor University System Foundation	State Historical Society Foundation
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 48,021,834	\$ 6,458,185	\$ 125,673
Receivable from Primary Institution	4,542,018	14,139	_
Investments	44,520,794	_	600,000
Accounts Receivable - Net	4,123,326	3,801	_
Notes receivable	2,369,427	419,478	_
Unconditional Promises to Give - Net	21,519,544	1,872,865	6,183
Net investment in Direct Financing Leases	971,628	_	_
Inventory	1,537,200	_	_
Other Assets	4,109,673	207,005	
Total Current Assets	131,715,444	8,975,473	731,856
Noncurrent Assets:			
Restricted Cash and Cash Equivalents	14,843,781	506,842	_
Investments:			
Investments, Net of Current Portion	905,677,863	23,515,905	1,358,726
Investments, Restricted	3,838,761	_	_
Investments Held In Trust	30,435,092	_	_
Beneficial Interest In Trust	16,470,142	_	_
Charitable Gift Annuity Investments	5,334,702	_	_
Charitable Remainder Trust Account Investments	15,057,812	_	_
Real Estate and Equipment Held for Investment - Net	16,370,044	_	_
Other Long-Term Investments	31,198,071	225,641	_
Contracts for Deed & Notes Receivable, Net of Current Portion	516,413		_
Long-Term Pledges Receivable/ Unconditional Promises to Give - Net	74,509,381	1,077,135	_
Other Receivables	3,533	1,077,100	
Receivable from Primary Institution	21,261,836	_	_
		_	_
Net investment in Direct Financing Leases, Net of Current Portion	8,967,088	4 507 454	75 220
Other noncurrent assets	4,282,885	1,597,451	75,330
Notes Receivable - Net	8,585,000		_
Capital Assets - Net	175,571,651	14,877,902	1,058
Total Noncurrent Assets	1,332,924,055	41,800,876	1,435,114
Total Assets	1,464,639,499	50,776,349	2,166,970
LIABILITIES			
Current Liabilities:			
Accounts Payable and Accrued Liabilities	5,329,423	256,076	8,663
Compensated Absences Payable	0,020,120	200,070	7,158
Payable to Primary Institution	7,067,253	72,858	7,100
Accrued Payroll	1,410,975	7,395	8,184
Gift Annuities & Life Income Agreements	2,862,232	7,000	0,104
Unearned Revenue	12,217,867		59,374
Other Liabilities		_	39,374
	1,489,973	156 664	_
Current Potion of Long-Term Liabilities	11,540,024	156,664	02.270
Total Current Liabilities	41,917,747	492,993	83,379
Noncurrent Liabilities:			
Deposits	21,187,107	_	_
Investments Held on Behalf of Institutions	3,212,453	_	_
Gift Annuities & Life Income Agreements, Net of Current Portion	16,984,916	_	_
Obligations Under Split-Interest Agreement	7,233,547	_	_
Payable to Primary Institution	646,385	_	_
Other Liabilities	1,212,711	_	52,320
Long-Term Liabilities	85,787,878	11,519,646	_
Total Noncurrent Liabilities	136,264,997	11,519,646	52,320
Total Liabilities	178,182,744	12,012,639	135,699
Net Assets			
With Donor Restriction	1,027,742,733	33,682,778	614,691
Without Donor Restriction			
	258,714,022	5,080,932	1,416,580
Total Net Asset	1,286,456,755	38,703,710	2,031,271
Total Liabilities and Net Assets	\$ 1,464,639,499	\$ 50,776,349	\$ 2,166,970

## Statement of Revenues, Expenses and Changes in Fund Net Assets Component Units FASB Basis

For the Fiscal Year Ended June 30, 2023

	Un	Major iversity System Foundation	Nonmajor n University System Foundation		State Historical Society Foundation		
Support and Revenue			-				
Gifts and Contributions	\$	71,349,256	\$	1,554,293	\$	89,095	
Investment Income		34,808,704		4,756,217		49,107	
Grant Revenue		5,510,397		_		56,850	
Net Realized and Unrealized Losses on Investment							
Securities		(42,718,851)		788,507		31,243	
Program and Event Income		39,512,417		2,523,533		127,944	
Other Income		9,434,140		1,580,334		5,318	
Total Support and Revenue		117,896,063		11,202,884		359,557	
EXPENSES							
Program Services	\$	84,280,777	\$	3,836,868	\$	183,250	
Supporting Services		46,527,770		4,120,549		351,857	
Fund Raising Expense		8,832,029		_		5,264	
Total Expenses		139,640,576		7,957,417		540,371	
Changes in Net Assets	\$	(21,744,513)	\$	3,245,467	\$	(180,814)	
Total Net Assets - Beginning of Year	\$	1,308,201,268	\$	35,518,243	\$	2,212,085	
Total Net Assets - End of Year	\$	1,286,456,755	\$	38,763,710	\$	2,031,271	

### Balance Sheet Governmental Funds June 30, 2023

ounc 55, 2525		Special Rev	enue	Nonmajor	
	General	Federal	State	Governmental Funds	Total
ASSETS					
Cash Deposits at the Bank of ND	\$ 2,767,707,352 \$	545,188,361 \$	2,784,434,645 \$	43,740,846 \$	6,141,071,204
Cash and Cash Equivalents	40,893,607	19,047	15,713,067	190,038	56,815,759
Restricted Cash and Cash Equivalents	_	_	96,890	_	96,890
Investments at the Bank of ND	181,333,625	_	463,580,818	478,492,000	1,123,406,443
Investments	9,585,212,352	_	7,619,863,526	52,292,599	17,257,368,477
Accounts Receivable - Net	33,251,339	53,345,006	130,373,550	3,255	216,973,150
Taxes Receivable - Net	495,222,542	_	153,233,853	96,760	648,553,155
Interest Receivable - Net	34,735,062	_	14,707,674	210,800	49,653,536
Lease Receivable - Net	338,918	225,100	596,621	_	1,160,639
Intergovernmental Receivable - Net	16,219	450,450,846	14,850,056	_	465,317,121
Due from Other Funds	132,774,645	80,891,571	50,462,575	9	264,128,800
Prepaid Items	3,921,328	7,388,911	6,599,060	_	17,909,299
Inventory	3,435,605	24,017,690	10,291,741	_	37,745,036
Loans and Notes Receivable - Net	18,527	132,363	18,234,176	33,177,357	51,562,423
Other Assets	_	_	14,424,000	_	14,424,000
Total Assets	13,278,861,121	1,161,658,895	11,297,462,252	608,203,664	26,346,185,932
DEFERRED OUTFLOWS OF RESOURCES					
Total Deferred Outflows of Resources		_	_	_	_
Total Assets and Deferred Outflows of Resources	\$ 13,278,861,121 \$	1,161,658,895 \$	11,297,462,252 \$	608,203,664 \$	26,346,185,932
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	102,770,180	264,808,574	105,573,885	37,936	473,190,575
Accrued Payroll	54,632,316	8,722,866	15,828,682	_	79,183,864
Securities Lending Collateral	54,557,061	_	319,729,936	6,540,937	380,827,934
Interest Payable	153,991	2,370	1,362,642	_	1,519,003
Intergovernmental Payable	1,316,355	44,076,488	181,152,941	_	226,545,784
Tax Refunds Payable	180,045,719	_	5,454,945	_	185,500,664
Due to Other Funds	55,197,263	131,236,217	102,031,391	140,223	288,605,094
Contract Retainage Payable	31,901	8,520,406	8,996,292	_	17,548,599
Unearned Revenues	391,623	661,523,087	54,459,369	_	716,374,079
Total Liabilities	449,096,409	1,118,890,008	794,590,083	6,719,096	2,369,295,596
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	90,033,058	5,178,750	12,467,653	_	107,679,461
Unpaid Penalty and Interest	_	_	823,698	_	823,698
Right-to-Use Leases	305,026	218,874	669,674	_	1,193,574
Total Deferred Inflows of Resources	90,338,084	5,397,624	13,961,025		109,696,733
Fund Balances:					
Nonspendable					
Inventory	3,435,605	24,017,690	10,291,741	_	37,745,036
Prepaid Expenditures	3,921,328	7,388,911	6,599,060	_	17,909,299
Permanent Trust Fund	_	_	_	79,104,758	79,104,758
Restricted	_	5,958,436	8,231,881,689	521,421,000	8,759,261,125
Committed	1,532,804,951	_	1,938,686,565	958,810	3,472,450,326
Assigned	_	6,226	301,452,089	_	301,458,315
Unassigned	11,199,264,744	· —	_	_	11,199,264,744
Total Fund Balances	12,739,426,628	37,371,263	10,488,911,144	601,484,568	23,867,193,603
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 13,278,861,121 \$	1,161,658,895 \$	11,297,462,252 \$	608,203,664 \$	26,346,185,932

# Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

June 30, 2023

\$ 23,867,193,603

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of assets is \$10,249,436,086 and the accumulated depreciation is \$4,352,404,290.

5,897,031,796

Other assets not available in the current period and therefore are not reported in the governmental funds:

Net Pension Asset

15,684,703

Deferred outflows of resources are not reported in the governmental funds:

**Total Deferred Outflows** 

 Loss on bond refunding
 178,000

 Related to OPEB
 22,556,378

 Related to pensions
 797,933,477

820,667,855

Some of the state's revenues will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are unavailable in the funds.

107,579,858

Internal service funds are used to charge the costs of certain activities to individual funds.

The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in governmental activities in the statement of net position.

77,917,328

Deferred inflows of resources are not reported in the governmental funds:

Total Deferred Inflows

Unpaid penalty and interest 823,698
Related to OPEB (2,082,446)
Related to pensions (470,840,919)

(472,099,667)

Long-term liabilities and related accrued interest are not due and payable in the current period and therefore are not reported as liabilities in the funds. Those liabilities consist of:

Bonds Payable (787, 129, 977)Notes Payable (14,484,880)Accrued Interest on Long-Term Liabilities (3,215,837)Compensated Absences (51,347,406)Lease & SBITA Assets (55,392,967)Other Post-employment Benefit Obligation (42,580,686)Net Pension Liability (1,086,022,801)Claims and Judgments (1,191,341)

(1,191,341)

Total Long-Term Liabilities

(2,041,365,895)

**Net Position of Governmental Activities** 

\$ 28,272,609,581

# Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds

For the Fiscal Year Ended June 30, 2023

			Special F	Reve	nue		Nonmajor		
		General	 Federal	\CVC	State	•	Governmental Funds	Total	
REVENUES									
REVENUES									
Individual and Corporate Income Taxes	\$	803,991,790	\$ _	\$	2,726,682	\$	28,608 \$	806,747,080	
Sales and Use Taxes		1,398,395,757	5,104		323,949,824		_	1,722,350,685	
Oil, Gas, and Coal Taxes		864,764,539	_		2,112,045,879		1,440,993	2,978,251,411	
Business and Other Taxes		64,253,350	_		84,835,475		_	149,088,825	
Licenses, Permits and Fees		10,249,762	947		188,345,056		16,809	198,612,574	
Intergovernmental		834,170	3,064,419,897		50,538,993		_	3,115,793,060	
Sales and Services		3,331,452	387,035		60,094,442		10,130	63,823,059	
Royalties and Rents		48,683,282	298,392		631,682,478		_	680,664,152	
Fines and Forfeits		2,780,094	_		36,945,453		_	39,725,547	
Interest and Investment Income		744,847,324	1,849,583		433,763,224		7,499,464	1,187,959,595	
Tobacco Settlement		11,352	_		24,833,511		_	24,844,863	
Commodity Assessments		_	_		32,367,127		_	32,367,127	
Miscellaneous		8,170,717	21,193,782		10,838,852		547,966	40,751,317	
Total Revenues		3,950,313,589	3,088,154,740		3,992,966,996		9,543,970	11,040,979,295	
EXPENDITURES									
Current:									
General Government		185,254,193	57,912,401		307,926,212		381,949	551,474,755	
Education		819,800,931	411,474,953		345,983,119		_	1,577,259,003	
Health and Human Services		831,305,601	1,735,951,623		93,834,995		149,226	2,661,241,445	
Regulatory		26,620,347	45,694,553		53,826,973		76,754,539	202,896,412	
Public Safety and Corrections		189,898,362	79,530,262		18,431,114		_	287,859,738	
Agriculture and Commerce		26,619,227	59,400,900		86,076,948		_	172,097,075	
Natural Resources		19,090,597	73,487,904		180,286,148		_	272,864,649	
Transportation		146,593	286,078,081		221,807,867		_	508,032,541	
Intergovernmental - Revenue Sharing		4,956,282			1,062,947,724		_	1,067,904,006	
Capital Outlay		8,564,324	317,794,788		100,314,284		_	426,673,396	
Debt Service:		0,001,021	0.1.,1.0.,1.00		.00,01.,201			.20,0.0,000	
Principal		7,713,085	1,390,198		8,019,297		5,955,000	23,077,580	
Interest and Other Charges		1,466,360	361,847		256,911		18,347,000	20,432,118	
Bond and Note Cost of Issuance		- 1,400,500	-				1,523,000	1,523,000	
Total Expenditures	_	2,121,435,902	3,069,077,510		2,479,711,592		103,110,714	7,773,335,718	
Revenues over (under) Expenditures		1,828,877,687	19,077,230		1,513,255,404		(93,566,744)	3,267,643,577	
OTHER FINANCING SOURCES (USES)							· ·		
							240 020 000	240 000 000	
Bonds and Notes Issued		4 000 507	4 000 540		4 000 007		319,038,000	319,038,000	
Lease and SBITA Acquisitions		1,828,537	1,268,548		1,209,367		_	4,306,452	
Sale of Capital Assets		389	_		84,329			84,718	
Transfers In		416,363,306	209,180		111,265,927		10,047,000	537,885,413	
Transfers Out		(432,842,610)	(31,574,451)		(297,878,653)		(30,076,180)	(792,371,894	
Total Other Financing Sources (Uses)		(14,650,378)	(30,096,723)		(185,319,030)		299,008,820	68,942,689	
Net Change in Fund Balances		1,814,227,309	(11,019,493)		1,327,936,374		205,442,076	3,336,586,266	
Fund Balances - Beginning of Year, as restated		10,925,199,319	48,390,756		9,160,974,770		396,042,492	20,530,607,337	
Fund Balances - End of Year	\$	12,739,426,628	\$ 37,371,263	\$	10,488,911,144	\$	601,484,568 \$	23,867,193,603	

# Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Fiscal Year Ended June 30, 2023

Net Change in Fund Balances-Total Governmental Funds		\$ 3,336,586,266
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:		
Capital outlay Depreciation expense Excess of capital outlay over depreciation expense	439,211,850 (249,222,721)	189,989,129
In the statement of activities, only the gain (loss) on the sale of assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the book value of the assets sold.		(3,218,959)
Donations of capital assets increase net position in the statement of activities but do not appear in the governmental funds because they are not financial resources.		111,413
Some of the assets acquired this year were financed through leases and SBITAs payable. The amount financed is reported in the governmental funds as a source of financing. However, leases and SBITAs payable are reported as long-term liabilities in the statement of net position.		(4,796,750)
Based on receipt dates, some revenues are not considered "available" revenues and are unavailable in the governmental funds. Unavailable revenues increased/decreased by this amount this year.		(10,745,137)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of internal service funds is reported with governmental activities.		(9,809,166)
Bonds proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position.		(319,038,000)
The pension assets resulting from contributions in excess of annual required contribution are not financial resources and, therefore, are not reported in the funds.		(16,075,023)
Deferred outflows of resources do not provide current financial resources Amortization of deferred loss on bond refunding Related to OPEB Related to pension Total deferred outflows	(429,000) 12,897,320 263,618,913	276,087,233
Deferred pension inflows are not considered current cash expenses and are not reported as an expenditure in the funds.  Unpaid penalty and interest Related to OPEB Related to pension Total deferred inflows	(94,126) 6,824,098 341,510,929	348,240,901
The net OPEB liability relating to retirement plans		(22,248,623)
The net pension liability relating to retirement plans		(706,313,432)
Repayment of long-term debt is reported as an expenditure in governmental funds but the repayment reduces long-term liabilities in the statement of net position.  In the current year, these amounts consist of:		
Bond principal retirement Note payments Lease payments SBITA payments	7,224,000 1,321,775 8,044,437 399,087	40.000.000
Total long-term debt repayment		16,989,299

Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. This adjustment combines the net changes of the following:

Accrued Interest (2,266,440)
Compensated Absences (3,319,421)
Claims and Judgments (82,841)
Total additional expenditures

Change in Net Position of Governmental Activities

3,070,090,449

(5,668,702)

# Statement of Net Position Proprietary Funds

June 30, 2023

		Busines	s-Type Activitie	es - Enterprise I	- unds		Governmental Activities
	Bank of North	Housing	University	Workforce Safety and	Other Enterprise	T-4-1	Internal
ASSETS	Dakota	Finance	System	Insurance	Funds	Total	Service Funds
Current Assets:							
Cash Deposits at the Bank of ND		\$ 12.085.000	\$ 352,734,716	\$ 3.313.498	\$ 260.569.305	\$ 628,702,519	\$ 39,312,599
Cash and Cash Equivalents		4,000	9,814,754	- 0,0:0,:00	316,527,653	326,346,407	1,514,791
Investments at the Bank of ND		_	185,202,357	_	2,000,000	187,202,357	532,285
Investments		_	72,442	2,067,353,838	74,161,481	2,141,587,761	5,640,474
Accounts Receivable - Net		1,622,000	36,007,565	17,078,042	111,262,389	165,969,996	1,253,782
Interest Receivable - Net		84,000	_	10,398,839	4,465,042	14,947,881	54,515
Lease Receivable - Net		_	236,255	_	_	236,255	_
Intergovernmental Receivable - Net		844,000	39,323,464	_	638,965	40,806,429	408,151
Due from Other Funds		_	60,768,472	_	3,398,624	64,167,096	13,364,329
Due from Component Units		_	12,341,999	_	_	12,341,999	_
Prepaid Items		99,000	_	357,346	4,681,567	5,137,913	4,966,130
Inventory		_	7,889,224	_	49,337,699	57,226,923	149,772
Loans and Notes Receivable - Net		_	2,675,412	_	50,714,603	53,390,015	_
Other Assets		1,086,000	4,323,804	_	109,246	5,519,050	_
Restricted Cash at the Bank of ND		18,815,000	_	_	2,915,717	21,730,717	_
Restricted Cash and Cash Equivalents		198,551,000	_	_	713,000	199,264,000	_
Restricted Investments at the Bank of ND		_	_	_	1,000,000	1,000,000	_
Restricted Interest Receivable - Net		6,496,000	_	_	_	6,496,000	_
Restricted Loans Receivable - Net		35,727,000			59,000	35,786,000	
Total Current Assets		275,413,000	711,390,464	2,098,501,563	882,554,291	3,967,859,318	67,196,828
Noncurrent Assets:							
Restricted Cash at the Bank of ND		_	14,143,066	_	_	14,143,066	_
Restricted Investments at the Bank of ND		_	2,319,200	_	_	2,319,200	_
Restricted Investments		60.456.000	1,875,087	_	_	62,331,087	_
Investments at the Bank of ND		_	61,546,000	_	_	61,546,000	_
Investments		_	12,552,608	_	_	12,552,608	_
Due from Component Units		_	22,014,283	_	_	22,014,283	_
Loans and Notes Receivable - Net		_	9,783,303	_	533,169,169	542,952,472	_
Restricted Loans Receivable - Net		1,540,395,000	_	_	_	1,540,395,000	_
Other Noncurrent Assets		23,297,000	_	_	2,478,654	25,775,654	_
Capital Assets:							
Nondepreciable		_	331,180,329	4,147,400	21,867,613	357,195,342	_
Depreciable, Net		554,000	1,594,893,710	14,474,483	199,538,276	1,809,460,469	125,072,009
Total Noncurrent Assets		1,624,702,000	2,050,307,586	18,621,883	757,053,712	4,450,685,181	125,072,009
Bank Related Assets:							
Cash and Cash Equivalents	\$ 450,323,000					\$ 450,323,000	
Investments	4,344,352,000					4,344,352,000	
Interest Receivable - Net	58,462,000					58,462,000	
Due from Other Funds	196,103,000					196,103,000	
Loans and Notes Receivable - Net	5,043,977,000					5,043,977,000	
Other Assets	74,858,000					74,858,000	
Capital Assets:	7 1,000,000					,000,000	
Nondepreciable	2,449,000					2,449,000	
Depreciable, Net	6,862,000					6,862,000	
Total Bank Related Assets	10,177,386,000					10,177,386,000	
		1 000 115 000	0.704.000.050	0.117.100.110	1 000 000 000		400,000,007
Total Assets	10,177,386,000	1,900,115,000	2,761,698,050	2,117,123,446	1,639,608,003	18,595,930,499	192,268,837
DEFERRED OUTFLOWS OF RESOURCES			0.707.5-5			0.707.6-6	
Deferred Loss on Bond Refunding	_	_	2,797,076	_		2,797,076	_
Decrease in Fair Value of Hedging Derivatives	-	_			148,375	148,375	
Derived from Pensions	17,175,000	5,566,000	170,114,222	24,358,276	22,834,355	240,047,853	58,948,708
Derived from OPEB	561,000	166,000	5,096,094	874,099	765,525	7,462,718	1,939,424
Total Deferred Outflows of Resources	17,736,000	5,732,000	178,007,392	25,232,375	23,748,255	250,456,022	60,888,132

		Business-Type Activities - Enterprise Funds							
	Bank of North	Housing	University	Workforce Safety and	Other Enterprise		Internal		
LIABILITIES	Dakota	Finance	System	Insurance	Funds	Total	Service Funds		
Current Liabilities:									
Accounts Payable		2,621,000	50,350,565	6,457,227	44,458,382	103,887,174	3,264,050		
Accrued Payroll		_	46,342,307	_	1,114,226	47,456,533	4,343,446		
Securities Lending Collateral		<del>-</del>		10,889,438	109,941	10,999,379	37,586		
Interest Payable Intergovernmental Payable		24,047,000	4,160,011	_	1,552,080	29,759,091	1,067,658		
Due to Other Funds		30,000 433,000	713,819 3,051,911	164,474	1,468,684 207,550,842	2,212,503 211,200,227	1,750 383,886		
Due to Component Units			4,005,965	-	201,000,042	4,005,965	303,000		
Contract Retainage Payable		_	8,492,282	_	_	8,492,282	_		
Other Deposits		_	4,863,721	_	_	4,863,721	_		
Amounts Held in Custody for Others		18,824,000	_	_	_	18,824,000	_		
Claims/Judgments Payable Dividends Payable		_	_	114,027,720	3,067,423	117,095,143	1,074,449		
Compensated Absences Payable		376,000	3,085,620	86,800,653	— 175,746	86,800,653	353,394		
Notes Payable		376,000	4,144,734	1,633,580	1/5,/46	5,270,946 4,144,734	443,584		
Leases/SBITAs Payable		_	12,745,125	66,095	8,205,858	21,017,078	11,788,567		
Bonds Payable		60,133,000	21,511,457	_	135,000	81,779,457	_		
Financial Derivative Instrument		_	_	_	148,375	148,375	_		
Unearned Revenue		_	29,910,204	87,692,697	354,362	117,957,263	_		
Other Current Liabilities		<del></del>	<del></del>	<del></del>	4,945,570	4,945,570	<del></del>		
Total Current Liabilities		106,464,000	193,377,721	307,731,884	273,286,489	880,860,094	22,758,370		
Noncurrent Liabilities:									
Intergovernmental Payable  Due to Component Units		_	17,293,919	_	_	17,293,919	_		
Claims/Judgments Payable		_	21,364,146		_	21,364,146	6 040 004		
Compensated Absences Payable		_	33,543,357	836,203,280 265,931	1,286,347	836,203,280 35,095,635	6,848,891 3,860,494		
Notes Payable		_	15,505,733	203,931	1,200,347	15,505,733	906,607		
Leases/SBITAs Payable		_	37,408,642	105,522	32,453,726	69,967,890	20,886,938		
Bonds Payable		1,540,244,000	527,581,415	_	2,007,754	2,069,833,169	_		
Net Pension Liability		7,455,000	253,541,008	36,627,420	32,477,843	330,101,271	78,862,106		
Net OPEB Liability		296,000	9,952,454	1,675,720	1,282,659	13,206,833	3,306,371		
Other Noncurrent Liabilities Total Noncurrent Liabilities		219,000	7,802		27,644,871	27,871,673			
•		1,548,214,000	916,198,476	874,877,873	97,153,200	3,436,443,549	114,671,407		
Bank Related Liabilities: Interest Payable	0.15.500					045 500			
Due to Other Funds	815,563					815,563			
Federal Funds Purchased	1,781,437 205,845,000					1,781,437 205,845,000			
Deposits Held for Other Funds	7,274,834,949					7,274,834,949			
Other Deposits	1,037,112,051					1,037,112,051			
Other Liabilities	1,932,000					1,932,000			
Long Term Liabilities:									
Due within one year	675,672,000					675,672,000			
Due in more than one year  Net Pension Liability	634,000					634,000			
Net OPEB Liability	25,875,000 1,154,000					25,875,000 1,154,000			
Total Bank Related Liabilities	9.225.656.000					9.225.656.000			
Total Liabilities	9,225,656,000	1,654,678,000	1,109,576,197	1,182,609,757	370,439,689	13,542,959,643	137,429,777		
•	9,223,030,000	1,034,070,000	1,109,370,197	1,102,009,737	370,439,009	13,342,333,043	137,429,777		
DEFERRED INFLOWS OF RESOURCES Grants Received Prior to Time Requirements			127,374			127,374			
Unrealized Gain on Interest Rate Swap	63,068,000	_	121,514	_	_	63,068,000	_		
Derived from Pensions	11,769,000	3,016,000	104,870,456	16,462,415	12,914,706	149,032,577	31,196,767		
Derived from OPEB	62,000	13,000	486,237	60,300	22,974	644,511	79,565		
Financial Derivative Instruments	_	15,936,000	_	_	_	15,936,000	_		
Right-to-Use Leases			234,021			234,021			
Total Deferred Inflows of Resources	74,899,000	18,965,000	105,718,088	16,522,715	12,937,680	229,042,483	31,276,332		
NET POSITION									
Net Investment in Capital Assets Restricted for:	9,311,000	112,000	1,282,913,497	18,621,882	164,662,697	1,475,621,076	89,958,901		
Capital Projects			70.000			70.000			
Debt Service	_	217,892,000	72,023 6,132,110	_	772,000	72,023 224,796,110	_		
Loan Purposes	_	217,032,000	23,566,292	_	2,835,337	26,401,629	_		
Pledged Assets	53,798,000	_		_		53,798,000	_		
Unemployment Compensation	_	_	_	_	329,866,491	329,866,491	_		
University System-Nonexpendable	_	_	19,088,200	_	_	19,088,200	_		
University System-Expendable Other	_	_	24,849,106	_	_	24,849,106	_		
Unrestricted	831,458,000	14,200,000	4.025.360	924,601,467	1.515.183 780,327,181	5.540.543	(5,508,041)		
			363,764,569			2,914,351,217			
Total Net Position	\$ 894.567.000		\$ 1.724.411.157		\$ 1.279.978.889	\$ 5.074.384.395	\$ 84,450,860		

June 30, 2023

Total Net Position - Enterprise Funds

Amounts reported for business-type activities in the statement of net position are different because:

Prior year net position restatement and reduction of current year expenses
based on the allocation of internal service fund's net income

Net Position of Business-Type Activities

5,074,384,395

6,761,596 5,081,145,991

# Statement of Revenues, Expenses and Changes in Fund Net Position Proprietary Funds

For the Fiscal Year Ended June 30, 2023

		Bus	iness-Type Activ	vities - Enterprise	e Funds		Activities
	Bank of North Dakota	Housing Finance	University System	Workforce Safety and Insurance	Other Enterprise Funds	Total	Internal Service Funds
OPERATING REVENUES							
Sales and Services Auxiliary Sales Pledges for	\$ 4,751,000	\$ 4,672,000		\$ 188,601,232	\$ 963,179,145	\$1,270,892,451	\$ 139,715,983
Bonds	_		106,908,837 380,216,199		_	106,908,837 380,216,199	_
Tuition and Fees Grants and Contributions	_	_	220,067,559	_	_	220,067,559	24,000
Royalties and Rents	_	_	· · · —	_	132,783	132,783	· —
Fines and Forfeits	_	_	_	1,558,469	_	1,558,469	_
Interest and Investment Income	284,032,000	60,699,000	_		9,473,029	354,204,029	
Miscellaneous	288,783,000		899,756	415,868 190,575,569	342,021	1,657,645	271,193
Total Operating Revenues	200,703,000	65,371,000	817,781,425	190,575,569	973,126,978	2,335,637,972	140,011,176
OPERATING EXPENSES							
Cost of Sales and Services	40.770.000		26,861,050	-	386,573,671	413,434,721	809,467
Salaries and Benefits	19,779,000 15,384,000	1,141,000 11,461,000	862,716,073 362,882,110	28,064,763 2,428,221	32,645,592 416,455,594	944,346,428 808,610,925	57,313,809 67,869,187
Operating Claims	13,364,000	11,401,000	302,002,110	73,272,725	73,397,596	146,670,321	5,434,456
Scholarships and Fellowships	_	_	44,749,106	_	_	44,749,106	_
Interest	40,882,000	39,393,000	_	_	1,610,296	81,885,296	1,542,869
Depreciation	379,000	239,000	95,303,139	3,582,538	11,656,317	111,159,994	22,232,179
Miscellaneous	76,424,000	52,234,000	1,392,511,478	107,348,247	89,411 922,428,477	89,411 2,550,946,202	199,009 155,400,976
Total Operating Expenses		32,234,000	1,392,311,476	107,340,247		2,550,940,202	155,400,976
Operating Income (Loss)	212,359,000	13,137,000	(574,730,053)	83,227,322	50,698,501	(215,308,230)	(15,389,800)
NONOPERATING REVENUES (EXPENSES)							
Grants and Contracts Gifts	_	22,230,000 —	77,653,513 63,478,380	_	1,249,774 —	101,133,287 63,478,380	_
Interest and Investment Income (Loss)	(262,774,000)	43,000	13,150,616	58,385,050	8,943,333	(182,252,001)	429,228
Interest Expense	_	_	(23,429,957)	(4,357,435)	(5,448,227)	, , ,	(111,154)
Dividends Expense	_	_	_	(84,612,149)	_	(84,612,149)	_
Gain (Loss) on Sale of Capital	_	_	1,107,008	_	(120,074)	986,934	1,914,543
Assets Tax Revenue		_	6,323,279	_	(120,074)	6,323,279	
Grant Expense	_	(22,117,000)		_	_	(30,291,714)	_
Other			(1,162,805)	1,365,136	(198,077)	4,254	
Total Nonoperating Revenues	(262,774,000)	156,000	128,945,320	(29,219,398)	4,426,729	(158,465,349)	2,232,617
Income (Loss) Before Contributions and							
Transfers	(50,415,000)	13,293,000	(445,784,733)	54,007,924	55,125,230	(373,773,579)	(13,157,183)
Capital Grants and Contributions	_	_	31,018,883	_	_	31,018,883	_
Transfers In	(30,397,000)	(8,000)	485,697,611 (8,428,383)	_	24,869,417 (23,423,608)	510,567,028 (62,256,991)	53,066
Transfer Out Changes in Net Position	(80,812,000)	13,285,000	62,503,378	54,007,924	56,571,039	105,555,341	(13,104,117)
Total Net Position - Beginning of							
Year, as restated	975,379,000	218,919,000	1,661,907,779	889,215,425	1,223,407,850	4,968,829,054	97,554,977
Total Net Position - End of Year	\$ 894,567,000	\$232,204,000	\$1,724,411,157	\$ 943,223,349	\$ 1,279,978,889	\$5,074,384,395	\$ 84,450,860
Reconciliation of Statement of F Fund Net Position of Proprietary For the Fiscal Year Ended June	Revenues, Expe y Funds to the S	nses and Cha	nges in				
Net Change in Net Position-Tot	tal Enterprise Fu	unds				\$ 10	05,555,341
Amounts reported for business-ty	pe activities in th	ne statement of	net position are	different because:			
Expenses were reduced base	ed on the allocati	on of internal s	ervice fund's net	income			(2,031,008)
Change in Net Position of Busi	ness-Type Activ	vities				\$ 10	03,524,333

Governmental



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## Statement of Cash Flows Proprietary Funds

For the Fiscal Year Ended June 30, 2023

or the Fiscal Year Ended June 30, 2023	Rusines	ss-Type Activities - Enterpris	e Funds					
	Bank of North Dakota	Bank of Housing						
Cash Flows from Operating Activities:	7.705.000							
Receipts from Customers and Users	\$ 7,725,000	\$ 316,333,000	\$ 223,896,481					
Receipts from Tuition and Fees	_	_	380,475,731					
Interest Income on Loans	_	_	2.064.025					
Receipts from Loan Principal Repayments	_	_	2,961,825					
Receipts from Other Funds	_	_	007 440 744					
Receipts from Grants and Contracts	_	<del>-</del>	207,418,711					
Receipts from Others	_		578,494					
Payments to Other Funds	_	(254,408,000)						
Payments for Loan Funds	_	_	(1,977,982					
Payments for Scholarships and Fellowships	_	_	(42,299,117					
Payments to Suppliers	(16,929,000)	(254,906,000)	(378,996,090					
Payments to Employees	(17,540,000)	(4,708,000)	(834,308,413					
Claim Payments	_	_	_					
Payments to Others	_	(655,000)	_					
Other		_	_					
et Cash Provided by (Used for) Operating Activities	(26,744,000)	(198,344,000)	(442,250,360					
ash Flows from Noncapital Financing Activities:								
Proceeds from Bonds	_	251,304,000	_					
Proceeds from Sale of Notes and Other Borrowings	3,775,001,000		_					
Principal Payments - Bonds		(123,540,000)	_					
Principal Payments - Notes and Other Borrowings	(3,208,001,000)	(120,040,000)	_					
	(3,200,001,000)	(22 200 000)	_					
Interest Payments - Bonds	(0.050.653)	(33,300,000)	_					
Interest Payments - Notes and Other Borrowings	(8,952,000)	_						
Tax Collections	_	_	6,323,280					
Transfers In	_	_	33,448,560					
Transfers Out	(30,397,000)	(8,000)	(8,428,384					
Net Decrease in Non-Interest Bearing Deposits	(132,702,000)		_					
Net Increase in Interest Bearing Deposits	310,755,000	_	_					
Payments of Interest on Deposits	(26,916,000)	_	_					
Interest Paid on Federal Funds and Reverse Repurchase Agreements	(5,581,000)	_	_					
Net Decrease in Federal Funds and Reverse Repurchase Agreements		_	_					
·	(557,405,000)	_	_					
Collection of Advances Made	2,149,000	_	040.070.057					
Loan Proceeds from Due To Other Funds	_	_	213,376,357					
Principal Payments on Due To Other Funds	_	_	(213,208,508					
Grants and Gifts Received for Other than Capital Purposes	_	22,230,000	130,359,539					
State Appropriations	_	_	404,741,407					
Grants Given for Other than Capital Purposes	_	(22,117,000)	(8,201,197					
et Cash Provided by (Used for) Noncapital Financing Activities	117,951,000	94,569,000	558,411,054					
ash Flows from Capital and Related Financing Activities:								
Acquisition and Construction of Capital Assets	(456,000)	(19,000)	(179,299,036					
Proceeds from Sale of Capital Assets	(100,000)	(10,000)	1,825,482					
Proceeds from Bonds	_	_	1,023,402					
	_	_	206 505					
Proceeds from Sale of Notes and Other Borrowings	_	_	206,585					
Principal Payments - Bonds	_	_						
Principal Payments - Notes and Other Borrowings	_	_	(35,301,656					
Interest Payments - Bonds	_	_	_					
Interest Payments - Notes and Other Borrowings	_	_	(23,661,813					
Capital Appropriations	_	_	42,498,705					
Payment of Bond Issue Costs	_	_	_					
Payment on Capital Leases	_	_	_					
Interest Payments - Capital Leases		<u> </u>						
· · · · · · · · · · · · · · · · · · ·	_	_	_					
Deposits with capital debt payment trustees	_	_	00 540 504					
Capital Grants and Gifts Received	_	_	28,540,591					
Insurance Proceeds	_	_	727,141					
Principal Payments on Lease/SBITA Payable	_	(198,000)	_					
Interest Paid on Lease/SBITA Payable		(15,000)						
et Cash Provided by (Used for) Capital and Related Financing Activities	(456,000)	(232,000)	(164,464,001					
sh Flows from Investing Activities:								
Proceeds from Sale and Maturities of Investment Securities	772,104,000	10,171,000	174,457,621					
Purchase of Investment Securities	(2,779,223,000)	(3,334,000)	(123,740,318					
Net Increase In Investments	(2,113,223,000)	(0,004,000)	(120,170,010					
	-	-	40.007.000					
Interest and Dividends on Investments	86,416,000	291,000	12,307,683					
Proceeds from Sale of Other Real Estate	2,946,000	_	_					
Net Decrease in Loans	(675,775,000)	_	_					
Disbursements for Loans and Loan Purchases	_	_	_					
Receipt of Loan Principal Repayments	_	_	_					
Proceeds from Collection of Loans and Notes Receivable	_	_	_					
Loan Income Received	180,072,000		_					
Lease Receipts	100,072,000	_	_					
·	(0.440.400.000)	7.400.000	60 004 000					
et Cash Provided by (Used for) Investing Activities	(2,413,460,000)	7,128,000	63,024,986					

Workforce Safety	Other		Internal			
and Insurance	Enterprise	Total	Service Funds			
112,302,561	\$ 1,072,599,315	\$ 1,732,856,357	\$ 3,602,32			
112,302,301	φ 1,072,399,313 —	380,475,731	φ 3,002,32			
_	22,326	22,326				
	1,998,471	4,960,296				
	235,327	235,327	138,942,85			
	255,527	207,418,711	130,342,03			
496,918	1,063,907	2,139,319				
(2,820,705)			(2.200.21			
(2,020,703)	(629,488)	(257,858,193) (6,776,881)	(3,390,31			
_	(4,798,899)		_			
_	(994 442 742)	(42,299,117)	(70 FEC FA			
(24,159,708)	(881,142,713)	(1,531,973,803)	(70,556,54			
,	(31,329,914)	(912,046,035)	(47,459,94			
(123,320,307)	(31,738,297)	(155,058,604)	(148,86			
(1,718,910)	(5,734,006)	(8,107,916)	-			
(30 220 151)	(728,081)	(728,081)	20 080 52			
(39,220,151)	119,817,948	(586,740,563)	20,989,52			
_	_	251,304,000	-			
_	59,950,464	3,834,951,464	-			
_	_	(123,540,000)	-			
_	(75,057,611)	(3,283,058,611)	-			
_	(43,000)	(33,343,000)	-			
_	(4,915,278)	(13,867,278)	-			
_	_	6,323,280	-			
_	24,598,000	58,046,560	-			
_	(20,559,359)	(59,392,743)	-			
_		(132,702,000)	-			
_	_	310,755,000	-			
_	_	(26,916,000)	-			
_	_	(5,581,000)	_			
_	_	(557,405,000)	_			
_	_	2,149,000	_			
_	_	213,376,357	_			
_	(2,411,657)	(215,620,165)	_			
_	1,521,191	154,110,730	_			
_	· · · · —	404,741,407	_			
_	_	(30,318,197)	_			
_	(16,917,250)	754,013,804				
(3,490,200)	(21,928,592)	(205,192,828)	(15,696,70			
(3,430,200)	(21,320,332)	1,825,482	4,004,91			
_	54,897,776	54,897,776	4,004,91			
_	54,697,770		-			
_	(130,000)	206,585	_			
_	(130,000)	(130,000)	(4 520 26			
_	(45.475)	(35,301,656)	(1,538,36			
_	(45,175)	(45,175)	(404.40			
_	_	(23,661,813)	(101,48			
_	(40.000)	42,498,705	-			
(000 507)	(12,900)	(12,900)	(405.40			
(222,507)	_	(222,507)	(135,46			
_	_	_	(65,42			
_	_		53,06			
_	_	28,540,591	-			
_	<del>-</del>	727,141				
_	(8,350,850)	(8,548,850)	(5,600,00			
	(1,124,641)	(1,139,641)				
(3,712,707)	23,305,618	(145,559,090)	(19,079,47			
47,000,000	167,304,190	1,171,036,811	1,097,55			
(4,007,854)	(192,611,521)	(3,102,916,693)	, ,			
	2,834,358	2,834,358	-			
_	6,132,840	105,147,523	75,65			
_		2,946,000				
_	(20,012,000)	(695,787,000)				
_	(81,523,000)	(81,523,000)				
_	21,836,000	21,836,000	-			
_	16,145,196	16,145,196				
	9,135,586	189,207,586				
415,868	3,103,500	415,868				
43,408,014	(70,758,351)	(2,370,657,351)	1,173,21			

### Statement of Cash Flows Proprietary Funds (Continued) For the Fiscal Year Ended June 30, 2023

	Business-Type Activities - Enterprise Funds					
	Bank of North Dakota	Housing Finance	Un	University System		
et Change In Cash:						
Net Increase (Decrease) in Cash and Cash Equivalents	(2,322,709,000)	(96,879,000	)	14,721,679		
Cash and Cash Equivalents at June 30, 2022	2,773,032,000	326,334,000		359,964,869		
Cash and Cash Equivalents at June 30, 2023	\$ 450,323,000	\$ 229,455,000	\$	374,686,548		
conciliation:						
Current:						
Cash Deposits at the Bank of North Dakota	450 000 000	12,089,000		350,728,716		
Cash and Cash Equivalents Restricted Cash Deposits at the Bank of North Dakota	450,323,000	18,815,000		9,814,766		
Restricted Cash and Cash Equivalents	_	198,551,000		_		
Noncurrent:						
Restricted Cash Deposits At The Bank of North Dakota	_	_		14,143,066		
Restricted Cash and Cash Equivalents		_				
Cash and Cash Equivalents	\$ 450,323,000	\$ 229,455,000	\$	374,686,548		
econciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:	1					
perating Income (Loss)	212,359,000	13,137,000		(565,995,449)		
ljustments to Reconcile Operating	212,000,000	10,101,000		(000,000,110)		
Income to Net Cash Provided by Operating Activities:						
Depreciation	379,000	239,000		95,303,143		
Amortization/Accretion  Reglactification of Interest Revenue Expanse	(242.450.000)	(5,404,000		_		
Reclassification of Interest Revenue\Expense  Loss on Sale of Real Estate	(243,150,000) 1,742,000	38,614,000		_		
Net Increase in Fair Value of Investments	1,742,000	2,420,000		_		
Interest Received on Program Loans	_	_,3,000		_		
Dividend Credit Applied to Receivable	_	_		_		
Provision for Losses	_	_		_		
Reduction In Provision for Loan Loss		_		(4.002.606)		
Other Deferred Outflows	_	(2,453,000	`	(4,003,696) (64,041,686)		
Deferred Inflows	_	(1,843,000	,	(79,804,611)		
Change in Assets and Liabilities:		, , ,	,	, , , ,		
(Increase) Decrease in Accounts Receivable	_	(248,536,000	)	8,969,313		
(Increase) Decrease in Interest Receivable	_	(570,000	)	_		
(Increase) Decrease in Due From (Increase) Decrease in Intergovernmental Receivable	2,131,000	(585,000	`	_		
(Increase) Decrease in Intergovernmental Receivable	_	(585,000		(19,578,051)		
(Increase) Decrease in Prepaid Items	_	(13,000	)	(10,010,001)		
(Increase) Decrease in Inventories	_	_		(720,169)		
(Increase) Decrease in Other Assets	(28,120,000)	(2,593,000	)	3,574,940		
Increase (Decrease) in Accounts Payable	_	_		8,485,002		
Increase (Decrease) in Interest Payable Increase (Decrease) in Claims\Judgments Payable	_	_		_		
Increase (Decrease) in Intergovernmental Payable	_	10,000		_		
Increase (Decrease) in Accrued Payroll	_	_		2,505,191		
Increase (Decrease) in Compensated Absences Payable	_	(2,000	,	1,532,642		
Increase (Decrease) in Amounts Held for Others	_	2,653,000				
Increase (Decrease) in Other Deposits	_	20.000		107,488		
Increase (Decrease) in Due To Increase (Decrease) in Unavailable Revenue	_	30,000		3,175,843		
Increase (Decrease) in Net Pension Liability	_	5,205,000		162,895,620		
Increase (Decrease) in Net OPEB Liability		.,,		5,344,120		
Increase (Decrease) in Other Liabilities	27,915,000	1,347,000		_		
Increase (Decrease) in Dividends Payable	_	_		_		
Increase (Decrease) in Lease/SBITA Liability		<del>-</del>				
tal Adjustments	(239,103,000)	(211,481,000	)	123,745,089		
et Cash Provided by (Used for) Operating Activities	\$ (26.744.000)	\$ (198.344,000	) \$	(442,250,360)		
oncash Transactions:						
Net Change in Fair Value of Investments	(262,774,000)	(2,725,000	)	835,058		
Reduction in pension and OPEB liability	_	_		_		
Change in Securities Lending Collateral Investment Income	_	_		_		
Dividends Credited to Premium Billing	_	_		_		
Accounts Receivable Premium Reduction	_	_		_		
Assets Acquired Through Lease	_	_		3,725,494		
Assumption of Notes Payable	_	_		408,891		
Assets Acquired Through Special Assessments	_	_		2,924		
Assets acquired through long-term software based IT arrangements				21,405,477		
Long-term lease receivable initiated Gifts of Capital Assets	_	_		143,087 172,890		
Interest Revenue on Prize Reserves				172,000		
Loans transferred in from State Water Commission RLF						

Business-Type Activities	- Enterp	rise Funds		Governmental Activities
Workforce Safety and Insurance	Oth	ner Enterprise Funds	Total	Internal Service Funds
475,156		55,447,965	(2,348,943,200)	3,083,263
2,838,342	\$	525,277,710	\$ 3,987,446,921	37,744,127
\$ 3.313.498		580.725.675	 1.638.503.721	\$ 40.827.390
3,313,498		261,090,396	627,221,610	39,312,599
_		316,006,562	776,144,328	1,514,791
_		2,915,717	21,730,717	_
_		713,000	199,264,000	_
		_	14,143,066	_
\$ 3.313.498	\$	580.725.675	\$ 1.638.503.721	\$ 40.827.390
92 707 944		E0 611 670	(207 000 056)	(45.442.700)
82,797,814		50,611,679	(207,089,956)	(15,413,799)
3,596,179		11,693,528	111,210,850	22,232,179
_		8,544,375	3,140,375	4 540 000
_		(6,434,617)	(210,970,617) 1,742,000	1,542,869
_		4,137	2,424,137	_
_		632,462	632,462	_
(84,612,149)		(2,853,000)	(87,465,149)	_
_		55,000	55,000	_
(420.746)		1,773,459	1,773,459	_
(420,716) (8,299,147)		209,197 (3,068,830)	(4,215,215) (77,862,663)	(24,945,221)
(12,902,042)		(2,619,997)	(97,169,650)	(20,521,554)
2,327,754		41,717,884	(195,521,049)	709,367
		(5,086)	(575,086)	
385		(2,855,441)	(724,056)	552,017
_		28,736,448 (7,889,216)	28,151,448 (27,467,267)	1,220,096
(96,978)		(2,481,339)	(2,591,317)	871,823
		(7,010,970)	(7,731,139)	(21,470)
_		(235,335)	(27,373,395)	_
1,498,622 —		(1,043,039) —	8,940,585 —	31,817 (1,832,433)
(48,540,000)		1,239,528	(47,300,472)	2,042,239
_		62,022	72,022	(1,675)
40.074		1,871,830	4,377,021	559,354
43,074		74,573 166,593	1,648,289 2,819,593	439,769
_		—	107,488	_
(11,563)		(271,388)	(252,951)	(807,946)
(2,394,671)		_	781,172	_
22,704,317		8,945,461	199,750,398	52,436,276
908,981		186,432	6,439,533	1,895,813
4,394,537		61,598	29,323,598 4,394,537	_
(214,548)		_	(214,548)	_
(122,017,965)		69,206,269	(379,650,607)	36,403,320
\$ (39.220.151)	\$	119.817.948	\$ (586.740.563)	\$ 20.989.521
64,422,667		1,121,835	(199,119,440)	340,207
(5,780,912)		(371,002)	(371,002) (5,780,912)	(28,064)
7,199,566		_	7,199,566	(20,004)
80,217,613		_	80,217,613	_
(80,217,613)		_	(80,217,613)	_
_		(43,892)	3,681,602	6,244,531
_		_	408,891	1,572,911
_		_	2,924 21,405,477	_
_			21,405,477 143,087	_
_		 (517)	172,890	Ξ
05.044.004			 (517)	0.100 ===
\$ 65,841,321	\$	706,424	\$ (172,257,434)	\$ 8,129,585

# Statement of Fiduciary Net Position Fiduciary Funds June 30, 2023

ACCETO	Pensio Other En Funds I Tru	nployee Benefit	Investment Trust Funds	Private-Purpose Trust Funds		stodial unds
ASSETS	Φ 40	000 400	•	<b>A</b> 0.000.000		0.005.007
Cash Deposits at the Bank of ND	\$ 46	5,322,169	\$ —	\$ 6,369,882	\$ 4	10,895,997
Cash and Cash Equivalents		219,547	_	939,054		330,540
Receivables:						
Contributions Receivable	45	5,912,299	_	_		_
Accounts Receivable - Net		_	_	186,787		884,632
Taxes Receivable for Other Governments - Net		_	_	_	5	1,880,677
Interest Receivable - Net	18	3,405,121	519,188	2,071		174
Due from Other Funds		423,007	· —	· —		246,814
Due from Fiduciary Funds		889	_	_		_
Due from Component Units		_	_	_		22,957
Total Receivables	64	,741,316	519,188	188,858	5	3,035,254
Investments, at Fair Value:						
Investments at the Bank of ND		_	_	_		50,000
Equities		5,727,972	156,401,659	_		_
Equity Pool		6,654,494	_	_		_
Fixed Income Pool	1,754	1,125,435	97,809,337	1,368,048		_
Cash and Cash Pool	20	,447,738	2,028,248	_		_
Real Estate Pool		5,863,216	51,874,274	_		_
Mutual Funds	205	,374,006		541,739,388		
Total Investments	7,479	9,192,861	308,113,518	543,107,436		50,000
Invested Securities Lending Collateral	51	,566,249	1,942,415	53,471		
Capital Assets (Net of Depreciation)	2	2,866,784	_	_		_
Total Assets	7,644	,908,926	310,575,121	550,658,701	9	4,311,791
DEFERRED OUTFLOWS OF RESOURCES						
Derived from Pensions	1	,715,386	_	_		_
Total deferred outflows of resources		,715,386				
		, .,	-	-		
LIABILITIES						
Accounts Payable	10	),200,842	199,158	1,550,589		4,882,116
Accrued Payroll		224,335				103,491
Securities Lending Collateral	51	,566,249	1,942,415	53,471		<del></del>
Due to Local Governments		_	_	_	7	9,191,331
Tax Refunds Payable		<del></del>	_	_		59,503
Due to Other Funds		484,104	_	_		348,151
Due to Component Units			_	_		71
Amounts Held in Custody for Others		18,755	_	_		_
Compensated Absences Payable		132,373	_	_		_
Other Liabilities		_	_	_		9,066
Total Liabilities	62	2,626,658	2,141,573	1,604,060	8	34,593,729
DEFERRED INFLOWS OF RESOURCES						
Derived from Pensions		947,020	_	_		_
Unavailable Revenue		· —	_	_		4,187,830
Total deferred inflows of resources		947,020				4,187,830
NET Position						_
Net Position Restricted for:	7.500	100 700				
Pension Benefits	7,582	2,400,726	_	_		_
Other Employee Benefits		649,908	200 400 540	_		_
External Investment Pool Participants		_	308,433,548	_		
Individuals, Organizations, and Other Governments		_	_			5,530,229
Other Purposes	7.500	<u> </u>	200 400 540	549,054,641		5 520 222
Total Net Position Restricted for Pension Benefits and Other Purposes	1,583	3,050,634	308,433,548	549,054,641		5,530,232

# Statement of Changes in Fiduciary Net Position Fiduciary Funds

For the Fiscal Year Ended June 30, 2023

	Pension and Other Employee Benefit Trust Funds	Investment Trust Funds	Private-Purpose Trust Funds	Custodial Funds
ADDITIONS				
Contributions:				
Child Support Collections	\$ —	\$ —	\$ —	\$ 136,117,894
Collections for District Courts	_	_	_	2,485,700
Employer	219,504,430	_	_	_
Employee	212,144,901	_	_	_
From Participants	_	_	45,535,022	7,280
Student, Patient, and Inmate Accounts	_	_	_	6,459,333
Tax Collections for Local Governments	_	_	_	377,790,820
Transfers from Other Funds	531,367	_	_	_
Transfers from Other Plans	1,264,001	_	_	_
Donations	_	_	_	2,564,361
Miscellaneous				200
Total Contributions	433,444,699	· <u> </u>	45,535,022	525,425,588
Investment Income:				
Net Change in Fair Value of Investments	448,681,804	18,041,736	(104,734,778)	_
Interest and Dividends	116,449,356	5,067,745	12,378,744	174
Less Investment Expense	19,217,666	804,003	4,383	
Net Investment Income (Loss)	545,913,494	22,305,478	(92,360,417)	174
Securities Lending Activity:				
Securities Lending Income	373,930	18,156	2,188	_
Less Securities Lending Expense	39,632	3,666	_	_
Net Securities Lending Income	334,298	14,490	2,188	
Repurchase Service Credit	7,134,992	_	_	_
Miscellaneous Income	1,161,240		101,528	1,064,944
Total Additions	987,988,723	22,319,968	(46,721,679)	526,490,706
DEDUCTIONS				
Benefits Paid to Participants	535,848,989	_	_	_
Child Support Distributions	_	_	_	136,117,894
Distributions to District Courts	_	_	_	2,360,832
Distributions of Taxes to Local Governments	_	_	_	376,289,353
Student, Patient, and Inmate Accounts	_	_	_	6,903,483
Refunds	26,114,437	_	_	25,312
Prefunded Credit Applied	14,208,566	_	_	_
Transfer to Other Plans	531,367	_	_	_
Payments in Accordance with Trust Agreements	_	_	55,445,524	_
Administrative Expenses	7,279,343		3,598,185	5,063,526
Total Deductions	583,982,702		59,043,709	526,760,400
Redemption of Units at \$1.00 Per Unit		(9,557,996)		
Net increase (decrease) in Fiduciary Net Position	404,006,021	12,761,972	(105,765,388)	(269,694)
Net Position - Beginning of Year, as Restated	7,179,044,613	295,671,576	654,820,029	5,799,926
Net Position - End of Year	\$ 7,583,050,634	\$ 308,433,548	\$ 549,054,641	\$ 5,530,232

### Combining Statement of Net Position Component Units - Proprietary Funds (Excludes FASB Based Component Units) June 30, 2023

	CHAND	Public Finance Authority	ND Development Fund	State Fair Foundation	Transmission Authority	Total
ASSETS		• • • •				
Current Assets:						
Cash and Cash Equivalents	\$ 2,068,080	<b>-</b>	\$ 20,374,799	\$ 233,596	- \$	22,676,475
Accounts Receivable - Net	74,616	_				74,616
Interest Receivable - Net	_	_	190,894	_	_	190,894
Loans and Notes Receivable - Net	_	_	2,303,128	_	_	2,303,128
Restricted Cash and Cash Equivalents	_	38,379,000	_	17,088	2,488,642	40,884,730
Restricted Investments	_	114,808,000	_		21,012,958	135,820,958
Restricted Interest Receivable - Net	_	5,599,000	_	_	44,485	5,643,485
Restricted Loans Receivable - Net	_	0,000,000	_	_	5,058,334	5,058,334
Total Current Assets	2,142,696	158,786,000	22,868,821	250,684	28,604,419	212,652,620
Total Garrenty toooto	2,142,000	100,700,000	22,000,021	200,004	20,004,410	212,002,020
Noncurrent Assets:						
Restricted Investments	_	916,877,000	_	_	_	916,877,000
Investments	_	_	275,000	_	_	275,000
Loans and Notes Receivable - Net	_	_	13,354,658	25,000	_	13,379,658
Restricted Loans Receivable - Net	_	_	_	_	117,805,200	117,805,200
Capital Assets:						
Nondepreciable	_	_	_	1,115,389	_	1,115,389
Depreciable, Net	_	_	105,097	_	_	105,097
Total Noncurrent Assets		916,877,000	13,734,755	1,140,389	117,805,200	1,049,557,344
Total Assets	2,142,696	1,075,663,000	36,603,576	1,391,073	146,409,619	1,262,209,964
DEFERRED OUTFLOWS OF						
RESOURCES						
Derived from Pensions	_	394,000	_	_	_	394,000
Total Deferred Outflows of Resources		394,000	_	_	_	394,000
LIABILITIES						
Current Liabilities:						
Accounts Payable	364,709	65,000	29,440	10	_	459,159
Interest Payable	_	4,109,000	_	_	429,254	4,538,254
Bonds Payable	_	27,645,000	_	_	5,500,000	33,145,000
Unearned Revenue	27,410	· · · —	_	_	521,406	548,816
Total Current Liabilities	392,119	31,819,000	29,440	10	6,450,660	38,691,229
		- 1,010,000			2,102,202	
Noncurrent Liabilities:						
Bonds Payable	_	443,620,000	_	_	139,600,000	583,220,000
Net Pension Liability		524,000				524,000
Total Noncurrent Liabilities		444,144,000			139,600,000	583,744,000
Total Liabilities	392,119	475,963,000	29,440	10	146,050,660	622,435,229
DEFERRED INFLOWS OF RESOURCES						
Deferred Gain on Bond Refunding	_	3,857,000	_	_	_	3.857.000
Derived from Pensions	_	219,000	_	_	_	219,000
Total Deferred Inflows of Resources		4,076,000				4,076,000
Net Position						
Net Investment in Capital Assets	_	_	105,097	_	_	105,097
Restricted for:						
Debt Service	_	97,861,000	_	_	358,959	98,219,959
Loan Purposes	_	496,005,000	12,808,615	_	_	508,813,615
Endowment Funds-Nonexpendable	_	_	_	2,155,492	_	2,155,492
Other	_	_	_	_	66,466	66,466
Unrestricted	1,750,577	2,152,000	23,660,424	(764,429)	(66,466)	26,732,106
Total Net Position	\$ 1,750,577	\$ 596,018,000	\$ 36,574,136	\$ 1,391,063	\$ 358,959 \$	636,092,735

Combining Statement of Activities Component Units - Proprietary Funds (Excludes FASB Based Component Units) For the Fiscal Year Ended June 30, 2023

			Program Revenues					G	eneral Revenues							
Functions/Programs	_	Expenses	Charges for Grants and Services Contributions		N	et (Expense) Revenue  Payments from State of North Dakota		of Change in N		Net Position Beginning of Year		Net Position End of Year				
CHAND	\$	2,125,120	\$	1,421,991	\$	1,505,951	\$	802,822	\$	_	\$	802,822	\$	947,755	\$	1,750,577
Public Finance Authority		23,643,000		4,459,000		28,992,000		9,808,000		_		9,808,000		586,210,000		596,018,000
ND Development Fund		1,043,585		1,326,519		50,649		333,583		8,330,725		8,664,308		27,909,828		36,574,136
State Fair Foundation		718,582		564,634		128,310		(25,638)		_		(25,638)		1,416,701		1,391,063
Transmission Authority		5,526,557		_		5,837,660		311,103		_		311,103		47,856		358,959
	_								_		_				_	
Total Component Units	\$	33,056,844	\$	7,772,144	\$	36,514,570	\$	11,229,870	\$	8,330,725	\$	19,560,595	\$	616,532,140	\$	636,092,735

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### NOTES TO THE FINANCIAL STATEMENTS

For the Fiscal Year Ended June 30, 2023

### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The primary authority for the State's accounting and reporting requirements is the Office of Management and Budget. The Office of Management and Budget has adopted the pronouncements of the Governmental Accounting Standards Board (GASB), which is the nationally accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the State's accounting policies are as follows:

#### A. REPORTING ENTITY

For financial reporting purposes, the State of North Dakota has included all funds, organizations, agencies, boards and commissions that make up its legal entity. The State has also included all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the State are such that exclusion would cause the State's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the State to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the State.

As required by accounting principles generally accepted in the United States of America, these financial statements present the State of North Dakota (the primary government) and its component units. The component units are included in the State's reporting entity because of the significance of their operational or financial relationships with the State.

#### **BLENDED COMPONENT UNITS**

These component units are entities that are legally separate from the State, but are so intertwined with the State that they are, in substance, the same as the State. The following entity is included as a blended component unit, as the State has the ability to impose its will on this organization and the organization provides services entirely to the State. They are reported as part of the State and blended into the appropriate fund types.

**Building Authority (Debt Service Fund and Capital Projects Fund)** - The Building Authority was created by the Legislature as a separate instrumentality of the State. Its purpose is to promote the general welfare of the citizens of the State by providing financing for use by the State in altering, repairing, maintaining or constructing buildings and making any improvements connected to State buildings. The Industrial Commission, which consists of the governor, the attorney general, and the commissioner of agriculture, is the governing board of the Building Authority. The funds of the Building Authority were audited by other independent auditors for the fiscal year ended June 30, 2023, and their report has been previously issued under a separate cover.

Legacy Bond Program (Debt Service Fund) - The Legacy Bond Program was created by the Legislature as a separate instrumentality of the State. Its purpose is to promote the general welfare of the citizens of the State by providing financing for use by the State for infrastructure projects including: the Fargo Diversion Project, Resources Trust Fund, Infrastructure Revolving Ioan fund, highway fund and agriculture products development facility at North Dakota State University. The Industrial Commission, which consists of the governor, the attorney general, and the commissioner of agriculture, is the governing board of the Legacy Bond Program. The funds of the Legacy Bond Program were audited by other independent auditors for the fiscal year ended June 30, 2023, and their report has been previously issued under a separate cover.

#### **DISCRETELY PRESENTED COMPONENT UNITS**

These component units are entities that are legally separate from the State, but are financially accountable to the State. The following entities are included as discretely presented blended component units, as the State has the ability to impose its will on this organization, however the State has no financial obligation to these organizations. The component units' columns of government-wide financial statements include the financial data of these entities.

### MAJOR COMPONENT UNITS

Comprehensive Health Association (Proprietary Fund Type) – The Association was established by the Legislature with participating membership consisting of those insurance companies, licensed or authorized to do business in the State. It provides low cost access to health insurance coverage for residents of the State who are denied adequate health insurance and are considered uninsurable. Under North Dakota Century Code, the Majority Leader of the Senate appoints one member of the Senate and the House of Representatives appoints one member of the House to the eight-member board. The Association was audited by other independent auditors for the calendar year ended December 31, 2022, and their report has been previously issued under a separate cover.

**Public Finance Authority (Proprietary Fund Type)** – The Finance Authority was created by the Legislature as a separate agency of the State. The purpose of the Finance Authority is to make funds available for borrowing by North Dakota political subdivisions through the issuance of its bonds and the purchase of municipal securities of the political subdivisions. The Finance Authority has been granted all powers required in order to accomplish this purpose and is under the control and management of the Industrial Commission. The Fund was audited by other independent auditors for the calendar year ended December 31, 2022, and their report has been previously issued under a separate cover.

**Transmission Authority (Proprietary Fund Type)** – The Transmission Authority was created by the Legislature as a separate agency of the State. The purpose of the Transmission Authority is to make funds available to facilitate the purchase of a transmission line through the issuance of its bonds. The Transmission Authority has been granted all powers required in order to accomplish this purpose and is under the control and management of the Industrial Commission.

North Dakota Development Fund, Inc. (Proprietary Fund Type) – The Development Fund was established as a statewide nonprofit development corporation with the authority to take equity positions in; to provide loans to; or to use other innovative financing mechanisms to provide capital for new or expanding businesses in North Dakota or relocating businesses to North Dakota. A board of directors consisting of eight members, all of whom are appointed by the governor, manages the corporation. The deputy director of the Department of Commerce (a State agency) is the corporation's chief executive officer. The director of the Department of Commerce (governor-appointed cabinet position) is responsible for developing rules, subject to the approval of the board of directors, necessary to implement the administration of the corporation. The Fund was audited by other independent auditors for the fiscal year ended June 30, 2023, and their report has been previously issued under a separate cover.

**North Dakota State Fair Foundation** – The mission of the North Dakota State Fair Foundation is to develop lifelong relationships with donors to secure philanthropic gifts that will enhance and support the work of the North Dakota State Fair. The Fund of the North Dakota State Fair Foundation were audited by other independent auditors for the fiscal year ended September 30, 2022, and their report has been previously issued under a separate cover.

Major and Non-major University System Foundations (Proprietary Fund Type) – The foundations are legally separate, tax-exempt organizations providing support and recognition to their respective colleges and universities through a variety of programs and activities. The foundations are normally managed by a board of directors made up primarily of alumni, friends or leading members of the communities. The component unit financial statements are presented under Financial Accounting Standards Board (FASB) standards. As such, certain disclosures are not reflected for the Major University System Foundation in the major component unit disclosures and no disclosures are included for the Non-major University System Foundation. A complete set of financial statements can be obtained at the North Dakota University System office at 600 E. Boulevard Avenue, #10, Bismarck, ND 58505.

Non-major State Historical Society of North Dakota Foundation – The mission of the State Historical Society of North Dakota Foundation is to provide fundraising and membership development activities to support the State Historical Society of North Dakota which preserves and promotes the heritage of North Dakota and its people. The Fund of the State Historical Society of North Dakota Foundation were audited by other independent auditors for the fiscal year ended June 30, 2023, and their report has been previously issued under a separate cover. The component unit financial statements are presented under Financial Accounting Standards Board (FASB) standards. As such, certain disclosures are not reflected for the Foundation and no disclosures are included for the Foundation.

Complete financial statements for each of the other individual component units may be obtained at the entity's administrative offices as follows:

Building Authority, Public Finance Authority and Legacy Bond Program 1200 Memorial Highway Bismarck ND 58504

Comprehensive Health Associations 4510 13th Ave. South Fargo, ND 58121

State Historical Society of North Dakota Foundation P.O. Box 1976
Bismarck, ND 58502-1976

North Dakota Development Fund, Inc. 1600 E. Century Ave., #6 Bismarck, ND 58503

North Dakota State Fair Foundation P.O. Box 1796 Minot, ND 58702-1796

#### B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

#### **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The Statement of Net Position and Statement of Activities report information on all non-fiduciary activities of the primary government and its component units. Primary government activities are distinguished between governmental and business-type activities.

Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The Statement of Net Position presents the reporting entity's non-fiduciary assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Net position is reported in three categories:

**Net investment in capital assets** consists of capital assets, right-to-use leased assets, subscription-based information technology assets, net of accumulated depreciation and amortization and reduced by outstanding balances for bonds, notes, lease liabilities, SBITA liability and other debt that are attributed to the acquisition, construction, or improvement of those assets.

**Restricted net position** result when constraints placed on net position use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation. Net position restricted by enabling legislation are subject to change by a majority vote of the Legislative Assembly.

**Unrestricted net position** consist of net position that do not meet the definition of the two preceding categories. Unrestricted net position often are designated, to indicate that management does not consider them to be available for general operations. Unrestricted net position often have constraints on resources which are imposed by management, but can be removed or modified.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not meeting the definition of program revenues are instead reported as general revenue.

### **FUND FINANCIAL STATEMENTS**

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide statements. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements, with non-major funds being combined into a single column.

### C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of cash flows.

The State follows the pronouncements of the Governmental Accounting Standards Board (GASB), which is the nationally accepted standard-setting body for establishing accounting principles generally accepted in the United States of America for governmental entities.

Governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as they become susceptible to accrual; generally when they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period.

The State considers tax revenues to be available if they are collected within 60 days of the end of the current fiscal year end. Other revenues are considered to be available if received within one year after the fiscal year end. Major revenues that are determined to be susceptible to accrual include interest, federal grants-in-aid, and taxpayer-assessed taxes such as income, sales, corporate, excise, motor fuel taxes and unemployment compensation contributions. Revenues earned under the terms of reimbursement agreements with other governments or private sources are recorded at the time the related expenditures are made if other eligibility requirements have been met. Sales and use taxes are accrued based upon filings received and an estimate of filings due by June 30. Net income taxes from individuals and corporations are accrued based on current income earned by the

taxpayer before June 30. Quarterly filings, withholding statements, and other historical data are used to estimate income. The revenue is accrued net of an allowance for uncollectible taxes. Unearned revenue is recorded for receivables that are measurable but not available at year-end.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to debt service, compensated absences, and claims and judgments, are recorded only when payment is due and payable.

#### FINANCIAL STATEMENT PRESENTATION

The State reports the following major governmental funds:

The General Fund is the principal operating fund of the State.

The Federal Fund accounts for all the financial resources from the federal government.

The State Special Revenue Fund accounts for activities from state sources, which are restricted legally or administratively for the particular costs of an agency or program.

The State reports the following major enterprise funds:

The Bank of North Dakota Fund finances economic development throughout the state, participates in loans with North Dakota financial institutions, and holds interest-bearing deposit accounts for state and political subdivisions of North Dakota.

The Housing Finance Agency Fund is authorized to issue bonds to make loans to mortgage lenders for qualified residential mortgage loans and to make mortgage and construction loans for multi-family housing within the State of North Dakota.

The University System Fund accounts for all financial transactions of the colleges and universities that compose the University System of North Dakota.

The Workforce Safety & Insurance Fund is financed entirely by premiums assessed to the employers of North Dakota and provides no-fault medical and disability insurance to all North Dakota employees.

Additionally, the State reports the following fund types:

#### **GOVERNMENTAL FUND TYPES**

General Fund accounts for all governmental financial resources, except for those required to be accounted for in other funds.

<u>Special Revenue Funds</u> are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

<u>Debt Service Funds</u> are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

<u>Capital Projects Funds</u> are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets. Capital project funds exclude those types of capital related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

<u>Permanent Funds</u> report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that benefit the government or its citizenry, such as the common schools within the state.

### PROPRIETARY FUND TYPES

<u>Enterprise Funds</u> account for those business-like State activities that provide goods/services to the public, financed primarily through user charges. They are also used to account for operations where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability and other purposes. The State's loan programs, Mill and Elevator, and Fair are reported in this type.

Internal Service Funds account for the financing of goods and/or services provided by one department or agency to another department or agency of a government, or to other governments, on a cost-reimbursement basis. These goods and services

include motor pool services; printing, reproduction and mailing services; information technology; and risk management services. In the government-wide statements, internal service funds are included with governmental activities.

#### **FIDUCIARY FUND TYPES**

<u>Pension and Other Employee Benefits Trust Funds</u> account for resources that are required to be held in trust for the members and beneficiaries of the State's defined benefit pension plans, defined contribution plan, deferred compensation plan, pretax benefits program, and other post-employment benefit plans.

Investment Trust Funds account for the transactions, assets, liabilities, and fund equity of the external pool participants (City of Bismarck, City of Grand Forks, City of Grand Forks Park District, ND Association of Counties, City of Fargo Fargodome, North Dakota State Board of Medicine, Petroleum Tank Release Compensation Fund, Lewis and Clark Interpretive Center Endowment Fund, Veteran's Cemetery Trust Fund and Retirement and Investment Office Investments). The State Investment Board (SIB) provides administrative services for the external pool participants. SIB issues a publicly available financial report that may be obtained by writing to the Retirement and Investment Office, 1600 East Century Avenue, Suite 3, Bismarck, North Dakota 58503. Investment Trust Funds are accounted for in essentially the same manner as Proprietary Funds.

<u>Private Purpose Trust Funds</u> account for resources of all other trust arrangements in which principal and income benefit individuals, private organizations, or other governments. Examples include student donations, the State's college savings plan, and a remediation trust.

<u>Custodial Funds</u> account for assets held by the State as an agent for other governmental units, or other organizations. Examples of funds in this category include state custodial funds for bonding, tax collection, child support disbursement, and funds held for others.

#### D. GENERAL BUDGETARY POLICIES AND PROCEDURES

The State operates through a biennial appropriation that represents departmental appropriations recommended by the governor and presented to the Legislative Assembly at the beginning of each legislative session. The Legislative Assembly enacts the budgets of the various state departments through passage of specific appropriation bills. The governor has line item veto powers over all appropriations subject to legislative override.

Once passed and signed, the appropriation bill becomes the departments' financial plan for the next two years. Changes to the appropriation are limited to Emergency Commission authorization, initiative, allotment, or referendum action. The Emergency Commission can authorize receipt of federal or other moneys not appropriated by the Assembly if the Assembly did not indicate intent to reject the money. The Emergency Commission may authorize pass-through federal funds from one state agency to another. The Emergency Commission may authorize the transfer of expenditure authority between appropriated line items. The Legislature has also passed appropriation laws that authorize directors of certain state agencies to transfer appropriation authority among the various divisions of their specific agency, subject to the Budget Section of the North Dakota Legislative Council's approval. Unexpended appropriations lapse at the end of each biennium, except certain capital expenditures covered under the North Dakota Century Code (NDCC) section 54-44.1-11 and the University System's unexpended general fund appropriation authority.

The State's biennial budget is prepared primarily on a cash basis. The State does not use encumbrance accounting. The legal level of budgetary control is at the agency, appropriation, funding source and expenditure line item level, with administrative controls established at lower levels of detail in certain instances. The State does not formally budget revenues, and it does not budget by fund. The State appropriation is defined through the use of specific expenditure line items. Capital appropriations are generally made at the agency and project level.

North Dakota's Appropriation Act does not present budgets by GAAP fund. Instead, it authorizes General Fund appropriation authority by agency and Other Budgeted Income appropriation authority by agency. Other budgeted income includes all budgeted resources, other than the General Fund, and includes some governmental, proprietary, and fiduciary fund activities.

During the 2021-2023 biennium, there were general, federal and other funds supplemental appropriations totaling \$2,806,648,097.

#### E. CASH AND CASH EQUIVALENTS

Cash and cash equivalents for reporting purposes includes cash and short-term, highly liquid investments that are readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. This includes investments with original maturity of three months or less. Also cash, as reported, may be under the control of the State Treasurer or by other administrative bodies as determined by law. Cash and cash equivalents are

presented on the fund balance sheets as "Cash Deposits at the Bank of North Dakota" and "Cash and Cash Equivalents" to present the unique nature of the relationship between the Bank of North Dakota, an enterprise fund, and other state agencies.

**C66ash Deposits at the Bank of North Dakota** – State agency cash balances, as required by law, are pooled by the State Treasurer and deposited in the Bank of North Dakota, an enterprise fund. These cash balances, in addition to other agency cash deposited at the Bank of North Dakota, are included on the fund balance sheets as "Cash Deposits at the Bank of North Dakota". For purposes of the Government-wide Statement of Net Position, these amounts have been reclassified to internal balances.

Cash and Cash Equivalents – All cash and cash equivalents, (other than cash deposits at the Bank of North Dakota), as permitted by the North Dakota Century Code, are included on the Government-wide Statement of Net Position as "Cash and Cash Equivalents".

The State had no cash overdrafts from pooled cash and investments at June 30, 2023.

All interest revenue is allocated to the General Fund unless state law (as outlined in the North Dakota Century Code) requires allocations of interest to other funds.

#### F. INVESTMENTS

Investments are reported at fair value. Quoted market prices, when available, have been used to value investments. The fair value for securities that have no quoted market price represent estimated fair value. International securities are valued based upon quoted foreign market prices and translated into U.S. dollars at the exchange rate in effect at June 30. In general, corporate debt securities have been valued at quoted market prices or, if not available, values are based on yields currently available on comparable securities of issuers with similar credit ratings. Mortgages have been valued on the basis of their future principal and interest payments discounted at prevailing interest rates for similar instruments. The fair value of real estate investment securities, including timberland, is based on appraisals plus fiscal year-to-date capital transactions. Publicly traded alternative investments are valued based on quoted market prices. When not readily available, alternative investment securities are valued using current estimates of fair value from the investment manager. Such valuations consider variables such as financial performance of the issuer, comparison of comparable companies' earnings multiples, cash flow analysis, recent sales prices of investments, withdrawal restrictions, and other pertinent information. Because of the inherent uncertainty of the valuation for these other alternative investments, the estimated fair value may differ from the values that would have been used had a ready market existed.

The net change in fair value of investments consists of the realized gains or losses and the unrealized increase or decrease in fair value of investments during the year. Realized gains and losses on sales of investments are computed based on the difference between the sales price and the original cost of the investment sold.

Unrealized gains and losses are computed based on changes in the fair value of investments between years. Security transactions are currently accounted for on a trade date basis. Interest income is recorded when earned. Dividend income is recorded on the ex-dividend date.

Purchases of other state funds' debt issues by the Bank of North Dakota have been recorded as normal business transactions if they are the result of arms-length transactions.

Investments are presented on the fund balance sheets as "Investments at the Bank of North Dakota" and "Investments" to present the unique nature of the relationship between the Bank of North Dakota, an enterprise fund, and other state agencies.

**Investments at the Bank of North Dakota** – State agency investments, primarily certificates of deposits of the Bank of North Dakota, are included on the fund balance sheets as "Investments at the Bank of North Dakota." For purposes of the Government-wide Statement of Net Position, these amounts have been reclassified to internal balances.

Investments – State agency investments invested at financial institutions other than the Bank of North Dakota are included on the Government-wide Statement of Net Position as "Investments." Differences on the Fund Balance Sheets between the assets, "Cash at the Bank of North Dakota" and "Investments at the Bank of North Dakota," and the liability, "Deposits Held for Other Funds," is attributable to timing differences resulting from the Bank of North Dakota having a different fiscal year end than many of the other state agencies.

#### G. SECURITIES LENDING

GASB Statement No. 28 "Accounting and Financial Reporting for Securities Lending Transactions," establishes accounting and financial reporting standards for securities lending transactions. The standard requires governmental entities to report securities lent as assets in their balance sheet. Cash received as collateral and investments made with that cash must also be reported as

both an asset and a liability. The statement also requires the costs of the securities lending transactions to be reported as expenses separately from income received. In addition, the statement requires disclosures about the transactions and collateral related to them.

The Agent lends securities of the type on loan at June 30, 2023, for collateral in the form of cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus accrued interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus accrued interest.

Non-cash collateral cannot be pledged or sold unless the borrower defaults. All securities can be terminated on demand by either the lender or the borrower, although the average term of the State's loans was approximately 109 days as of June 30, 2023. Cash open collateral is invested in a short term investment pool, which had an interest sensitivity of 3 days as of this statement date. This pool is valued based on amortized cost. There were no violations of legal or contractual provisions, no borrower or lending agent default losses known to the securities lending agent. There are no dividends or coupon payments owing on the securities lent. Securities lending earnings are credited to participating clients on approximately the fifteenth day of the following month.

Indemnification deals with the situation in which a client's securities are not returned due to the insolvency of a borrower and the Agent has failed to live up to its contractual responsibilities relating to the lending of those securities. The Agent's responsibilities include performing appropriate borrower and collateral investment credit analyses, demanding adequate types and levels of collateral, and complying with applicable Department of Labor and Federal Financial Institutions Examination Council regulations concerning securities lending.

For securities loaned at fiscal year end, the State has no credit risk exposure to borrowers because the amounts the State owes the borrowers exceeds the amounts the borrowers owe the State.

#### H. INTERFUND ACTIVITY AND BALANCES

#### **INTERFUND ACTIVITY**

As a general rule, the effect of interfund activity has been eliminated from the government-wide statements. Exceptions to this rule are: 1) activities between funds reported as governmental activities and funds reported as business-type activities and 2) activities between funds that are reported in different functional categories in either the governmental or business- type activities column. Elimination of these activities would distort the direct costs and program revenues for the functions concerned.

In the fund financial statements, transfers represent flows of assets (such as goods or cash) without equivalent flows of assets in return or a requirement for repayment. Residual transfer amounts exist in the Government-wide Statement of Activities due to different fiscal year ends of various agencies included in business-type activities.

#### **INTERFUND BALANCES**

Interfund receivables and payables have been eliminated from the Statement of Net Position, except for the residual amounts due between governmental and business-type activities.

#### I. INVENTORIES AND PREPAID ITEMS

Inventories of Governmental Funds are valued at cost and are recognized principally using the average cost method. Generally, the cost of Governmental Funds' inventories is recorded as an expenditure when consumed rather than when purchased.

Inventories of Proprietary Funds consist primarily of grain inventories from the North Dakota Mill and Elevator Association. Grain inventories are valued at the June 30 Minneapolis grain market values less freight costs to Minneapolis. Flour, feed and resale inventories are valued at ingredient cost plus manufacturing costs incurred in their production. Proprietary Funds expense the cost of consumable supplies when used.

Generally, inventories of University System Funds are valued at the lower of cost or fair market value. Cost is generally determined on the first in/first out, or moving weighted average method. Inventories consist of food, books, and other merchandise held for resale in auxiliaries and unrestricted physical plant supplies.

Prepaid items reflect payments for costs applicable to future accounting periods. The cost of governmental prepaid items are recorded as expenditures when purchased.

#### J. BOND PREMIUMS / DISCOUNTS

In the governmental funds, bond discounts and premiums are treated as period costs in the year of issue. Bond discounts and premiums are shown as an "other financing source (use)" in the statement of revenues, expenses and changes in fund balance.

In the proprietary funds, bond premiums and discounts are deferred and amortized over the term of the bonds using the effective interest method. The unamortized discount is shown on the statement of net position as a reduction of the bonds payable, and the amortization is included in the statement of revenues, expenses and changes in fund balance as interest expense.

#### K. CAPITAL ASSETS

Capital assets, which include land, buildings, equipment, intangibles (software, easements and other), construction in progress, infrastructure assets and right to use leased assets, are valued at historical cost or at estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their acquisition value on the date of donation. Where necessary, estimates of original cost are derived by factoring price levels from the current period to the time of acquisition. Library books are not capitalized as capital assets except for the University System.

All other capital assets with an original cost of \$5,000 or more per unit and an estimated useful life in excess of one year are capitalized and reported in the applicable government or business-type activities columns in the government-wide financial statements. Exceptions include: infrastructure reported by the Department of Transportation, the threshold is \$100,000 and intangible assets such as easements, water rights, patents and trademarks, the threshold is \$25,000. Capital asset costs include the purchase price or construction cost, plus the costs necessary to place the asset in its intended location and condition for use. In governmental activities. Normal maintenance and repair costs that do not materially add to the value or extend the life of the asset are not capitalized.

Collections of works of art and historical treasures are not capitalized if the following three criteria are met: (1) Held for public exhibition, education, or research in furtherance of public service, rather than financial gain; (2) Protected, kept unencumbered, cared for, and preserved; (3) Subject to organizational policy that requires the proceeds from sales of collection items to be used to acquire other items for collections. The State's non-capitalized collections include the historical artifacts at the various state museums and historical sites, and monuments and other art throughout the capital grounds. Assets that do not meet all three criteria, or that were capitalized as of June 30, 1999, are capitalized and included in the government-wide financial statements.

Infrastructure consists of major statewide public systems and items attached thereto such as freeways, freeway lighting systems, freeway drainage systems, freeway signs, bridges, bridge lighting systems, and sewer systems, including those infrastructure assets acquired prior to June 30, 1980. Infrastructure is reported in the applicable governmental or business- type activities columns in the government-wide financial statements. The Department of Transportation uses the first-in first-out method to remove the capitalized cost of a replaced road along with corresponding accumulated depreciation.

Capital assets in Governmental Funds are recorded as expenditures in the funds used to acquire or construct them in the governmental fund financial statements. Capital assets, along with accumulated depreciation and depreciation expense, which includes amortization of intangible assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Land and construction in progress are not depreciated. With the exception of infrastructure reported by the Department of Transportation (which uses the composite method), other capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>	<u>Assets</u>	<u>Years</u>
Buildings	10-50	Right-to-use Land	20-30
Infrastructure	10-50	Right-to-use Buildings and Improvements	2-52
Furniture, Automobiles, and Equipment	3-20	Right-to-use Furniture, Automobiles, and Equipment	2-7
Intangibles	3-99	Right-to-use Infrastructure	2-30

#### L. DEFERRED OUTFLOWS OF RESOURCES

Deferred outflow of resources represents a consumption of net assets by the government that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources are reported in the applicable governmental or business-type activities columns, or in the component units column on the government-wide Statement of Net Position.

#### M. LEASES

The State leases land, office facilities, office and computer equipment, and other assets. Leased right of use assets and the corresponding lease liability are recorded at the present value of future payments over the shorter of the lease term or the assets useful life. The future lease payments are discounted using the implicit rate identified in the lease, or if not identified, then the States incremental borrowing rate is used. The leased right of use assets are amortized on a straight-line basis.

#### N. Subscription Based Information Technology Arrangements

The State leases information technology arrangements on a subscription basis. Subscription based information technology arrangements (SBITA) and the corresponding liability are recorded at the present value of future payments over the shorter of the term or the assets useful life. The future lease payments are discounted using the implicit rate identified in the arrangement, or if not identified, then the States incremental borrowing rate is used. The SBITA's are amortized on a straight-line basis.

#### O. FEDERAL FUNDS PURCHASED

Federal Funds Purchased represent federal funds borrowed by the Bank of North Dakota from member banks generally on an overnight basis at the federal funds rate.

#### P. CLAIMS/JUDGMENTS PAYABLE

Claims/Judgments Payable is primarily Workers Compensation Claims Incurred But Not Yet Reported (IBNR) by the claimants as well as claims related to various litigation matters.

#### Q. COMPENSATED ABSENCES

#### ANNUAL LEAVE

State employees accrue vested annual leave at a variable rate based on years of service. Teachers employed by the State do not receive annual leave. In general, accrued annual leave cannot exceed 30 days at each year end, as set by the agency. The amount of annual leave earned ranges between one and two days per month, and is fixed by the employing unit per section 54-06-14 of the NDCC.

The governmental fund financial statements recognize annual leave when the liability is incurred and payable from available expendable resources. This normally occurs only if an employee has unused reimbursable leave still outstanding at the time of their termination. The government-wide financial statements present the cost of accumulated annual leave as a liability. Proprietary and Fiduciary Funds recognize the expense and accrued liability when the annual leave is earned.

#### SICK LEAVE

The North Dakota Century Code, section 54-06-14, states employees accrue sick leave at the rate of one to a maximum of one and one-half working days per month of employment without limitation on the amount that can be accumulated. Employees vest at ten years of creditable service, at which time the State is liable for ten percent of the employee's accumulated unused sick leave. The governmental fund financial statements recognize sick leave as it is incurred. The government-wide financial statements present the estimated cost of sick leave as a liability after an employee has been employed by the State for five consecutive years.

#### R. DEPOSITS

The following two liability line items are presented in the Government-wide Statement of Net Position and/or fund financial statements:

**Deposits Held For Other Funds.** "Deposits Held for Other Funds" are those deposits held by the Bank of North Dakota for other funds included in the reporting entity and shown on the fund financial statements. For purposes of the Government-wide Statement of Net Position, these amounts have been reclassified to internal balances.

Other Deposits. "Other Deposits" are those deposits held by the Bank of North Dakota for non-reporting entity third parties. It also includes deposits held for students of the University System.

Differences on the fund balance sheets between the liability "Deposits Held for Other Funds" and the assets "Cash Deposits and Investments at the Bank of North Dakota" are attributable to timing differences resulting from the Bank of North Dakota having a different accounting year end than many other state agencies.

#### S. NET PENSION LIABILITY (ASSET)

For purposes of measuring the net pension liability (asset) and deferred outflows/inflows related to pension, and pension expense, information about the fiduciary net position of the North Dakota Public Employee Retirement System (PERS), North Dakota Highway Patrolmen's Retirement System (NDHPRS), Retirement Plan for the Employees of Job Service North Dakota (JSND) and North Dakota Teachers' Fund for Retirement (TFFR) and additions to / deductions from PERS, NDHPRS, JSND and TFFR's fiduciary net position have been determined on the same basis as they are reported for PERS, NDHPRS, JSND and TFFR. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The primary government's proportionate share of pension amounts were further reallocated to the propriety funds (business-type activities) based on the amount of employer contributions paid by each proprietary fund. Pension investments are reported at fair value.

#### T. NET OTHER POST EMPLOYMENT BENEFITS LIABILITY

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the North Dakota Public Employees Retirement System (NDPERS) and additions to/deductions from NDPERS' fiduciary net position have been determined on the same basis as they are reported by NDPERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Job Service North Dakota engaged an actuary to determine the net OPEB liability, deferred outflows of resources and deferred inflow of resources related to OPEB and OPEB expense for its Met Life Insurance Benefit plan.

#### U. DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources represent an acquisition of net assets that applies to a future period, and so will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources are reported in the applicable governmental or business-type activities columns or in the component units column on the government-wide Statement of Net Position. Deferred inflows of resources of governmental funds, proprietary fund, and discrete component units are reported in detail in their respective fund statements.

Lease-related amounts are recognized at the inception of leases in which the State is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that related to future periods, less any lease incentives paid to, or on behalf of, the lessee at the commencement of the lease term. The inflow of resources is recognized in a systematic and rationale manner over the lease term.

#### V. NET POSITION/FUND BALANCE

The difference between fund assets and liabilities is "Net Position" on the government-wide, proprietary, and fiduciary fund statements, and "Fund Balance" on governmental fund statements.

#### **CLASSIFICATIONS**

Fund balance classifications for governmental funds are reported in two general classifications, nonspendable and spendable. Nonspendable represents the portion of fund balance that is not in spendable form such as inventories and prepaids. Spendable fund balance is further categorized as restricted, committed, assigned, and unassigned.

The <u>restricted fund balance</u> category includes amounts that can be spent only for the specific purposes stipulated by the State constitution and external parties, such as the federal government, or through enabling legislation.

The <u>committed fund balance</u> classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority, the state's legislature, through legislation, that is not considered as enabling legislation, passed into law.

<u>Assigned fund balance</u> classifications are used when the amounts are to be used for specific purposes but do not meet the criteria to be classified as restricted or committed. The assignment of fund balance is generally initiated by the executive branch and later appropriated by the Legislature for a specific purpose. In governmental funds other than the general fund, assigned fund balance also represents the remaining amount that is not restricted or committed.

<u>Unassigned fund balance</u> is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification would only be used to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The State generally segregates restricted, committed, and assigned resources by individual funds within the governmental funds. When resources meeting more than one of these classifications are comingled within an individual fund, the assumed order of spending is restricted first, committed second, assigned third, and finally, unassigned.

#### **BUDGET STABILIZATION FUND**

North Dakota Century Code (NDCC) section 54-27.2-02 requires any amount in the state general fund in excess of sixty- five million dollars at the end of any biennium to be deposited in the Budget Stabilization Fund. Any interest or earnings of the fund must be deposited in the fund per NDCC section 54-27.2-01. However, any amounts provided by law for deposit in the fund and any interest or earning of the fund which would bring the balance in the fund to an amount greater than fifteen percent of the current biennial state general fund budget, as finally approved by the most recently adjourned special or regular session of the legislative assembly, may not be deposited or retained in the fund but must be deposited instead in the state general fund.

NDCC section 54-27.2-03 states that if general fund revenue projections for the biennium will be at least two and one-half percent less than estimated by the most recently adjourned special or regular session of the legislative assembly, and if the governor orders a transfer, which must be reported to the budget section of the legislative management, the state treasurer shall transfer the appropriate funds from the budget stabilization fund to the state general fund to offset the decrease in general fund revenues. The amount transferred upon order of the governor may not exceed the difference between an amount two and on-half percent below the general fund revenue projections for the biennium. The Budget Stabilization Fund, fund balance at June 30, 2023 was \$739,482,398.

#### W. REVENUES AND EXPENDITURES/EXPENSES

In the Government-wide Statement of Activities, revenues and expenses are segregated by activity (governmental or business-type), then further by function for governmental activities (e.g., general government, education, health and human services, etc.). Additionally, revenues are classified between program and general revenues. Program revenues include 1) charges to customers or applicants for goods or services, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues, rather than as program revenue. General revenues include all taxes and money from tobacco settlements. Certain indirect costs are included in the program expenses reported for individual functions.

In the government-wide financial statements, revenues are reported by source and are further classified as either "general purpose" or "restricted". General purpose revenues are available to fund any activity accounted for in the fund. Restricted revenues are, either by State law or by outside restriction (e.g., federal grants), available only for specified purposes. When both general purpose and restricted funds are available for use, it is the State's policy to use restricted resources first. In the governmental fund financial statements, expenditures are reported by character: "Current," "Intergovernmental-revenue Sharing," "Capital Outlay," or "Debt Service." Current expenditures are sub-classified by function and are for items such as salaries, grants, supplies, and services.

Capital outlay includes expenditures for real property or infrastructure (e.g., highways). Intergovernmental-revenue sharing accounts for the distribution of certain tax revenues that are shared with local units based upon constitutional and statutory requirements. Debt service includes both interest and principal outlays related to bonds and payments on long term leases.

Revenues and expenses of proprietary funds are classified as operating or nonoperating and are sub classified by object (e.g., salaries, depreciation, and purchases for resale). Operating revenues consist of sales of goods and services, quasi-external operating transactions with other funds, grant revenues for specific activities that are considered to be operating activities of the grantor, receipts from other agencies for reimbursement of operating transactions, and other miscellaneous revenue that should be classified as operating. Grants that would qualify as an operating activity are those that do not subsidize an existing program, rather they finance a program the agency would otherwise not undertake. For certain loan and investment programs, revenue that would normally be classified as non-operating should be classified as operating. Examples of this would include interest and investment income. All other revenues that do not meet the above criteria should be classified as non-operating.

#### X. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### **NOTE 2 - RESTATEMENTS**

The changes to beginning net position are summarized in the following table (expressed in thousands):

				•		,		
		Government-wide Governmental Activities		Government- wide Business Type Activities		ernmental Fund - ecial Revenue - General Fund	Fun R	vernmental d - Special evenue - leral Fund
June 30, 2022, net position, as previously reported Prior period adjustments:	\$	25,184,434	\$	4,944,689	\$	10,940,165	\$	54,669
GASB 96		(2,772)		_		_		_
Correction of errors		20,857		32,933		(14,966)		(6,278)
June 30,2022, net position, as restated	\$	25,202,519	\$	4,977,622	\$	10,925,199	\$	48,391
	Fι	overnmental und - Special venue - State Fund	Univ	versity System		Other Enterprise Funds		
June 30, 2022, net position, as previously reported Prior period adjustments:	\$	9,146,009	\$	1,664,061	\$	1,188,322		
GASB 96		_		508		_		
Correction of errors		14,966		(2,661)		35,086		
June 30,2022, net position, as restated	\$	9,160,975	\$	1,661,908	\$	1,223,408		

#### A. GASB 96 IMPLEMENTATION

The above prior period adjustment for the implementation of GASB Statement No. 96, Subscription-Based Information Technology Arrangements reflects the removal of assets capitalized that are now reported as SBITA of \$2.7 million and the addition of assets that qualify as SBITA of \$508,000.

The implementation of this standard provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITA) for government end users. The standard requires recognition of certain right-to-use assets – an intangible asset (SBITA) and a corresponding subscription liability that previously were classified as technology expenses.

#### **B. CORRECTION OF ERRORS**

Correction of errors include transfers or previously expensed items to different reporting units of \$21.2 million, recognition of assets previously expensed of \$12.7 million, removing bond premium of \$14.4 million erroneously recorded, proper recognition of a receivable previously not reported of \$28.8 million and corrections to capital assets of \$2.6 million.

#### **NOTE 3 - DETAILED NOTES ON ACCOUNT BALANCES**

#### A. DEPOSITS

#### **CUSTODIAL CREDIT RISK**

The State minimizes custodial credit risk by restrictions set forth in state statute. Custodial credit risk is risk associated with the failure of a depository financial institution. In the event of a depository financial institution's failure, the State would not be able to recover its deposits or collateralized securities that are in the possession of the outside parties.

State law generally requires that all State funds be deposited in the Bank of North Dakota. NDCC 21-04-01 provides that public funds belonging to or in the custody of the State shall be deposited in the Bank of North Dakota. Also, NDCC 6-09-07 states, "all state funds . . . must be deposited in the Bank of North Dakota" or must be deposited in accordance with constitutional and statutory provisions. The State does not have a formal policy that addresses custodial credit risk for deposits.

At June 30, 2023, the bank balance of the primary government's deposits was \$375,047,915. Of the bank amount, \$92,387,000 was uncollateralized and uninsured.

There were significant concentrations of uninsured and uncollateralized deposits in the Bank of North Dakota and University System at June 30, 2023. Their uninsured and uncollateralized deposits totaled \$92.3 million and \$756,000, and their bank deposits totaled \$93 million and \$632.8 million, respectively.

At June 30, 2023, the bank balance of the major component units' deposits was \$61,561,205. Of the bank amount, \$59,242,441 was uncollateralized and uninsured.

The internal receivable amount in the governmental activities column in the Statement of Net Position includes Cash and Investments at the Bank of North Dakota for governmental activities. The internal payable amount in the business-type activities column includes deposits the Bank has for governmental activities. Because the Bank has a different fiscal year end, these internal balances do not equal.

#### B. INVESTMENTS

The investment policies of the State of North Dakota are governed by NDCC 6-09-07, 15-10-12, and 21-04-02, indicating that all public funds must be deposited in the Bank of North Dakota unless there are other constitutional or statutory provisions. If there are no statutory provisions and the funds are invested outside the Bank of North Dakota, the state agency must have the permission of the North Dakota Industrial Commission.

Investments are generally managed by the State Investment Board, the North Dakota Department of Trust Lands, the Bank of North Dakota, and the North Dakota State Treasurer's Office. Management responsibilities and investment instruments as authorized by statute are as follows:

1. State Investment Board (SIB) – NDCC 21-10 designates the SIB with investment responsibilities for the Public Employees' Retirement System, Bonding Fund, Teachers' Fund for Retirement, Fire and Tornado Fund, Workforce Safety & Insurance Fund, Legacy Fund, and other specific funds. The Century Code states the SIB shall apply the prudent investor rule in investing funds under its supervision. The retirement funds belonging to the teachers' fund for retirement and the public employees' retirement system must be invested exclusively for the benefit of their members and in accordance with the respective funds' investment goals and objectives.

The State Investment Board's investment policy allows investment managers to use derivative securities to hedge or replicate underlying exposures but not for speculation. All derivatives are considered investment derivative investments. The SIB had four types of derivative securities at June 30, 2023: futures, options, swaps and currency forwards.

- 2. North Dakota Department of Trust Lands The Century Code states that the Department of Trust Lands shall apply the prudent investor rule in investing its funds. The investment policies of the Board allow the use of derivative securities to hedge or replicate underlying exposures but not for speculation. All derivatives are considered investment derivative investments.
- 3. The Bank of North Dakota NDCC 6-09 authorizes the Bank of North Dakota. The Bank is owned and operated by the State of North Dakota under the supervision of the North Dakota Industrial Commission. The Bank may have investments in anything that any bank lawfully may do, except what is restricted by NDCC 6-09.
- 4. The North Dakota State Treasurer's Office The North Dakota Constitution and various sections of the Century Code authorize the State Treasurer to invest all State funds deposited with the State Treasury. However, the State Treasurer must invest the public funds with the Bank of North Dakota unless there is statutory authority to do otherwise. Generally, the State Treasurer pools deposits and invests in money market accounts and Bank of North Dakota certificates of deposit.
- 5. University System NDCC 15-55-05 and 15-55-06 govern the investment of proceeds of revenue bonds and revenues pledged to bondholders. Such proceeds must be invested in the Bank of North Dakota, in a separate fund in the State Treasury or in a duly authorized depository for the state funds that is a member of the federal deposit insurance corporation. The University System may invest such funds in direct obligation of, or in obligations where the United States of America guarantees the principal and interest, or obligations of the State of North Dakota or any municipality as defined in NDCC Section 21-03-01.

Agency investments, of the primary government, under management of the State Investment Board are included below with the Pension and Investment Trust funds.

#### **INTEREST RATE RISK**

Interest rate risk is the risk that changes in interest rates of debt securities will adversely affect the fair value of an investment. The price of a debt security typically moves in the opposite direction of the change in interest rates. The State does not have a formal investment policy that limits investment maturities as a means of managing its exposure to potential fair value losses arising from future changes in interest rates. However, North Dakota Housing Finance's respective bond resolutions permit only investments that will not adversely affect the rating quality of the outstanding bonds. Also, the maturity date or the date on which such investment obligations may be redeemed shall coincide as nearly as practicable with the date or dates on which moneys in the funds or accounts for which the investments were made will be required. The Bank of North Dakota's investment policy provides for a duration range of one to four years, which will serve to decrease interest rate risk.

At June 30, 2023, the following tables show the debt securities of the primary government and major component units by investment type and maturity (expressed in thousands).

#### **Primary Government (includes Pension and Investment Trust Funds)**

Investment Type		Total Fair Value	l	₋ess Than 1 Year	1	l - 6 Years	6	- 10 Years	1	More Than 10 Years	Ur	Maturity ndetermined
Asset Backed Securities	\$	515,181	\$	3,843	\$	181,214	\$	187,835	\$	142,289	\$	
Bank Loans	Ψ	10,169	Ψ	3,043	Ψ	8,247	Ψ	1,922	Ψ	142,203	Ψ	
Collateralized Bonds		1,652				0,247		1,652				_
Commercial Mortgage-		1,032		_		_		1,032		_		
Backed		2,312,430		5		1,984,721		9,147		318,557		_
Commercial Paper		106,717		106,717		_		_		_		
Corporate Bonds		2,428,754		244,566		1,295,173		434,372		454,643		
Corporate Notes		_		_		_		_		_		
Corporate Convertible Bonds		16,887				9,235		81		7,571		_
Government Agencies		446,468		8,371		427,468		6,523		4,106		_
Government Bonds		3,474,966		507,160		2,403,599		99,020		465,187		_
Government Issued CMB		18,255		55		3,967		9,243		4,990		
Government Mortgage-												
Backed		1,443,339		91		7,121		17,292		1,418,835		_
Repurchase Agreements		(786)		(786)				_		_		
Index Linked Government Bonds		776,612		8,677		358,588		264,732		144,615		
Municipal/Provincial Bonds		91,489		39,911		27,220		6,968		17,390		_
Non-Government-Backed												
CMOs		113,807		806		8,053		6,040		98,908		_
Short Term Bills and Notes		459,152		459,152		_		_		_		_
Pooled Investments		1,500,636		2,821		685,257		661,437		151,120		1
Funds - Other Fixed												
Income		303,462		(33,895)		106,970		116,816		38,706		74,865
Funds - Short Term		110,764		110,261		_		_		_		503
Funds - Corporate Bonds		20		_		_		_		_		20
Funds - Muni/Provincial Bonds		11				_		_				11
Funds - Gov' Agencies		13										13
Total Debt Securities	\$	14,129,998	\$	1,457,755	\$	7,506,833	\$	1,823,080	\$	3,266,917	\$	75,413
Limited Partnership	\$	916,198	\$	120,788	\$	626,311	\$	60,388	\$	39,297	\$	69,414

#### **Major Component Units**

Investment Type		Total Fair Value		Less Than 1 Year		1 - 6 Years		6 - 10 Years		More Than 10 Years
Commercial Paper	\$	38,708	\$	38,708	\$	_	\$	_	\$	_
Corporate Notes		9,413		4,935		4,478		_		_
Government Agencies		8,058		1,141		6,917		_		_
Government Bonds		41,494		36,166		5,328		_		_
Short Term Bills and Notes		5,941		5,941		_		_		_
Total Debt Securities	\$	103,614	\$	86,891	\$	16,723	\$	_	\$	_

The fair values of inflation indexed bonds are reflected in the tables above, based on their stated maturity dates. The principal balances of these bonds are adjusted every six months based on the inflation index for that period.

Some investments are more sensitive to interest rate changes than others. Variable and floating rate collateralized mortgage obligations (CMO's), asset-backed securities (ABS), interest-only and principal-only securities are examples of investments whose fair values may be highly sensitive to interest rate changes.

Interest-only (IO) and principal-only (PO) strips are transactions which involve the separation of the interest and principal components of a security. They are highly sensitive to prepayments by mortgagors, which may result from a decline in interest rates. The State held PO's valued at \$4.8 million and held IOs valued at \$18.9 million. The State has no policy regarding IO or PO strips.

#### CONCENTRATION OF CREDIT RISK

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The State does not have an investment policy that specifically addresses concentrations of credit risk in a single issuer, however the Bank of North Dakota has established asset allocation ranges for investments as a percentage of their total portfolio.

The Bank of North Dakota had the following concentrations at June 30, 2023 (expressed in thousands):

	Amount	Percent
Federal Agency		
U.S. Treasury Securities	\$ 1,955,132	45.4 %
Federal Home Loan Bank	205,005	4.7 %
Small Business Administration	98,382	2.3 %
Farm Credit	57,368	1.3 %
Freddie Mac	12,121	0.3 %
Mortgage-backed		
Fannie Mae	43,301	1.0 %
Freddie Mac	1,933,531	44.9 %
Others less than 5%	2,512	0.1 %
	\$ 4,307,352	100.0 %

#### **CREDIT RISK**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The State maintains a highly diversified portfolio of debt securities encompassing a wide range of credit ratings. Although the State has no overall policy regarding credit risk, each debt securities manager is given a specific set of guidelines to invest within based on the mandate for which it was hired. The guidelines specify in which range of credit the manager may invest. These ranges include investment grade and below investment grade categories. The Bank of North Dakota's investment policy provides minimum credit quality ratings for its investments and asset allocation ranges for investments as a percentage of the total portfolio.

As of June 30, 2023, the following tables present the debt securities of the primary government and major component units and their respective ratings (expressed in thousands).

### Primary Government (includes Pension and Investment Trust Funds) S&P Credit Rating\*

	Total Fair Value	AAA	AA	Α	BBB	BB	В	CCC	CC	С	D	Not Rated
Asset Backed Securities	515,182	\$ 281,601	\$ 67,385	\$ 51,081	\$ 20,516	\$ 1,684	\$ 498	\$ 2,437	\$ 741	\$ —	\$ 607	\$ 88,632
Bank Loans	10,169	_	_	_	429	1,961	6,102	88	_	_	_	1,589
Collateralized Bonds	1,652	1,652	_	_	_	_	_	_	_	_	_	_
Commercial Mortgage- Backed	2,312,430	2,224,533	10,782	8,128	8,600	1,037	2,449	1,604	18	_	_	55,279
Commercial Paper	106,717	_	_	57,240	_	_	_	_	_	_	_	49,477
Corporate Bonds	2,427,713	19,489	84,452	728,398	1,300,138	204,932	60,416	12,283	39	25	117	17,424
Corporate Convertible Bonds	17,928	_	_	52	3,532	6,162	_	1,852	_	_	_	6,330
Government Agencies	444,738	397,651	21,882	6,306	10,763	3,682	_	_	_	_	_	4,454
Government Bonds	2,020,071	1,961,872	3,006	2,087	30,777	13,418	2,395	852	_	_	_	5,664
Government Mortgage Backed	1,062,793	_	1,032,051	9,381	17,876	1,888	388	_	_	_	_	1,209
Government Issued CMB	15,871	2,239	13,029	_	603	_	_	_	_	_	_	_
Index Linked Gov't Bonds	117,046	_	_	_	_	_	_	_	_	_	_	117,046
Municipal/ Provincial Bonds	90,488	23,507	40,103	13,720	629	723	_	951	_	_	_	10,855
Non-Government Backed CMOs	113,808	28,673	7,466	14,956	6,784	3,335	938	378	361	_	_	50,917
Repurchase Agreements	(786)	_	_	_	_	_	_	_	_	_	_	(786)
Short-Term Investment Funds	4,479	_	4,479	_	_	_	_	_	_	_	_	_
Funds - Other Fixed Income	303,463	_	_	_	_	_	_	_	_	_	_	303,463
Funds - Short Term Investment	110,764	_	_	_	_	_	_	_	_	_	_	110,764
Funds - Corporate Bond	20	_	_	_	_	_	_	_	_	_	_	20
Funds - Municipal / Prov. Bonds	11	_	_	_	_	_	_	_	_	_	_	11
Funds - Govt Agencies	2	_	_	_	_	_	_	_	_	_	_	2
Pooled Investments	1,421,715	448,519	263,424	511,166	66,509	18,471	26,042					87,584
Total Credit Risk Debt Securities	11,096,274	\$5,389,736	\$1,548,059	\$1,402,515	- \$1,467,156	\$257,293	\$ 99,228	\$20,445	\$ 1,159	\$ 25	\$ 724	\$ 909,934
US Gov't & Agencies**	2,815,748											
Mutual Funds	217,960											
Total Debt Securities	\$14,129,982											

#### **Major Component Units**

	F	Total air Value	AAA	AA	 Α	 BBB
Commercial Paper	\$	38,708	\$ _	\$ _	\$ 38,708	0
Short Term Bills & Notes		6,169	228	_	5,941	_
Government Agencies		7,830	_	7,830	_	_
Corporate Notes		9,413		1,304	 6,305	1,804
Total Credit Risk Debt Securities		62,120	\$ 228	\$ 9,134	\$ 50,954	\$ 1,804
US Gov't & Agencies		41,494				
Total Debt Securities	\$	103,614				

<sup>\*</sup>Ratings are determined in the following order: 1) S&P rating, 2) Moody's rating, 3) Fitch rating, 4) Manager-determined rating (internal rating) and 5) if no ratings are available using steps 1-4, then shown as not rated.

#### FOREIGN CURRENCY RISK

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. Although the State Investment Board does not have a formal investment policy governing foreign currency risk, the board does manage its exposure to fair value loss by requiring their international securities investment managers to maintain diversified portfolios to limit foreign currency and security risk. The Department of Trust Lands treats currency exposure in two different ways, depending on the type of investment. For the Board's international equity portfolio, the currency exposure is not hedged, as currency exposure is one of the items that adds diversity to the overall portfolio. For foreign bonds, the Board fully hedges the currency exposure, as the purpose of this portfolio is to generate more consistent returns.

At June 30, 2023, foreign currency risk exposure on investments managed by the Department of Trust Lands and State Investment Board were as follows (expressed in thousands).

<sup>\*\*</sup>US government agency securities explicitly guaranteed by the US government are categorized here. Credit ratings of US government agency securities that are only implicitly guaranteed by the US government are categorized accordingly in the main body of this table. Implicitly guaranteed agency securities included in the *Gov't Agencies, Gov't Bonds, Gov't Mortgage Backed, Gov't Issued CMB, Index Linked Gov't Bonds, and Short Term Bills and Notes categories are issued by FNMA, FHLB, FHLMC, and SLMA.* 

### **Primary Government (includes Pension and Investment Trust Funds)**

Barzilian dollar   9,127	Currency	Short-		 Debt	 Equity	 l Estate		Total
Brazillan real         (30)         —         18,025         —         17,995           British pound sterling         (25,935)         18,683         215,186         —         207,934           Chilean peso         (315)         —         676         —         361           Chinese yuan remninbi         301         —         —         —         301           Chinese yuan         —         —         —         301         —         —         —         301           Chinese yuan         —         —         —         32         —         322         —         322         —         322         —         322         —         322         —         322         —         322         —         322         —         138         —         138         —         138         —         138         —         138         —         138         —         138         —         138         —         138         —         138         —         138         —         138         —         138         —         138         —         138         —         138         —         138         —         138         —         138 </td <td>Argentine peso</td> <td>\$</td> <td>12</td> <td>\$ _</td> <td>\$ _</td> <td>\$ _</td> <td>\$</td> <td>12</td>	Argentine peso	\$	12	\$ _	\$ _	\$ _	\$	12
British pound sterling         (25,935)         18,683         215,186         — 207,934           Canadian dollar         (1,533)         288         118,122         — 116,877           Chilean peso         (315)         — 676         — 301           Chinese yuan renminbi         301         — — 40,750         — 40,750           Columbian peso         — — 40,750         — 40,750         — 40,750           Columbian peso         — — — 32         — 32         — 32           Czech koruna         — — — — 46,498         — 46,498         — 46,498           Egyptian pound         — — — — 15         — 15         — 15           Euro         (24,754)         26,705         389,551         610         392,112           Greed drachma         — — — 95         — 95         — 95           Hong Kong Off-Shore-Chinese yuan reminlis         4,239         — 12,233         — 61,472           Hong Kong dollar         — — — 66,420         — 995         — 95           Hong Kong Off-Shore-Chinese yuan reminlis         1,174         — 1,352         — 2,526           Indonesian rupiah         1,174         — 300         — 810           Indigen Space         6,644         — 3,091         — 9,75	Australian dollar		9,127	_	80,594	_		89,721
Canadian dollar         (1,533)         288         118,122         — 116,877           Chilean peso         (315)         — 676         — 361           Chinese yuan renminbi         301         — — 40,750         — 40,750           Columbian peso         — — — 138         — 138         — 138           Czech koruna         — — — — 32         — 32         — 32           Danish krone         (62)         — — 46,498         — 46,438         — 46,438           Eyptian pound         — — — 155         — — 155         — 16         — 15         — 16         — 15         — 15         — 16         — 15         — 16         — 15         — 15         — 15         — 15         — 15         — 15         — 15         — 15         — 15         — 16         — 15 <td< td=""><td>Brazilian real</td><td></td><td>(30)</td><td>_</td><td>18,025</td><td>_</td><td></td><td>17,995</td></td<>	Brazilian real		(30)	_	18,025	_		17,995
Chilean peso         (315)         —         676         —         361           Chinese yuan         —         —         40,750         —         40,750           Columbian peso         —         —         —         138         —         138           Czech koruna         —         —         —         138         —         138           Czech koruna         —         —         —         15         —         46,436           Egyptlan pound         —         —         —         15         —         16           Euro         (24,754)         26,705         389,551         610         392,112           Greed drachma         —         —         —         15         —         16           Hong Kong Offi-Shore-Chinese yuan reminib         4,239         —         12,233         —         16,472           Hongarian forint         1         —         809         —         810         —         16,472           Hongarian forint         1         —         —         60,420         —         69,420           Hungarian forint         1         —         —         6,644         —         3,091         —<	British pound sterling	(2	25,935)	18,683	215,186	_		207,934
Chinese yuan renminbi         301         —         —         301           Chinese yuan         —         —         40,750         —         40,750           Columbian peso         —         —         138         —         138           Czech koruna         —         —         32         —         32           Danish krone         (62)         —         46,498         —         46,438           Euro         (24,754)         26,705         389,551         610         392,112           Greed drachma         —         —         95         —         95           Hong Kong Off-Shore-Chinese yuan remnibi         4,239         —         12,233         —         6,472           Hong Kong dollar         —         —         69,420         —         69,420           Hungarian forint         1         —         809         —         810           Indian rupee         6,644         —         3,091         —         9,735           Israeli shekel         —         —         6,165         —         6,165           Israeli shekel         —         —         551         —         759           Makiyasian rin	Canadian dollar		(1,533)	288	118,122	_		116,877
Chinese yuan         —         40,750         —         40,750           Columbian peso         —         —         138         —         138           Czech koruna         —         —         32         —         32           Danish krone         (62)         —         46,498         —         46,436           Egyptian pound         —         —         15         —         15           Euro         (24,754)         26,705         389,551         610         392,112           Greed drachma         —         —         95         —         95           Hong Kong Off-Shore-Chinese yuan reminibi         4,239         —         12,233         —         16,472           Hong Kong Jollar         —         —         69,420         —         69,420           Hungarian forint         1         —         809         —         810           Indian rupee         6,644         —         3,091         —         9,735           Indonesian rupiah         1,174         —         1,352         —         2,526           Indonesian rupiah         1,174         —         6,165         —         1,655           Jap	Chilean peso		(315)	_	676	_		361
Columbian peso         —         —         138         —         138           Czech koruna         —         —         32         —         32           Danish krone         (62)         —         46,498         —         46,436           Egyptian pound         —         —         —         15         —         15           Euro         (24,754)         26,705         389,551         610         392,112           Greed drachma         —         —         95         —         95           Hong Kong Off-Shore-Chinese yuan remmibi         4,239         —         12,233         —         16,472           Hong Kong Odlar         —         —         69,420         —         69,420           Hungarian forint         1         —         809         —         810           Indian rupee         6,644         —         3,091         —         9,735           Indonesian rupiah         1,174         —         1,352         —         9,252           Israeli shekel         —         —         6,165         —         6,165           Israeli shekel         —         —         —         551         — <td< td=""><td>Chinese yuan renminbi</td><td></td><td>301</td><td>_</td><td>_</td><td>_</td><td></td><td>301</td></td<>	Chinese yuan renminbi		301	_	_	_		301
Czech koruna         —         32         —         32           Danish krone         (62)         —         46,498         —         46,436           Egyptian pound         —         —         15         —         15           Euro         (24,754)         26,705         389,551         610         392,112           Greed drachma         —         —         95         —         95           Hong Kong Off-Shore-Chinese yuan remnibi         4,239         —         12,233         —         16,472           Hong Kong dollar         —         —         69,420         —         69,420           Hungarian forint         1         —         809         —         810           Indian rupee         6,644         —         3,091         —         9,735           Indoesian rupiah         1,174         —         1,352         —         2,526           Israeli shekel         —         —         6,165         —         6,165           Japanese yen         44,521         (40,045)         247,723         —         252,199           Kuwaiti dinar         —         —         759         —         759 <td< td=""><td>Chinese yuan</td><td></td><td>_</td><td>_</td><td>40,750</td><td>_</td><td></td><td>40,750</td></td<>	Chinese yuan		_	_	40,750	_		40,750
Danish krone         (62)         —         46,498         —         46,436           Egyptian pound         —         —         15         —         15           Euro         (24,754)         26,705         389,551         610         392,112           Greed drachma         —         —         95         —         95           Hong Kong Cong Coff-Shore-Chinese yuan remnibi         4,239         —         12,233         —         16,472           Hong Kong Gollar         —         —         69,420         —         69,420           Hungarian forint         1         —         809         —         810           Indian rupee         6,644         —         3,091         —         9,735           Indonesian rupiah         1,174         —         1,552         —         2,526           Indonesian rupiah         1,174         —         1,552         —         2,526           Indonesian rupiah         1,174         —         1,552         —         2,525           Indonesian rupiah         1,174         —         1,656         —         1,656           Japanese yen         44,521         (40,045)         247,723         —<	Columbian peso		_	_	138	_		138
Egyptian pound         —         15         —         15           Euro         (24,754)         26,705         389,551         610         392,112           Greed drachma         —         —         95         —         95           Hong Kong Off-Shore-Chinese yuan remnibi         4,239         —         12,233         —         16,472           Hong Kong dollar         —         —         69,420         —         69,420           Hong Kong dollar         —         —         69,420         —         69,420           Hungarian forint         1         —         809         —         810           Indian rupee         6,644         —         3,091         —         9,735           Indian rupea         44,521         (40,045)         247,723         —         252,196           Israeli shekel         —         —         6,165         —         6,165           Japanese yen         44,521         (40,045)         247,723         —         252,199           Kuwalit dinar         —         —         759         —         759         —         759         —         759         —         759         —         759	Czech koruna		_	_	32	_		32
Euro         (24,754)         26,705         389,551         610         392,112           Greed drachma         —         —         95         —         95           Hong Kong Off-Shore-Chinese yuan remnibi         4,239         —         12,233         —         16,472           Hong Kong dollar         —         —         69,420         —         69,420           Hungarian forint         1         —         809         —         810           Indian rupee         6,644         —         3,091         —         9,735           Indonesian rupiah         1,174         —         1,352         —         2,526           Israeli shekel         —         —         6,165         —         6,165           Japanese yen         44,521         (40,045)         247,723         —         252,198           Kuwaiti dinar         —         —         551         —         759           Malaysian ringit         —         —         551         —         759           Mexican peso         (337)         —         636         —         299           New Israeli shekel         (1)         —         —         (1)	Danish krone		(62)	_	46,498	_		46,436
Greed drachma         —         —         95         —         95           Hong Kong Off-Shore-Chinese yuan remnibi         4,239         —         12,233         —         16,472           Hong Kong dollar         —         —         69,420         —         69,420           Hungarian forint         1         —         809         —         810           Indian rupee         6,644         —         3,091         —         9,735           Indonesian rupiah         1,174         —         1,352         —         2,526           Israeli shekel         —         —         6,165         —         6,165           Japanese yen         44,521         (40,045)         247,723         —         252,199           Kuwaitti dinar         —         —         —         759         —         759           Malaysian ringit         —         —         —         759         —         759           Mazican peso         (337)         —         636         —         299           New Israeli shekel         (1)         —         —         (1)           New Zaland dollar         370         —         —         1,676	Egyptian pound		_	_	15	_		15
Hong Kong Off-Shore-Chinese yuan remnibi	Euro	(2	24,754)	26,705	389,551	610		392,112
remnibi         4,239         —         12,233         —         16,472           Hong Kong dollar         —         —         69,420         —         69,420           Lungarian forint         1         —         809         —         810           Indian rupee         6,644         —         3,091         —         9,735           Indonesian rupiah         1,174         —         1,352         —         2,526           Israeli shekel         —         —         6,165         —         6,6165           Japanese yen         44,521         (40,045)         247,723         —         252,199           Kuwaiti dinar         —         —         —         759         —         759           Malaysian ringgit         —         —         —         551         —         551           Mexican peso         (337)         —         636         —         299           New Israeli shekel         (1)         —         —         —         (1)           New Zealand dollar         —         1,676         —         1,676           Norwegian krone         87         —         1,4775         —         14,862 <td>Greed drachma</td> <td></td> <td>_</td> <td>_</td> <td>95</td> <td>_</td> <td></td> <td>95</td>	Greed drachma		_	_	95	_		95
remnibi         4,239         —         12,233         —         16,472           Hong Kong dollar         —         —         69,420         —         69,420           Lungarian forint         1         —         809         —         810           Indian rupee         6,644         —         3,091         —         9,735           Indonesian rupiah         1,174         —         1,352         —         2,526           Israeli shekel         —         —         6,165         —         6,6165           Japanese yen         44,521         (40,045)         247,723         —         252,199           Kuwaiti dinar         —         —         —         759         —         759           Malaysian ringgit         —         —         —         551         —         551           Mexican peso         (337)         —         636         —         299           New Israeli shekel         (1)         —         —         —         (1)           New Zealand dollar         —         1,676         —         1,676           Norwegian krone         87         —         1,4775         —         14,862 <td>Hong Kong Off-Shore-Chinese yuan</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	Hong Kong Off-Shore-Chinese yuan							
Hungarian forint			4,239	_	12,233	_		16,472
Indian rupee	Hong Kong dollar		_	_	69,420	_		69,420
Indonesian rupiah	Hungarian forint		1	_	809	_		810
Israeli shekel	Indian rupee		6,644	_	3,091	_		9,735
Japanese yen         44,521         (40,045)         247,723         —         252,199           Kuwaiti dinar         —         —         759         —         759           Malaysian ringgit         —         —         551         —         551           Mexican peso         (337)         —         636         —         299           New Israeli shekel         (11)         —         —         —         (11)           New Israeli shekel         (11)         —         —         —         370           New Israeli shekel         (11)         —         —         —         370           New Zealand dollar         —         —         1,676         —         1,676           Norwegian krone         87         —         14,775         —         14,862           Peruvian neuvo sol         202         —         555         —         257           Polityinpine peso         —         —         193         —         193           Polityinpine peso         —         —         3,657         —         3,655           Qatari riyal         —         —         3,0657         —         3,655	Indonesian rupiah		1,174	_	1,352	_		2,526
Kuwaiti dinar         —         759         —         759           Malaysian ringgit         —         —         551         —         551           Mexican peso         (337)         —         636         —         299           New Israeli shekel         (1)         —         —         —         (1)           New Tawan dollar         370         —         —         —         370           New Zealand dollar         —         —         —         1,676         —         1,676           Norwegian krone         87         —         14,775         —         14,862           Peruvian neuvo sol         202         —         55         —         257           Philippine peso         —         —         193         —         193           Polish zloty         (2)         —         3,657         —         3,655           Qatari riyal         —         —         —         —         —         —           Romanian New Leu         —         —         —         —         —         —         —         —         —         —         —         —         —         —         —         — <td>Israeli shekel</td> <td></td> <td>_</td> <td>_</td> <td>6,165</td> <td>_</td> <td></td> <td>6,165</td>	Israeli shekel		_	_	6,165	_		6,165
Malaysian ringgit         —         551         —         551           Mexican peso         (337)         —         636         —         299           New Israeli shekel         (1)         —         —         —         (1)           New Taiwan dollar         370         —         —         —         370           New Zealand dollar         —         —         1,676         —         1,676           Norwegian krone         87         —         14,775         —         14,862           Peruvian neuvo sol         202         —         55         —         257           Philippine peso         —         —         193         —         193           Polish zloty         (2)         —         3,657         —         3,655           Qatari riyal         —         —         307         —         307           Romanian New Leu         —         —         —         —         —         —         —         —         —         —         —         —         2,099         —         2,099         —         2,099         —         2,099         —         2,099         —         2,099         —	Japanese yen		44,521	(40,045)	247,723	_		252,199
Mexican peso         (337)         —         636         —         299           New Israeli shekel         (1)         —         —         —         (1)           New Taiwan dollar         370         —         —         —         370           New Zealand dollar         —         —         1,676         —         1,676           Norwegian krone         87         —         14,775         —         14,862           Peruvian neuvo sol         202         —         55         —         257           Philippine peso         —         —         193         —         193           Polish zloty         (2)         —         3,657         —         3,655           Qatari riyal         —         —         307         —         307           Romanian New Leu         — <t< td=""><td>Kuwaiti dinar</td><td></td><td>_</td><td>_</td><td>759</td><td>_</td><td></td><td>759</td></t<>	Kuwaiti dinar		_	_	759	_		759
New Israeli shekel         (1)         —         —         —         (1)           New Taiwan dollar         370         —         —         370           New Zealand dollar         —         —         1,676         —         1,676           Norwegian krone         87         —         14,775         —         14,862           Peruvian neuvo sol         202         —         55         —         257           Philippine peso         —         —         193         —         193           Polish zloty         (2)         —         3,657         —         3,655           Qatari riyal         —         —         307         —         307           Romanian New Leu         —         —         —         —         —         —           Russian Ruble         276         —         2,462         —         2,738           Saudi Arabian riyal         —         —         2,099         —         2,099           Singapore dollar         (3,943)         —         13,259         —         9,316           South African rand         —         —         1,166         —         1,16e           South Kor	Malaysian ringgit		_	_	551	_		551
New Taiwan dollar         370         —         —         —         370           New Zealand dollar         —         —         1,676         —         1,676           Norwegian krone         87         —         14,775         —         14,862           Peruvian neuvo sol         202         —         55         —         257           Philippine peso         —         —         193         —         193           Polish zloty         (2)         —         3,657         —         3,655           Qatari riyal         —         —         307         —         307           Romanian New Leu         —         —         —         —         —         —           Russian Ruble         276         —         2,462         —         2,738           Saudi Arabian riyal         —         —         2,099         —         2,099           Singapore dollar         (3,943)         —         13,259         —         9,316           South African rand         —         —         1,166         —         1,166           South Korean won         (338)         —         45,822         —         45,484	Mexican peso		(337)	_	636	_		299
New Taiwan dollar         370         —         —         —         370           New Zealand dollar         —         —         1,676         —         1,676           Norwegian krone         87         —         14,775         —         14,862           Peruvian neuvo sol         202         —         55         —         257           Philippine peso         —         —         193         —         193           Polish zloty         (2)         —         3,657         —         3,655           Qatari riyal         —         —         307         —         307           Romanian New Leu         —         —         —         —         —         —           Russian Ruble         276         —         2,462         —         2,738           Saudi Arabian riyal         —         —         2,099         —         2,099           Singapore dollar         (3,943)         —         13,259         —         9,316           South African rand         —         —         1,166         —         1,166           South Korean won         (338)         —         45,822         —         45,484	New Israeli shekel		(1)	_		_		(1)
Norwegian krone         87         —         14,775         —         14,862           Peruvian neuvo sol         202         —         55         —         257           Philippine peso         —         —         193         —         193           Polish zloty         (2)         —         3,657         —         3,655           Qatari riyal         —         —         —         —         —         307         —         307           Romanian New Leu         —	New Taiwan dollar		370	_		_		370
Peruvian neuvo sol         202         —         55         —         257           Philippine peso         —         —         193         —         193           Polish zloty         (2)         —         3,657         —         3,655           Qatari riyal         —         —         —         307         —         307           Romanian New Leu         —	New Zealand dollar		_	_	1,676	_		1,676
Philippine peso         —         —         193         —         193           Polish zloty         (2)         —         3,657         —         3,655           Qatari riyal         —         —         —         307         —         307           Romanian New Leu         —         <	Norwegian krone		87	_	14,775	_		14,862
Polish zloty         (2)         —         3,657         —         3,655           Qatari riyal         —         —         —         307         —         307           Romanian New Leu         —         —         —         —         —         —           Russian Ruble         276         —         2,462         —         2,738           Saudi Arabian riyal         —         —         2,099         —         2,099           Singapore dollar         (3,943)         —         13,259         —         9,316           South African rand         —         —         1,166         —         1,166           South Korean won         (338)         —         45,822         —         45,484           Swedish krona         562         —         55,819         —         56,381           Swiss franc         2         —         111,155         —         111,157           Taiwan dollar         —         —         29,972         —         29,972           Thai baht         4,432         —         4,283         —         8,715           Turkish lira         —         —         9,297         —         9,297 <td>Peruvian neuvo sol</td> <td></td> <td>202</td> <td>_</td> <td>55</td> <td>_</td> <td></td> <td>257</td>	Peruvian neuvo sol		202	_	55	_		257
Qatari riyal         —         —         307         —         307           Romanian New Leu         — <t< td=""><td>Philippine peso</td><td></td><td>_</td><td>_</td><td>193</td><td>_</td><td></td><td>193</td></t<>	Philippine peso		_	_	193	_		193
Qatari riyal         —         —         307         —         307           Romanian New Leu         —         —         —         —         —         —           Russian Ruble         276         —         2,462         —         2,738           Saudi Arabian riyal         —         —         2,099         —         2,099           Singapore dollar         (3,943)         —         13,259         —         9,316           South African rand         —         —         1,166         —         1,166           South Korean won         (338)         —         45,822         —         45,484           Swedish krona         562         —         55,819         —         56,381           Swiss franc         2         —         111,155         —         111,157           Taiwan dollar         —         —         29,972         —         29,972           Thai baht         4,432         —         4,283         —         8,715           Turkish lira         —         —         9,297         —         9,297           UAE dirham         —         —         —         409         —         409     <	Polish zloty		(2)	_	3,657	_		3,655
Romanian New Leu         —	Qatari riyal		_	_	307	_		307
Saudi Arabian riyal       —       —       2,099       —       2,099         Singapore dollar       (3,943)       —       13,259       —       9,316         South African rand       —       —       1,166       —       1,166         South Korean won       (338)       —       45,822       —       45,484         Swedish krona       562       —       55,819       —       56,381         Swiss franc       2       —       111,155       —       111,157         Taiwan dollar       —       —       29,972       —       29,972         Thai baht       4,432       —       4,283       —       8,715         Turkish lira       —       —       9,297       —       9,297         UAE dirham       —       —       409       —       409         International commingled       —       —       2,690,182       32,629       2,722,811	•		_	_	_	_		_
Saudi Arabian riyal       —       —       2,099       —       2,099         Singapore dollar       (3,943)       —       13,259       —       9,316         South African rand       —       —       1,166       —       1,166         South Korean won       (338)       —       45,822       —       45,484         Swedish krona       562       —       55,819       —       56,381         Swiss franc       2       —       111,155       —       111,157         Taiwan dollar       —       —       29,972       —       29,972         Thai baht       4,432       —       4,283       —       8,715         Turkish lira       —       —       9,297       —       9,297         UAE dirham       —       —       409       —       409         International commingled       —       —       2,690,182       32,629       2,722,811	Russian Ruble		276	_	2,462	_		2,738
Singapore dollar       (3,943)       —       13,259       —       9,316         South African rand       —       —       1,166       —       1,166         South Korean won       (338)       —       45,822       —       45,484         Swedish krona       562       —       55,819       —       56,381         Swiss franc       2       —       111,155       —       111,157         Taiwan dollar       —       —       29,972       —       29,972         Thai baht       4,432       —       4,283       —       8,715         Turkish lira       —       —       9,297       —       9,297         UAE dirham       —       —       409       —       409         International commingled funds (various currencies)       —       —       2,690,182       32,629       2,722,811			_	_		_		
South African rand       —       —       1,166       —       1,166         South Korean won       (338)       —       45,822       —       45,484         Swedish krona       562       —       55,819       —       56,381         Swiss franc       2       —       111,155       —       111,157         Taiwan dollar       —       —       29,972       —       29,972         Thai baht       4,432       —       4,283       —       8,715         Turkish lira       —       —       9,297       —       9,297         UAE dirham       —       —       409       —       409         International commingled funds (various currencies)       —       —       2,690,182       32,629       2,722,811			(3,943)	_		_		
South Korean won       (338)       —       45,822       —       45,484         Swedish krona       562       —       55,819       —       56,381         Swiss franc       2       —       111,155       —       111,157         Taiwan dollar       —       —       29,972       —       29,972         Thai baht       4,432       —       4,283       —       8,715         Turkish lira       —       —       9,297       —       9,297         UAE dirham       —       —       409       —       409         International commingled funds (various currencies)       —       —       2,690,182       32,629       2,722,811			_			_		
Swedish krona         562         —         55,819         —         56,381           Swiss franc         2         —         111,155         —         111,157           Taiwan dollar         —         —         29,972         —         29,972           Thai baht         4,432         —         4,283         —         8,715           Turkish lira         —         —         9,297         —         9,297           UAE dirham         —         —         409         —         409           International commingled funds (various currencies)         —         —         2,690,182         32,629         2,722,811			(338)			_		
Swiss franc         2         —         111,155         —         111,157           Taiwan dollar         —         —         29,972         —         29,972           Thai baht         4,432         —         4,283         —         8,715           Turkish lira         —         —         9,297         —         9,297           UAE dirham         —         —         409         —         409           International commingled funds (various currencies)         —         —         2,690,182         32,629         2,722,811			. ,	_		_		
Taiwan dollar       —       —       29,972       —       29,972         Thai baht       4,432       —       4,283       —       8,715         Turkish lira       —       —       9,297       —       9,297         UAE dirham       —       —       409       —       409         International commingled funds (various currencies)       —       —       2,690,182       32,629       2,722,811				_		_		
Thai baht       4,432       —       4,283       —       8,715         Turkish lira       —       —       9,297       —       9,297         UAE dirham       —       —       409       —       409         International commingled funds (various currencies)       —       —       2,690,182       32,629       2,722,811			_	_		_		
Turkish lira       —       —       9,297       —       9,297         UAE dirham       —       —       409       —       409         International commingled funds (various currencies)       —       —       2,690,182       32,629       2,722,811			4.432	_		_		
UAE dirham       —       —       409       —       409         International commingled funds (various currencies)       —       —       2,690,182       32,629       2,722,811				_		_		
International commingled         —         2,690,182         32,629         2,722,811			_	_		_		
funds (various currencies) — — 2,690,182 32,629 2,722,811								.00
	_		_	_	2,690,182	32,629	:	2,722,811
	Total international investment securities	\$	14,700	\$ 5,631	 4,239,009	\$ 33,239		

**Derivative Securities** – Derivatives are financial arrangements between two parties whose payments are based on, or "derived" from, the performance of some agreed upon benchmark. The investment policies of the States' clients allow the use of derivative securities to hedge or replicate underlying exposures but not for speculation. All derivatives are considered investment derivative instruments. The fair value of all derivative securities is reported in the Statement of Net Position. At June 30, 2023, the State had four types of derivative securities: futures, options, swaps and currency forwards.

**Futures** – Futures represent commitments to purchase (asset) or sell (liability) securities at a future date and at a specific price. Futures contracts are traded on organized exchanges (exchange traded) thereby minimizing the States' counterparty risk. The net change in the futures contracts' value is settled daily in cash with the exchanges. Net gains or losses resulting from the daily settlements are included in net change in fair value of investments in the Statement of Changes in Fiduciary Net Position and totaled \$64.7 million for the year ended June 30, 2023. At June 30, 2023, the State investment portfolio had the notional futures shown below (expressed in thousands).

Futures	Not	tional Value
Cash and cash equivalent derivative futures		
Long	\$	139,071
Short		(394,403)
Commodity Derivatives Futures		
Short		(81,977)
Equity derivative futures		
Long		446,414
Fixed income derivative futures		
Long		755,688
Short		(922,277)
Total futures	\$	(57,484)

**Options** – Options represent or give buyers the right, but not the obligation, to buy (call) or sell (put) an asset at a preset price over a specified period. Options are traded on organized exchanges (exchange traded) thereby minimizing the States' counterparty credit risk. The option's price is usually a small percentage of the underlying asset's value. As a seller of a financial option, the State, through its investment manager, receives a premium at the beginning of the agreement and bears the risk of an unfavorable change in the price of the financial instrument underlying the option. As a buyer of a financial option, the State, through its investment manager, pays a premium at the beginning of the agreement and the counterparty bears the risk of an unfavorable change in the price of the financial instrument underlying the option. Gains and losses on options are determined based on fair values and recorded with the net change in fair value of investments in the Statement of Changes in Fiduciary Net Position and totaled \$3.5 million. At June 30, 2023, the State had the following option balances (expressed in thousands):

Options	Fair Value					
Cash & Other Options						
Call	\$	(170)				
Put		(1,931)				
Equity Options						
Call		438				
Fixed Income Options						
Call		(57)				
Put		(277)				
Total options	\$	(1,997)				

**Swaps** – A swap is a derivative in which counterparties exchange certain benefits of one party's financial instrument for those of the other party's financial instrument. Specifically, the two counterparties agree to exchange one stream of cash flows for another stream. The State, through its investment managers, has entered into various swap agreements in an attempt to manage its exposure to interest rate, inflation, credit, currency risk and total return.

Gains and losses on swaps are determined based on fair values and are recorded with the net change in fair value of investments in the Statement of Changes in Fiduciary Net Position and totaled \$670,000 for the year ended June 30, 2023. The maximum loss that would be recognized at June 30, 2023, if all counterparties failed to perform as contracted is \$2.5 million. Swap fair values are determined by a third party pricing source.

At June 30, 2023, the States' investment portfolio had the swap fair value balances as shown below (expressed in thousands).

### Credit Default Swaps

Counterparty/Moody's Rating	Noti	onal Amount	Expiration Date	Fa	ir Value
Bank of America / Aa2 (5 contracts)	\$	(128,400)	2027 - 2028	\$	2,145
Barclays Capital Inc / A1 (1 contract)		(4,000)	2028		(29)
BNP Paribas Sa Paris / Aa3 (1 contract)		(100)	2027		(4)
Citibank / A1 (2 contracts)		(400)	2024-2027		(9)
Citigroup Global Markets / A1 (11 contracts)		(4,655)	2023-2028		61
Goldman Sachs / A2 (6 contracts)		(2,400)	2023-2027		(52)
JP Morgan Chase/Aa2 (1 contract)		(400)	2024		(4)
Morgan Stanley / A1 (2 contracts)		28,000	2028		(432)
Wells Fargo Bank / Aa2 (13 contracts)		(924)	2023-2028		(27)
Total credit default swaps	\$	(113,279)		\$	1,649
Interest Rate Swaps					
			Expiration Date	_	
Counterparty/Moody's Rating		onal Amount	Range		ir Value
Goldman Sachs/A2 (2 contracts)	\$	48,338	2024 - 2041	\$	708
Citigroup Global Markets/A1 (47 contracts)		93,429	2025 - 2053		1,093
JP Morgan Chase / Aa2 (18 contracts)		61,954	2024 - 2034		948
Morgan Stanley / A1 (8 contracts)		64,670	2025 - 2033		(632)
Wells Fargo Bank / Aa2 (13 contracts)		116,255	2025 - 2052		1,942
Total Interest Rate Swaps	\$	384,646		\$	4,059
Inflation Swaps					
			Expiration Date	_	
Counterparty/Moody's Rating		onal Amount	Range		ir Value
Goldman Sachs/A2 (2 contracts)	\$	18,956	2023	\$	(452)
JP Morgan Chase/Aa2 (1 contract)		2,313	2023		38
Total Inflation Swaps	\$	21,269		\$	(414)
Total Return Swaps					
			Expiration Date		
Counterparty/Moody's Rating		onal Amount	Range		ir Value
Goldman Sachs/A2 (1 contract)	\$	6,310	2023	\$	(227)
JP Morgan Chase/Aa2 (3 contracts)		15,725	2023		(289)
Total Total Return Swaps	\$	22,035		\$	(516)

**Currency Forwards** – Currency forwards represent forward exchange contracts that are entered into in order to manage the exposure to changes in currency exchange rates on the currency denominated portfolio holdings. A forward exchange contract is a commitment to purchase (positive) or sell (negative) a currency at a future date at a negotiated forward rate. The gain or loss arising from the difference between the original contracts and the closing of such contracts is included in the net change in fair value of investments in the Statement of Changes in Fiduciary Net Position and totaled \$41,400. At June 30, 2023, the States' investment portfolio included the currency forwards balances shown below (expressed in thousands).

Currency	Cost	Purchases	Sales	Fair Value	
Australian dollar	\$ 9,174	\$ 11,697	\$ (2,523)	\$ 9,126	
Brazilian real	(97)	413	(510)	(118)	
British pound sterling	(28,584)	15,054	(43,638)	(29,110)	
Canadian dollar	(58)	36	(94)	(58)	
Chilean peso	(311)	_	(311)	(315)	
Chinese offshore	(25)	_	(25)	(23)	
Chinese yuan	318	318	_	301	
Danish krone	(61)	55	(116)	(63)	
Euro	(71,447)	60,209	(131,656)	(72,101)	
Great Britain pound sterling	(529)	_	(529)	(529)	
Indian rupee	6,628	6,628	_	6,644	
Indonesian rupiah	(116)	244	(360)	(115)	
Japanese yen	(24,366)	5,672	(692)	4,693	
Mexican peso	(339)	2	(341)	(363)	
Peruvian nuevo sol	225	621	(396)	202	
Singapore dollar	(3,989)	_	(3,989)	(3,948)	
South Korean won	(348)	1	(348)	(338)	
Thai baht	4,535	4,535	_	4,432	
Taiwan dollar	376	2,065	(1,689)	370	
United States dollar	79,663	187,213	(107,550)	79,663	
Total forwards subject to currency risk				\$ (1,650)	

**Derivative Interest Rate Risk** – Interest rate risk is the risk that changes in interest rates will adversely affect the value of an interest rate-based derivative investment. The State does not have a formal investment policy regarding such derivative investments. At June 30, 2023, the tables below show the States' derivative investments subject to interest rate risk (expressed in thousands).

	Total Notional Value	3 Months or Less				6 to 12 Months				Greater Than 5 Years	
Futures- interest rate contracts Futures- commodity	\$ (421,921)	\$	(537,437)	\$	371,085	\$	(170,589)	\$	(84,980)	\$	_
contracts	(81,977)				(81,977)		_		_		_
Total	\$ (503,898)	\$	(537,437)	\$	289,108	\$	(170,589)	\$	(84,980)	\$	

Total Fair Value	3 Months or Less	3 to 6 Months	6 to 12 Months	1-5 Years	5-10 Years	Greater Than 10 Years
(450)	\$ (147)	\$ (191)	\$ (112)	\$ —	\$ —	\$ —
(1,985)	78	(858)	(941)	(264)	_	_
3,543	(448)	(38)	(22)	(2,537)	1,392	5,196
1,649	<u> </u>	3 \$ (1,084)	13 \$ (1,062)	2,070 \$ (731)	(437) \$ 955	<u> </u>
T - =	(450) (1,985) 3,543	Value     Less       (450)     \$ (147)       (1,985)     78       3,543     (448)       1,649     —	Value         Less         Months           (450)         \$ (147)         \$ (191)           (1,985)         78         (858)           3,543         (448)         (38)           1,649         —         3	Value         Less         Months         Months           (450)         \$ (147)         \$ (191)         \$ (112)           (1,985)         78         (858)         (941)           3,543         (448)         (38)         (22)           1,649         —         3         13	Value         Less         Months         Months         1-5 Years           (450)         \$ (147)         \$ (191)         \$ (112)         \$ —           (1,985)         78         (858)         (941)         (264)           3,543         (448)         (38)         (22)         (2,537)           1,649         —         3         13         2,070	Value         Less         Months         Months         1-5 Years         5-10 Years           (450)         \$ (147)         \$ (191)         \$ (112)         \$ —         \$ —           (1,985)         78         (858)         (941)         (264)         —           3,543         (448)         (38)         (22)         (2,537)         1,392           1,649         —         3         13         2,070         (437)

Mill and Elevator Derivative Financial Instruments – The fair value balances and notional amounts of derivative instruments outstanding at June 30, 2023, and the changes in fair value of such derivative instruments for the year then ended as reported in the State's financial statements are \$148,375, classified as derivative instrument (one contract equals 5,000 bushels) and \$148,375, classified as deferred inflow of resources – accumulated increase in fair value of hedging derivatives. The fair value of the grain futures contracts was determined on the Minneapolis Grain Exchange. The daily limit for any trade days margin requirement is \$0.60 per bushel, unless two or more wheat futures contract months within a crop year close at limit bid or limit offer, then the limit will increase by 50% per bushel the next business day. Daily price limits will revert back to \$0.60 per bushel the business day after which no wheat futures contract month closes at the expanded limit bid or limit offer. The Mill has entered into futures contracts for spring wheat to lock in a price for a future delivery or settlement period. These contracts are entered into to protect the Mill against price fluctuation of the commodity. The price protection is needed to cover any long or short positions compared to flour sales. The table below shows the cost and market values of these spring wheat futures as of June 30, 2023.

Month	# of Contracts Long (Short)	Average Cost		F	air Value	Average Cost		N	//arket Value
Sept 2023	617	\$	8.3344	\$	8.1700	\$	25,661,225	\$	25,204,450
Dec 2023	594		8.1983		8.2650		24,332,075		24,547,050
March 2024	56		8.1068		8.3450		2,273,850		2,336,600
May 2024	34		8.1904		8.3450		1,394,263		1,418,650
Sept 2024	20		7.7576		7.7800		775,763		778,000
Dec 2024	9		7.6800		7.7700		345,600		349,650
						\$	54,782,776	\$	54,634,400

The Mill is exposed to credit risk on hedging derivative instruments that are in asset positions. All grain futures trades are completed using two different national brokerage firms on the Minneapolis Grain Exchange. ADM Investor Services is rated A by the Standard & Poor's Rating Service. RJ O'Brien is a privately held business and is not rated by the Standard & Poor's Rating Service.

The Mill is exposed to rollover risk on grain futures trades whenever the hedge ration (defined in aggregate of the size across all futures months relative to the underlying net cash position) does not equal 1.0. At June 30, 2023, the table below shows the hedge ratio by futures month going forward:

Period	Hedge Ratio
Sept 2023	1.1
Dec 2023	1.0
March 2024	1.1
May 2024	1.0
Sept 2024	1.0
Dec 2024	1.0
Net Position	1.0

#### C. SECURITIES LENDING

The following represents the balances relating to the securities lending transactions at June 30, 2023 (expressed in thousands).

#### **Primary Government (includes Pension and Investment Trust Funds)**

Securities Lent		Underlying Securities	Non-Cash Collateral Value		Cash Collateral Investment Value	
Lent for cash collateral:						
US agency securities	\$	636	\$	240	\$	651
US government securities		201,967		195,387		205,673
US corporate fixed income securities		125,932		1,660		128,255
US equities		104,717		17,213		106,820
Global agency securities		210		_		223
Global corporate fixed		_		1,246		_
Global corporate fixed income securities		1,997		_		2,152
Global government securities		555		_		579
Global equities		1,557		1,258		1,627
Lent for non-cash collateral:						
Fair value of securities on loan against non-cash collateral		669,535		465,360		
Total	\$	1,107,106	\$	682,364	\$	445,980

#### D. ENDOWMENT FUNDS

#### **UNIVERSITY SYSTEMS**

The endowment funds reported herein are institutional funds under the terms of the gift instrument and are not wholly expendable by the institution. NDCC Section 59-21, the Uniform Prudent Management of Institutional Funds Act (UPMIFA) applies to the investment of endowments governed by a gift instrument. NDUS SBHE policy 810 stipulates endowment funds shall be invested according to the intent of the donor provided such intent is consistent with applicable laws. Absent terms expressing donor intent in a gift instrument, NDUS institution officers initially shall deposit the funds in institution accounts at the Bank of North Dakota. Thereafter, the funds may be invested according to NDCC 59-21. Subject to the intent of the donor, NDUS institution officers are delegated authority to manage and invest these institutional funds as provided by UPMIFA. NDCC Section 59-21-02.5a(7) applies to standard of conduct in the administration of powers to make and retain investments. It states that in managing and investing an institutional fund, the needs of the institution and the fund to make distributions and to preserve capital must be considered. Given the flexibility in NDCC 59-21-02, institutions have differing policies with respect to spending investment income and net appreciation on endowment funds. For UND, distributions for spending endowments each year will be calculated once annually with the quarter ended December 31 unitized fair value and is based on the set spending rate, currently 3.75 percent, applied to the average fair value for the preceding twelve quarter average. All endowment in existence at December 31 for one year will receive a distribution spending allocation. The available amount will be forecast to UND for planning purposes by February 1, and these distributions will be available for spending in the upcoming fiscal year. NDSU determines the spending of endowment earnings based on an annual evaluation.

Net appreciation on investments are available for expenditure and consist of the following at June 30, 2023:

	Reflected in net position as:
\$ 568,269	Expendable scholarships & fellowships
650,075	Non-expendable scholarships & fellowships
\$ 1,218,344	
\$	650,075

Endowment funds reported herein do not include the Federal Land Grant Fund held by the State Department of Trust Lands. The annual proceeds from assets held by the Commissioner of the State Department of Trust Lands and are deposited into each college/university's operating fund at the State Treasury and are used for current operating purposes. Bismarck State College, Lake Region State College and Williston State College do not participate in the proceeds allocated by the State Land Department.

Total assets held by the State Land Department and proceeds for the fiscal year ended June 30, 2023 are approximately \$244.2 million and \$8.2 million respectively.

### NORTH DAKOTA STATE FAIR FOUNDATION

The North Dakota State Fair Association Foundation had the following activity in their endowment as of September 30, 2022.

Beginning endowment	\$ 2,155,492
Endowment contributions	
Ending endowment	\$ 2,155,492

#### E. RECEIVABLES

Receivables at June 30, 2023, consist of the following (expressed in thousands):

	,	3 ( 1		,		
				Other Governmental	Bank of North	Housing
	General	Federal	State	Funds	Dakota	Finance
Receivables:						
Accounts	\$ 46,773	\$ 66,189	\$ 371,689	\$ 3	\$ —	\$ 1,622
Less Allowance	(13,522)	(12,844)	(241,315)	_	_	_
Taxes	599,636	_	155,528	97	_	_
Less Allowance	(104,414)	_	(2,294)	_	_	_
Interest	34,735	_	27,123	211	58,462	6,580
Less Allowance	_	_	(12,416)	_	_	_
Intergovernmental	16	450,451	14,902	_	_	844
Less Allowance	_	_	(52)	_	_	_
<b>Current Loans and Notes</b>	19	24	4,797	33,177	1,748,453	35,727
Less Allowance	_	_	(569)	_	_	_
Noncurrent Loans and						
Notes	_	109	14,007	_	3,404,276	1,559,777
Less Allowance					(108,752)	(19,382)
Net Receivables	\$ 563,243	503,929	\$ 331,400	\$ 33,488	\$ 5,102,439	\$ 1,585,168
		Workforce	Other		Major	
	University	Safety &	Enterprise	Internal	Component	
	University System			Internal Service Funds		Total
Receivables:	System	Safety & Insurance	Enterprise Funds	Service Funds	Component Units	
Accounts	System \$ 44,875	Safety & Insurance \$ 23,078	Enterprise Funds \$ 136,177		Component	\$ 691,735
Accounts Less Allowance	System	Safety & Insurance	Enterprise Funds	Service Funds	Component Units	\$ 691,735 (307,463)
Accounts Less Allowance Taxes	System \$ 44,875	Safety & Insurance \$ 23,078	Enterprise Funds \$ 136,177	Service Funds	Component Units	\$ 691,735 (307,463) 755,261
Accounts Less Allowance Taxes Less Allowance	System \$ 44,875	\$ 23,078 (6,000)	### Enterprise Funds  \$ 136,177 (24,914)	\$ 1,254 — — —	\$ 75	\$ 691,735 (307,463) 755,261 (106,708)
Accounts Less Allowance Taxes Less Allowance Interest	System \$ 44,875	Safety & Insurance \$ 23,078	Enterprise Funds \$ 136,177	Service Funds	Component Units	\$ 691,735 (307,463) 755,261 (106,708) 147,864
Accounts Less Allowance Taxes Less Allowance Interest Less Allowance	\$ 44,875 (8,868) — — —	\$ 23,078 (6,000)	### Enterprise Funds  \$ 136,177 (24,914)	\$ 1,254	\$ 75	\$ 691,735 (307,463) 755,261 (106,708) 147,864 (12,416)
Accounts Less Allowance Taxes Less Allowance Interest Less Allowance Intergovernmental	System \$ 44,875	\$ 23,078 (6,000)	### Enterprise Funds  \$ 136,177 (24,914)	\$ 1,254 — — —	\$ 75	\$ 691,735 (307,463) 755,261 (106,708) 147,864 (12,416) 506,583
Accounts Less Allowance Taxes Less Allowance Interest Less Allowance Intergovernmental Less Allowance	\$ 44,875 (8,868) — — — — 39,323 —	\$ 23,078 (6,000)	### Enterprise Funds  \$ 136,177 (24,914)	\$ 1,254	\$ 75	\$ 691,735 (307,463) 755,261 (106,708) 147,864 (12,416) 506,583 (52)
Accounts Less Allowance Taxes Less Allowance Interest Less Allowance Intergovernmental Less Allowance Current Loans and Notes	\$ 44,875 (8,868) — — — — 39,323 — 2,814	\$ 23,078 (6,000)	### Enterprise Funds  \$ 136,177 (24,914)	\$ 1,254	\$ 75	\$ 691,735 (307,463) 755,261 (106,708) 147,864 (12,416) 506,583 (52) 1,891,409
Accounts Less Allowance Taxes Less Allowance Interest Less Allowance Intergovernmental Less Allowance Current Loans and Notes Less Allowance	\$ 44,875 (8,868) — — — — 39,323 —	\$ 23,078 (6,000)	### Enterprise Funds  \$ 136,177 (24,914)	\$ 1,254	\$ 75	\$ 691,735 (307,463) 755,261 (106,708) 147,864 (12,416) 506,583 (52)
Accounts Less Allowance Taxes Less Allowance Interest Less Allowance Intergovernmental Less Allowance Current Loans and Notes Less Allowance Noncurrent Loans and	\$ 44,875 (8,868) — — — 39,323 — 2,814 (138)	\$ 23,078 (6,000)	### Enterprise Funds  \$ 136,177 (24,914)	\$ 1,254	\$ 75	\$ 691,735 (307,463) 755,261 (106,708) 147,864 (12,416) 506,583 (52) 1,891,409 (707)
Accounts Less Allowance Taxes Less Allowance Interest Less Allowance Intergovernmental Less Allowance Current Loans and Notes Less Allowance Noncurrent Loans and Notes	\$ 44,875 (8,868) ———————————————————————————————————	\$ 23,078 (6,000)	### Enterprise Funds  \$ 136,177 (24,914)	\$ 1,254	\$ 75	\$ 691,735 (307,463) 755,261 (106,708) 147,864 (12,416) 506,583 (52) 1,891,409 (707) 5,675,154
Accounts Less Allowance Taxes Less Allowance Interest Less Allowance Intergovernmental Less Allowance Current Loans and Notes Less Allowance Noncurrent Loans and	\$ 44,875 (8,868) — — — 39,323 — 2,814 (138)	\$ 23,078 (6,000)	### Enterprise Funds  \$ 136,177 (24,914)	\$ 1,254	\$ 75	\$ 691,735 (307,463) 755,261 (106,708) 147,864 (12,416) 506,583 (52) 1,891,409 (707) 5,675,154

The expected future principal and interest payments on lease receivables is as follows (in thousands):

		<u> Sovernmen</u>	tal Activi	<u>ties                                    </u>	Business-Type Activitie			
Year ending:	Pri	<u>ncipal</u>	Interest		Principal		<u>Interest</u>	
2024	\$	644	\$	22	\$	10	\$	_
2025		277		17		226		_
2026		68		9		_		_
2027		71		6		_		_
2028		74		3		_		_
Thereafter		26						_
Total	\$	1,160	\$	57	\$	236	\$	_

#### F. REVERSE REPURCHASE AGREEMENTS

State statutes permit the State to enter into reverse repurchase agreements, that is, the sale of securities with a simultaneous agreement to repurchase them in the future at the same price plus a contract rate of interest. The fair value of the securities underlying reverse repurchase agreements normally exceeds the cash received, providing the dealers a margin against a decline in fair value of the securities. All sales of investments under these agreements are for fixed terms. In investing the proceeds of these agreements, State policy is for the term to maturity of the investment to be the same as the term of the agreement. Such matching existed at year end. These agreements are secured by Fed book-entry securities held in the State's name. At June 30, 2023, the State had no repurchase agreements.

#### G. INTERFUND ACCOUNTS AND TRANSFERS

#### DUE FROM OTHER FUNDS/DUE TO OTHER FUNDS

Interfund balances at June 30, 2023 of the following (expressed in thousands):

Due to General Fund From:	
Federal Fund	\$ 72,125
State Fund	27,561
Bank of North Dakota	3,229
Nonmajor Enterprise Funds	29,327
All Others	532
Total Due To General Fund	\$ 132,774

Included in the Nonmajor Enterprise Funds amount is a loan to the Rebuilder's Loan Program for \$13,720,102. This is not expected to be repaid within one year.

Due To Federal Fund From: General Fund State Fund All Others	\$ 20,737 19,849 40,305	Due To State Fund From: General Fund Federal Fund Internal Service Funds	\$ 33,030 15,968 241
Total Due To Federal Fund	\$ 80,891	: Nonmajor Enterprise Funds All Others	863 362
Due to Enterprise Fund From:		Total Due To State Fund	\$ 50,464
Federal Fund	\$ 3,021		
All Others	 377	_	
Total Due to Enterprise Fund	\$ 3,398	:	
Due To Internal Service Funds From:		Due To Bank of North Dakota From:	
General Fund	\$ 5,868	State Fund	\$ 15,156
State Fund	4,670	Nonmajor Enterprise Funds	116,388
University System	10	University System	1,756
Federal Fund	636	General Fund	32,048
All Others	2,179	All Others	 30,755
	\$ 13,363	Total Due To Bank of North Dakota	\$ 196,103

Included in the Nonmajor Enterprise Funds amount is a loan to the Rebuilder's Loan Program for \$29,252 which is expected to be repaid within one year.

Due To University System From:	
General Fund	\$ 11,192
Federal Fund	29,268
State Fund	19,539
Bank of North Dakota	668
All Others	 101
Total Due To University System	\$ 60,768
Due To All Other Funds From:	
All Other	\$ 671

Included in this category are all other enterprise funds and fiduciary funds.

These balances are a result of a time lag between the dates that (1) services are provided and goods received or reimbursable expenditures occur, (2) the payments are made, (3) the transactions are entered into the accounting system, and (4) because of transactions occurring between funds with a fiscal year other than June 30, 2023.

A reconciliation of Due From's and Due To's is presented below (expressed in thousands):

Due From's		\$ 538,434
General Fund/Bank of ND	(2,662)	
Bank of ND/ Mill and Elevator	(14,265)	
Bank of ND/Rebuilder's Loan	29	
Bank of ND/University System	(737)	
Bank of ND/Guaranteed Student Loan	(43)	
Governmental Agencies/Bank of ND	(18,020)	
Bank of ND/Enterprise Funds	64	
Total Differences	_	(35,634)
Due To's	_	\$ 502,800

The previous table represents timing differences between agencies as a result of different fiscal year ends. Those agencies with a different fiscal year end include: Bank of North Dakota and the following Nonmajor Enterprise Funds: Guaranteed Student Loan and Community Water Facility Loan, which have a December year end and State Fair, which has a September year end.

#### INTERFUND TRANSFERS

A summary of interfund transfers for the fiscal year ended June 30, 2023, follows (expressed in thousands):

	General	Special Revenue Federal	Special Revenue State	Bank Of North Dakota	University System	Housing Finance	Non- major Governmental	Non- major Enterprise	Internal Service Fund	Total
Transfers Out										
General	\$ —	\$ 24	\$ 17,188	\$ —	\$ 413,986	\$ —	\$ 1,359	\$ 271	\$ 14	\$ 432,843
Special Revenue- Federal	243	_	31,271	_	_	_	21	_	39	31,574
Special Revenue- State	259,690	335	1,400	_	36,233	_	221	_	_	297,879
Non-major Governmental	842	_	10,304	_	3,694	_	18	15,218	_	30,076
Bank of North Dakota	_	_	28,829	_	1,568	_	_	_	_	30,397
Housing Finance	_	_	8	_	_	_	_	_	_	8
University System	_	_	_	_	_	_	8,428	_	_	8,428
Non-Major Enterprise	15,588		7,796	39						23,424
Total	\$ 276,363	\$ 359	\$ 96,797	\$ 39	\$ 455,481	\$ —	\$ 10,047	\$ 15,489	\$ 53	\$ 854,629

(Transfers In do not agree to the statements due to the timing differences noted below.)

Transfers are used for the following purposes:

Move general fund appropriation amounts to certain agencies.

- Move revenues from the fund that statute requires to collect them to the fund authorized to spend them.
- Move certain excess revenues collected in other funds to the general fund.
- Move receipts restricted for debt service from the funds collected to the debt service funds as payments become due, and move capital project funds paying the construction costs.

For the year ended June 30, 2023, legislatively-mandated transfers were made to the general fund of \$205,000,000 from Strategic Investment and Improvement Fund, \$486,568,637 from Legacy Fund, \$7,400,000 from the State Lottery, \$8,188,176 from Mill and Elevator, \$5,734,562 from the Insurance Regulatory Trust Fund, \$35,435,800 from the Charitable Gaming Operations Fund, \$140,000,000 from BND Profits, \$615,351 from the Multistate Audit Fund, and \$12,595,869 from the Securities Dept. Special Fund.

A reconciliation of Transfers In and Transfers Out is presented below (expressed in thousands):

	\$	(1,048,506)
Differences:		
General Fund / Bank of North Dakota	140,000	
Spec. Rev. Hwy Fund / Legacy Bond Program	8,869	
Spec. Rev. PACE / Bank of North Dakota	7,500	
Spec. Rev. Ag Pace / Bank of North Dakota	(500)	
Spec. Rev. PACE / Bank of North Dakota	(400)	
University System / Legacy Bond Program	30,216	
School Construction Assistance Loan Fund / Bank of North Dakota	(39)	
Infrastructure Revolving Loan Fund / Legacy Bond Program	9,380	
Spec. Rev. PACE / Spec. Rev. Beginning Farmers Loan	(1,000)	
Federal fund	(150)	
Total Differences		193,876
Transfers Out	\$	(854,630)

The above timing differences of \$193,876,622 result from transactions between agencies that have different fiscal year ends. The Bank of North Dakota (BND) has a different fiscal year end, they have a December year end. This difference is also the total net transfers on the Government-wide Statement of Activities.

### H. CAPITAL ASSETS

The following is a summary of capital assets during the fiscal year (expressed in thousands):

**Primary Government** 

Description	Balance	Ingragas	Dograda	Balance
Description  Covernmental Activities	July 1, 2022	Increases	Decreases	June 30, 2023
Governmental Activities:				
Capital Assets Not Being Depreciated	<b>6</b> 400.004	Ф 0.470	Φ (0)	Φ 405.055
Land	\$ 163,381	\$ 2,476	\$ (2)	
Construction in Progress	464,485	317,900	(294,639)	487,746
Total Capital Assets Not Being Depreciated	627,866	320,376	(294,641)	653,601
Capital Assets Being Depreciated:				
Buildings and Improvements	790,050	•	(77)	829,015
Equipment	391,331	34,642	(16,497)	409,476
Intangibles				
Software	435,638	27,189	(18,446)	444,381
Other	40,506	960	(87)	41,379
Infrastructure	7,687,065	313,837	(24)	8,000,878
Leased Assets	57,621	3,478	(5,141)	55,958
Subscription-Based IT Arrangements	56,620	2,196	(101)	58,715
Total Capital Assets Being Depreciated	9,458,831	421,344	(40,373)	9,839,802
Less Accumulated Depreciation for:				
Buildings and Improvements	(378,569	(20,749)	46	(399,272)
Equipment	(197,501	(26,651)	14,075	(210,077)
Intangibles				
Software	(201,316	(33,096)	15,580	(218,832)
Other	(30,282	(522)	44	(30,760)
Infrastructure	(3,415,027	(165,710)	24	(3,580,713)
Leased Assets	(11,038	(9,827)	3,990	(16,875)
Subscription-Based IT Arrangements	(180	(14,589)	_	(14,769)
Total Accumulated Deprecation	(4,233,913	(271,144)	33,759	(4,471,298)
Total Capital Assets Being Depreciated, Net	5,224,918	150,200	(6,614)	5,368,504
Governmental Activities Capital Assets, Net	\$ 5,852,784	\$ 470,576	\$ (301,255)	\$ 6,022,105

<u>Description</u>	Jı	Balance uly 1, 2022		Increases	Decreases	J١	Balance ine 30, 2023
Business-Type Activities:		ary 1, 2022		1110104000			
Capital Assets Not Being Depreciated							
Land	\$	26,854	\$	125	\$ —	\$	26,979
Construction in Progress	φ	284,654	φ	152,643	(104,632)	φ	332,665
Total Capital Assets Not Being Depreciated		311,508		152,043	(104,632)		359,644
Capital Assets Being Depreciated:		311,300		132,700	(104,032)		339,044
Buildings and Improvements		2,071,310		80,719	(2,184)		2,149,845
Equipment		592,287		66,196	(2, 104) (17,251)		641,232
Intangibles		392,201		00,190	(17,231)		041,232
Software		20.452		281	(1,492)		27.044
Other		29,152 37,179		4,052	, ,		27,941 41,190
Infrastructure					(41) (375)		
Leased Assets		311,132		8,328	(5,684)		319,085
		81,979		25,703	(5,004)		101,998
Subscription Based IT Arrangements		28		34,011	(27,027)		34,039
Total Capital Assets Being Depreciated		3,123,067		219,290	(27,027)		3,315,330
Less Accumulated Depreciation for:		(770 040)		(54.005)	007		(007.070)
Buildings and Improvements		(776,212)		(51,085)			(827,070)
Equipment		(414,419)		(31,218)	14,980		(430,657)
Intangibles		(07.704)		(454)	4 455		(00.777)
Software		(27,781)		(451)			(26,777)
Other		(24,439)		(4,210)			(28,601)
Infrastructure		(142,228)		(9,102)			(150,965)
Leased Assets		(15,321)		(15,677)	5,438		(25,560)
Subscription Based IT Arrangements				(9,376)			(9,376)
Total Accumulated Deprecation		(1,400,400)		(121,119)	22,513		(1,499,006)
Total Capital Assets Being Depreciated, Net		1,722,667	_	98,171	(4,514)	_	1,816,324
Business-Type Activities Capital Assets, Net	<u>\$</u>	2,034,175	\$	250,939	\$ (109,146)	\$	2,175,968
Major Component Units							
B		Balance			_		Balance
Description	Jı	uly 1, 2022		Increases	Decreases	JL	ıne 30, 2023
Capital Assets Not Being Depreciated							
Land	\$	15,149	\$	_	\$ —	\$	15,149
Construction in Progress		20,526		5,661	(14,796)		11,391
Total Capital Assets Not Being Depreciated		35,675		5,661	(14,796)		26,540
Capital Assets Being Depreciated:							
Buildings and Improvements		195,946		24,059	(37)		219,968
Equipment		53,050		3,905	(2,268)		54,687
Intangibles		203		_	_		203
Infrastructure		1,888		_	_		1,888
Total Capital Assets Being Depreciated		251,087		27,964	(2,305)		276,746
Less Accumulated Depreciation for:							
Buildings and Improvements		(91,098)		(6,163)	12		(97,249)
Equipment		(26,424)		(3,305)	1,489		(28,240)
Intangibles		(58)	\$	(41)	_		(99)
Infrastructure		(870)		(37)	_		(907)
Total Accumulated Deprecation	-	(118,450)		(9,546)	1,501		(126,495)
Total Capital Assets Being Depreciated, Net		132,637		18,418	(804)		150,251
Major Component Unit Capital Assets, Net	\$	168,312	\$	24,079	\$ (15,600)	\$	176,791

Leased asset by major class are as follows (expressed in thousands):

Governmental Activities:

#### Business-Type Activities:

Asset Class	Cost		 Accumulated Amortization Asset Class		Cost	Accumulated Amortization		
Land	\$	86	\$ 	Land	\$ 17,641	\$	(2,091)	
Buildings		51,866	(15,593)	Buildings	31,422		(6,897)	
Infrastructure		_		Infrastructure	3,081		(1,335)	
Equipment		4,006	 (1,282)	Equipment	 49,854		(15,237)	
	\$	55,958	\$ (16,875)		\$ 101,998	\$	(25,560)	

Depreciation and amortization expense was charged to functions/programs of the primary government as follows (expressed in thousands):

Governmental Activities:	
General Government	\$ 24,744
Education	2,487
Health and Human Services	35,051
Regulatory	4,171
Public Safety and Corrections	15,696
Agriculture and Commerce	821
Natural Resources	20,540
Transportation	167,634
Total Governmental Activities Depreciation Expense	\$ 271,144

The State incurred variable payments of \$8.7 million on subscription based information technology arrangements for the year ended June 30, 2023. The variable terms include the number of users.

Construction In Progress is composed of the following (expressed in thousands):

### **Project Description:**

	Amount Expended							
Governmental Activities	Amount Authorized	Through June 30, 2023	Balance Authorized					
Secretary of State	\$ 1,680	\$ 1,535	\$ 145					
Office of Management and Budget	7,100	2,098	5,002					
Information Technology	100,000	16,329	83,671					
Attorney General	1,816	493	1,323					
Legislative Assembly	190	190	_					
Judiciary System	2,020	624	1,396					
School for the Deaf	565	21	544					
Health Department	9,268	2,547	6,721					
Environmental Quality	1,837	1,356	481					
Department of Human Services	76,460	9,182	67,278					
Highway Patrol	3,000	882	2,118					
Corrections and Rehabilitation	6,581	801	5,780					
Adjutant General	16,000	9,234	6,766					
State Historical Society	1,847	1,537	310					
Game and Fish	3,078	93	2,985					
Parks & Recreation	12,880	706	12,174					
Department of Transportation	837,289	440,142	397,147					
Total Governmental Activities	\$ 1,081,611	\$ 487,770	\$ 593,841					

Business-Type Activities	Amo	unt Authorized	unt Expended h June 30, 2023	Ва	lance Authorized
Mill and Elevator	\$	46,129	\$ 17,116	\$	29,013
University System		567,482	334,330		233,152
Workforce Safety and Insurance		18,500	2,000		16,500
Total Business-Type Activities	\$	632,111	\$ 353,446	\$	278,665

#### I. DEFERRED OUTFLOWS OF RESOURCES

#### FINANCIAL DERIVATIVE INSTRUMENT

The State enters into interest rate swap agreements to modify interest rates on certain liabilities. The fair values of both hedging derivatives and investment derivatives (if any) are presented on the Statement of Net Position, either as a derivative liability (negative fair value) or as a derivative asset (positive fair value). The change in the total fair value of derivatives that are determined to be effective hedges is recorded as a deferred inflow or outflow of resources on the Statement of Net Position. If a derivative were determined to be an ineffective hedge, it would be classified as an investment derivative, and the change in the total fair value would be presented as part of investment earnings.

#### **DEFERRED LOSS ON BOND REFUNDING**

A deferred charge on refunded debts results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

#### J. LONG-TERM DEBT

Debt authorized is generally limited by the state constitution. The Constitution of North Dakota provides that the State may issue or guarantee the payment of bonds, provided that all bonds in excess of \$2 million are: (1) secured by first mortgage upon property and no further indebtedness may be incurred by the State unless evidenced by a bond issue; (2) authorized by law; (3) for a certain purpose; (4) provisioned to pay the interest semiannually; and (5) the principal is paid within 30 years. Additionally, the law authorizing the bond issue must specifically appropriate the provisions to the payment of the principal and interest of the bond.

#### 1. REVENUE BONDS

Bonds payable at June 30, 2023, consisted of bonds issued by the State and are accounted for by the respective state agencies in the government-wide financial statements that issued the bonds.

Current state statutes empower certain state agencies to issue bonds as part of their activities. This debt is not backed by the full faith and credit of the State of North Dakota. The principal and interest on such bonds shall be payable only from the applicable agency's program income.

#### **Primary Government**

#### **Building Authority**

The 2010 Series A and B, the 2012 Series A, the 2017 Series A bonds and the 2020 Series A have interest payable semiannually on June 1 and December 1 of each year. The 2010 Series A bonds and the 2020 Series A are subject to optional redemption in whole or in part. The 2010 Series B, the 2012 Series A, the 2017 Series A bonds are not subject to optional and/or extraordinary optional redemption prior to maturity upon the occurrence of certain events. All bonds are independently secured by the funds, certain mortgaged property, and all rights, titles, and interests of the Building Authority as lessor, including all basic rent payments, investment earnings on the funds and any other income derived by the Building Authority with respect to the lease. Total net revenue pledges for fiscal year 2023 were \$10.05 million. For fiscal year 2023, principal and interest paid by the Authority on the bonds was \$10.5 million. The total principal and interest remaining to be paid as of June 30, 2023, is \$100 million payable through December 2040.

The 2010 bond agreements require the establishment and maintenance of reserve funds to be used for debt service payments if amounts in the bond funds are insufficient to make payments. Fund are also required for any positive arbitration due to the Federal government.

#### Legacy Bond Program

The appropriation bonds have been issued to provided financing to legislative approved state projects and programs. The bonds are limited obligations of the Public Finance Authority and payable solely from funds appropriated by the Legislative Assembly, other legally available funds, if any, and other fund or amounts held by the Trustee as security for the bonds. The total principal and interest remaining to be paid as of June 30, 2023 is \$986.5 million through June 2041.

#### Student Loan Trust

Interest is payable semiannually on June 1 and December 1 of each year. The 2004 Series A Bonds are variable rate bonds. The rate of interest is determined based on one-month SOFR plus 0.7%. The maximum rate of interest is 12% per annum. Details of the terms and provisions of the variable rate bonds are outlined in Section 2.1 of the Fourth Supplemental Resolution to the State of North Dakota Student Loan Revenue Bonds First General Bond Resolution. Section 2.2 of the Fourth Supplemental Resolution to the State of North Dakota Student Loan Revenue Bonds First General Bond Resolution has deemed these to be Federally Taxable Bonds. The Series 2004 Bonds are subject to redemption prior to maturity at the option of the Commission from any source of funds, in whole or in part, on any date at a redemption price equal to 100% of the principal amount plus accrued interest to date of redemption.

The total principal and interest remaining to be paid on the outstanding bond is \$1 million payable through June 2029. For fiscal year 2023, revenue pledged and total principal and interest paid by Student Loan Trust were \$23,000 and \$43,000, respectively.

#### Housing Finance

Housing Finance Bonds were issued to provide financing to purchase mortgage loans to finance rental housing projects. The bonds are the direct obligation of the Housing Finance Agency and are secured by the mortgage loans purchased under the applicable resolutions; the revenues, prepayments, insurance and foreclosure proceeds received related to the mortgage loans; and certain funds and accounts established pursuant to the applicable bond resolution.

Revenues Pledged – The agency has homeownership bonds outstanding in the amount of \$1.59 billion maturing at various times from July 1, 2023 through January 1, 2054. The bonds have been issued to provide financing to purchase mortgage loans. Annual principal and interest payments on the bonds are expected to require 98 percent of net revenues. Principal and interest paid for the current year and total customer net revenues were \$123.5 million and \$33.3million, respectively. Bond principal was reduced through customer revenues and the refunding of older bonds with proceeds from new bond issues.

Pursuant to the Series Resolutions adopted to date and under the 1994 and 2009 General Resolutions, the revenues generated by the Program Loans (but not the Program Loans themselves) are pledged to secure the Bonds. The Agency is permitted by terms of the General Resolutions to issue Bonds and pledge Revenues pursuant to the Series Resolution which exceed the amount required to meet the obligations of that Series of Bonds. In such event, it is likely that any such Series of bonds would produce excess Revenues which could be available to redeem the related Series of bonds or any other Series of Bonds prior to the state maturities thereof.

### University System

Revenue bonds are limited obligations of the University System. The principal and interest on the bonds are payable generally from the net income of specific auxiliary activities, designated student fees, interest subsidies and debt service reserve funds. These revenues are generally pledged to the payment of bonds in accordance with the specific terms of the specific indenture. Net pledged revenues for fiscal year 2023 were \$21.0 million. Principal and interest paid for the current fiscal year were \$21.0 million, with total remaining principal and interest of \$355.8 million payable through fiscal year 2050.

#### State Fair Association

Capital Financing Program Bonds Series 2015 – Interest is payable semi-annually on June 1 and December 1 of each year. The bonds maturing on June 1, 2026 and thereafter are subject to optional redemption on June 1, 2025 and any date thereafter. The bonds are secured by the Association's net revenues and by the lodging tax proceeds from the City of Minot, North Dakota.

#### **Major Component Units**

#### Public Finance Authority

The bonds of the Public Finance Authority were issued to provide financing to purchase municipal securities in order to provide local political subdivisions with funds to finance local projects. The bonds are direct obligations of the Public Finance Authority and are secured by municipal securities purchased under the applicable resolutions, interest earnings and certain accounts established pursuant to the applicable bond resolutions. Net pledged revenues for fiscal year 2023 were \$18.7 million. Principal

and interest paid for the current fiscal year were \$103.4 million, with total remaining principal and interest of \$585.4 million payable through June 2045.

Transmission Authority

The bonds of the Transmission Authority were issued to provide facilitate the purchase of a transmission line. The bonds are direct obligations of the Transmission Authority and are secured by Nexus Line, LLC. Net pledged revenues for fiscal year 2023 were \$5.5 million. Principal and interest paid for the current fiscal year was \$10.2 million, with total remaining principal and interest of \$201.9 million payable through June 2042.

Revenue Bonds outstanding (expressed in thousands):

#### **Primary Government**

	Maturities	Interest Rates	Balance 6/30/23
Governmental-Type Activities:			
Building Authority	2023-2041	1.50-6.25	\$ 77,894
Legacy Bond Fund	2023-2041	0.87 - 4.8	708,880
Business-Type Activities:			
Student Loan Trust	6/1/2029	5.87	1,000 1)
Housing Finance:			
Homeownership	2024-2054	0.10-4.25	1,595,377 <sup>1)</sup>
Multifamily	9/1/2025	2.45	5,000 1)
University System:			2)
BSC—Bismarck	2024-2033	2.00-4.00	5,705
Dakota College at Bottineau	2024-2026	2.00-5.00	2,505
MaSU—Mayville	2024-2030	1.25-3.25	1,840
MiSU-Minot	2024-2041	0.40-3.00	7,324
NDSCS—Wahpeton	2024-2037	3.00	6,154
NDSU—Fargo	2024-2047	1.50-5.00	106,104
UND—Grand Forks	2024-2050	0.75-5.00	160,914
VCSU—Valley City	2024-2046	3.00-4.00	4,612
Williston State College	2024-2041	3.10	4,923
State Fair Association	2023-2029	3.00	1,142
Total Revenue Bonds Payable— Primary Government			\$ 2,689,374

- 1) Entire amount of bonds payable are not associated with capital assets of the State.
- 2) At June 30, 2023, NDSU had pledged \$9.7 million of assets as collateral for bonds payable issued at the Research I and Research II buildings.

The MiSU and VCSU bonds as well as the BSC 2012 bond issue contain a provision that in the event of default, outstanding amounts become immediately due if the institutions are unable to make payment.

DCB and NDSCS contain a provision that the bond owners or a court appointed trustee may pursue any available legal remedy.

The BSC 2012 and the MISU bond issues are subject to redemption in the event of any loss, damage or destruction.

The MaSU, NDSU, UND and WSC bonds contain a provision that the bond owners or a court appointed trustee may purse any available legal remedy.

The NDSU bonds payable to component units are payable through the monies received from the operating lease between the component unit and NDSU. In the event of NDSU's failure to pay the rent under the lease, the component unit may declare all rent due and payable for the remaining term of the lease, subject to available appropriations. The component unit may take possession of the facilities.

### **Major Component Units**

	Maturities	Interest Rates	Balance 6/30/23
Public Finance Authority	2024-2045	0.24-5.00	\$ 471,265
Transmission Authority	2024-2042	3.55	145,100
University System Foundation	2024-2040	0.75-4.20	61,978
Total Revenue Bonds Payable— Major Component Units			\$ 678,343

Debt service requirements to maturity on revenue bond issues for the fiscal years ending June 30 are summarized below (expressed in thousands):

### **Primary Government**

Governmental Activities				Business-type Activities						
		Principal		Interest			ı	Principal		Interest
2024	\$	34,255	\$	27,345	2024		\$	72,281	\$	60,497
2025		32,260		26,596	2025			68,143		60,194
2026		33,065		25,811	2026			66,247		58,263
2027		33,965		24,954	2027			70,410		56,583
2028		34,955		24,006	2028			62,687		54,798
2029 - 2033		191,845		102,977	2029 - 2033			295,677		248,996
2034 - 2038		223,311		67,514	2034 - 2038			310,731		203,527
2039 - 2043		189,925		20,520	2039 - 2043			329,706		149,368
2044 - 2048		_		_	2044 - 2048			371,913		89,389
2049 - 2053		_		_	2049 - 2053			229,391		23,463
2054 - 2058		_		_	2054 - 2058			3,495		101
Bond Premium		13,193		(13,193)	<b>Bond Premium</b>			21,919		(21,919)
Total		\$786,774		\$306,530				\$1,902,600		\$983,260

### **Major Component Units**

	Principal	Interest
2024	\$ 33,840	\$ 25,391
2025	38,048	24,996
2026	39,082	23,757
2027	38,664	21,718
2028	40,298	20,048
2029 - 2033	186,995	71,631
2034 - 2038	163,028	35,707
2039 - 2043	81,250	8,292
2044 - 2048	6,668	493
Bond Premium	50,470	(50,470)
Total	\$ 678,343	\$ 181,563

#### 2. NOTES PAYABLE

The following is a schedule of notes payable outstanding at June 30, 2023 (expressed in thousands):

#### **Primary Government**

	Maturities	Interest Rates	Balance 6/30/23
Governmental Activities:			
Office of Management and Budget	2024-2034	2.43	\$ 9,290
Department of Human Services	2024-2035	2.05-3.00	2,223
School for the Blind	2024-2037	2.60	116
Health Department	2024-2035	3.65	545
Environmental Quality	2024-2035	3.65	446
Attorney General's Office	2024-2035	2.05	224
Veteran's Home	2024-2036	2.05	628
Corrections	2024-2036	2.05	939
Historical Foundation	2024-2033	2.05	74
Information Technology Department	2024-2026	0.00-3.20	1,350
Proprietary Activities:			
Bank of North Dakota	2023-2024	2.22-3.22	675,000 <sup>1)</sup>
University System	2024-2035	1.00-5.15	 23,447
Total Revenue Bonds Payable—			
Primary Government			\$ 714,282
Major Component Units			
	Maturities	Interest Rates	Balance 6/30/23
University System Foundation	2024-2032	0.95-4.35	\$ 32,592
Total Revenue Bonds Payable— Major Component Units			\$ 32,592

<sup>1)</sup> These notes payable represent FHLB long-term advances. The advances must be secured by minimum qualifying collateral maintenance levels. Residential, agriculture and commercial loans with carrying values of \$691.8 million are currently being used as security to meet these minimum levels.

#### Short Term Borrowings:

The Bank of North Dakota had FHLB short-term advances outstanding as of December 31, 2022 that all matured in January 2023 and had fixed interest rates ranging from 4.44% to 4.60%.

The ND Housing Finance Agency maintains a collateral pledge agreement with the FHLB covering secured advances whereby the Agency has agreed to retain residential real estate loans and marketable securities, free of all other pledges, liens and encumbrances. The pledged loans and securities are discounted by FHLB when determining their borrowing capacity. The aggregate borrowing capacity of eligible collateral was approximately \$36.1 million as of June 30, 2023. In addition, borrowings are collateralized by \$61 million of loans receivable and \$146,000 of cash and investments.

Debt service requirements to maturity for notes payable for the fiscal years ending June 30 are summarized below (expressed in thousands):

#### **Primary Government**

	Governmer	ntal Activities				Business	-type	Activities	
		Principal	I	nterest				Principal	Interest
2024	9	1,556	\$	454	2024		\$	680,596	\$ 2,056
2025		1,614		334	2025			3,598	535
2026		1,590		306	2026			3,069	418
2027		1,199		276	2027			3,115	345
2028		1,242		245	2028			1,929	267
2029 - 2033		6,445		660	2029 - 2033			5,224	753
2034 - 2038		1,680		72	2034 - 2038			916	144
2039 - 2043		93		18	2039 - 2043			_	_
2044 - 2048		100		14	2044 - 2048			_	_
2049 - 2053		108		11	2049 - 2053			_	_
2054 - 2058		117		7	2054 - 2058			_	_
2059 - 2063		91		1	2059 - 2063			_	_
Total	3	15,835	\$	2,398			\$	698,447	\$ 4,518

#### **Major Component Units**

	Principal	Interest			
2024	\$ 2,311	\$ 220			
2025	4,979	568			
2026	2,051	542			
2027	6,010	420			
2028	1,840	284			
2029 - 2033	3,860	226			
2034 - 2038	11,441	529			
2039 - 2043	100	7			
Total	\$ 32,592	\$ 2,796			
Total	\$ 32,592	\$ 2,796			

#### 3. CERTIFICATES OF PARTICIPATION

#### **Primary Government**

#### University System

On September 1, 2018, the University of North Dakota (UND) entered into a lease-purchase agreement with Johnson Controls PI Project Site Operations, LLC (Johnson Controls) to construct and operate a new steam plant and make other energy conservation improvements. To fund the project, UND issued Series 2018A and 2018B Certificates of Participation through Trust Agreement with the Bank of North Dakota, as the Trustee. The certificates are subject to annual appropriations by the North Dakota Legislature as part of the general operating appropriations.

The Series 2018A certificates were issued at a par value of \$76.6 million, with a net premium of \$3.8 million. In fiscal year 2019, UND began making semi-annual interest-only payments through fiscal year 2040. The first principal payment will be due in fiscal year 2041. The certificates mature in fiscal year 2057.

The Series 2018B certificates were issued at a par value of \$16.5 million, with no premium or original issue discount. In fiscal year 2019, UND began making semi-annual interest-only payments through fiscal year 2023. The first principal payment will be due in 2024. The certificates mature in fiscal year 2041.

On July 26, 2021, UND issued tax-exempt Certificates of Participation, Series 2021A, in the amount of \$133,010,000 to fund the costs of a major renovation to student housing facilities; demolition of nine student housing facilities based upon student demand; and the construction of a new 400 and 477-bed student housing facility.

JCP University Housing Services, LLC (JCP USH) and UND entered a lease-purchase agreement in which the institution will initially lease the project from JCP USH. The title to the real estate on which the project is constructed will remain with the institution. The initial term of the lease commences on June 30, 2023, with extensions through June 30, 2061.

The Series 2021A certificates were issued at a par value of \$133.0 million, with a net premium of \$9.0 million. The certificates have interest rates ranging from 4.0 to 5.0 percent and are subject to annual appropriations by the North Dakota Legislature as part of the general operating appropriations.

The first principal and interest payments are due in the fiscal year 2024. The certificates mature in the fiscal year 2061.

The Series 2021B certificates were issued at a par value of \$18.3 million. The certificates have interest rates ranging from 0.42 to 2.34 percent and are subject to annual appropriations by the North Dakota Legislature as part of the general operating appropriations. The first principal payment was due April 1, 2022 and certificates mature in the fiscal year 2034.

On August 22, 2019, WSC entered into a lease-purchase agreement with Johnson Controls, Inc., to fund the costs of certain energy conservation improvements including, but not limited to, renovations to existing heating, ventilation, and air conditioning systems and controls, deferred maintenance improvements. To fund the project, WSC issued Series 2019 Certificates of Participation through the Bank of North Dakota. The certificates have interest rates ranging from 3.0 to 5.0 percent and are subject to annual appropriations by the North Dakota Legislature as part of the general operating appropriations.

The Series 2019 certificates were issued at a par value of \$7.4 million, with a net discount of \$78,000. In fiscal year 2020, WSC made an interest only payment with semi-annual principal and interest payment beginning fiscal year 2021 through fiscal year 2048.

The following is a schedule of certificates of participation outstanding at June 30, 2023 (expressed in thousands):

#### **Primary Government**

	Maturities	Interest Rates	Balance 6/30/23
Proprietary Activities:			
University System	2024-2063	0.42 - 5.00	\$260,727

Debt service requirements to maturity on the certificates of participation for the fiscal years ending June 30 are summarized below (expressed in thousands):

#### **Primary Government**

Bu	siness-type Activities				
	Principal	Interest		Principal	Interest
2024	\$9,561	\$9,205	2034 - 2038	\$15,021	\$40,523
2025	1,680	8,789	2039 - 2043	22,863	36,727
2026	1,796	8,763	2044 - 2048	33,444	31,279
2027	1,922	8,730	2049 - 2053	53,125	22,885
2028	1,998	8,690	2054 - 2058	73,412	11,660
2029 - 2033	12,564	42,675	2059 - 2063	33,341	1,899
			Total	\$260,727	\$231,825

### 4. LEASES PAYABLE

### **Primary Government**

	Governmental A	Activities				Business-t	ype Activities			
	Р	rincipal	In	iterest			Principal	Interest		
2024	\$	9,082	\$	1,704	2024	;	\$ 12,709	\$ 2,746		
2025		9,053		1,270	2025		10,813	2,360		
2026		4,311		1,006	2026		8,428	2,018		
2027		2,930		807	2027		6,489	1,729		
2028		2,011		728	2028		5,507	1,482		
2029 - 2033		8,575		2,457	2029 - 2033		15,242	5,232		
2034 - 2038		5,439		1,043	2034 - 2038		6,148	3,299		
2039 - 2043		_		103	2039 - 2043		3,410	2,474		
2044 - 2048		_		10	2044 - 2048		4,791	1,597		
2049 - 2053		_		_	2049 - 2053		4,563	488		
2053 - 2057				_	2054 - 2058		24	30		
Total	\$	41,401	\$	9,128		_	\$ 78,124	\$ 23,455		

### **Major Component Units**

	Principal		Interest
2024	\$ 161	\$	96
2025	169		88
2026	173		79
2027	142		72
2028	149		65
2029 - 2033	769		212
2034 - 2038	103		96
2039 - 2043	34		88
2044 - 2048	40		82
2049 - 2053	48		73
2054 - 2058	58		63
2059 - 2063	70		52
2064 - 2068	257		60
Total	\$ 2,173	\$	1,126
		_	

5. SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA) PAYABLE

### **Primary Government**

	Government	al Activities		Business-type Activities						
		Principal	Interest	-		Principal	Interest			
2024	\$	16,181	\$ 1,723	2024	\$	9,169	849			
2025		14,266	1,104	2025		7,149	467			
2026		11,516	528	2026		2,403	253			
2027		3,330	84	2027		1,780	151			
2028		1,105	76	2028		1,246	76			
2029 - 2033		274	25	2029 - 2033		589	32			
2034 - 2038		6	6	2034 - 2038		_	0			
Total	\$	46,678	\$ 3,546	-	\$	22,336	\$ 1,828			

Changes in General Long-Term Liabilities

Changes in Long-Term Liabilities for the year ended June 30, 2023, are summarized as follows (expressed in thousands):

#### **Primary Government**

-	[	Beginning Balance	Additions			Reductions*	 Ending Balance		Amounts Due Within One Year
Governmental Activities:									
Notes Payable	\$	17,157	\$		\$	(1,322)	\$ 15,835	\$	1,492
Bonds Payable		475,316		319,038		(7,224)	787,130		32,674
Leases Payable		47,547		3,127		(9,274)	41,400		9,065
SBITA Payable		44,772		2,475		(579)	46,668		16,181
Compensated Absences		51,802		40,162		(36,402)	55,562		4,912
Claims/Judgments Payable		6,990		5,434		(3,309)	9,115		2,079
Total Long-Term Liabilities	\$	643,584	\$	370,236	\$	(58,110)	\$ 955,710	\$	66,403
Business-Type Activities:									
Notes Payable	\$	135,353	\$	4,075,656	\$	(3,512,562)	\$ 698,447	\$	680,481
Bonds Payable		1,795,064		251,303		(143,766)	1,902,601		73,644
Certificates of Participation		262,217		_		(1,490)	260,727		9,560
Leases Payable		67,495		25,305		(14,675)	78,125		12,709
SBITA Payable		_		22,336		_	22,336		9,169
Intergovernmental Payable		18,731		3		(726)	18,008		714
Compensated Absences		40,020		5,111		(3,458)	41,673		5,943
Dividends Payable		82,406		86,801		(82,406)	86,801		86,801
Claims/Judgments Payable		1,000,599		41,191		(88,492)	953,298		117,095
Total Long-Term Liabilities	\$	3,401,885	\$	4,507,706	\$	(3,847,575)	\$ 4,062,016	\$	996,116

#### **Major Component Units**

	Begin Balar					Ending Reductions Balance				mounts ıe Within ne Year
Notes Payable	\$	24,211	\$	11,696	\$	(3,316)	\$	32,591	\$	6,040
Bonds Payable		658,578		121,337		(101,572)		678,343		38,443
Leases Payable		1,114		1,206		(147)		2,173		161
Intergovernmental Payable		620		_		(36)		584		41
Compensated Absences								<u> </u>		_
Total Long-Term Liabilities	\$	684,523	\$	134,239	\$	(105,071)	\$	713,691	\$	44,685

<sup>\*</sup> Bonds payable reductions include amortization of premium of \$14.4 million.

<sup>\*\*</sup>Included above are amounts classified as Due to Component Units in the Statement of Net Position for the University System as follows, expressed in the thousands.

	Business-Ty	/pe	Activities	Major Component Units				
	Total		Current		Total		Current	
Notes Payable	\$ 3,796	\$	1,337	\$	32,591	\$	6,040	
Bonds Payable	11,715		1,425		61,978		5,298	
Leases Payable	9,430		861		2,174		161	
Intergovernmental Payable	_		<u> </u>		584		41	
Total	\$ 24,941	\$	3,623	\$	97,327	\$	11,540	

Internal service funds predominately serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end, internal service funds included in the above amounts consist of \$1,350,192 of notes payable, \$5,719,919 of leases payable, \$26,955,587 of SBITAs payable, \$4,213,888 of compensated

absences and \$7,923,340 of claims and judgments. In addition, payments on long term debt (notes payable, leases payable and SBITA payable) for internal service funds of \$1.6 million is included above along with additions to leases payable for internal service funds of \$806,000.

Other governmental activities compensated absences generally have been liquidated by the General Fund (62.3%), the Highway Fund (11.1%), the Federal Fund (13.5%), and other various funds. Other governmental activities claims and judgments have all been liquidated by the Petroleum Release Compensation Fund.

#### K. ARBITRAGE REBATE PAYABLE

Arbitrage as it applies to government financing refers to the ability of state governments to obtain funds at a tax-exempt rate of interest and to then invest those funds in investments which earn a higher yield, resulting in a profit to the issuer.

The arbitrage rebate rules require that any earnings from the investment of the tax-exempt bond proceeds which exceed the yield on the bonds be remitted to the federal government.

The State had no arbitrage rebate payable to the federal government as of June 30, 2023.

#### L. DEFERRED INFLOWS OF RESOURCES

#### GRANTS RECEIVED PRIOR TO TIME REQUIREMENTS

This amount represents unavailable revenue. The amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

#### INCREASE IN FAIR VALUE OF HEDGING DERIVATIVES

This amount represents the changes in fair value of futures.

#### M. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value measurements are used to record fair value adjustments to certain assets, deferred outflows of resources, liabilities and deferred inflows of resources to determine fair value disclosures.

#### FAIR VALUE HIERARCHY

In accordance with GASB Statement No. 72, assets, deferred outflows of resources, liabilities and deferred inflows of resources are grouped at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

- Level 1: Valuation is based upon quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.
- Level 2: Valuation is based upon quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market.
- Level 3: Valuation is generated from model-based techniques that use significant assumptions not observable in the market. These unobservable assumptions reflect our own estimates of assumptions that market participants would use in pricing the asset or liability. Valuation techniques include use of option pricing models, discounted cash flow models and similar techniques.

Investments that are measured at fair value using the net asset value per share (or its equivalent) as practical expedient are not classified in the fair value hierarchy.

#### **DETERMINATION OF FAIR VALUE**

In accordance with GASB Statement No. 72, fair values are based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It is the State's policy to

maximize the use of observable inputs and minimize the use of unobservable inputs when developing fair value measurements, in accordance with the fair value hierarchy.

The following is a description of the methodologies used for instruments measured at fair value.

Securities classified in Level 1 are valued using quoted prices in active markets for those securities. Securities classified in Level 2 and Level 3 are valued using methodologies such as various bid evaluations, market averages and other matrix pricing techniques as well as values derived from associated traded securities or last trade data. In instances where inputs used to measure fair value fall into different levels, the fair value is categorized based on the lowest level input that is significant to the valuation.

Investments valued at the net asset value (NAV) per share (or its equivalent) have been classified separately in the table below and include investments considered to be *alternative investments* as defined by the AICPA. The definition includes investments for which a readily determinable fair value does not exist (that is, investments not listed on national exchanges or over-the-counter markets, or for which quoted market prices are not available from sources such as financial publications, the exchanges, or NASDAQ). These types of investments can be held within any of the asset classes used by the State based on underlying portfolio holdings and analysis of risk and return relationships. These investments can be structured in different ways, including limited partnerships, limited liability companies, common trusts and mutual funds. Some are closed-ended with a specific life and capital commitment while others are open-ended with opportunity for ad hoc contributions or withdrawals and termination upon proper notice.

Commingled/Mutual Funds – These types of funds are generally open-ended funds and may be utilized in equities or fixed income asset classes. They are funds made up of underlying securities that have readily available fair values (publicly traded stocks or bonds). The State owns units of these funds rather than the individual securities. Contributions or withdrawals from these funds can be made as needed, generally with daily or monthly liquidity, with a notice period of one to fifteen days. Because they are liquid funds, there are no unfunded commitments for these types of investments.

**Distressed Debt** — These include investments in the debt instruments of companies which may be publicly traded or privately held that are financially distressed and are either in bankruptcy or likely candidates for bankruptcy. Typical holdings are senior and subordinated debt instruments, mortgages and bank loans. The State is including these types of investments in its global fixed income allocations. As of June 30, 2023, all unfunded commitments in the State distressed debt portfolios had been released. One of the funds in this category is not eligible for redemptions, while the other fund is eligible for redemptions with quarterly liquidity and 60 days notice.

**Equity Long/Short** — This strategy is a combination of long and short positions, primarily in publicly traded equities. The State utilizes this strategy, through a limited partnership structure, within its global equity allocations. This is an open-ended fund with monthly liquidity with a notice period of 15 days. There was no unfunded commitment as of June 30, 2023.

**Mezzanine Debt** — This strategy is a hybrid of debt and equity financing. It is essentially debt capital that gives the lender the rights to convert to an ownership or equity interest in the company if the loan is not paid back in time and in full. It is generally subordinated to senior debt. The State utilizes this strategy, through a limited partnership structure, in its global fixed income allocation. The two funds in this category are not eligible for redemptions, have remaining lives of 1-2 years, and no unfunded commitments as of June 30, 2023.

**Private Credit** – These investments include loans to private companies, privately placed debt of public companies, or loans backed by real assets. Loan repayment can be derived from either cash flows from an operating company or cash flows generated by a physical or esoteric asset. Private debt is typically secured and has various protections/covenants in place. The debt is customized to the borrower's requirement, thus rendering it illiquid. The State includes these strategies within its global fixed income allocation through limited partnership-type structures. Private credit issuers may be investment grade but are typically below-investment grade and similar in some respect to the syndicated bank loan and high yield markets. The State participates in two senior private credit funds, commonly referred to as direct lenders, which are structured as custom managed accounts that are not eligible for redemptions during remaining investment lives, and the unfunded commitments totaled \$120.7 million as of June 30, 2023.

**Private Equity** - Private Equity investments are typically private interests in corporations across different areas of the capital structure and in different stages of the corporations' development via limited partnership vehicles. Private Equity investments are illiquid and long term in nature (10-12 years), typically held until maturity. Private Equity portfolios generally have a "J-Curve Effect" whereby there are low to negative returns in the initial years due to the payment of investment management fees and initial funding of investments made by the General Partner during a period when investments are typically carried at cost and returns have not been realized. To diversify the program, Private Equity investments are made across business cycles, vintage years, and different strategies. The State has a dedicated sub-asset class for private equity investments within its global equity allocation in the pension pool. The State does not have the option to request redemptions from its private equity funds. The General Partner

distributes earnings and proceeds from the sale of the underlying investments as transactions occur. The State has \$540.1 million in unfunded private equity commitments as of June 30, 2023.

**Venture Capital** – These include investments in companies in a range of stages of development from start-up/seed stage, early stage, and later/expansion stage. Investments are typically made in years one through six and returns typically occur in years four through ten.

**Buyouts** – These include investments in funds that seek out and purchase underperforming or undervalued companies in order to improve them and sell them or take them public many years later. These funds are also often involved in management buyouts, which are buyouts conducted by the management of the company being purchased, and they often play key roles in leveraged buyouts, which are buyouts that are funded with borrowed money.

Real Assets – These investments are intended to provide allocations to tangible assets that are expected to be inflation protected and provide performance above the inflation rate as indicated by the CPI. Investments are generally structured as limited partnerships or limited liability companies. Investments in Real Estate Assets include Real Estate, Timberland and Infrastructure, as discussed below.

Real Estate – includes investments in private vehicles through limited partnerships or commingled vehicles that have an ownership interest in direct real estate properties. The investment strategies may include "value added" strategies, which derive their return from both income and appreciation, "opportunistic", which derive their return primarily through appreciation, and "alternative" which invest in less traditional types of property. Both domestic and international real estate funds are utilized. The State has a dedicated sub-asset class for these types of investments within global real assets. There are currently 11 different real estate funds in the portfolio. Five of those funds are open-ended vehicles that accept redemption requests quarterly with a 30-90 day notification period. There were no unfunded commitments in the open-ended funds as of June 30, 2023. The remaining six funds are closed-ended limited partnerships that are not eligible for redemptions. Those six funds have a combined unfunded commitment of \$158.7 million as of June 30, 2023.

**Timberland** – includes investments in limited liability companies that have an ownership interest in properties where the value of the property is derived mainly from income-producing timber but also from the "higher and better use" value of the underlying land. The State includes these assets within its global real asset allocations. There are three funds in the portfolio and they have no unfunded commitments. The funds are not eligible for redemption other than distributions of income and/or proceeds as determined by the investment manager. The funds have remaining lives of 1-4 years.

Infrastructure – includes investments in limited partnerships that have an ownership interest in transportation assets such as toll roads, tunnels and bridges; and regulated assets such as electricity transmission, gas and oil distribution and wastewater collection. Other possible investments would include communication assets and social infrastructure. The State includes these assets within its global real assets allocations. The infrastructure investments in the portfolio as of June 30, 2023, include both open and closed-ended funds. The three open-ended funds have no unfunded commitments and are eligible for redemptions quarterly with 90 days notice. The 17 closed-ended funds have unfunded commitments of \$296.8 million at June 30, 2023 and are not eligible for redemptions.

**Interest Rate Swap Agreements** – Fair values for interest rate swap agreements are based upon the settlement value adjusted by estimated nonperformance risk.

**Derivative Instruments** – Fair values of the grain future contracts are determined on the Minneapolis Grain Exchange.

# Fair Value

The following table shows the fair value leveling of the State's assets and liabilities at June 30 (expressed in thousands).

**Primary Government** 

Primary Government				
INVESTMENTS MEASURED AT	Fair Value			_
FAIR VALUE	6/30/23	Level 1	Level 2	Level 3
Short term securities:				
Commercial paper	\$ 106,717	\$ —	\$ 106,717	\$ —
Short term bills and notes	459,152	_	459,152	_
Total short term securities	565,869	_	565,869	_
Fixed income investments:				
Asset backed securities	507,598	_	505,564	2,034
Bank loans	10,168		10,168	_
Collateralized bonds	1,652	_	1,652	_
Collateralized mortgage obligations	7,673	_	7,673	_
Commercial mortgage-backed	334,086	_	334,086	_
Corporate bonds	2,424,877	_	2,424,877	_
Corporate convertible bonds	11,596	_	11,596	_
Funds - Fixed Income ETF	133,852	16,713	117,121	18
Government Agencies	2,862,316	2,801,622	60,694	_
Government Bonds	1,104,674	106	1,104,568	_
Government MBS	3,434,597	_	3,434,528	69
Government - issued Commercial Mortgage-Backed	18,255	_	18,255	_
Index Linked Government Bonds	635,558	_	635,558	_
Municipal / Provincial Bonds	23,222	_	23,222	_
Non- Government Backed C.M.O.s	102,353	_	102,353	_
Sukak	2,506	_	2,506	_
Other Fixed Income	512	_	512	_
Collateralized Debt	7,583	_	7,583	_
Total fixed income investments	11,623,078	2,818,441	8,802,516	2,121
Equity Investments:	11,020,010			
Common stock	3,395,512	3,395,099	2	411
Convertible equity	6,294	1,003	5,291	—
Funds - Equities ETF	284,336	284,004		332
Preferred stock	28	28		_
Miscellaneous	699	_	_	699
Total equity investments	3,686,869	3,680,134	5,293	1,442
Other Investments:	0,000,000			
Commodity ETF	1	1		
Currency	72			72
Interest rate contracts	71	_	71	-
FX Contracts	3	_		3
Global Tactical Asset Allocation MF	312,977		312,977	<u> </u>
Master Limited Partnership	1		312,911	
REITs	12,576	12,576	_	_
Real Estate	11,353	12,370	_	11,353
	63,068	_	63,068	11,555
Swap Total other investments	400,122	12,578	376,116	11,428
	400,122	12,576	370,110	11,420
Derivative Investments:	F 770		F 770	
Exchange cleared swaps	5,778	(4.547)	5,778	_
Options	(1,997)	(1,547)	(450)	_
Swaps	14,936		14,936	_
Grain future contracts	148	148		
Total derivative investments	18,865	(1,399)	20,264	
Total investments measured at fair value	¢ 16 204 902	¢ 6500754	¢ 0.770.050	¢ 1/ 001
iaii valut	\$ 16,294,803	\$ 6,509,754	\$ 9,770,058	\$ 14,991

			Redemption Frequency	
INVESTMENTS MEASURED AT THE NET ASSET VALUE (NAV)	 Fair Value 6/30/23	Unfunded ommitments	(If currently eligible)	Redemption Notice Period
Commingled Funds - Debt	\$ 1,416,003	\$ 	Daily, monthly	1 - 15 days
Commingled Funds - Equities	5,319,774		Daily, monthly	1 - 15 days
Commingled Funds - Fixed Income	15,982		Daily	< 5 days
Distressed Debt	211,245	_	Quarterly, not eligible	60 days
Long / short	811,402		Monthly	15 days
Mezzanine Debt	1		Not eligible	Not eligible
Private Credit	1,539,705	225,700	Not eligible	Not eligible
Private Equity	1,144,340	752,130	Not eligible	Not eligible
Real Assets	3,805,079	455,448	Quarterly, not eligible	30 - 90 days
Hedge Fund	562,355	150,000	N/A	N/A
Private Infrastructure	325,995	10,000	N/A	N/A
Total investments measured at the NAV	15,151,881	\$ 1,593,278		
Total investments	\$ 31,446,684			

**Major Component Units** 

,				
INVESTMENTS MEASURED AT FAIR VALUE	air Value 6/30/23	Level 1	Level 2	Level 3
Short term securities				
Certificates of deposit	\$ 5,941	\$ _	\$ 5,941	\$ _
Short term bills and notes	48,121	_	48,121	_
Total short term securities	 54,062	_	54,062	_
Fixed income investments:				_
Gov't Agencies	 28,539	 28,539	_	 _
Total fixed income investments	 28,539	28,539	_	
Total investments	\$ 82,601	\$ 28,539	\$ 54,062	\$ 

# **NOTE 4 - NET POSITION**

The government-wide Governmental Activities Statement of Net Position reports \$8,895,773,769 of restricted net position, of which \$1,135,550,116 is restricted by enabling legislation.

# **NOTE 5 - FUND BALANCE**

The following table on the next page presents further display the fund balances by major purpose.

Included in the General Fund, unassigned fund balance is \$9,118,113,790 for the North Dakota Legacy Fund. The Legacy Fund was established with thirty percent of total revenue derived from taxes on oil and gas production or extraction. The principal and earnings of the Legacy Fund may not be spent until after June 30, 2017, and an expenditure of principal after that date requires a vote of at least two-thirds of the members elected of each house of the legislative assembly. No more than fifteen percent of the principal of the Legacy Fund can be expended during a biennium.

# Governmental Fund Balances - By Purpose (Expressed in Thousands)

			Special Revenue						
		General		Federal		State	Nonmajor Governmental		Total
Fund Balances:									
Nonspendable:									
Inventory	\$	3,436	\$	24,018	\$	10,292	\$ —	\$	37,745
Long - Term Receivables		_		_		_	_		_
Prepaid Expenditures		3,921		7,389		6,599	_		17,909
Permanent Trust Fund for Veteran's Postwar				_			7,519		7,519
Development		_		_			71,586		71,586
Total Nonspendable		7,357		31,407		16,891	79,105		134,759
Restricted for:									
Distribution to Common Schools						6,561,106	_		6,561,106
State Education Aid		_		_		492,614	_		492,614
Federal Programs				5,958		· <u> </u>	_		5,958
Lignite Research		_		· —		28,091	_		28,091
Water Projects and Energy Conservation		_		_		568,514	_		568,514
Well Plugging and Site Reclamation		_		_		24,680	_		24,680
Agriculture & Commerce						59,067	_		59,067
Natural Resources				_		26,118	_		26,118
Highway Projects				_		341,295	_		341,295
Transportation				_		40,703	_		40,703
Petroleum Tank Release Compensation						6,121	_		6,121
Debt Service						0,121	520,998		520,998
Capital Improvement Projects							423		423
Other		_		_		83,573	423		83,573
Total Restricted	_			5,958	-	8,231,882	521,421	_	8,759,261
				0,000		0,201,002	021,421		0,700,201
Committed to:						4 500 004			4 500 004
Strategic Investments & Improvements				_		1,599,694	_		1,599,694
Buydown Interest Programs		_		_		96,430	_		96,430
Human Services & Health Operations				_		47,058	_		47,058
Clean Sustainable Energy Fund		13,594		_		_	_		13,594
Outdoor Heritage Grants		_		_		40,102	_		40,102
Charitable Gaming Operating Fund		_		_		13,685	_		13,685
Water Development & Management Projects	•	_		_		1,456	_		1,456
Oil, Gas, and Energy Research		_		_		17,861	_		17,861
Judicial & Legal		_		_		21,798	_		21,798
Public Safety & Corrections		16,809		_		2,066	_		18,875
Legacy Earnings Distributions		486,579		_			_		486,579
Agriculture & Commerce		5,044		_		11,120	_		16,164
State Rail and Special Roads		_		_		17,622	_		17,622
Insurance Regulatory Operations		_		_		7,357	_		7,357
Parks and Recreation Operations		_		_		11,235	_		11,235
Economic Assistance & Social Services		7,414		_		_	_		7,414
Tax Relief		202,799				_	_		202,799
Stabilization		739,473		_		_	_		739,473
Theodore Roosevelt Presidential Library &									
Museum		52,964		_		_	_		52,964
Veteran's Postwar		_		_		_	722		722
Other		8,129				51,202	237	_	59,568
Total Committed		1,532,805		_		1,938,686	959		3,472,450

		Special	Revenue		
	General	Federal	State	Nonmajor Governmental	Total
Assigned to:					
Education	\$ —	\$ —	\$ 5,110	\$ —	\$ 5,110
Human Services & Health Operations	_	_	178,951	_	178,951
Judicial & Legal	_	_	6,925	_	6,925
Correction and Rehabilitation Operations	_	_	7,955	_	7,955
Strategic Investments & Improvements	_	_	50,752	_	50,752
Agriculture & Commerce	_	_	4,611		4,611
Environmental Quality	_	_	1,189		1,189
Economic Development Community Fund	_	_	30,055		30,055
Securities Regulations	_	_	1,193		1,193
Other	_	6	14,711		14,717
Total Assigned		6	301,452		301,458
Unassigned	11,199,265				11,199,265
Total Fund Balances	\$ 12,739,427	\$ 37,371	\$ 10,488,911	\$ 601,485	\$ 23,867,193

#### **NOTE 6 - RETIREMENT SYSTEMS**

#### A. DESCRIPTION OF PLANS

The State of North Dakota administers four major retirement systems: North Dakota Public Employees' Retirement System, North Dakota Highway Patrolmen's Retirement System, Retirement Plan for the Employees of Job Service North Dakota and the Teachers' Fund for Retirement. The State also administers the North Dakota Defined Contribution Retirement Plan, which was established January 1, 2000. Certain state employees may also participate in a privately administered retirement system: Teachers' Insurance Annuity Association. The following is a brief description of each plan. More detailed information can be found in the plan agreements and the related legislation.

### NORTH DAKOTA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)

The North Dakota Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan covering substantially all employees of the State of North Dakota, its agencies, and various participating political subdivisions (Main System). It also covers Supreme and District Court judges, the National Guard Security Officers and Firefighters, peace officers and correctional officers employed by political subdivisions and as of August 1, 2017, firefighters employed by participating political subdivisions. Effective August 1, 2015, current and newly eligible members of the National Guard System were transferred to the Law Enforcement System. It is not subject to the provisions of the Employee Retirement Security Act of 1974. PERS issues a publicly available financial report that may be obtained by writing to North Dakota Public Employees Retirement System, 1600 E. Century Ave., Suite 2, Bismarck, North Dakota 58503.

At June 30, 2023 number of participating political subdivisions in PERS was:

Cities	98
Counties	51
School Districts	131
Other	93
Total Participating Local Political Subdivisions	373

#### Administration

The North Dakota Retirement Board was created by the State Legislature and is the governing authority of PERS. Benefit and contribution provisions are administered in accordance with chapter 54-52 of the North Dakota Century Code.

Responsibility for administration of the three defined benefit pension plans and the defined contribution plan is assigned to a Board comprised of nine members. The Board consists of a Chairman, who is appointed by the Governor; one member appointed by the Attorney General; one member appointed by the State Health Officer; two members of the legislative assemble appointed by a chairman of the legislative management, three members elected by the active membership of the NDPERS system; and one member elected by the retired public employees.

The costs of administering the plan are financed through the contributions and investment earnings of each plan.

#### **Benefits**

Benefits are set by statute. The System has no provisions or policies with respect to automatic and ad hoc post-retirement benefit increases. Members are entitled to unreduced monthly pension benefits beginning when the sum of age and years of credited service equals or exceeds 85 (Rule of 85), or at normal retirement age (65). For members hired on or after January 1, 2016 the Rule of 85 will be replaced with the Rule of 90 with a minimum age of 60. The annual pension benefit is equal to 2.00% of their average monthly salary, using the highest 36 months out of the last 180 months of service, for each year of service. For members hired on or after January 1, 2020 the annual pension benefit is equal to 1.75% of their average monthly salary, using the three highest periods of twelve consecutive months employed during the last one hundred eighty months of employment. The Plan permits early retirement at ages 55-64 with three or more years of service.

Supreme and district court judges are entitled to unreduced monthly pension benefits beginning at the normal retirement age (65) or Rule of 85. The monthly pension benefit for Supreme and district court judges is equal to a percentage of average monthly salary using the highest 36 consecutive months out of the last 180 months of service. The percentage is equal to 3.5% of final average monthly salary multiplied by the first 10 years of service, plus 2.80% of the average monthly salary times the second 10 years of service, plus 1.25% of average monthly salary times years of service in excess of 20 years. The judicial retirement formula is only applied to eligible judicial service. Non-judicial service benefits are calculated using the 2.00% multiplier. The plan permits early retirement at ages 55-64, with five or more years of service.

Members of the National Guard System are entitled to unreduced monthly pension benefits at normal retirement age (55). Effective August 1, 2015, the National Guard System will become part of the Law Enforcement System. Members of the Law Enforcement are entitled to unreduced monthly pension benefits at normal retirement age (55) or the rule of 85. The monthly pension benefit for the National Guard/Law Enforcement is equal to 2.00 percent of their average monthly salary, using the highest 36 months out of the last 180 months of service, for each year of service. The plan permits early retirement at ages 50-55 with three or more years of service for members.

Members may elect to receive the pension benefits in the form of a single life, joint and survivor, term-certain annuity, or partial lump sum with ongoing annuity. Members may elect to receive the value of their accumulated contributions, plus interest, as a lump sum distribution upon retirement or termination, or they may elect to receive their benefits in the form of an annuity. For each member electing an annuity, total payment will not be less than the employee's accumulated contributions plus interest.

### **Death and Disability Benefits**

Death and disability benefits are set by statute. If an active employee dies with less than three years of service for the Main System and Public Safety, or less than five years of service for Supreme and district court judges, a death benefit equal to the value of the employee's accumulated contributions, plus interest, is paid to the employee's beneficiary. If the employee has earned more than three years of service for the Main System and Public Safety, the surviving spouse will be entitled to a single payment refund, life-time monthly payments in an amount equal to 50% of the employee's accrued normal retirement benefit, or monthly payments in an amount equal to the employees' accrued 100% joint and survivor retirement benefit if the member had reached normal retirement age prior to date of death. If the surviving spouse dies before the employee's accumulated pension benefits are paid, the balance will be payable to the surviving spouse's designated beneficiary.

For judges only who have earned five years of credited service, the death benefit is the greater of (i) lump sum payment of accumulated contributions, or (ii) 100% of the member's accrued benefit (not reduced on account of age), payable for the spouse's lifetime.

Eligible members who become totally disabled after a minimum of 180 days of service receive monthly disability benefits that are equal to 25% of their final average salary with a minimum benefit of \$100. To qualify under this section, the member has to become disabled during the period of eligible employment and apply for benefits within one year of termination. The definition for "disabled" is set by the System in the North Dakota Administrative Code.

For Judges only, the disability benefit formula is 70% of final average salary minus social security and workers compensation benefits.

#### **Refunds of Member Contributions**

Upon termination, if a member is not vested (is not 65 or does not have three years of service for the Main System and National Guard/Law Enforcement, or five years of service for the Supreme and district court judges, credited for PERS), they will receive the accumulated member contributions plus interest. If an employee has vested, they have the option of applying for a refund or can remain as a terminated vested participant. If a member terminated and withdrew their accumulated employee contribution and is subsequently re-employed, they have the option of repurchasing their prior service.

#### **Contributions**

Contribution rates are set by state statute and are a percentage of salaries and wages.

Member contributions are set by state statue and are a percentage of salaries and wages. During the 1983-1985 biennium, the State implemented the employer pickup provision of the IRS code, whereby a portion or all of the required member contributions are made by the employer. The State is paying 4% of the full member contribution. Some of the political subdivisions are paying all or part of the member contributions. Employer contributions are set by statue except the contribution rates for the National Guard/Law Enforcement Plans which are set by the Board.

The 2019 Legislative Assembly passed legislation that ended the RHIC plan for new hires after January 1, 2020 and redirected the 1.14% RHIC employer contribution to the retirement account. Employer contributions are set by statute except the contribution rates for the National Guard/Law Enforcement Plans which are set by the Board.

Contribution rates are established as a percent of covered compensation as follows:

		Employer					
				2025 an	d Later		
	Member	Before 2024	2024-2025	State	Political Subdivision		
Main System Permanent Employees							
Hired before 2020	7.00 %	7.12 %	8.12 %	ADEC*	8.12 %		
Hired after 2019	7.00 %	8.26 %	9.26 %	ADEC*	9.26 %		
Main System Temporary Employees							
Hired before 2020	14.12 %	— %	— %	— %	— %		
Hired after 2019	15.26 %	— %	— %	— %	— %		
Judges	8.00 %	17.52 %	17.52 %	17.52 %	17.52 %		

<sup>\*</sup>Actuarially Determined Employee Contribution. the 2026 and 2027 contribution will be based on the ADEC from the July 1, 2024 valuation.

		Employer			
	Member	Before 2024	2024 and Later		
Public Safety with prior Main System service	5.50 %	9.81 %	11.40 %		
National Guard Members	5.50 %	9.81 %	11.40 %		
Public Safety without Prior Main System service	5.50 %	7.93 %	9.16 %		

		Member			Employer	
	Before		2025 and	Before	8/1/23 to	2024 and
	2024	2024	Later	8/1/23	12/31/23	Later
Public Safety with Prior Main System service						
BCI Employees	6.00 %	7.00 %	8.00 %	9.81 %	20.67 %	22.26 %
State Public Safety Employees	6.00 %	6.00 %	6.00 %	9.81 %	12.75 %	14.34 %

The member's account balance includes employee contributions, interest, and the vested employer contributions equal to the member's contributions to an eligible deferred compensation plan. Members of the Supreme and District Court Judges are not eligible to vest in the employer contributions if contributing to the deferred compensation plan.

The minimum monthly member contribution is \$25, and the maximum may not exceed certain parameters based upon years of service.

#### NORTH DAKOTA HIGHWAY PATROLMEN'S RETIREMENT SYSTEM (NDHPRS)

The North Dakota Highway Patrolmen's Retirement System is a single-employer defined benefit pension plan covering substantially all sworn officers of the Highway Patrol of the State of North Dakota. It is not subject to the provisions of the Employee Retirement Income Security Act of 1974. NDHPRS issues a publicly available financial report that may be obtained by writing to North Dakota Public Employees Retirement System, 1600 E. Century Ave., Suite 2, Bismarck, North Dakota 58503.

#### Administration

The North Dakota Retirement Board was created by the State Legislature and is the governing authority of NDHPRS. See PERS Administration note for composition of the Retirement Board. Benefit and contribution provisions are administered in accordance with chapter 39-03 of the North Dakota Century Code.

The costs of administering the plan are financed through the contributions and investment earnings of the plan.

# **Benefits**

Pension benefits are set by statute. The System has no provisions or policies with respect to automatic and ad hoc post-retirement benefit increases. Members are entitled to unreduced pension benefits upon attainment of age 55 and 10 years of eligible employment or when the sum of age and years of credited service equals or exceeds 80. The annual pension benefit is equal to a percentage of average monthly salary using the highest 36 months out of the last 180 months of service. The percentage is equal to the sum of the first 25 years of service multiplied by 3.60% and 1.75% multiplied by years of service in excess of 25, if any. The plan permits early retirement at ages 50-54, with ten or more years of service.

Members may elect to receive the pension benefits in the form of a single life, joint and survivor, term-certain annuity, or partial lump sum with ongoing annuity. Members may elect to receive the value of their accumulated contributions, plus interest, as a lump sum distribution upon retirement or termination, or they may elect to receive their benefits in the form of an annuity. For each member electing an annuity, total payment will not be less than the members' accumulated contributions plus interest.

# **Death and Disability Benefits**

Death and disability benefits are set by statute. If an active member dies with less than 10 years of credited service, a death benefit equal to the value of the member's accumulated contributions, plus interest, is paid to the member 's beneficiary. If the member has earned more than 10 years of credited service, the surviving spouse, if any, will be entitled to a single payment refund, life-time monthly payments in an amount equal to 50 percent of the member 's accured normal retirement benefit. If the surviving spouse dies before the member 's accumulated pension benefits are paid, the balance will be payable to any designated beneficiary.

Eligible members who become totally disabled after a minimum of 180 days service receive monthly disability benefits that are up to 70 percent of their final average salary, reduced by workers compensation with a minimum benefit of \$100. To qualify under this section, the member must meet the criteria established by the Retirement Board for being totally disabled and apply for benefits within one year of termination.

#### **Refunds of Member Contributions**

Upon termination, if a member is not vested (is not 60 or does not have ten years of service credited for NDHPRS), they will receive the accumulated member contributions plus interest. If an employee has vested, they have the option of applying for a refund or can remain as a terminated vested participant. If a member terminated and withdrew their accumulated employee contribution and is subsequently re-employed, they have the option of repurchasing their prior service.

### **Contributions**

Contribution rates for NDHPRS are set by state statute and are a percentage of covered compensation. The State is paying 4.0% of the member contribution. The member contribution rate is 14.3% and the employer rate is 20.7%. Both the member and the employer contribution rate will increase by 0.5% in January 2024 and 2025.

#### RETIREMENT PLAN FOR THE EMPLOYEES OF JOB SERVICE NORTH DAKOTA (JSND)

The retirement plan for employees of Job Service North Dakota is a single-employer defined benefit public employee retirement plan administered by PERS. The plan is established under NDCC 52-11-01 with benefit provisions established through the plan document, as amended by the Board. This plan document, as amended, is authorized by the Plan Administrator, who is the Executive Director of the agency. JSND issues a publicly available financial report that may be obtained by writing to Job Service North Dakota, PO Box 5507, Bismarck, North Dakota 58506-5507.

Participation in the plan is limited to employees participating in the plan as of September 30, 1980.

#### Administration

On August 1, 2003, the administrative authority and the net position of the Retirement Plan for Employees of Job Service North Dakota were transferred from the agency to the Public Employees Retirement System Board. This action was based on the passage of House Bill 1064 by the Fifty-eighth Legislative Assembly of North Dakota. The Retirement Plan for Employees of Job Service has an Actuarial Valuation Report produced annually. Requests to obtain or review this report should be addressed to the Executive Director, NDPERS, 1600 E. Century Ave., Suite 2, Bismarck, North Dakota 58503.

The costs of administering the plan are financed through the contributions and investment earnings of the plan.

## **Benefits**

Benefits are established through the plan document, as amended by the Board. The System provides a post-retirement cost-of living adjustment each year based on the Consumer Price Index. Employees are entitled to annual pension benefits beginning at normal retirement age (65). Employees may elect optional retirement eligibility at age 62 with 5 years of credited service, at age 60 with 20 years of credited service, or at age 55 with 30 years of credited service. Pension benefits are calculated based on the final average earnings (basic monthly earnings averaged over the highest three consecutive years of basic earnings) of the employee multiplied by the sum of:

- 1.5% times years of credited service up to 5 plus;
- 1.75% times years of credited service between 6 and 10 plus;
- 2.0% times years of credited service in excess of 10.

#### **Death and Disability Benefits**

The plan provides retirement, disability and death benefits. If death of a participant occurs prior to their annuity starting date, the surviving spouse who has been married at least two years prior to the participant's death or, if married less than two years is a parent of a child of this marriage, then the spouse shall receive monthly benefits. The amount is the greater of the benefit had the participant retired on the day before they died and elected the Contingent Annuitant Option with 55% of their retirement benefit continued to their spouse or 55% of the smaller of 40% of the deceased participant's average monthly earnings or the deceased participant's normal retirement benefit obtained by increasing their credited service by the period of time between their date of death and the date they would have attained age 60. Upon remarriage of the surviving spouse before age 60, the death benefit will cease.

If a participant becomes totally disabled, they will be eligible for a monthly disability benefit which shall be equal to the greater of 40% of the participant's average annual earnings or the accrued benefit determined as of their date of disability.

#### **Refunds of Member Contributions**

Upon termination, if a member of the JSND System terminates employment before retirement payments begin, participation in the retirement plan will cease. No further additions to retirement income will accrue on the member's behalf, and the member may be paid under one of the following options.

- The member may be paid an amount of retirement income with payments starting at Normal, Optional, or Early Retirement
  Date. The amount of that income will be equal to the amount provided under the formula according to the member's years
  of credited service and earnings.
- The member may receive a cash withdrawal benefit equal to the total of the member's contributions and employer
  contributions made on their behalf, plus 4 percent interest compounded annually. The member may elect this option at any
  time after withdrawal and before Normal, Optional, or Early Retirement Date, but such benefit shall be in place of all other
  benefits under the retirement benefits section.

#### **Contributions**

Member contributions are 3% and employer contributions are 4% of covered compensation. The funding policy of the plan provides for employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are designed to accumulate sufficient assets to pay benefits when due. For the fiscal year ended June 30, 2023 there were no employer contributions necessary into the plan. Effective July 1, 1999, the "scheduled contribution" will be zero as long as the plan's actuarial value of assets exceeds the actuarial present value of projected benefits. The "scheduled contribution" and amortization will be determined when the plan is not in surplus and will be based on a funding policy adopted by the Employer.

#### TEACHERS' FUND FOR RETIREMENT (TFFR)

The North Dakota Teachers' Fund for Retirement is a cost-sharing multiple-employer defined benefit pension plan covering all North Dakota public teachers and certain other teachers who meet various membership requirements. TFFR provides for pension, death and disability benefits. The cost to administer the TFFR plan is financed by investment income and contributions.

Teachers' Fund for Retirement issues a publicly available financial report that may be obtained by writing to the Retirement and Investment Office, 1600 East Century Avenue, Suite 3, P.O. Box 7100, Bismarck, North Dakota 58507-7100.

At June 30, 2023, the number of participating employer units in TFFR was:

Type	Number
Public School Districts	171
County Superintendents	4
Special Education Units	19
Vocational Education Units	4
Other	8
Total	206

#### Administration

Responsibility for administration of the TFFR benefits program is assigned to a seven-member Board of Trustees (Board). The Board consists of the State Treasurer, the Superintendent of Public Instruction, and five members appointed by the Governor. The appointed members serve five-year terms which end on June 30 of alternate years. The appointed Board members must include two active teachers, one active school administrator, and two retired members. The Board submits any necessary or desirable changes in statues relating to the administration of the fund, including benefit terms, to the Legislative Assembly for consideration. The Legislative Assembly has final authority for changes to benefit terms and contributions rates.

#### **Benefits**

For purposes of determining pension benefits, members are classified within one of three categories. Tier 1 grandfathered and Tier 1 non-grandfathered members are those with service credit on file as of July 1, 2008. Tier 2 members are those newly employed and returning refunded members on or after July 1, 2008.

Tier 1 Grandfathered – A Tier 1 grandfathered member is entitled to receive unreduced benefits when three or more years of credited service as a teacher in North Dakota have accumulated, the member is no longer employed as a teacher and has reached age 65, or the sum of age and years of service equals or exceeds 85. TFFR permits early retirement from ages 55 to 64, with benefits actuarially reduced by 6% per year for every year the member's retirement age is less than 65 years or the date as of which age plus service equal 85. In either case, benefits may not exceed the maximum benefits specified in Section 415 of the Internal Revenue Code.

Pension benefits paid by TFFR are determined by NDCC Section 15-39.1-10. Monthly benefits under TFFR are equal to the three highest annual salaries earned divided by 36 months and multiplied by 2.00% times the number of service credits earned. Retirees may elect payment of benefits in the form of a single life annuity, 100% or 50% joint and survivor annuity, ten or twenty-year term certain annuity, partial lump-sum option or level income with Social Security benefits. Members may also qualify for benefits calculated under other formulas.

**Tier 1 Non-grandfathered** – A Tier 1 non-grandfathered member is entitled to receive unreduced benefits when three or more years of credited service as a teacher in North Dakota have accumulated, the member is no longer employed as a teacher, and the member has reached the age 65, or has reached age 60 and the sum of age and years of service credit equals or exceeds 90. TFFR permits early retirement from ages 55-64, with benefits actuarially reduced by 8% per year from the earlier of age 60/Rule of 90 or age 65. In either case, benefits may not exceed the maximum benefits specified in Section 415 of the Internal Revenue Code

Pension benefits paid by TFFR are determined by NDCC Section 15-39.1-10. Monthly benefits under TFFR are equal to the three highest salaries earned divided by 36 months and multiplied by 2.00% times the number of service credits earned. Retirees may elect payment of benefits in the form of a single life annuity, 100% or 50% joint and survivor annuity, ten or twenty-year term certain annuity, partial lump-sum option or level income with Social Security benefits. Members may also qualify for benefits calculated under other formulas.

**Tier 2** – A Tier 2 member is entitled to receive unreduced benefits when five or more years of credited service as a teacher in North Dakota have accumulated, the member is no longer employed as a teacher and has reached age 65, or has reached age 60 and the sum of age and years of service credit equals or exceeds 90. TFFR permits early retirement from ages 55 to 64, with benefits actuarially reduced by 8% per year from the earlier of age 60/Rule of 90 or age 65. In either case, benefits may not exceed the maximum benefits specified in Section 415 of the Internal Revenue Code.

Pension benefits paid by TFFR are determined by NDCC Section 15-39.1-10. Monthly benefits under TFFR are equal to the five highest annual salaries earned divided by 60 months and multiplied by 2.00% times the number of service credits earned. Retirees may elect payment of benefits in the form of a single life annuity, 100% or 50% joint and survivor annuity, ten or twenty-year term certain annuity, partial lump-sum option or level income with Social Security benefits. Members may also qualify for benefits calculated under other formulas.

# **Death and Disability Benefits**

Death benefits may be paid to a member's designated beneficiary. If a member's death occurs before retirement, the benefit options available are determined by the member's vesting status prior to death. If a member's death occurs after retirement, the death benefit received by the beneficiary (if any) is based on the retirement plan the member selected at retirement.

An active member is eligible to receive disability benefits when: (a) a total disability lasting twelve months or more does not allow the continuation of teaching, (b) the member has accumulated five years of credited service in North Dakota, and (c) the Board of Trustees of TFFR has determined eligibility based upon medical evidence. The amount of the disability benefit is computed by the retirement formula in NDCC 15-39.1-10 without consideration of age and uses the member's actual years of credited service. There is no actuarial reduction for reason of disability retirement.

### **Contributions**

Member and employer contributions paid to TFFR are set by NDCC 15-39.1-09. Every eligible teacher in the state of North Dakota is required to be a member of TFFR and is assessed at a rate of 11.75% of salary as defined by NDCC 15-39.1-04. Every governmental body employing a teacher must also pay into TFFR a sum equal to 12.75% of the teacher's salary. Member and employer contributions will be reduced to 7.75% each when the fund reaches 100% funded ratio on an actuarial basis.

A vested member who terminates covered employment may elect a refund of contributions paid plus 6% or defer payment until eligible for pension benefits. A nonvested member who terminates covered employment must claim a refund of contributions paid before 70½. Refunded members forfeit all service credits under TFFR. These service credits may be repurchased upon return to covered employment under certain circumstance defined by state statue.

#### **EMPLOYEE MEMBERSHIP DATA**

The following table summarizes employee membership information by plan at the actuarial valuation date:

	PERS	NDHPRS	JSND	TFFR
Retirees and beneficiaries currently receiving benefits:	14,997	143	169	9,615
Terminated Employees:				
Vested	9,585	39	_	2,010
Inactive	8,017	20	_	1,711
Active Employees:				
Vested	17,256	72	1	8,336
Nonvested	7,763	72	_	3,430
Total plan membership	57,618	346	170	25,102
Date of annual valuation	July 1, 2023	July 1, 2023	July 1, 2023	July 1, 2023

#### B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PLAN ASSET MATTERS

#### BASIS OF ACCOUNTING

The public employee retirement systems described above are considered part of the State of North Dakota's reporting entity and are included in the State's financial statements as pension trust funds. The financial statements of these systems are prepared using the accrual basis of accounting. Employee contributions are recognized as revenues in the period in which they are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans.

# **INVESTMENT POLICY**

The System's Board is responsible for establishing the investment policy for the fund assets, which includes setting investment goals and specifying the percentage of assets to be invested in various types of investments for PERS, NDHPRS and JSND. The investment goals are viewed over the long term. The Board recognizes the plans' performance objectives, benefit projections, and capital market expectations when determining the asset allocation. The SIB is responsible for managing the System's investments in accordance with the investment policy.

The TFFR Board is responsible for establishing investment policy for the fund assets under NDCC 15-39.1-05.2. Benefit payments are projected to occur over a long period of time. This allows TFFR to adopt a long-term investment horizon and asset allocation policy for the management of fund assets. Asset allocation policy is critical because it defines the basic risk and return characteristics of the investment portfolio. Asset allocation targets are established using an asset-liability analysis designed to assist the Board in determining an acceptable volatility target for the fund and an optimal asset allocation policy mix. This asset-liability analysis considers both sides of the plan balance sheet, utilizing both quantitative and qualitative inputs, in order to estimate the potential impact of various asset class mixes on key measures of total plan risk, including the resulting established impact of funded status and contribution rates.

The following was the asset allocation policy as of June 30, 2023:

		Target Allocation					
	PERS and NDHPRS	JSND	TFFR	RHIC*			
Domestic equities	30.9 %	2.0 %	<u> </u>	39.0 %			
International equities	20.1 %	18.0 %	— %	26.0 %			
Private equity	7.0 %	6.0 %	— %	— %			
Domestic fixed income	23.0 %	74.0 %	— %	35.0 %			
Global real assets	19.0 %	— %	18.0 %	— %			
Global equity	— %	— %	55.0 %	— %			
Global fixed income	— %	— %	26.0 %	— %			
Cash equivalents	%	— %	1.0 %	— %			
Total	100.0 %	100.0 %	100.0 %	100.0 %			

<sup>\*</sup>See note 7 for further details of the RHIC OPEB Plan.

#### INVESTMENT RATE OF RETURN

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. The annual money-weighted rate of return on pension plan and OPEB plan investments, net of pension plan and OPEB plan investment expense, was as follows for June 30, 2023:

PERS	8.13 %
NDHPRS	7.86 %
JSND	3.30 %
TFFR	7.35 %
RHIC*	10.82 %

<sup>\*</sup>See note 7 for further details of the RHIC OPEB Plan.

#### METHOD USED TO VALUE INVESTMENTS

Investments are recorded at fair value determined by reference to published market data for publicly traded securities and through the use of independent valuation services and appraisals for other investments. The net increase in fair value of investments consists of the realized gains or losses and the unrealized increase or decrease in fair value of investments during the year. Realized gains and losses on sales of investments are computed based on the difference between the sales price and the original cost of the investment sold. Realized gains and losses on investments that had been held in more than one fiscal year and sold in the current fiscal year were included as a change in the fair value of investments reported in the prior year(s) and the current year. Unrealized gains and losses are computed based on changes in the fair value of investments between years. Security transactions are accounted for on a trade date basis. Interest income is recognized when earned. Dividend income is recorded on the ex-dividend date. The fair value for stable value option within the deferred compensation and defined contributions plans is measured at contract value.

## C. FUNDING STATUS AND PROGRESS

#### **NET PENSION LIABILITY OF THE PLANS**

The components of the net pension liability of the Plans at June 30, 2023 were as follows (expressed in thousands):

	PERS	NDHPRS		NDHPRS JS		TFFR
Total pension liability	\$ 5,828,126	\$	173,910	\$	72,139	\$ 4,577,220
Plan fiduciary net position	(3,843,941)		(98,035)		(83,485)	(3,173,908)
Net pension liability (asset)	\$ 1,984,185	\$	75,875	\$	(11,346)	\$ 1,403,312
Plan fiduciary net position as a percentage of the total pension liability	65.96 %		56.37 %		115.73 %	69.30 %

#### **ACTUARIAL ASSUMPTIONS**

### **PERS**

The total pension liability was determined by an actuarial valuation as of July 1, 2023, using the following actuarial assumptions:

Actuarial Cost Method: Entry Age Normal

Asset Valuation Method: 5-Year smoothed marked

Inflation: 2.25%

Salary Increase: 3.50% to 17.75% including inflation

Retirement Age: Age-based tale of rates that specify to the type of eligible condition

Mortality Rates: Sex-distinct Pub-2010 tables for General Employees, with scaling based on actual experience. Respective corresponding tables were used for healthy retirees, disabled retirees and active members.

Other Notes: The current employer rates to the System are the statutory/Board approved contribution rates of 7.12% of payroll for the Main System (8.26% for members enrolled on or after January 1, 2020), 17.52% for the Judges System, 9.81% for Public Safety with prior Main System service System and 7.93% for Public Safety without prior Main System service System. The benefit accrual rate for members first enrolled on or after January 1, 2020 in the Main and Public Safety Systems is 1.75% (compared to 2.00% for members enrolled before January 1, 2020).

The investment return assumption was updated from 7.00% to 6.50% beginning with the actuarial valuation as of July 1, 2022. All other actuarial assumptions used in the actuarial valuation as of July 1, 2022 were based on an experience review for the period from July 1, 2014 to July 1, 2019, and were adopted for first use commencing with the actuarial valuation as of July 1, 2020.

In 2023, House Bill 1040 was passed, which closes the Main System to employees newly enrolled into the system on January 1, 2025 and later. The state employer contribution for 2026 and later was changed to be the amount sufficient to fund the Main System on actuarial basis, with the amortization of the unfunded liability determined on a level percent of payroll basis over a closed period beginning on January 1, 2026 and ending June 30, 2056.

Legislation was passed relating to the Public Safety with Prior Service System. The Public Safety with Prior Service System was expanded to allow peace officers employed by the State to participate. The provisions are similar to the Public Safety with Prior Service System, but with a 6.00 percent employee contribution rate. The benefit multiplier and the vesting requirements for the Bureau of Criminal Investigation group were changed.

# **HPRS**

The total pension liability was determined by an actuarial valuation as of July 1, 2023, using the following actuarial assumptions:

Actuarial Cost Method: Entry Age Normal

Asset Valuation Method: Plan Fiduciary Net Position (Market value of assets, no assets smoothing)

Inflation: 2.25%

Salary Increase: Service-based table for members with less than five years of service and age-based table for members with more than five years of service.

Retirement Age: Age-based tale of rates that specify to the type of eligible condition.

Mortality Rates: Pub 2010 Healthy Retiree Mortality table (for General Employees), sex-distinct, with rates multiplied by 103% for males and 101% for females. Pub-2010 Disabled Retiree Mortality table (for General Employees), sex-distinct, with rates multiplied by 117% for males and 112% for females. Pub-2010 Employee Mortality table (for General Employees), sex-distinct, with rates multiplied by 92% for both males and females. Mortality rates are projected from 2010 using MP-2019 scale.

Other Notes: There were no benefit changes during the year.

The assumptions were updated beginning with the actuarial valuation as of July 1, 2020 based on an experience study covering the period of July 1, 2014 through July 1, 2019. The investment return assumption was decreased from 7.00% to 6.50% beginning with the actuarial valuation as of July 1, 2022.

The employer rate to the System is the statutory contribution rate of 20.70% of payroll. The statutory employer and employee contributions will each increase by 0.5% of pay every year from January 1, 2023 to January 1, 2025, ultimately increasing both by 1.5% of pay.

#### **JSND**

The total pension liability was determined by an actuarial valuation as of July 1, 2023, using the following actuarial assumptions:

Actuarial Cost Method: Entry Age Normal

Asset Valuation Method: Plan Fiduciary Net Position (Market value of assets, no assets smoothing)

Inflation: 2.25%

Salary Increase: 3.50%

Retirement Age: Age-based tale of rates that are specific to the type of eligibility condition.

Investment Rate of Return: 3.00%

Cost of Living Adjustment: 2.25%

Mortality Rates: Pub-2010 Healthy Retiree Mortality table (for General Employees), sex-distinct, with rates multiplied by 103% for males and 101% for females. Pub-2010 Disabled Retiree Mortality table (for General Employees), sex-distinct, with rates multiplied by 117% for males and 112% for females. Pub-2010 Employee Mortality table (for General Employees), sex-distinct, with rates multiplied by 92% for both males and females. Mortality rates are projected from 2010 using the MP-2019 scale.

Other Notes: There were no benefit changes during the year.

The assumptions were updated beginning with the actuarial valuation as of July 1, 2020 based on an experience study covering the period July 1, 2014 through July 1, 2019. The Board approved lowering the investment return assumption from 3.75% to 3.00%, first effective July 1, 2022.

The System has assets in excess of the present value of future benefits. Therefore, no employer contributions are being made.

## **TFFR**

The total pension liability was determined by an actuarial valuation as of July 1, 2023, using the following actuarial assumptions:

Actuarial Cost Method: Entry Age

Asset Valuation Method: 5-year smoothed market

Inflation: 2.30%

Salary Increase (Payroll Growth): 3.80% wage inflation, plus step-rate promotional increases for members with less than 30 years of service.

Retirement Age: In the 2020 and 2015 valuations, rates of retirement were changed to better reflect anticipated future experience.

Investment Rate of Return: 7.25%, net of investments expenses, including inflation

Cost of Living Adjustment: None

Mortality Rates: For the July 1, 2022, valuation, the post-retirement healthy mortality table was updated to 104% of the PubT-2010 Retiree table for retirees and to 95% of the PubT-2010 Contingent Survivor table for beneficiaries, both projected with generational improvement using Scale MP-2019. The disabled mortality was updated to the PubNS-2010 Non-Safety Disabled Mortality table projected with generational improvement using Scale MP-2019.

#### INVESTMENT RATE OF RETURN

The long-term expected rate of return on investments was determined using a building-block method in which best- estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates to return by the target asset allocation percentage and by adding expected inflation. Estimates of arithmetic real rates of return, for each major asset class included in the pension plan's target asset allocation as of July 1, 2023 is summarized in the following tables:

PERS and NDHPRS Asset Class	Long-Term Expected Real Rate of Return	JSND Asset Class	Long-Term Expected Real Rate of Return	TFFR Asset Class	Long-Term Expected Real Rate of Return
Domestic equity	6.25 %	Domestic equities	6.85 %	Global equity	6.20 %
International equity	6.95 %	Core fixed income	3.12 %	Global fixed income	3.00 %
Private equity	9.45 %	Limited duration fixed income	1.80 %	Global real assets	4.40 %
Domestic fixed income	2.51 %	Global equity	7.14 %	Cash equivalents	0.90 %
International fixed income	0.00 %	Diversified short- term fixed income	3.00 %		
Global real assets	4.33 %	Short-term corporate fixed income	1.63 %		
Cash equivalents	0.00 %	US high yield	5.54 %		
		Emerging market debt	6.47 %		

#### **DISCOUNT RATE**

For PERS, GASB Statement No. 67 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the System to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The current employer and employee fixed rate contributions are assumed to be made in each future year. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. In years where assets are not projected to be sufficient to meet benefit payments, the use of a municipal bond rate is required.

The Single Discount Rate (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 6.50%; the municipal bond rate is 3.86%; and the resulting Single Discount Rate is 6.50%.

For HPRS, the expected rate of return on pension plan investments is 6.50%; the municipal bond rate is 3.86%; and the resulting Single Discount Rate is 5.22%.

For JSND, the discount rate was 3.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed plan member and employer contributions will be made at rates equal to those based on the July 1, 2023 Actuarial Valuation Reports. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions (for JSND it is assumed no future contribution will be made), the pension plans' fiduciary net position were projected to be available to make all projected future benefit payments for current plan members as of June 30, 2023. Therefore, the long-

term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2023.

For TFFR, the discount rate was 7.25% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed plan member and employer contributions will be made at rates equal to those based on the July 1, 2023 Actuarial Valuation Reports. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions TFFR's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members as of July 1, 2023. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2023.

### SENSITIVITY OF NET PENSION LIABILITY

The following presents the net pension liability of the Plans as of June 30, 2023, calculated using the discount rate of 6.5% for PERS, 5.22% for NDHPRS, 3.00% for JSND and 7.25% for TFFR, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate (expressed in thousands):

Net Pension Liability (Asset) As of June 30, 2023	1% Decrease (5.50%)		Current Discount Rate (6.50%)		1% Increase (7.50%)
PERS	\$	2,757,175	\$	1,984,185	\$ 1,345,047
Net Pension Liability (Asset) As of June 30, 2023		1% Decrease (4.22%)		Current Discount Rate (5.22%)	1% Increase (6.22%)
NDHPRS	\$	103,459	\$	75,875	\$ 53,762
Net Pension Liability (Asset) As of June 30, 2023		1% Decrease (2.00%)		Current Discount Rate (3.00%)	 1% Increase (4.00%)
JSND	\$	(4,130)	\$	(11,347)	\$ (17,529)
Net Pension Liability (Asset) As of June 30, 2023		1% Decrease (6.25%)		Current Discount Rate (7.25%)	 1% Increase (8.25%)
TFFR	\$	1,953,806	\$	1,403,312	\$ 946,493

# D. SINGLE EMPLOYER PENSION PLANS

Below are the changes in net pension liability for the State's (primary government) single-employer plans:

# Single-employer Plans Changes in Net Pension Liability Increases (Decreases) For the Year June 30, 2023\*

	 JSND	NDHPRS
Total pension liability (asset)	_	
Service cost	\$ 42	\$ 3,281
Interest	2,342	8,548
Change of benefit terms	_	_
Difference between expected and actual experience	3,413	1,845
Changes of assumptions	4,717	39,467
Benefit payments, including refund of employee contributions	 (4,866)	(5,848)
Net change in total pension liability (asset)	5,648	47,293
Total pension liability (asset) - beginning	64,844	123,371
Total pension liability (asset) - ending (a)	\$ 70,492	\$ 170,664
Plan fiduciary net position		
Contributions - employer	\$ _	\$ 2,687
Contributions - employee	9	1,826
Contributions - service credit repurchase	_	160
Transfers and other income	_	_
Net investment income	(5,552)	(6,510)
Benefit payments, including refund of employee contributions	(4,866)	(5,848)
Administrative expense	 (18)	 (65)
Net change in plan fiduciary net position	(10,427)	(7,750)
Plan fiduciary net position - beginning	 96,604	 100,076
Plan fiduciary net position - ending (b)	\$ 86,177	\$ 92,326
Net pension liability (asset) - ending (a) - (b)	\$ (15,685)	\$ 78,338
Plan fiduciary net position as a percentage of the total pension liability (asset)	122.25 %	54.10 %
Covered payroll	\$ 61	\$ 12,267
Plan net pension liability (asset) as a percentage of covered payroll	-25,573.44 %	638.60 %

<sup>\*</sup>The 2023 information presented has a measurement date of June 30, 2022. Information is expressed in thousands.

### JOB SERVICE NORTH DAKOTA (JSND)

### **Net Pension Asset**

At June 30, 2023, the State recorded a net pension asset of \$15,684,703 for all of the Job Service North Dakota pension plan. The net pension asset was measured as of June 30, 2022 and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date.

#### **Deferred Inflows and Outflows of Resources**

For the year ended June 30, 2023 the State recognized pension expense of \$8.9 million. At June 30, 2023 the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Primary Government				Discrete Component Units			
	Deferred Outflows of Resources		Deferred Inflows of Resources		Deferred Outflows of Resources			Deferred Inflows of Resources
Differences between expected and actual experience	\$	_	\$	_	\$	_	\$	_
Changes of assumptions		_		_		_		_
Net difference between projected and actual earnings on pension plan investments		6,417,615		_		_		_
Changes in proportion and differences between employer contributions and proportionate share of contributions		_		_		_		_
Employer contributions subsequent to the measurement date		_		_		_		_
Total	\$	6,417,615	\$		\$		\$	

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

### Year ended June 30:

	Primary G	overnment	Component Units
2024	\$	1,419,882	\$ _
2025		1,779,382	_
2026		1,401,638	_
2027		1,816,713	
Total	\$	6,417,615	\$ _

#### Sensitivity of the State's Proportionate Share of the Net Pension Asset to Changes in the Discount Rate

The following presents the State's proportionate share of the net pension asset calculated using the discount rate of 3.00 percent, as well as what the State's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (2.00 percent) or 1-percentage-point higher (4.00 percent) than the current rate:

	1% Decrease	Current Discount	1% Increase
	(2.00%)	Rate (3.00%)	(4.00%)
State's proportionate share of the net pension asset	(8,404,268)	(15,684,703)	(21,896,493)

# NORTH DAKOTA HIGHWAY PATROLMEN'S RETIREMENT SYSTEM (NDHPRS)

### **Net Pension Liability**

At June 30, 2023, the State recorded a net pension liability of \$78,338,680 for all of the North Dakota Highway Patrolmen's Retirement System pension plan. The net pension liability was measured as of June 30, 2022 and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date.

#### **Deferred Inflows and Outflows of Resources**

For the year ended June 30, 2023 the State recognized pension expense of \$13.1 million. At June 30, 2023 the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Primary Government				Discrete Component Units			
Deferred Outflows of Resources		Deferred Inflows of Resources		utflows of	Ir	Deferred oflows of esources	
1,816,557	\$	(1,505,688)	\$	_	\$	_	
62,934,353		(37,600,460)		_		_	
4,118,396		_		_		_	
_		_		_		_	
2,569,335							
71,438,641	\$	(39,106,148)	\$		\$		
	Deferred utflows of esources  1,816,557 62,934,353 4,118,396  — 2,569,335	Deferred utflows of esources  1,816,557 \$ 62,934,353  4,118,396  — 2,569,335	Deferred Inflows of Resources  1,816,557 \$ (1,505,688) (37,600,460)  4,118,396 —  2,569,335 —	Deferred utflows of lesources Resources R  1,816,557 \$ (1,505,688) \$ 62,934,353 (37,600,460)  4,118,396 — — — — — — — — — — — — — — — — — — —	Deferred utflows of Resources	Deferred Utflows of Inflows of Resources Resou	

\$2,569,335 reported as deferred outflows of resources related to pensions resulting from State contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

	Primary Government	Component Units
2024	\$ 9,738,928	\$ <del>-</del>
2025	9,270,689	_
2026	2,470,774	_
2027	7,554,698	_
2028	728,069	_
Total	\$ 29,763,158	\$ _

## Sensitivity of the State's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the State's proportionate share of the net pension liability calculated using the discount rate of 5.02 percent, as well as what the State's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.02 percent) or 1-percentage-point higher (6.02 percent) than the current rate:

	1% Decrease		Current Discount			1% Increase		
	(4.02%)		Rate (5.02%)			(6.02%)		
State's proportionate share of the net pension liability	\$	105,923,042	\$	78,338,680	\$	56,286,379		

### E. COST SHARING EMPLOYER PENSION PLANS

#### NORTH DAKOTA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

#### **Proportionate Share of Net Pension Liability**

The North Dakota Public Employees' Retirement System (PERS) provides retirement benefits to employees of the primary government and its discrete component units as well as to other political subdivision subdivisions (Main System). It also covers Supreme and district court judges, the National Guard Security Officers and Firefighters, and as of August 1, 2003, peace officers and correctional officers employed by political subdivisions. Effective August 1, 2017, current and newly eligible members of the National Guard System were transferred to the Law Enforcement System.

At June 30, 2023, the State recorded a net pension liability of \$1,434,838,549 for all of the PERS system. The net pension liability was measured as of June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The State's proportion of the net pension liability was based on the State's share of covered payroll in the PERS pension plan relative to the covered payroll of all participating employers. At June 30, 2022 the State's proportion was 48.28 percent, which is a decrease of 0.24 percent from the prior year.

The State's discrete component unit, North Dakota Public Finance Authority, also participates in the PERS system. At June 30, 2023, the discrete component units recorded a net pension liability of \$524,000 for all of the PERS system. The net pension liability was measured as of June 30, 2022 and the total pension liability and asset used to calculate the net pension liability was determined by an actuarial valuation as of that date. The discrete component units' proportion of the net pension liability was based on their share of covered payroll in the PERS pension plan relative to the covered payroll of all participating employers. At June 30, 2022 the discrete component unit's proportion was 0.018212 percent, which is a decrease of 0.000039 percent from the prior year.

#### **Deferred Inflows and Outflows of Resources**

For the year ended June 30, 2023 the State recognized pension expense of \$186.2 million and the component unit recognized pension expense of \$78,000. At June 30, 2023 the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Primary G	Sovernment	Discrete Component Units			
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources		
Differences between expected and actual experience	\$ 10,075,778	\$ (27,378,475)	\$ 3,000	\$ (10,000)		
Changes of assumptions	871,498,643	(539,590,848)	314,000	(194,000)		
Net difference between projected and actual earnings on pension plan investments	55,410,221	_	19,000	_		
Changes in proportion and differences between employer contributions and proportionate share of contributions	36,151,694	(42,726,443)	45,000	(15,000)		
Employer contributions subsequent to the measurement date	43,823,730		13,000			
Total	\$1,016,960,066	\$ (609,695,766)	\$ 394,000	\$ (219,000)		

\$43,823,730 and \$13,000 reported as deferred outflows of resources related to pensions resulting from State and component unit contributions, respectively, subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

	Prim	Primary Government		Component Units
2024	\$	98,130,037	\$	46,000
2025		117,911,229		54,000
2026		5,282,925		14,000
2027		141,340,711		48,000
2028		447,994		_
Thereafter		327,674		
Total	\$	363,440,570	\$	162,000

#### Sensitivity of the State's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the State's proportionate share of the net pension liability calculated using the discount rate of 5.10 percent, as well as what the State's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.10 percent) or 1-percentage-point higher (6.10 percent) than the current rate:

	1% Decrease (4.10%)		rrent Discount Rate (5.10%)	1% Increase (6.10%)	
State's proportionate share of the net pension liability	\$ 1,900,817,734	\$	1,434,838,548	\$	1,052,192,341
Component's proportionate share of the net pension liability	692,000		524,000		387,000

### NORTH DAKOTA TEACHERS' FUND FOR RETIREMENT

# **Proportionate Share of Net Pension Liability**

The North Dakota Teachers' Fund for Retirement (TFFR) provides retirement benefits to North Dakota public teachers and certain other teachers who meet various requirements. At June 30, 2023, the State recorded a net pension liability of \$7,683,950 for all of the TFFR. The net pension liability was measured as of June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The State's proportion of the net pension liability was based on the State's share of covered payroll in the TFFR pension plan relative to the covered payroll of all participating employers. At June 30, 2022 the State's proportion was 0.52836 percent, which is a decrease of 0.041219 percent from the prior year.

#### **Deferred Inflows and Outflows of Resources**

For the year ended June 30, 2023 the State recognized pension expense of \$192,376. At June 30, 2023 the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Primary G	Sovernment	Discrete Component Units			
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources		
Differences between expected and actual experience	\$ 33,112	\$ (205,157)	\$ —	\$ —		
Changes of assumptions	156,247	_	_	_		
Net difference between projected and actual earnings on pension plan investments	575,539	_	_	_		
Changes in proportion and differences between employer contributions and proportionate share of contributions	860,852	(2,063,192)	_	_		
Employer contributions subsequent to the measurement date	487,966					
Total	\$ 2,113,716	\$ (2,268,349)	\$ —	\$ —		

\$487,966 reported as deferred outflows of resources related to pensions resulting from State contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

	Prim	Primary Government		onent Units
2024	\$	(153,650)	\$	_
2025		(184,625)		
2026		(307,683)		_
2027		303,740		_
2028		(111,750)		_
Thereafter		(188,631)		_
Total	\$	(642,599)	\$	

### Sensitivity of the State's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the State's proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the State's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)		Current Discount Rate (7.25%)		1% Increase (8.25%)	
State's proportionate share of the net						
pension liability	\$	10,557,044	\$	7,683,950	\$	5,301,083

# F. PENSION SUMMARY

The following is a summary of the pension related items for all plans of the State as of and for the year ended June 30, 2023.

Pension Plan	Net Pension Asset	Deferred Outflows of Resources Pension	Net Pension Liability	Deferred Inflows of Resources Pension	Pension Expense
Job Service ND	\$ (15,684,703)	\$ 6,417,615	\$ <u> </u>	\$ —	\$ 8,910,614
ND Highway Patrolmen's Retirement System	_	71,438,641	78,338,680	39,106,148	13,078,940
ND Public Employees' Retirement System	_	1,016,960,066	1,434,838,548	609,695,766	186,243,359
ND Teachers' Fund for Retirement		2,113,716	7,683,950	2,268,349	192,376
Total	\$ (15,684,703)	\$1,096,930,038	\$1,520,861,178	\$ 651,070,263	\$ 208,425,289

### G. DEFINED CONTRIBUTION PLAN

The North Dakota Defined Contribution Retirement Plan was established on January 1, 2000, and is administered in accordance with chapter 54-52.6 of the North Dakota Century Code. The Defined Contribution Plan was available to state employees who are in positions not classified by the Human Resource Management Services division of the State of North Dakota, and as of January 1, 2025 will be the retirement plan offered to new public employees who are not peace officers, judges, or Highway Patrol. The Defined Contribution Plan had 86 participants as of June 30, 2023.

The administrative costs of the Defined Contribution Plan are funded by forfeitures of non-vested employee contributions and administrative fees charged to individual participant accounts.

#### **Benefits**

Benefits are set by statute. Members are entitled to their vested account balance. A participating member is immediately 100% vested in the employee's contributions. A participating member vests in the employer contributions made on the member's behalf as follows:

Upon completion of two years of service	50 %
Upon completion of three years of service	75 %
Upon completion of four years of service	100 %

Members may elect to receive their account balance in a lump sum, lump sum direct rollover, or periodic distribution.

### **Death and Disability Benefits**

Death and disability benefits are set by statute. Upon the death of a participating member or former participating member, the vested account balance of that deceased participant is available to the participant's designated beneficiary(ies). A member who becomes totally and permanently disabled while employed by the State is eligible to receive a distribution of the vested account balance. To qualify under this section, the member must meet the criteria established by the System for being totally disabled.

#### **Contributions**

Contributions are set by state statute and are a percentage of covered compensation. The State is paying 4% of the member contribution. The member contribution rate is 7.00% and the employer rate is 7.12% for members first enrolled prior to January 1, 2020. For members first enrolled after January 1, 2020 the member contribution rate is 7.00% and the employer rate is 8.26%. Pension expense totaled \$552,043 for the year ended June 30, 2023.

The defined contribution plan will become the primary retirement plan for new hires after January 1, 2025 for new hires that would currently be eligible for the Main plan.

### H. TEACHERS' INSURANCE ANNUITY ASSOCIATION

The Teachers' Insurance and Annuity Association (TIAA-CREF), a privately-administered defined contribution retirement plan, provides individual retirement fund contracts for eligible employees as defined by the Board of Higher Education in its approved TIAA-CREF retirement resolution. Further information can be obtained by writing to North Dakota University System, 600 E. Blvd, Bismarck, North Dakota 58505.

All benefits vest immediately to the participant. The plan requires employee and employer contributions be based on a classification system and years of service based on the schedule shown below.

<b>Employment Class</b>	Years Of Service	By The Participant	By The Institution	Total
I and III	0 thru 10	4.50%	12.50%	17.00%
i and iii	over 10	5.00%	13.00%	18.00%
	0 thru 2	3.50%	7.50%	11.00%
II	3 thru 10	4.50%	12.50%	17.00%
	over 10	5.00%	13.00%	18.00%
IV	Closed to new participants	4.00%	12.00%	16.00%
President/Chancellor	less than 3	0.00%	0.00%	0.00%
(additional employer	3 to less than 6	0.00%	4.00%	4.00%
contribution)	6 and over	0.00%	8.00%	8.00%

Plan contributions are made on a tax-deferred basis in accordance with section 414(h)(2) of the Internal Revenue Code. All contributions are applied as premiums to retirement annuity contracts owned by the participant. The State has no further liability once annual contributions are made. The State contributed \$46.6 million to TIAA-CREF during the fiscal year ending June 30, 2023.

### **NOTE 7 - POST-RETIREMENT**

#### A. RETIREE HEALTH INSURANCE CREDIT – PLAN INFORMATION

The Retiree Health Insurance Credit Fund, a cost-sharing multiple-employer other post-employment plan, is administered by the North Dakota Retirement Board (the Board) to provide members that were first enrolled in the plan prior to January 1, 2020 and are receiving retirement benefits from the Public Employees Retirement System, the Highway Patrolmen's Retirement System and judges retired under Chapter 27-17 of the North Dakota Century Code a credit toward their monthly health insurance premium under the state health plan based upon the member's years of credited service. Effective July 1, 2015, the credit will also be available to apply towards monthly premiums under the state dental, vision and long term care plan and any other health insurance. Effective August 1, 2019, the credit is expanded to also include any dental, vision, and long term care plan. The Retiree Health Insurance Credit Fund is advance-funded on an actuarially determined basis. PERS issues a publicly available financial report that may be obtained by writing to North Dakota Public Employees Retirement System, 1600 E. Century Ave., Suite 2, Bismarck, North Dakota 58503.

Regular employees hired under the Retirement Plan for Employees of Job Service North Dakota prior to October 1, 1980 are eligible to participate in the Retiree Health Insurance Credit Fund, a cost-sharing multiple-employer plan, as administered by the Public Employees Retirement Board. The retired employee is provided a credit toward their monthly health insurance premium under a qualifying plan based upon their years of credited service. In accordance with NDCC 54-52.1-03.2, Job Service North Dakota reimburses the Retiree Health Insurance Credit Fund monthly for credit received by members of the retirement plan established by Job Service North Dakota.

Responsibility for administration of the NDPERS defined benefit OPEB plan is assigned to a Board comprised of nine members. The Board consists of a Chairman, who is appointed by the Governor; one member appointed by the Attorney General; one member appointed by the State Health Officer; three members elected by the active membership of the NDPERS system, one member elected by the retired public employees and two members of the legislative assembly appointed by the chairman of the legislative management.

Employee membership is as follows:

Retirees receiving benefit	14,996
Active participants	17,283
Total Membership	32,279

#### **OPEB Contributions**

The employer contribution for the PERS, the HPRS and the Defined Contribution Plan is set by statute at 1.14% of covered compensation. Employees participating in the retirement plan as part-time/temporary members are required to contribute 1.14% of their covered compensation to the Retiree Health Insurance Credit Fund. Employees purchasing previous service credit are also required to make an employee contribution to the Fund. The benefit amount applied each year is shown as "prefunded credit applied" on the Statement of Changes in Plan Net Position for the OPEB trust funds.

### **OPEB Benefits**

Retiree health insurance credit benefits and death and disability benefits are set by state statute. There are no provisions or policies with respect to automatic and ad hoc post-retirement benefit increases. Employees who are receiving monthly retirement benefits from the Public Employees Retirement System, the Highway Patrolmen's Retirement System, or the Defined Contribution Retirement Plan, the Chapter 27-17 judges or an employee receiving disability benefits, or the spouse of a deceased annuitant receiving the surviving spouse benefit of if the member selected a joint and survivor option are eligible to receive credit toward their monthly health insurance premium under the state health plan.

The benefits are equal to \$5.00 for each of the employee's, or deceased employee's years of credited service not to exceed the premium in effect for selected coverage. The retiree health benefit is also available for early retirement with reduced benefits.

### Net OPEB Liability of the Plan

The components of the net OPEB liability of the plan at June 30, 2023 is as follows (expressed in thousands):

	RHIC
Total OPEB liability	\$ 268,293
Plan fiduciary net position	(168,318)
Net OPEB liability (asset)	\$ 99,975
RHIC fiduciary net position as a percentage of the total OPEB liability	62.74 %

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### **Actuarial Assumptions**

Actuarial Cost Method: Entry Age Normal

Asset Valuation Method: Plan Fiduciary Net Position (Market value of assets, no asset smoothing)

RHIC Inflation: 2.25%

Salary Increase: Not applicable

Investment Rate of Return: 5.75%.

Mortality Rates: Pub-2010 Health Retiree Mortality table (for General Employees), sex-distinct, with rates multiplied by 103% for males and 101% for females. Pub-2010 Disabled Retiree Mortality table (for General Employees), sex-distinct, with rates multiplied by 117% for males and 112% for females. Pub-2010 Employee Mortality table (for General Employees), sex-distinct, with rates multiplied by 92% for both males and females. Mortality rates are projected from 2010 using the MP-2019 scale.

Other Notes: RHIC is for the most part a closed plan. There were no benefit changes during the year. The investment return assumption was decreased from 6.50% to 5.75% beginning with the actuarial valuation as of July 1, 2022. All other actuarial assumptions were adopted by the Board based on an experience study covering the period July 1, 2015, through June 30, 2019. The employer rate to the System is the statutory contribution rate of 1.14% of payroll.

### **Investment Rate of Return**

The long-term expected investment rate of return assumption for the RHIC fund was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of RHIC investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Estimates of arithmetic real rates of return, for each major asset class included in the RHIC's target asset allocation as of July 1, 2023 is summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
	-
Large Cap Domestic Equities	6.10 %
Small Cap Domestic Equities	7.10 %
International equities	6.50 %
Core-Plus Fixed Income	2.59 %

#### **Discount Rate**

For the purpose of this valuation, the expected rate of return on OPEB plan investments is 5.75%; the municipal bond rate is 3.86%; and the resulting Single Discount Rate is 5.75%. The projection of cash flows used to determine the discount rate assumed plan member and statutory/Board approved employer contributions will be made at rates equal to those based on the July 1, 2023 PERS actuarial valuation reports. For this purpose, only employer contributions that are intended to fund benefits of current RHIC members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries are not included. Based on those assumptions, the RHIC fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members. Therefore, the long

term expected rate of return on RHIC investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

### Sensitivity of Net OPEB Liability

The following presents the net OPEB liability of the Plan as of June 30, 2023, calculated using the single discount rate of 5.75%, as well as what the RHIC net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate (expressed in thousands):

	Current Discount					
Net OPEB Liability (Asset)		1% Decrease		Rate		1% Increase
As of June 30, 2023		(4.75%)		(5.75%)		(6.75%)
RHIC	\$	131,392	\$	99,975	\$	73,526

The benefit provided by the North Dakota Retiree Health Insurance Credit Fund is a fixed dollar subsidy and is not affected by healthcare cost trend. Therefore, a healthcare trend rate was not performed.

#### B. RETIREE HEALTH INSURANCE CREDIT - STATE'S SHARE

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

# **Proportionate Share of Net OPEB Liability**

At June 30, 2023, the State reported a liability of \$59,294,894 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The State's proportion of the net OPEB liability was based on the State's share of covered payroll in the OPEB plan relative to the covered payroll of all participating OPEB employers. At June 30, 2022, the State's proportion was 50.399667 percent, which is an increase of 15.28478496 percent from the prior year.

# **Deferred Inflows and Outflows of Resources**

For the year ended June 30, 2023 the State recognized OPEB expense of \$9.6 million. At June 30, 2023, the State reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Primary Government				Discrete Com	nponent Units		
	Deferred Outflows of Resources		Deferred Inflows of Resources		Deferred Outflows of Resources			Deferred Inflows of Resources
Differences between expected and actual experience	\$	1,405,320	\$	(506,615)	\$	_	\$	_
Changes of assumptions		14,935,451		_		_		_
Net difference between projected and actual earnings on OPEB plan investments		7,983,623		_		_		_
Changes in proportion and differences between employer contributions and proportionate share of contributions		1,784,185		(2,299,907)		_		_
Employer contributions subsequent to the measurement date		5,849,941		_				_
Total	\$	31,958,520	\$	(2,806,522)	\$		\$	

\$5,849,941 reported as deferred outflows of resources related to OPEB resulting from State contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEBs will be recognized in OPEB expense as follows:

Year ended June 30:

	Prima	Primary Government		ponent Units
2024	\$	6,063,726	\$	_
2025		5,647,431		_
2026		4,935,223		_
2027		6,655,677		_
2028		_		_
Total	\$	23,302,057	\$	_

### Sensitivity of the State's Proportionate Share of the OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Plans as of June 30, 2023, calculated using the discount rate of 5.39%, as well as what the RHIC net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.39 percent) or 1-percentage-point higher (6.39 percent) than the current rate:

	1% Decrease (4.39%)		Current Discount Rate (5.39%)		1% Increase (6.39%)	
State's proportionate share of the net OPEB liability	\$ 75,685,529	\$	59,294,894	\$	45,534,188	

#### C. JOB SERVICE NORTH DAKOTA – MET LIFE INSURANCE BENEFIT

### MET LIFE INSURANCE BENEFIT

Job Service North Dakota engaged an actuary to determine the Agency's liability for post-employment benefits other than pensions as of July 1, 2022. The actuary determined the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense the Agency has to record as of June 30, 2023. This plan document, as amended, is authorized by the Plan Administrator, who is the Executive Director of the agency. JSND issues a publicly available financial report that may be obtained by writing to Job Service North Dakota, PO Box 5507, Bismarck, North Dakota 58506-5507.

### **Plan Description**

Job Service North Dakota employees who had a Met Life Insurance policy in effect on December 1, 1999, when the Met Life Insurance benefit plan, a single-employer plan, was discontinued for new employees, receive the following benefits: Job Service North Dakota pays 33% of the monthly Basic Met Life Insurance premium of current employees with a Met Life Insurance policy and upon retirement the employees Basic Met Life Insurance premiums are covered 100% by Job Service North Dakota. The Basic Life Insurance Benefits are equal to the employees' annual salary rounded up to the nearest thousand plus two thousand up to a maximum of \$45,000 and are decreased at a rate of 2% per month at age 65 until the benefit is 25% of the original amount but no less than \$10,000. The actuary report of the Met Life Insurance Benefit is the only financial report produced for this benefit and is available as indicated above. Job Service North Dakota has authority to change the funding and benefit policy of this plan.

Membership of the Other Post Retirement Benefit plan consisted of the following at July 1, 2020, the date of the latest actuarial valuation:

Retirees and beneficiaries currently receiving benefits	144
Terminated employees entitled to benefits but not yet receiving them	_
Current vested employees	4
Total	148

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The Employer reported a liability of \$952,996 at June 30, 2023 for its net OPEB liability. The net OPEB liability was measured as of July 1, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

For the year ended June 30, 2023, the Employer recognized OPEB expense of \$37,738. The Employer reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following:

	Defe Outflo Reso	ws of	Inflo	erred ws of urces
Differences between expected and actual experience	\$	_	\$	_
Changes of assumptions		_		_
Net difference between projected and actual earnings on OPEB plan investments		_		_
Changes in proportion and differences between employer contributions and proportionate share of contributions		_		_
Total	\$		\$	

### **Actuarial Assumptions**

The total OPEB liability in the actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	July 1, 2022
Inflation	none
Salary increases	5%
Discount rate	4.09% per annum

Mortality rates were based on the RP-2014 Total Dataset Mortality Table adjusted to based year 2006, projected with Scale MP-2019.

# Sensitivity of the State's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Plans as of June 30, 2023, calculated using the discount rate of 4.09%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.09 percent) or 1-percentage-point higher (5.09 percent) than the current rate (expressed in thousands):

			С	urrent Discount	
Net OPEB Liability	1	% Decrease		Rate	1% Increase
As of June 30, 2023		(3.09%)		(4.09%)	(5.09%)
Met Life	\$	1,041	\$	953	\$ 877

# Schedule of Changes in Net OPEB Liability

	Increase (Decrease)				
	Total OPEB Liability	Plan Net Position	Net OPEB Liability		
	(a)	(b)	(a) - (b)		
Balances at 7/1/22	\$ 1,001,072	\$ —	\$ 1,001,072		
Changes for the Year:					
Service cost	292	_	292		
Interest	37,446	_	37,446		
Benefit changes	_	_	_		
Experience losses (gains)	_	_	_		
Changes of assumptions	_	_	_		
Contributions - Employer		85,814	85,814		
Benefits paid	(85,814)	(85,814)	(171,628)		
Administrative expenses					
Net changes	(48,076)		(48,076)		
Balances at 6/30/23	\$ 952,996	\$	\$ 952,996		

The plan provisions used in the measurement of the net OPEB liability are the same as those used in the Actuarial Valuation as of July 1, 2022.

#### D. OPEB SUMMARY

The following is a summary of the OPEB related items for all plans of the State as of and for the year ended June 30, 2023.

OPEB Plan	Deferred Outflows of Resources - OPEB		Deferred Inflows of Net OPEB Resources Liability OPEB			OPEB Expense		
ND Public Employees' Retirement System	\$	31,958,520	\$ 59,294,894	\$	2,806,522	\$	9,636,802	
JSND Met Life Insurance Benefit		_	952,996		_		37,738	
Total	\$	31,958,520	\$ 60,247,890	\$	2,806,522	\$	9,674,540	

# **NOTE 8 - DEFERRED COMPENSATION PLAN**

The ND Public Employees Retirement System was given authority by Chapter 54-52.2 to administer an employee deferred compensation plan in accordance with Internal Revenue Code Section 457. The plan allows employees of the State of North Dakota or any of its political subdivisions, institutions, departments, or agencies to participate, providing that the employee has signed a participation agreement, which permits them to defer a portion of their current salary until future years. Each participant may defer the lesser of \$22,500 or 100% of gross annual compensation for calendar year 2023. Participation in the plan is optional. The deferred compensation is not available to the employees until termination, retirement, death or unforeseeable emergency.

All compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights, are held in trust for the exclusive use of the employee or their beneficiary.

The minimum monthly member contribution to the deferred compensation plan is \$25 and the maximum vesting in the employer contributions ranges from 1% to 4% of the monthly salary, or \$25, depending the employees months of service.

The deferred compensation plan had 16,366 active participants as of June 30, 2023.

The related assets of the plan, held in trust, are reported at fair value as follows (expressed in thousands):

Plan Participation By:		
State of North Dakota	\$ 177,247	92 %
Other Jurisdictions	16,106	8 %
Total Value	\$ 193,353	100 %

# **NOTE 9 - PERS UNIFORM GROUP INSURANCE PROGRAM**

The Uniform Group Insurance Program, a proprietary fund, contracted with Sanford Health Plan to provide health care insurance to the employees of the State of North Dakota, or any of its political subdivisions, institutions, departments or agencies. The contract for the 2019-2021 biennium provides for an accounting of premiums paid and claims incurred during the biennium. The final gain or loss is determined two years after the end of the biennium, which for the 2019-2021 biennium will occur in 2023 with an initial settlement occurring in 2022. In the event of a loss, the system does not have any risk. For this period, premiums exceeded claims, therefore, a gain of \$26.1 million was returned to the System as an initial settlement in 2022. The final settlement resulted in a decrease to the initial settlement, and resulted in a payable to Sanford Health Plan of \$625,846 for 2023.

The State again entered into a similar contract with Sanford Health Plan for the 2021-2023 biennium. The contract for the 2021-2023 biennium provides for an accounting of premiums paid and claims incurred during the biennium. The final gain or loss is determined two years after the end of the biennium, which for the 2021-2023 biennium will occur in 2025. In the event of a loss, the system does not have any risk. No other insurance contracts have a gain sharing provision.

### **NOTE 10 - SEGMENT INFORMATION**

North Dakota Housing Finance Agency maintains two separate funds which account for general agency operations and provide loans to finance construction of rental residential housing and single-family ownership. The two funds are accounted for in a single fund, but investors in home ownership bonds rely solely on the revenue generated by the mortgage loans and assets acquired for repayment. Segment information for the year ended June 30, 2023, was as follows (expressed in thousands):

	Home-0	Ownership Bond Funds
Condensed Statement of Net Position	-	
Current assets – other	\$	238,914
Noncurrent assets – other		1,600,537
Total Assets	-	1,839,451
Current liabilities – other		86,315
Noncurrent liabilities – other		1,519,308
Total Liabilities		1,605,623
Net position – restricted		217,892
Total Net Position	\$	217,892
Condensed Statement of Revenues, Expenses and Change in Fund Net Position		
Operating revenues	\$	60,633
Operating expenses		(48,739)
Operating income	-	11,894
Change in net position	-	11,894
Total net position, beginning of year		201,443
Equity transfer out		4,555
Total net position, end of year	\$	217,892

	wnership Bond Funds
Condensed Statement of Cash Flows	 
Net cash provided by operating activities	\$ (200,649)
Net cash used for noncapital financing activities	92,523
Net cash used for investing activities	5,920
Net change in cash and cash equivalents	(102,206)
Cash and cash equivalents, beginning of year	 295,662
Cash and cash equivalents, end of year	\$ 193,456

#### **NOTE 11 - MAJOR COMPONENT UNIT TRANSACTIONS**

# BISMARCK STATE COLLEGE AND BISMARCK STATE COLLEGE FOUNDATION

On October 19, 2007, BSC and BSC Foundation entered into a 25-year lease agreement to facilitate the construction of the National Energy Center of Excellence building. Under the agreement, BSC is responsible for payment of all rent, maintenance, and repair of the facility, maintenance of all insurance required under the lease, and restrictions of use of the facility as set forth in the lease. The amount of the rent is tied to the \$5.0 million debt service retirement. Upon payment of all the bonds, BSC will have the option to purchase the premises for \$100.

BSC Foundation's financial statements include these transactions as a receivable from BSC and a long-term liability. BSC's financial statements include the capitalized asset and a long-term liability due to BSC Foundation.

On September 26, 2014, BSC and Student Housing, LLC (a wholly owned subsidiary of BSC Foundation) entered into a 30-year Ground Lease to facilitate the construction and development of a student apartment housing complex on approximately 4.67 acres of land owned by BSC. Under the agreement, BSC would enter into a separate operating and lease agreement with LLC for the constructed student housing apartment complex for use as a College student housing facility. There are no separate rent payments to be paid by LLC during the term of the Ground Lease agreement in exchange for use of the land.

On August 13, 2015, BSC and Student Housing, LLC entered into a five-year lease agreement to operate student housing services in the two newly constructed housing units (Ritchie Hall and Gate City Bank Hall). On August 28, 2020, an agreement was signed to extend the lease term until August 12, 2025. Under the agreement, BSC is responsible for payment of all rent, maintenance, and daily repair/maintenance of the facility, and restrictions of use of the facility as set forth in the lease. Student Housing, LLC is responsible for major repairs/maintenance and property and liability insurance on the facilities. The lease is classified as a lease on BSC financial statements and Student Housing, LLC financial statements includes the capitalized asset.

#### MISU DEVELOOPMENT FOUNDATION (MISUDF)

On September 1, 2020, MiSU and MiSUDF entered into a two-year facility and ground lease agreement to facilitate the remodel of the MiSU's Summer Theatre. The lease contains an option to renew with the consent of both parties. During the agreement, MiSU will manage and conduct performances of plays and events. MiSU is also responsible to operate, maintain, and keep in good repair all public and common facilities and services on the grounds and adjacent facilities. The MiSUDF is responsible for the cost of all improvements to the premises. At the conclusion of the lease, MiSUDF will return to MiSU the right and title to the premises and all leasehold improvements.

#### NORTH DAKOTA STATE COLLEGE OF SCIENCE FOUNDATION (NDSCSF)

For the year ended June 30, 2023, NDSCS paid NDSCSF \$174,000 for the rental of NDSCS Fargo building and \$11,000 for parking lots.

### NORTH DAKOTA STATE UNIVERSITY AND NDSU RESEARCH AND TECHNOLOGY PARK, INC.

On December 30, 1999, North Dakota State University (NDSU), through the State of North Dakota and North Dakota State Board of Higher Education, entered into a ground lease, whereby the NDSU Research and Technology Park (RTP), Inc. (component unit) leases 40 acres of land for \$1 per year for the next seventy-five years.

On July 1, 2002, NDSU and the RTP entered into an agreement for cooperation and assistance between entities. The agreement is an annual agreement, which automatically extends for one-year periods unless cancelled by either party to the agreement.

During fiscal year 2017, NDSU and NDSU RTP entered into renewed agreements, whereby NDSU leases the Research Buildings I and II through May 1, 2022 and May 2032. On May 1, 2022, NDSU and NDSU RTP entered into an annual service agreement for Research Building I to continue the services provided as the bonds related to Research Building I have been paid in full and

NDSU exercised its option to terminate the Research Building I Lease and purchase Research Building I. During fiscal year 2023, total annual rent of \$402,000 was paid by NDSU for these two buildings, in addition to the \$1.27 million of principal and interest paid by NDSU directly to the bond trustee. The annual rent will be re-adjusted by mutual agreement every two years. These agreements are subject to funding and legislative appropriations.

#### NDSU FOUNDATION

#### Renaissance Hall

The former Northern School Supply building was donated to the Foundation by NDSU alum in December of 2001. During fiscal year 2003 and 2004, the Foundation renovated the building with the intent to lease the facility to NDSU beginning fall 2004. The Foundation transferred nearly the entire ownership of the building to 650 NP Avenue, LLC and Kilbourne Design Group, LLC, for a five-year period in order to achieve tax credits that would ultimately reduce the cost of the building to NDSU. During the five-year tax credit period, NDSU leased the building from the two LLCs, with the lease payments composed of interest and fees. With the five-year tax credit period ending December 31, 2010 (as extended), and the ownership was transferred back to the Foundation, permanent financing was put in place on December 17, 2010, with the issuance of \$5.65 million of 20-year University Facilities Lease Revenue Bonds, Series 2010 (Renaissance Hall Project). The financing structure involving the five-year temporary ownership transfer resulted in achieving tax credits of \$4.9 million which directly lowered the leasing cost to NDSU.

Under this refinanced debt issuance and lease agreement, as approved by the SBHE on December 16, 2010, the property is leased to NDSU for rent equal to the semi-annual principal and interest on the bonds, plus all costs incurred by the Foundation incident to ownership of the property. Ownership of the property will transfer to NDSU when the bonds are repaid in full. NDSU paid the Foundation \$417,000 in fiscal year 2023 for debt service under this agreement. As of June 30, 2023, the outstanding balance on the bonds are reflected as "Due to Component Units" by NDSU, is \$2.7 million.

#### Barry Hall Business Building and Klai Hall Architecture Building

Effective November 28, 2007, NDSU and the Foundation entered into lease agreements for two buildings in downtown Fargo, formerly known as the "Pioneer Mutual Building" and "Lincoln Mutual building". The Foundation financed the construction of the Barry Hall business building and Klai Hall architecture building projects through the sale of \$18.52 million of 20-year University Facilities Revenue Bonds issue by the City of Fargo, North Dakota. The City has loaned the bond proceeds to the Foundation for payments equal to the sum of the semi-annual interest payments and installments of varying principal amounts on the variable rate bonds and the semi-annual principal and interest payments on the fixed-rate bonds. The principal payments on the variable rate bonds will be funded from payments on donor pledges restricted for the project. Under the terms of the loan, the Foundation is responsible for the real estate taxes, insurance, repairs and maintenance, and other costs incident to ownership of the property. The property is included with property in the financial statements and the bonds have been recorded as a direct obligation of the Foundation. Ownership of the property will transfer to NDSU when the bonds are repaid in full. The bonds are guaranteed by the Foundation. This property is leased to NDSU for rental equal to the sum of the semi-annual interest only payments on the variable term bonds plus the semi- annual principal and interest payments on the fixed-rate bonds for the term of the bonds, plus all the costs incurred by the Foundation incident to ownership of the property.

In May 2012, the Foundation refinanced the original bonds issued in November 2007. As a result, new leases were executed. Under the terms of the new leases, NDSU pays and recognizes a liability for entire amount of the previously issued bonds. During fiscal year 2023, NDSU paid \$621,000 to the bond trustee on-behalf of the Foundation under the new leases for debt service on Barry Hall & Klai Hall. NDSU has an option to acquire the property upon full payment of the bonds. As of June 30, 2023, the outstanding balance on the bonds, reflected as "Due to Component Units" by NDSU, is \$6.9 million.

### Other Transactions

The Foundation provides meeting space rental and database support service to NDSU for an annually negotiated fee. NDSU paid the foundation \$888,000 for the fiscal year ending December 31, 2022.

In addition to the debt service payments on the Fargodome, Renaissance, Barry and Klai Halls, NDSU reimburses the Foundation for other operating expenses related to those buildings, such as property insurance, flood insurance, boiler inspection fees, real estate taxes and bond administrative fees. Those costs totaled \$123,000 during the fiscal year ending December 31, 2022.

Based on an agreement that began January 1, 2015, and automatically renewed annually since then, NDSU pays \$87,592 of annual building rent to the Foundation for use the Criminal Justice and Public Policy building next to the NDSU main campus. This rent was paid again by NDSU during the fiscal year ending June 30, 2023.

The Foundation's fiscal year end is December 31, NDSU year end is June 30. Timing differences in amounts may occur between entity financial statements, due to different year end dates.

### UNIVERSITY OF NORTH DAKOTA AND UND AEROSPACE FOUNDATION

The UND Aerospace Foundation (UND AF) recorded expenses reimbursed to UND for salaries, building rent, aircraft rental, and goods and services under an operating agreement aggregating \$5.2 million in fiscal year 2023. This operating agreement has no specific term and is intended to memorialize various operating agreements, rate structures, duties, and obligations each party has to the other. Expenses reimbursed to UND represent actual costs incurred and are included in training expenses in the consolidated statements of activities.

The UND AF recorded revenue for service and hangar, CRJ, 360-degree tower, and aircraft rental to UND of \$2.3 million in fiscal year 2023, which is included in program and event revenue in the Statement of Revenue, Expenses and Changes in Fund Net Assets for Component Units (FASB Basis) – University System Foundation.

As of June 30, 2023, the UND AF had recorded accounts payable to UND of \$1.3 million for reimbursable costs and services. As of June 30, 2023, the UND AF had recorded accounts receivable from UND of approximately \$234,000, which are included in accounts receivable in the statement of net assets for component units (FASB Basis) – University System Foundation.

The UND AF entered into a sublease with UND to lease the aircraft storage hangar/ground support equipment facility. The lease term is for 20 years, commencing on July 7, 2003, until July 6, 2023. For the first fifteen years of the sublease, UND will pay the Foundation's monthly minimum payment of \$12,672, beginning on October 1, 2003, subject to actual cost adjustments. At the end of the 15 years of the sublease, rent will be adjusted based upon the interest rate adjustments of the debt incurred by the Foundation in the construction of the hangar.

#### UNIVERSITY OF NORTH DAKOTA AND RE ARENA, INC.

RE Arena Inc. and UND, enter into an annual operating agreement from July 1, 2020 to September 30, 2030 The operating agreement sets forth the facility usage, fees and services, ticket administration and revenue allocation, sponsorship sales administration and revenue allocation, and net income disposition. In accordance with this agreement: (i) RE Arena Inc. collects all ticket revenue from ticketed UND athletic events (hockey, football, men's and women's basketball, and volleyball), RE Arena, Inc. retains 52 percent of such ticket revenue and remits 48 percent to the UND, and (ii) RE Arena Inc. collects all sponsorship sales revenue from the UND athletic events at the arena, RE Arena, Inc. retains 50 percent of such sponsorship revenue, net of direct costs, and remits 50 percent to the UND net of direct costs. In addition, UND and RE Arena, Inc. jointly utilize the UND and RE Arena Inc. marketing staff to market and promote the UND athletic events.

RE Arena, Inc. may contract with UND for materials and personnel in service, utility and other areas and will reimburse UND based on separate agreements. Revenue and expense arrangements for all other UND events held at the arena will be negotiated on an event-by-event basis.

In fiscal year 2023, gross tickets sales were \$5.1 million of which RE Arena, Inc. recognized revenue of \$2.7 million, with a net paid to UND of \$2.5 million

Gross tickets sales for the next athletic season year are recorded in deferred revenue at gross by REA for a total of \$3.2 million.

REA recognized net sponsorship (advertising) revenue of \$926,000 and net paid to UND in sponsorship (advertising) income of \$926,000. REA allocated \$600,000 of net income to UND athletic department for the year ended May 31, 2023. REA expensed \$1.2 million to UND for utilities, maintenance staff, phone service and other.

At the end of the fiscal year REA owed UND \$107,000 for monthly services.

Amounts are reported on the accrual basis of accounting, which may or may not be the same as that used by UND. REA fiscal year end is May 31 and UND's fiscal year end is June 30. Amounts may differ between entity financial statements because of timing differences due to different year ends

# UNIVERSITY OF NORTH DAKOTA AND UNIVERSITY OF NORTH DAKOTA FOUNDATION

UND is leasing space in the Gorecki Alumni Center in the amount of \$75,000 per year. Additional rental payments consisting of UND's share of the operating and maintenance costs for space used in the Gorecki Alumni Center are calculated annually.

During the year ended June 30, 2023, UND provided approximately \$1.8 million of institutional support for event and database support, annual giving campaign and shared positions. The UND Alumni Association and Foundation (Foundation) manages UND's endowment investments and charged them \$256,000 in investment management fees during the year ended June 30, 2023.

During the year ended June 30, 2023, the Organization paid \$3.9 million to the University of North Dakota for building projects.

The Foundation is leasing 45,000 square feet of land for the Gorecki Alumni Center from UND. Starting in 2016, the rate is \$0.10 per square foot, per year. The cost in fiscal year 2023 was \$4,500.

On July 24, 2002, the UND Foundation issued \$8.6 million of tax-exempt lease revenue bonds to finance the construction of an office building and the renovation of an existing building for the EERC of UND. The UND Foundation recorded a receivable from UND of \$8.6 million due under the direct-financing lease arrangement. On October 18, 2012, the UND Foundation issued Taxable Refunding Lease Revenue Bonds, Series 2012 in the amount of \$6.4 million to refund its outstanding Lease Revenue Bonds, Series 2002.

The UND Foundation also amended the related lease agreement with UND. Interest accrues on the bonds at rates from 0.75 percent to 4.20 percent depending upon maturity. Annual principal and semiannual interest payments are due through fiscal year 2027 and as of June 30, 2023 were \$2.0 million. The bonds are secured by a lease with UND.

On March 23, 2021, the UND Foundation financed the build of the College of Business and Public Administration building in part with First International Bank & Trust, in an amount up to \$30 million. On July 23, 2023 the UND Foundation modified the University Facilities Bonds, Series 2021 (College of Business and Public Administration Building) to allocate \$13 million of the \$30 million to finance the building of the Frederick "Fritz" Pollard, Jr. Athletic Center. The bonds are now secured by pledged receivables for both building projects. As of June 30, 2023, the outstanding balance on the bonds is \$27.7 million.

### NOTE 12 - FINANCIAL INSTRUMENTS WITH OFF-BALANCE-SHEET RISK

### BANK OF NORTH DAKOTA

The State, through the Bank of North Dakota, is a party to credit related financial instruments with off-balance-sheet risk in the normal course of business to meet the financing needs of its customers. These financial instruments include commitments to extend credit, financial standby letters of credit and guarantees related to loan programs. Those instruments involve varying degrees, elements of credit and interest rate risk in excess of the amount recognized in the statement of net position. The contract amounts of those instruments reflect the extent of involvement the State has in particular classes of off-balance-sheet financial instruments.

The State's exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to extend credit and financial standby letters of credit is represented by the contractual amount of those instruments. The State uses the same credit policies in making commitments and conditional obligations as it does for on- balance-sheet instruments.

	Contract Amount (in thousands)
Commitments to extend credit	\$ 1,859,343
Financial standby letters of credit	657,329
Guarantees provided	7,680

Commitments to extend credit are agreements to lend as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since many of the commitments may expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. The amount of collateral obtained by the State upon extension of credit is based on management's credit evaluation of the customer. Collateral held may include accounts receivable, inventory, property, plant and equipment, and income-producing commercial properties.

Financial standby letters of credit are conditional commitments issued by the Bank to guarantee the performance of a customer to a third party. Those letters of credit are primarily issued to support public borrowing arrangements. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loan facilities to customers. The Bank has segmented this category into three components: (1) letters of credit, (2) confirming letters of credit, and (3) letters of credit pledged for public deposits to North Dakota financial institutions.

Letters of credit are conditional commitments issued by the Bank to guarantee the performance of a customer to a third party which require this type of facility. The maturities for these letters range from one month to ten years, and the likelihood of funding any of these letters of credit is considered to be remote. The Bank holds collateral supporting those commitments. The Bank also has letters of credit with the North Dakota Public Finance Authority with maturities ranging from five to twenty-three years. If the letters issued to Public Finance Authority were ever drawn upon, Public Finance Authority is legally obligated to reimburse the Bank from funds legally available, or from any appropriation made available to the Legislative Assembly after certification by the

Industrial Commission. The likelihood of funding any of these letters of credit is also considered to be remote. Outstanding issued letters of credit as of December 31, 2022 were \$27.3 million.

Confirming letters of credit are issued to North Dakota financial institutions to support letters of credit they have issued but are still in need of backing from an institution with a long-term, high quality bond rating. In the event these letters were to be drawn upon, based on the terms of the agreement, the Bank would immediately withdraw funds from the institution's correspondent bank account held at the Bank to cover the amount drawn. These agreements generally have terms of 12 months or less. The likelihood of funding any of these confirming letters of credit is also considered to be remote. Outstanding issued confirming letters of credit as of December 31, 2022 were \$4.1 million.

Letters of credit pledged for public deposit to North Dakota financial institutions are issued to support public borrowing arrangements. These letters are fully collateralized by a pool of loans pledged to the Bank. These agreement generally have terms of 12 months or less. Financial standby letters for public deposits by North Dakota banks totaled \$369.1 million at December 31, 2022. The likelihood of funding any of these letters of credit is also considered to be remote. These letters of credit are authorized form of collateral for public deposits per North Dakota Century Code 21-04-09.

The Bank has not recorded a contingent liability related to off-balance sheet activity as of December 31, 2022.

#### SCHOOL CONSTRUCTION ASSISTANCE REVOLVING LOAN FUND

As of June 30, 2023, the Fund had six outstanding commitments for \$43.4 million.

#### INFRASTRUCTURE REVOLVING LOAN PROGRAM

In the normal course of business, the Loan Fund makes various commitments that are not reflected in the financial statements. These commitments include commitments to extend credit of \$124.8 million at June 30, 2023.

#### **CLEAN SUSTAINABLE ENERGY AUTHORITY**

As of June 30, 2023, the Fund had one outstanding commitment for \$100 million.

#### WATER INFRASTRUCTURE REVOLVING LOAN FUND

As of June 30, 2023, the Fund had one outstanding commitment for \$60 million.

#### MEDICAL FACILITY INFRASTRUCTURE LOAN FUND

The Fund's exposure to loan loss is represented by the contractual amount of these commitments. There were two pending loan commitments totaling \$8.15 million as of June 30, 2023.

#### NORTH DAKOTA HOUSING FINANCE AGENCY

In the normal course of business, the Agency makes various commitments that are not reflected in the financial statements. These include commitments to extend credit and the debt reduction required when related loan acquisition funds are not drawn down within prescribed time frames set by the specific bond resolution.

Commitments to extend credit are agreements to fund loans as long as there is no violation of any condition established in the contracts. Commitments require the payment of a reservation fee and generally have a fixed expiration date. Commitments to extend credit total \$87.5 million at June 30, 2023.

The bond resolutions require that the funds in the loan acquisition accounts be expended within 42 months of the related bond delivery date. Any remaining funds must be used for debt reduction. The loan acquisition funds totaled \$67.9 million at June 30, 2023.

#### PUBLIC FINANCE AUTHORITY

In the normal course of business, the Finance Authority (a component unit) makes various commitments that are not reflected in the financial statements. These commitments include commitments to extend credit of \$157.1 million at December 31, 2022.

#### **NOTE 13 - INTEREST RATE SWAP**

#### BANK OF NORTH DAKOTA

The Bank has outstanding interest rate swap agreements with a notional amount \$545 million to convert variable rate federal funds and variable SOFR fallback indexed deposits into fixed-rate instruments over the term of the contract. The following table summarizes the terms of the interest rate swap contracts:

Trade Date	Maturity Date	Notional Amount	Pay Fixed	Receive Variable
June 5, 2014	June 1, 2029	\$50,000,000	2.86%	Fed Funds
April 14, 2015	May 1, 2030	\$50,000,000	1.92%	Fed Funds
August 11, 2016	September 1, 2031	\$50,000,000	1.48%	1 Month SOFR Fallback
April 5, 2017	May 1, 2032	\$50,000,000	2.39%	1 Month SOFR Fallback
June 15, 2017	July 1, 2032	\$50,000,000	1.99%	Fed Funds
March 27, 2018	April 1, 2033	\$50,000,000	2.47%	Fed Funds
June 28, 2018	July 1, 2033	\$50,000,000	2.52%	Fed Funds
April 25, 2019	May 1, 2034	\$50,000,000	2.36%	Fed Funds
September 3, 2019	October 1, 2034	\$50,000,000	1.15%	Fed Funds
October 2, 2019	November 1, 2034	\$50,000,000	1.38%	Fed Funds
December 5, 2019	October 1, 2023	\$45,000,000	1.33%	Fed Funds

Either the Bank or its counterparties may terminate the interest rate swap if the other party fails to perform under the terms of the contract. Termination could result in the Bank being required to make a payment of the fair value of the swap to counterparty.

The following table summarizes the derivative financial instrument utilized at December 31, 2022:

		_	Fair Value			Changes in Fair Value				
Swap	National Amount		Classification		Amount	Classification		Amount		
June 2014	\$	50,000,000	Other assets	\$	2,101,000	Deferred inflow	\$	8,025,000		
April 2015		50,000,000	Other assets		5,289,000	Deferred inflow		7,980,000		
August 2016		50,000,000	Other assets		7,944,000	Deferred inflow		8,281,000		
April 2017		50,000,000	Other assets		4,852,000	Deferred inflow		9,518,000		
June 2017		50,000,000	Other assets		6,145,000	Deferred inflow		9,500,000		
March 2018		50,000,000	Other assets		4,440,000	Deferred inflow		10,475,000		
June 2018		50,000,000	Other assets		4,313,000	Deferred inflow		10,693,000		
April 2019		50,000,000	Other assets		5,284,000	Deferred inflow		11,090,000		
Sept 2019		50,000,000	Other assets		11,311,000	Deferred inflow		9,981,000		
Oct 2019		50,000,000	Other assets		10,228,000	Deferred inflow		10,296,000		
Dec 2019		45,000,000	Other assets		1,161,000	Deferred inflow		1,680,000		

At December 31, 2022, the Bank was not exposed to material credit risk because each counterparty is required to fully collateralize the fair value of the swaps within \$250 of daily mark-to-market valuations by depositing funds with the other counterparty.

The Bank is exposed to interest rate risk on its swap agreements. On its pay-fixed, receive variable interest rate swaps, the Bank's net payment increases as the USD-FEDERAL FUNDS-H.15 and USD-1 MONTH SFOR interest rates decrease.

Using rates as of December 31, 2022, the interest expense of the variable rate federal funds, variable rate 1 month SOFR Fallback and the net swap payments are as follows. As rates vary, the federal fund and 1 month SFOR interest expense and the net swap payments will vary.

		Pay Fixed		Receive				
Year Ended December 31:	Contract Interest		F	Federal Fund Interest	Month SOFR lback Interest	Interest Rate Swap, net		
2023	\$	10,707,000	\$	18,782,000	\$ 4,390,000	\$	(12,464,000)	
2024		10,259,000		17,320,000	4,390,000		(11,451,000)	
2025		10,259,000		17,320,000	4,390,000		(11,451,000)	
2026		10,259,000		17,320,000	4,390,000		(11,451,000)	
2027		10,259,000		17,320,000	4,390,000		(11,451,000)	
2028-2032		41,334,000		71,986,000	17,560,000		(48,212,000)	
2033-2035		4,785,000		12,268,000	 		(7,483,000)	
	\$	97,862,000	\$	172,316,000	\$ 39,510,000	\$	(113,963,000)	

#### NORTH DAKOTA HOUSING FINANCE AGENCY

As a means to lower its borrowing costs, when compared against fixed-rate bonds at the time of issuance, the Agency entered into several cash flow hedges or swaps in connection with various variable-rate housing bond series. The Agency cash flow hedges are pay-fixed. All Agency cash flow hedges are pay-fixed. The intention of these swaps was to effectively change the Agency's interest rate on the bonds to a fixed rate. The Agency also has cash flow hedges that were entered into in connection with variable-rate housing bond series that no longer have bonds outstanding as those bonds have been called. The cash flow hedges that are not connected to a specific bond series hedge the risk related to the Agency's other variable-rate housing bonds that are unhedged.

The bonds and the related swap agreements have a stated issuance and maturity date. Some of the swaps have optional termination dates. Under the swaps, the Agency pays the counterparty a fixed payment and receives a variable payment computed as a percent of the London Interbank Offered Rate (LIBOR) plus a fixed percentage on the swap notional amount. On the other hand, the bond's variable-rate coupons are determined by the remarketing agent. If for any reason the remarketing agent fails to act, the rate shall be the lesser of (i) the TBMA Index plus 0.25% or (ii) the Maximum Rate as defined within the applicable series resolution.

As of June 30, 2023, the Agency had eleven swaps with a positive fair value totaling \$15.9 million. Of the swaps with negative fair value, the Agency is not exposed to credit risk. However, the swap exposes the Agency to basis risk should the relationship between LIBOR and TBMA converge, changing the synthetic rate on bonds. The swap counterparty has guaranteed all payments and is rated AAa/AA+/AAA by Moody's Investor Services, Standard & Poor's, and Fitch, respectively. To mitigate potential credit risk, the counterparty has entered into Credit Support Agreements with Royal Bank of Canada and Wells Fargo as a credit enhancement.

The Agency has entered into netting arrangements whenever it has entered into more than one derivative instrument transaction with a counterparty. Under the terms of these arrangements netting provisions permit each party to net the transactions' fair values so that a single sum will be owed by, or owed to, the other party. At June 30, 2023, the Agency owed the swap providers a fixed rate on the notional amount of the swaps of \$5.99 million and the swap providers owed the Agency a variable rate on the notional amounts of \$9.50 million making the net payment that the Agency owed from the swap providers \$3.51 million.

Due to the difference in the variable rate indices, the swaps had a net positive fair value of \$15.9 million as of June 30, 2023. Accordingly, the financial derivative instrument is reported as a liability and the accumulated changes in fair value of the swaps are reported as a deferred inflow at June 30, 2023. The coupon on the government's variable-rate bonds adjust to changing interest rates, the bonds do not have a corresponding fair value increase. All valuations are as of the valuation date indicated. Mid-Market or indicative unwind valuations may be derived from broker quotations or from proprietary models that take into consideration estimates about relevant present and future market conditions as well as the size and liquidity of the position and any related actual or potential hedging transactions. Valuations based on other models or different assumptions may yield different results.

The swap exposes the Agency to basis risk should the relationship between LIBOR and the actual variable rates converge, changing the synthetic rate on the bonds. The effect of this difference in basis is indicated by the difference between the intended synthetic rate and the synthetic rate as of June 30, 2023. If a change occurs that results in the rates' moving to convergence, the expected cost savings may not be realized.

The derivative contract uses the International Swap Dealers Association Master Agreement, which includes standard termination events, such as failure to pay and bankruptcy. The Schedule to the Master Agreement includes an "additional termination event." That is, the swap may be terminated if counterparty's credit quality rating falls below "A3" as issued by Moody's Investors Service or "A-" as issued by Fitch Ratings or Standard & Poor's. The swap may be terminated at any time by the Agency or the counterparty with 30 days written notice up to limits specified in the swap agreement. If the swap or swaps were terminated, the variable-rate bonds would no longer carry a synthetic interest rate. Also, if at the time of termination the swap has a negative fair value, the Agency would be liable to the counterparty for payment equal to the swap's fair value, but in the event the fair value is positive, the counterparty would be liable to the Agency.

The Agency is exposed to rollover risk on hedging derivative instruments that are hedges of debt that mature or may be terminated prior to maturity of the hedged debt. When these hedging derivative instruments terminate, or in the case of a termination option, if the counterparty exercises its option, the Agency will be re-exposed to the risks being hedged by the hedging derivative instrument. The Agency also is exposed to rollover risk on the swaps that mature and the Agency does not call the related variable rate debt.

The terms of the interest rate swaps at June 30, 2023 are as follows:

<ol> <li>Bond Series</li> <li>Issuance Date</li> <li>Maturity Date</li> <li>Notional Amount</li> <li>Variable-rate Bonds</li> <li>Fixed Rate</li> <li>LIBOR Percentage</li> <li>Additional Percentage</li> <li>Bonds Variable-rate</li> <li>Fair Value</li> <li>Percentage of LIBOR</li> <li>Synthetic Rate</li> <li>Actual Synthetic Rate</li> <li>Change in Fair Value</li> <li>Optional Termination Date</li> </ol>	2015 C 6/23/2015 1/1/2046 \$ 11,745,000 \$ \$ 11,745,000 \$ 2.486 % 66.20 % 0.10 % 0.91000 % \$ 702,000 \$ 3.52282 % (0.12682)% 2.99569 % \$ 377,000 \$ N/A	2015 E 5/1/2016 7/1/2036 18,840,000 \$ 18,840,000 \$ 2.257 % 66.40 % 0.22 % 0.91000 % 1,018,000 \$ 3.65317 % (0.48617)% 1.97825 % 759,000 \$ N/A	2015 F 2017 C 12/8/2015 5/10/2017 1/1/2047 7/1/2047 14,235,000 \$ 20,545,000 14,235,000 \$ 20,545,000 2.320 % 2.783 % 100.00 % 100.00 % 0.00 % 0.00 % 1.65000 % 2.73904 % 1,580,000 \$ 1,993,000 5.17043 % 5.17403 % (1.20043)% 0.35111 % 2.29907 % 2.75171 % 848,000 \$ 1,470,000 1/1/2025 7/1/2027
<ol> <li>Bond Series</li> <li>Issuance Date</li> <li>Maturity Date</li> <li>Notional Amount</li> <li>Variable-rate Bonds</li> <li>Fixed Rate</li> <li>LIBOR Percentage</li> <li>Additional Percentage</li> <li>Bonds Variable-rate</li> <li>Fair Value</li> <li>Percentage of LIBOR</li> <li>Synthetic Rate</li> <li>Actual Synthetic Rate</li> <li>Change in Fair Value</li> <li>Optional Termination Date</li> </ol>	2017 H 12/21/2017 7/1/2039 \$ 28,250,000 \$ \$ 28,250,000 \$ 2.266 % 66.40 % 0.09 % 0.90000 % \$ 1,829,000 \$ 3.52317 % (0.35717)% 2.20287 % \$ 1,331,000 \$ 7/1/2023	2018 C 6/14/2018 1/1/2049 9,355,000 \$ 9,355,000 \$ 3.515 % 100.00 % 0.00 % 1.60000 % 622,000 \$ 5.17043 % (0.05543)% 3.49229 % 783,000 \$ 7/1/2027	2019 B 2019E 2/13/2019 6/25/2019 1/1/2043 1/1/2050 25,000,000 \$12,265,000 25,000,000 \$12,265,000 2.693 % 3.171 % 70.00 % 100.00 % 0.00 % 0.00 % 1.11000 % 1.60000 % 1,274,000 \$ 1,665,000 3.61930 % 5.17043 % 0.18320 % (0.39943)% 3.01912 % 3.17019 % 763,000 \$ 1,148,000 1/1/2024 7/1/2028

1. Bond Series	2022C	2022E	2023C
2. Issuance Date	4/28/2022	6/14/2022	2/16/2023
3. Maturity Date	7/1/2052	1/1/2053	7/1/2047
4. Notional Amount	\$ 30,000,000 \$	25,000,000 \$	1,330,000
5. Variable-rate Bonds	\$ 30,000,000 \$	25,000,000 \$	1,330,000
6. Fixed Rate	2.644 %	3.808 %	4.493 %
7. LIBOR Percentage	100.00 %	100.00 %	100.00 %
8. Additional Percentage	0.05 %	0.05 %	0.15 %
9. Bonds Variable-rate	1.60000 %	1.60000 %	1.60000 %
10.Fair Value	\$ 3,512,000 \$	1,577,000 \$	164,000
11.Percentage of LIBOR	5.22043 %	5.22043 %	5.32043 %
12. Synthetic Rate	(0.97643)%	0.18757 %	0.77257 %
13. Actual Synthetic Rate	2.62381 %	3.77559 %	4.30243 %
14. Change in Fair Value	\$ 2,308,000 \$	2,297,000 \$	164,000
15. Optional Termination Date	1/1/2032	1/1/2032	7/1/2028

Using rates as of June 30, 2023, debt service requirements of the variable-rate debt and net swap payments are as follows. Interest calculations were based on rates as of June 30, 2023. As rates vary, variable-rate bond interest payments and net swap payments will vary. (Expressed in thousands.)

	Variable-Ra	ate Bor	nd			
Fiscal Year Ending June 30	Principal	Interest		 erest Rate wap, Net	Total	
2024	\$ 720	\$	3,041	\$ (3,494)	\$	267
2025	2,385		3,004	(3,443)		1,946
2026	3,175		2,929	(3,359)		2,745
2027	4,860		2,846	(3,262)		4,444
2028	4,575		2,766	(3,166)		4,175
2029-2033	40,525		12,139	(13,620)		39,044
2034-2038	52,620		8,809	(9,157)		52,272
2039-2043	46,015		5,609	(5,430)		46,194
2044-2048	29,310		3,039	(2,883)		29,466
2049-2053	24,380		773	(717)		24,436
	\$ 208,565	\$	44,955	\$ (48,531)	\$	204,989

#### NOTE 14 - SIGNIFICANT CONCENTRATIONS OF CREDIT RISK

Most of the State's business is with customers within the state. Concentrations of credit are present in the construction and operation of community water facilities, loans to medical facilities for health care construction, loans to students for post-secondary education, loans to owners of homes damaged in the 2011 floods in Barnes, Benson, Burleigh, McHenry, Morton, Ramsey, Renville, Richland and Ward counties, loans to political subdivisions in the state for infrastructure, single- family and multifamily mortgage loans, loans to assist local financial institutions in providing loans to assist very small businesses in their recovery from the impacts caused by the COVID-19 pandemic, loans to provide financing for commercialization of intellectual technology within the State and the agricultural industry. Due to the pervasive nature of agriculture in the economy of the state, all loans, regardless of type, are impacted by agriculture.

#### **NOTE 15 - RISK MANAGEMENT**

Several funds accumulate assets to cover risks that the State may incur. Specifically, the State assumes a portion or substantially all risks associated with the following:

#### THE STATE FIRE AND TORNADO FUND

The State Fire and Tornado Fund, an Enterprise Fund, is financed by premiums charged to the participating funds of the State. All monies collected must be paid into the fund for use only for the purpose outlined in NDCC 26.1-22.02.

All losses occasioned by the hazards provided for in the North Dakota Century Code must be paid out of the fund, with the fund being reimbursed by a third-party insurance carrier for all losses in excess of \$1,000,000 per occurrence. The limit of liability of such reinsurance contract is no less than \$1,000,000 during each twelve month period.

#### STATE BONDING FUND

The State Bonding Fund, an Enterprise Fund, is financed by premiums charged to each State agency for the bonding of public employees and public officials.

#### **FLEET SERVICES**

Fleet Services, an Internal Service Fund, represents the State's fleet of automobiles and is administered by the Department of Transportation. The State is self-insured for substantially all automobile insurance (e.g., comprehensive, collision), with the exception of liability, which is provided by the State's Risk Management Fund (RMF). State agencies are charged premiums to cover Fleet Service's RMF assessment and to pay for those losses that are not covered by RMF. These premium charges are factored into the fees agencies are charged when renting the cars.

#### **WORKFORCE SAFETY & INSURANCE**

Workforce Safety & Insurance (WSI), an Enterprise Fund, is a State insurance fund and a "no fault" insurance system, covering the State's employers and employees. WSI is financed by premiums assessed to employers. The rate of such premiums is periodically adjusted to assure the solvency of WSI. The premiums are available primarily for the payment of claims to employees injured in the course of employment. During fiscal year 2023, a total of \$73,272,725 in claims was recognized. The liability of \$950,231,000 is the present value of the unpaid claim liability discounted at 4% as determined by the actuarial.

#### RISK MANAGEMENT FUND

Due to the loss of sovereign immunity, the 1995 Legislature established the Risk Management Fund (RMF) to pay money damages for tort claims for which the State is liable. The statutory liability of the State is limited to a total of \$250,000 per person and \$1,000,000 per occurrence. The State purchases commercial insurance for claims in excess of coverage provided by the Fund and continues to transfer liabilities for medical malpractice and aviation to private insurance carriers. Settlements have not exceeded insurance coverage in any of the past three fiscal years.

Revenues to the RMF are generated from contributions required from state agencies, boards and commissions, and the University System. The need for and amount of funding is determined using a projected cost allocation approach. The premise of this plan is that the agencies with greater expected loss costs should contribute more to the funding of the RMF than those agencies with lessor costs. The underlying logic is that contributions should roughly equal loss costs plus the expenses of administering the program over the long term.

The RMF liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Unpaid claim liabilities are based on an actuarial study of the outstanding loss reserve need for the fund and a forecast of ultimate loss and loss expense. These liabilities were determined on an undiscounted expected level of ultimate loss. Because actual claims liabilities are affected by complex factors including inflation, changes in legal doctrines, and unanticipated damage awards, the process used in computing claims liabilities does not necessarily result in exact amounts. Claims liabilities will be re-evaluated periodically to take in consideration settled claims, the frequency of claims, and other economic and social factors.

The following table presents the changes in claims liabilities balance for the fiscal years ending June 30, 2023 and 2022:

Fiscal Year	Beginning Balance	_	urrent Year Claims and Changes In Estimates	Claims Pavments	Ending Balance
Teal	 Dalarice		Shariges in Estimates	Ciairis Fayirieriis	 Dalalice
2023	\$ 3,850,994	\$	140,983	\$ (125,457)	\$ 3,866,520
2022	3,748,309		520,593	(417,908)	3,850,994

The Risk Management Workers Compensation Program (WCP) was established to consolidate all state entities under one workers compensation account, allowing for transitional duty between entities. The statutory liability of the fund is limited to \$100,000 per claim with Workforce Safety & Insurance, providing excess insurance for claims that exceed the \$100,000 cap. WCP pays separately for this coverage. Since the inception of WCP on July 1, 2001, fifty claims exceeded coverage by \$16,427,486.

Revenues to WCP are generated from contributions required from state agencies, boards, commissions, and the University System. The amount contributed from each agency is actuarially determined by Workforce Safety & Insurance and based upon the number of employees, the type of work done, and claims history of each entity. Each entity also pays a deductible of \$250 per claim.

The WCP liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Because actual claims liabilities are affected by complex factors including inflation, changes in legal doctrine, and unanticipated damage awards, the process used in computing claims liabilities does not necessarily result in exact amounts. Claims liabilities will be re-evaluated periodically to take into consideration settled claims, the frequency of claims, and other economic and social factors. An actual study was performed for Workforce Safety & Insurance. The liability estimates are based on that study.

The following table presents the changes in claims liabilities balance for the fiscal years ending June 30, 2023 and 2022:

Fiscal Year	Beginning Balance	urrent Year Claims and Changes In Estimates	Cla	Claims Payments		Ending Balance
2023	\$ 2,030,107	\$ 5,293,473	\$	(3,266,760)	\$	4,056,820
2022	3,462,971	1,930,118		(3,362,982)		2,030,107

#### **NOTE 16 - PUBLIC ENTITY RISK POOLS**

#### A. GENERAL

#### FIRE AND TORNADO AND BONDING FUND

The Fire and Tornado Fund provides property insurance to state agencies, political subdivisions, the International Peace Garden and the Winter Show. The Fire and Tornado Fund has issued 1,219 policies to participating entities for a total building and content coverage of \$20.7 billion. The Bonding Fund is used to provide fidelity bonding of public employees and officials. The Fund has issued 1,986 policies to participating entities. The total coverage for the Bonding Fund is \$896.4 million. If the assets of these funds were exhausted, fund participants would not be responsible for the funds' liabilities.

The Fire and Tornado and Bonding Fund are accounted for on the accrual basis. The Fire and Tornado Fund establishes claim liabilities based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims incurred but not reported. The Bonding Fund establishes claim liabilities based on actual judgments obtained against the fund but not paid prior to fiscal year end. Liabilities for incurred but not reported losses have not been established based on prior year activity. Neither fund incurred any acquisition costs, which should have been capitalized, nor were any liabilities recognized that were discounted. Investment income was not considered in determining the existence of premium deficiencies.

The Fire and Tornado Fund uses reinsurance agreements to reduce its on covered losses in excess of \$2.0 million. Reinsurance permits recovery of a portion of losses from reinsurers, although it does not discharge the primary liability of the Fund as direct insurer of the risks that are reinsured. The Fire and Tornado Fund does not report reinsured risks as liabilities unless it is probable that those risks will not be covered by reinsurers. There were no pending losses at June 30, 2023 that would reduce the fund's liability.

#### **WORKFORCE SAFETY & INSURANCE**

Workforce Safety & Insurance (WSI), an Enterprise Fund, is a state insurance fund and a "no fault" insurance system covering the State's employers and employees. At June 30, 2023, coverage extended to the following employers:

Annual Premium	
\$250 - \$5,000	21,344
\$5,001 - \$50,000	4,372
\$50,001 - \$100,000	383
Over \$100,000	302
Total Employers	26,401

WSI is financed by premiums assessed to the employers doing business in North Dakota. The premiums are available primarily for the payment of claims to employees injured in the course of employment.

The operations of WSI are accounted for on the accrual basis. Liability for incurred loss and loss adjustment expense (LAE) is estimated by WSI's actuary. The estimate is developed by WSI's actuary, taking into consideration past experience of WSI in paying claims, and general conditions of the environment in which WSI operates. The liability is based on the estimated ultimate costs to settle both reported and incurred but not report (IBNR) losses and LAE, and includes the effects of inflation and other societal and economic factors. The actuarial computations also include a 4% discount to report this liability at its present value.

Management believes the estimated liability for losses and loss adjustment expense is sufficient to cover the ultimate net cost of incurred losses, but such loss reserves are necessarily based on estimates and the ultimate liability may be greater or less than the amounts estimated. As adjustments to this estimated liability become necessary, such adjustments are reflected in current operations.

For the year ended June 30, 2023, the consulting actuaries presented an estimate in the form of a range to emphasize the uncertainty for a "long-tailed" liability insurer such as workers' compensation. These ranges are as follows (expressed in thousands):

	Low	С	entral Value	High		
Full value basis, undiscounted	\$ 1,285,653	\$	1,418,879	\$	1,507,042	
Present value basis, discounted at 4%	866,413		950,231		1,004,925	

WSI has adjusted the estimated liability for unpaid loss and loss adjustment expense to the actuary's 4 percent discounted expected value of \$950,231,000 at June 30, 2023.

While management has recorded amounts that fall within the ranges of estimated liabilities as computed under actuarial assumptions, the high level of uncertainty indicates that actual losses and expenses could be materially higher than the recorded estimated liability.

WSI has entered into a contract with an intermediary for reinsurance coverage for catastrophic coverage. Historically, WSI has had up to four coverage levels, with varying retention limits of \$3 million, \$5 million, \$10 million and \$20 million. Terms, limits and pricing are re-evaluated annually. WSI's current 2023 calendar year has two coverage levels, with retention limits of \$10 million and \$20 million. For the year ended June 30, 2023 WSI recorded ceded losses of \$389,274 and ceded premiums of \$767,603.

#### B. RECONCILIATION OF CLAIMS LIABILITIES

The following is a reconciliation of total claims liabilities, including an analysis of changes in aggregate liabilities for claims and claim adjustment expenses for the current fiscal year and the prior year (expressed in thousands):

		Fire And	d Tornado Bonding			Workforce Safety & Ins					
		2023		2022		2023	2022		2023	2022	
Unpaid claims and claims adjustment expenses at the beginning of the year	\$	1,694	\$	1,808	\$	134	\$	134	\$998,771	\$1,000,099	
Incurred claims and claims adjustment expenses:											
Provision for current fiscal year		2,933		1,674		_		(3)	154,234	136,741	
Change in provision for prior fiscal year		778		1,151		_		_	(115,213)	(30,454)	
Payments and claims and adjustment expenses attributable to:											
Current fiscal year insured events		(3,711)		(2,939)		(134)		(131)	(42,783)	(34,397)	
Prior fiscal years' insured events		_		_		134		134	(79,030)	(78,476)	
Total Payments		(3,711)		(2,939)				3	(121,813)	(112,873)	
Change in provision for discount		_							34,252	5,258	
Total unpaid claims and claims adjustment expenses at the end of the year	\$	1,694	\$	1,694	\$	134	\$	134	\$ 950,231	\$ 998,771	

#### **NOTE 17 - BANK OF NORTH DAKOTA**

GASB Statement No. 34 requires assets and liabilities of enterprise funds be presented in a classified format to distinguish between current and long-term assets and liabilities. The Bank of North Dakota is the only government-owned bank in the United States. Banks do not present a classified statement of net position because current assets are not matched with current liabilities. Presentation of a classified statement of net position would give the false impression that there is a liquidity problem at the bank. Presentation of a classified statement of net position for the Bank of North Dakota would be misleading to the extent that the financial statements may be materially misstated. Therefore, the statement of net position of the Bank of North Dakota presents assets and liabilities in order of their relative liquidity, rather than in a classified format.

#### **NOTE 18 - COMMITMENTS AND CONTINGENCIES**

#### A. LONG-TERM COMMITMENTS

#### INDUSTRIAL COMMISSION

The Industrial Commission has entered into various contracts with third parties for the following programs regarding lignite research, oil and gas research, renewable energy and for the outdoor heritage program. As of June 30, 2023, the total outstanding balance on these contracts was \$40.2 million.

#### MILL AND ELEVATOR

As of June 30, 2023, the Mill had commitments to purchase 3,284,556 bushels of spring wheat and 1,030,798 bushels of durum.

#### JOB SERVICE NORTH DAKOTA

As of June 30, 2023, the Agency has commitments to pay \$202,707 for purchase orders and contracts awarded for goods, services, software licenses and software support to be provided in future periods, all of which are federally funded.

#### HOUSING INCENTIVE FUND

The Fund makes various commitments relating to construction projects to meet unmet housing needs across North Dakota. The Fund had \$4,678,081 of signed commitments for construction projects as of June 30, 2023. The Fund had \$16,522,031 of HIF funds awarded for construction projects as of June 30, 2023. The total paid on these commitments as of June 30, 2023 was \$11,843,951.

#### DEPARTMENT OF HUMAN SERVICES

As of June 30, 2023, the Department of Human Services had significant commitments for the purchase of various types of services totaling \$549,664,499.

#### NORTH DAKOTA LOTTERY

The Lottery contracts with a third party to provide an online gaming system and related services through June 30, 2024. Total payment for these services during the year ended June 30, 2023 were \$3.76 million based on 9.573% of ticket sales. The Lottery's future obligation through June 30, 2024 is based on 9.573% of ticket sales. Additionally, the Lottery pays an annual minimum fee of \$325,000 to provide the Player's Club Points for Prizes program.

#### NORTH DAKOTA DEPARTMENT OF TRANSPORTATION

At June 30, 2023, the North Dakota Department of Transportation (Special Revenue Fund) had non-construction contract commitments of approximately \$146.84 million, of which \$0.4 million represents federal programs which are cost reimbursable. Construction commitments at June 30, 2023 totaled approximately \$592 million, of which \$431 million represents federal programs which are cost reimbursable. These commitments will be funded with future appropriations as work is performed.

#### NORTH DAKOTA DEVELOPMENT FUND

The board of directors has approved equity investments, loans, grants, and guaranty of collections at June 30, 2023, for which funds have not been disbursed or written agreements entered into in the amount of \$1.7 million.

#### NORTH DAKOTA SOYBEAN COUNCIL

As of June 30, 2023, the North Dakota Soybean Council had significant commitments of approximately \$4.1 million. This amount mainly consists of grants for the research and development of soybeans.

#### STATE WATER COMMISSION

As of June 30, 2023, the State Water Commission had long-term commitments of \$329.5 million for various water projects.

#### **UNIVERSITY SYSTEMS**

Contracts for the construction of various projects on behalf of the University System have been let as follows (expressed in thousands):

Origir	nal Issue	Paid To Date		Amo	ount To Be Paid
\$	41,308	\$	4,013	\$	37,295
	7,040		3,048		3,992
	25,400		12,966		12,434
	861		30		831
	176,449		121,153		55,296
	243,037		202,755		40,282
	26,859		26,545		314
\$	520,954	\$	370,510	\$	150,444
	\$	7,040 25,400 861 176,449 243,037 26,859	\$ 41,308 7,040 25,400 861 176,449 243,037 26,859	\$ 41,308 \$ 4,013 7,040 3,048 25,400 12,966 861 30 176,449 121,153 243,037 202,755 26,859 26,545	\$ 41,308 \$ 4,013 \$ 7,040 3,048 25,400 12,966 861 30 176,449 121,153 243,037 202,755 26,859 26,545

#### OTHER CONSTRUCTION COMMITMENTS

That State has entered into construction commitments. As of June 30, 2023, the following commitment exists on other construction contracts, in thousands:

Office of Management and Budget	\$ 5,002
Secretary of State	145
Information Technology	63,671
Attorney General	1,316
Judiciary System	1,396
School for Deaf	544
Health Department	6,721
Environmental Quality	481
Department of Human Services	67,278
Highway Patrol	2,118
Corrections and Rehab	5,780
Adjutant General	6,766
State Historical Society	310
Game and Fish	2,985
Parks and Recreation	160
Department of Transportation	397,040

#### **B. LITIGATION**

The estimated loss in all of the litigation against the State in which a loss to the State that is reasonably possible to result in an unfavorably outcome is estimated to be \$1.3 million to \$3.5 million.

#### C. QUESTIONED COSTS

The State receives federal financial assistance which is subject to review and audit by the Office of the State Auditor and the federal government. This assistance is generally conditioned upon compliance with certain laws and regulations. Disallowed and questioned costs relating to federal assistance could become a liability to the State. The State estimates that the ultimate disallowances pertaining to federal assistance, if any, will be immaterial to its overall financial condition. The single audit of the State of North Dakota for the two-year period ending June 30, 2022, was completed and issued in March of 2023. As a result of this audit, approximately \$1.2 million of identifiable questioned costs were noted. Also, there were several findings which had potentially significant, unknown, questioned costs. The State is cooperating with the federal government to resolve the findings and is optimistic these findings will not have a material impact on the State.

#### **NOTE 19 - TOBACCO SETTLEMENT**

In November 1998, the North Dakota Attorney General joined forty-five other states and five territories in a settlement agreement against the nation's largest tobacco manufacturer. The settlement money is intended to compensate the State for costs it has incurred in providing health and other services to its citizens that were necessitated by the use of tobacco products. The Master Settlement Agreement includes base payments to states totaling \$220.6 billion for the next 25 years, and continues in perpetuity. The State has received total payments of \$587.97 million as of June 30, 2023. The State recognized revenue of \$24.85 million of tobacco settlement revenue during the year ended June 30, 2023. The amount of the annual payment is subject to a number of modifications, including adjustments for inflation and usage volumes. Some of the adjustments may result in increases in the payments (inflation, for example), or other adjustments will likely cause decreases in the payments (e.g., volume adjustments). The net effect of these adjustments on future payments is unclear.

#### **NOTE 20 - SUBSEQUENT EVENTS**

#### **HOUSING FINANCE AUTHORITY**

The Agency issued Series 2023DE Homeownership Revenue Bonds totaling \$200 million in August 2023. The bonds have an interest rate ranging from 3.25% to 5.75% and mature between July 1, 2024 and January 1, 2054.

The Agency issued Series 2023F Homeownership Revenue Bonds totaling \$75 million in December 2023. The bonds have an interest rate ranging from 3.60% to 6.25% and mature between January 1, 2025 and January 1, 2054.

#### **UNIVERSITY SYSTEMS**

On September 30, 2023, the NDSU Foundation converted a line of credit for the Nodak Football Performance was converted to a note payable in the amount of \$25.2 million. The interest rate on the note is 0.95 percent and the note matures December 31, 2033.

#### **NOTE 21 - NEW PRONOUNCEMENTS**

The State implemented the following new pronouncement for fiscal year 2023:

GASB Statement No. 91, Conduit Debt Obligations, provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement clarifies the existing definition of a conduit debt obligation; establishes that a conduit debt obligation is not a liability of the issuer; establishes standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improves required note disclosures. This Statement also addresses arrangements—often characterized as leases—that are associated with conduit debt obligations. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. Earlier application is encouraged.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs) and also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). The statement provides definitions of PPPs and APAs and provides uniform guidance on accounting and financial reporting for transactions that meet those definitions. A PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like

transaction. An APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged.

GASB Statement No. 96, Subscription-Based Information Technology Arrangements provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITA). A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. Under this Statement, a government generally should recognize a right-to use subscription asset—an intangible asset—and a corresponding subscription liability. The requirements of this Statement will improve financial reporting by establishing a definition for SBITA and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged.

The State will implement the following new pronouncements for fiscal years ending after 2023. Management has not yet determined the effect these Statements will have on the State's financial statements.

GASB Statement No. 99, Omnibus 2022, provides guidance on the following accounting matters:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.
- The requirements related to leases, PPPs, and SBITA are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

GASB Statement No. 100, Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62, enhances the accounting and financial reporting requirements for accounting changes and error corrections. The standard is effective for fiscal years beginning after June 15, 2023.

GASB Statement No. 101, *Compensated Absences*, updates the recognition and measurement guidance for compensated absences through aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The standard is effective for fiscal years beginning after December 15, 2023.

## **Required Supplementary Information**



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Required Supplemental Information Budgetary Comparison Schedule General Fund For the Biennium Ended June 30, 2023

For the Biennium Ended June 30, 2023	Approved Budget 2021-2023 Biennium	Appropriation Adjustments 2021-2023 Biennium	Adjusted Budget 2021-2023 Biennium	Actual Biennium To Date Thru 6-30-23	Difference Uncollected/ Unspent Thru 6-30-23
Budgetary Fund Balance, July 1	\$ 710,259,973 \$	— \$	710,259,973 \$	1,877,183,365 \$	1,166,923,392
Resources (Inflows):	4.765.224.000	244 666 000	2 000 000 000	2 420 642 046	50.642.046
Sales and Use Tax Income Tax	1,765,334,000 1,003,000,000	314,666,000 363,000,000	2,080,000,000 1,366,000,000	2,130,643,946 1,460,468,127	50,643,946 94,468,127
Oil And Gas Production Tax	238,369,403	27,743,229	266,112,632	266,112,633	94,400,127
Oil Extraction Tax	161,630,597	(27,743,229)	133,887,368	133,887,368	
Insurance Premium Tax	101,573,801	29,151,719	130,725,520	132,862,127	2,136,607
Cigarette, Cigar and Tobacco Tax	43,775,200	1,906,435	45,681,635	45,100,319	(581,316)
Wholesale Liquor Tax	16,932,000	2,959,278	19,891,278	20,342,213	450,935
Coal Conversion Tax	_	_	_	1,743,191	1,743,191
Gaming Tax	9,753,592	27,047,724	36,801,316	36,019,391	(781,925)
Lottery	14,600,000	(2,200,000)	12,400,000	13,000,000	600,000
Department Fees and Collections	78,075,658	(1,398,993)	76,676,665	79,090,950	2,414,285
Mineral Leasing Fees	35,000,000	50,621,149	85,621,149	87,773,041	2,151,892
Motor Vehicle Excise Tax Interest on Public Funds	260,864,000	40,136,000	301,000,000	308,681,831	7,681,831 7,422,354
Gas Tax Administration	20,000,000 1,873,744	(4,707,250)	15,292,750 1,873,744	22,715,104 1,873,744	1,422,354
Transfers In	595,500,000	(16,893,784)	578,606,216	579,527,952	921,736
Total Revenue Inflows	4,346,281,995	804,288,278	5,150,570,273	5,319,841,937	169,271,664
Amounts Available for Appropriation  Charges to Appropriations (Outflows):  General Government:	5,056,541,968	804,288,278	5,860,830,246	7,197,025,302	1,336,195,056
Governor's Office	4,587,944	33,643	4,621,587	4,433,974	187,613
Secretary of State	5,263,621	493,424	5,757,045	5,637,643	119,402
Secretary of State Public Printing	257,931	35,925	293,856	293,856	_
Office of Management and Budget	34,026,399	21,432,021	55,458,420	53,357,727	2,100,693
Information Technology	28,975,953	140,226	29,116,179	28,273,628	842,551
State Auditor	9,119,110	24,882	9,143,992	8,851,504	292,488
State Treasurer	1,705,918	15,929	1,721,847	1,712,720	9,127
Attorney General	42,646,718	1,250,973	43,897,691	41,586,300	2,311,391
Tax Department	64,241,316	24,860	64,266,176	59,039,835	5,226,341
Legislative Assembly	19,692,464	874,899	20,567,363	17,818,268	2,749,095
Legislative Council	16,370,410	4,665,515	21,035,925	13,958,156	7,077,769
Supreme Court	112,312,790 19,294,363	— 14,198	112,312,790	108,768,160	3,544,630 657,968
Legal Counsel for Indigents Ethics Commission	623,984	45,700	19,308,561 669,684	18,650,593 641,848	27,836
Education:	023,304	43,700	009,004	041,040	21,030
Public Instruction	1,658,396,873	272,520	1,658,669,393	1,585,691,758	72,977,635
Land Department	_	2,520	2,520	_	2,520
State Library	5,831,721	7,362	5,839,083	5,502,935	336,148
School for the Deaf	7,406,556	138,286	7,544,842	7,541,224	3,618
School for the Blind	4,761,879	7,019	4,768,898	4,768,865	33
Vocational Education	41,735,063	85,645	41,820,708	40,963,933	856,775
Health & Human Services:					
Dept. of Health	44,103,431	38,375	44,141,806	35,081,773	9,060,033
Dept. of Environmental Quality	13,661,075	27,335	13,688,410	12,498,146	1,190,264
Veteran's Home	5,805,643	7,521	5,813,164	5,805,643	7,521
Indian Affairs Commission	1,095,715	465	1,096,180	849,174	247,006
Veteran's Affairs	1,570,624 97,670,503	56,670 8,503,760	1,627,294 106,174,263	1,485,879 78,065,509	141,415 28,108,754
Dept. of Human Services-Management					
Dept. of Human Services-Program and Policy Dept. of Human Services-Centers	1,294,065,172 98,529,055	(18,623,928) 27,192,855	1,275,441,244 125,721,910	1,097,447,610 118,051,098	177,993,634 7,670,812
Dept. of Human Services-Centers  Dept. of Human Services-Institutions	87,515,749	13,859,534	101,375,283	98,434,516	2,940,767
Dept. of Human Services-Institutions  Dept. of Human Services-County Social Service	1,240,391	13,039,334	1,240,391	33,311	1,207,080
Protection and Advocacy	3,139,350	3,981	3,143,331	3,143,331	1,207,000
Job Service	410,229	6,128	416,357	410,261	6,096
Regulatory:	,	2,120	2,000		5,550
Industrial Commission	51,595,873	132,055	51,727,928	49,960,373	1,767,555
Labor Commission	2,394,186	1,606	2,395,792	1,666,282	729,510
Public Service Commission	6,431,087	64,528	6,495,615	6,178,489	317,126
Public Safety and Corrections:					
Highway Patrol	36,327,762	93,670	36,421,432	35,675,622	745,810
Corrections & Rehab	218,165,809	6,467,059	224,632,868	214,507,062	10,125,806
Adjutant General	24,862,232	21,976,008	46,838,240	41,735,279	5,102,961
Agriculture & Commerce:					
Department of Commerce	34,667,572	9,403,290	44,070,862	41,323,377	2,747,485
Department of Agriculture	23,959,712	1,710,469	25,670,181	25,481,633	188,548
State Fair Racing Commission	542,833 407,894	— 8,243	542,833 416,137	542,833 416,137	_
Natural Resources:	407,094	0,243	410,137	410,137	_
Historical Society	19,411,350	1,218,890	20,630,240	19,902,495	727,745
Council on the Arts	1,662,766	18,548	1,681,314	1,680,188	1,126
Parks and Recreation	13,573,491	1,146,606	14,720,097	14,593,420	126,677
Transportation:		•	•	•	•
Aeronautics Commission	475,000	_	475,000	475,000	_
Department of Transportation	_	38,838	38,838	38,838	_
Transfers Out	832,421,813	35,835,605	868,257,418	839,517,781	28,739,637
Total Charges to Appropriations	4,992,957,330	138,753,658	5,131,710,988	4,752,493,987	379,217,001
Ending Budgetary Fund Balance	\$ 63,584,638 \$	665,534,620 \$	729,119,258 \$	2,444,531,315 \$	1,715,412,057

Required Supplemental Information Budgetary Comparison Schedule Budget to GAAP Reconciliation General Fund For the Biennium Ended June 30, 2023

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and for the General Fund Expenditures

#### Sources/Inflows of resources

Actual Amounts (budgetary basis) "total revenue inflows" from the budgetary comparison schedule	5,319,841,937
Backing out 2022 activity	(2,595,288,939)
Differences-Budget to GAAP:	
The period of availability for revenue recognition for budget purposes differs from the GAAP basis.	56,736,414
Funds considered General funds for GAAP but not for Budget	1,587,093,383
Certain due from other funds are recorded under GAAP, but not Budget	(959,931)
Reimbursement activity between state agencies is eliminated only for GAAP	(158,700)
Proceeds are recorded for new leases and SBITAs on GAAP, but not for Budget	1,862,429
Repayment received on loan receivable are revenue for Budget to GAAP	(620,772)
Total revenues, lease & SBITA acquisitions, and transfers as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds	\$ 4,368,505,821
Uses/Outflows of resources	
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	4,752,493,987
Backing out Expenditures from FY2022	(2,320,134,766)
Differences-Budget to GAAP:	
Estimated liabilities are recorded as expenditures for GAAP but not for Budget	(36,585,870)
Funds considered General funds for GAAP but not for Budget	141,116,916
New leases and SBITAs are recorded as expenditures for GAAP, but not for Budget	1,828,537
Certain due to other funds are recorded under GAAP, but not for Budget	15,559,709
Total expenditures, sale of capital assets, and transfers as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds	\$ 2,554,278,513

#### Required Supplemental Information Budgetary Comparison Schedule Federal Fund

For the Biennium Ended June 30, 2023

	Approved Budget 2021-2023 Biennium	Appropriation Adjustments 2021-2023 Biennium	Adjusted Budget 2021-2023 Biennium	Actual Biennium To Date Thru 6-30-23	Difference Uncollected/ Unspent Thru 6-30-23
Budgetary Fund Balance, July 1	\$ —	\$ - 9	<u> </u>	\$ —	\$
Resources (Inflows):					
Other Budgeted Income	5,794,903,920	2,108,677,380	7,903,581,300	5,878,502,267	(2,025,079,033)
Total Revenue Inflows	5,794,903,920	2,108,677,380	7,903,581,300	5,878,502,267	(2,025,079,033)
Amounts Available for Appropriation	5,794,903,920	2,108,677,380	7,903,581,300	5,878,502,267	2,025,079,033
Charges to Appropriations (Outflows):					
General Government:					
Secretary of State	3,121,865	4,021,765	7,143,630	2,339,581	4,804,049
Office of Management and Budget Information Technology	500,000 14,078,179	12,971,158 132,504,081	13,471,158 146,582,260	5,929,035 47,440,315	7,542,123 99,141,945
State Auditor	1,472,960	(96,789)	1,376,171	971,338	404,833
State Treasurer	50,160,000	95,402,288	145,562,288	145,482,968	79,320
Attorney General	14,650,990	5,567,201	20,218,191	11,916,568	8,301,623
Tax Department	125,000	· · · · —	125,000	26,262	98,738
Administrative Hearings	_	20,000	20,000	2,800	17,200
Legislative Assembly	_	152,140	152,140	144,591	7,549
Legislative Council		61,373	61,373	61,373	
Supreme Court	914,563	3,087,261	4,001,824	2,559,234	1,442,590
Education: Public Instruction	674,653,996	150 022 612	825,587,609	724 001 165	100 606 444
State Library	4,443,884	150,933,613 965	4,444,849	724,981,165 3,297,873	100,606,444 1,146,976
School for the Deaf	423,109	(290,000)	133,109	132,525	584
School for the Blind	97,500	5,000	102,500	98.919	3,581
Vocational Education	81,814,843	19,556,904	101,371,747	40,566,588	60,805,159
Health & Human Services:					
Dept. of Health	193,256,901	143,117,704	336,374,605	254,542,537	81,832,068
Dept. of Environmental Quality	25,585,277	2,982,850	28,568,127	21,771,936	6,796,191
Veteran's Home	1,300,000	2,240,374	3,540,374	2,406,868	1,133,506
Veteran's Affairs	1,803,650	647,000	2,450,650	1,312,652	1,137,998
Dept. of Human Services-Management	137,298,878	38,584,795	175,883,673	124,487,132	51,396,541
Dept. of Human Services-Program and Policy Dept. of Human Services-Centers	2,617,845,768	704,785,111	3,322,630,879	2,945,297,010	377,333,869
Dept. of Human Services-Centers  Dept. of Human Services-Institutions	44,666,940 25,788,340	(16,850,493) 17,950,822	27,816,447 43,739,162	27,517,550 43,215,618	298,897 523,544
Dept. of Human Services-County Social Service	1,176,874	103,749	1,280,623	81,641	1,198,982
Protection and Advocacy	4,263,590	3,104	4,266,694	3,393,859	872,835
Job Service	64,389,161	4,022,302	68,411,463	51,153,014	17,258,449
Regulatory:					
Insurance Department	1,264,642	_	1,264,642	1,176,847	87,795
Industrial Commission	238,004	181,680,552	181,918,556	11,096,684	170,821,872
Labor Commission	516,868	243	517,111	450,802	66,309
Public Service Commission	11,196,971	22,129	11,219,100	8,601,512	2,617,588
Public Safety and Corrections:	17,989,627	2,863,972	20,853,599	17,959,136	2,894,463
Highway Patrol Corrections & Rehab	39,462,078	24,696,936	64,159,014	47,521,658	16,637,356
Adjutant General	142,927,728	170,824,160	313,751,888	184,160,278	129,591,610
Agriculture & Commerce:	2,02. ,. 20	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	0.0,10.,000	.0.,.00,2.0	.20,00.,0.0
Department of Commerce	112,320,270	199,057,328	311,377,598	87,135,528	224,242,070
Department of Agriculture	14,635,914	5,922,623	20,558,537	15,476,270	5,082,267
Natural Resources:					
Historical Society	7,141,953	1,199,146	8,341,099	5,019,284	3,321,815
Council on the Arts	2,537,982	(52,000)	2,485,982	2,387,395	98,587
Game and Fish	41,456,533	952,835	42,409,368	38,875,054	3,534,314
Parks and Recreation	21,595,895	15,948,730	37,544,625	12,189,334	25,355,291
Water Commission	61,066,031	75,043,532	136,109,563	120,600,363	15,509,200
Transportation: Aeronautics Commission	845,000	5,000,000	5,845,000	5,086,059	758,941
Department of Transportation	1,355,876,156	104,032,916	1,459,909,072	859,635,111	600,273,961
Total Charges to Appropriations	5,794,903,920	2,108,677,380	7,903,581,300	5,878,502,267	2,025,079,033
Ending Budgetary Fund Balance	<u> </u>	<u>\$ \$</u>	<u> </u>	<u> </u>	\$ <u> </u>

Required Supplemental Information Budgetary Comparison Schedule Budget to GAAP Reconciliation Federal Fund For the Biennium ended June 30, 2023

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and for the Federal Fund Expenditures

#### Sources/Inflows of resources

Actual Amounts (budgetary basis) "total revenue inflows" from the budgetary comparison schedule	5,878,502,267
Backing out 2022 activity	(2,775,046,443)
Differences-Budget to GAAP:	
The period of availability for revenue recognition for budget purposes differs from the GAAP basis.	(13,823,356)
Total revenues, lease & SBITA acquisitions, and transfers as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds	\$ 3,089,632,468
Uses/Outflows of resources	
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	5,878,502,267
Backing out Expenditures from FY2022	(2,775,046,443)
Differences-Budget to GAAP:	
Estimated liabilities are recorded as expenditures for GAAP but not for Budget	247,984,203
New Loans issued are expenditures for Budget but not for GAAP	(394,370)
GAAP, but not Budget expenditures are reduced by year end inventory balances	19,184,031
Intrafund activity eliminated for GAAP	(258,692,807)
Certain due to other funds are recorded under GAAP, but not for Budget	(10,884,921)
Total expenditures, sale of capital assets, and transfers as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds	\$ 3,100,651,960

#### Required Supplemental Information Budgetary Comparison Schedule State Fund

For the Biennium Ended June 30, 2023

Pace		Approved Budget 2021-23 Biennium	Appropriation Adjustments 2021-23 Biennium	Adjusted Budget 2021-23 Biennium	Actual Biennium To Date Thru 6-30-23	Difference Uncollected/ Unspent Thru 6-30-23
Description   Summar   Summ	Budgetary Fund Balance, July 1	\$ —	\$ - \$	- 9	S –	\$ —
Page	Resources (Inflows):					
Chargest on Appropriations (Outflows):	Other Budgeted Income	3,039,308,459	559,217,059	3,598,525,518	2,485,357,964	(1,113,167,554)
Changes to Appropriations Outflows)   Content of Cont	Total Revenue Inflows	3,039,308,459	559,217,059	3,598,525,518	2,485,357,964	(1,113,167,554)
Changes to Appropriations Outflowns	Amounts Available for Appropriation	3,039,308,459	559,217,059	3,598,525,518	2,485,357,964	(1,113,167,554)
Convention Clore	Charges to Appropriations (Outflows):					
Specimary of State         5183,709         448,018         5,831,727         223,237         3,004,040           Officio of Management & Budget         15,022,143         28,009,628         8,471,9,889         316,817,985         214,199,344         102,122,151         12,022,123         12,022,123         12,023,823         12,031,000         11,000         10,000         11,000         10,000         10,000         10,000         10,000         10,000         10,000         10,000         10,000         10,000         10,000         10,000         10,000         20,000,000         10,000         10,000         10,000         20,000         10,000         10,000         10,000         10,000         10,000         10,000         10,000         10,000         10,000         10,000         12,000         10,000         12,000         10,000         10,000         10,000         10,000         10,000         12,000         12,000         10,000	. , ,					
Differ of Management & Budget   150.23 + 13   28.8378   15.817.86   17.8486   17.869.01   10.689.01   10.689.01   10.689.01   10.2818.25   12.4180.34   10.20.12.45   10.2818.25   10.2888   4.456.061   13.857.72   788.809   10.2888   4.456.061   13.959.070   10.0000   10.000   10.0000   10.0000   10.0000   10.0000   10.0000   10.0000   10.0000   10.0000   10.0000   10.0000   10.0000   10.0000   10.0000   10.0000   10.0000   10.0000   10.0000   10.00000   10.00000   10.00000   10.00000   10.00000   10.000000   10.00000   10.000000   10.000000   10.000000   10.0000000   10.0	Governor's Office	_	394,246	394,246	320,627	73,619
Profession Exchanology	Secretary of State	5,183,709	448,018	5,631,727	2,231,237	3,400,490
Silate Pressuer         4,555,192         102,889         4,456,081         3,687,272         768,080           Silate Pressuer         20,000,00         -9,200,000         19,989,00         10,000         1,000         1,000         2,000,00         1,000         2,000,00         2,000,00         2,000,00         2,000,00         42,392         2,000         2,000         2,000,00         42,392         2,000         2,	Office of Management & Budget	15,023,413	288,373	15,311,786	10,124,885	5,186,901
Minimistrative Hearings	Information Technology	232,091,926	84,719,869	316,811,795	214,199,344	102,612,451
Administrative hearings	State Auditor	4,353,192	102,889	4,456,081	3,687,272	768,809
Page	State Treasurer	20,000,000			19,999,900	
Page	Attorney General	34,508,138		35,431,185	28,941,463	
Sugreme Court	Administrative Hearings	2,881,529	895			
Public Instruction	· ·		_			
Public Instruction	•					
Public Instruction		1,994,850	423	1,995,273	1,506,163	489,110
State Library						
Same   Page						
School for the Balfd         3,086,419         30,028         3,446,77         1,115,168         2473 to 1,275,770           School for the Billd         1,379,178         401         1,379,179         1,150,000         1,702,770         1,150,000           Health & Human Services-W         7         1,150,000         4,704,974         2,972,267         1,732,770           Dept. of Fleath         31,361,873         2,072,030         23,456,683         20,272,733         31,777,980           Dept. of Health         12,138,6853         2,072,030         23,456,683         20,272,733         11,748,880           Dept. of Human Services-Management         2,631,764         11,438,880         14,074,44         12,397,324         16,731,200           Dept. of Human Services-Program and Policy         131,381,444         26,258,100         157,655,044         14,327,533         83,325,600           Dept. of Human Services-Centers         26,589,000         (10,000,001)         157,655,044         14,327,533         13,386,660           Dept. of Human Services-County Social Service         26,589,000         (10,400,003)         2,788,892         2,787,873         1,116,813         1,248,600           Dept. of Human Services-County Social Service         30,005,500         2,500,100         189,500,121         188,86	•		17,694,508			
School for the Blind   1,379,176   401   1,379,579   1,135,183   244,396   Vocational Education   3,246,974   1,500,000   470,974   2,972,267   7,372,707   7,27	•		_			
Pealth & Human Services			•			
Health & Human Services:   Dept of Health						
Open of Health         31,361,873         —         31,361,873         21,103,887         10,257,886           Open of Environmental Quality         21,384,8633         2,072,030         23,456,863         20,278,753         3,177,930           Veterar's Home         19,724,040         256,887         19,982,927         18,233,068         1,749,859           Dept. of Human Services-Management         2,681,764         11,436,860         11,070,444         12,397,324         1,673,120           Opet, of Human Services-Centers         26,588,030         (16,000,001)         10,588,029         207,463         10,380,566           Opet, of Human Services-Institutions         172,29,885         (14,440,003)         2,789,892         2,738,753         51,139           Open, of Human Services-County Social Service         187,500,121         2,000         18,950,0121         186,869,141         630,890           Job Service         00,102         0         606,102         87,166         518,942           Regulatory         10,000         18,950,002         48,687         28,747,835         1,168,852           Industrial Commission         23,255,431         472,512         23,277,93         23,462,943         22,500,944           Public Service Commission         2,269,4724 <td< td=""><td></td><td>3,204,974</td><td>1,500,000</td><td>4,704,974</td><td>2,972,267</td><td>1,732,707</td></td<>		3,204,974	1,500,000	4,704,974	2,972,267	1,732,707
Open of Environmental Quality         21,344 653         2,072,030         23,456,683         20,278,753         3,177,390           Veteran's Home         19,724,040         258,877         19,982,927         18,233,088         1,749,859           Dept. of Human Services-Management         2,631,764         11,438,680         14,070,444         12,397,324         1,673,120           Dept. of Human Services-Centers         26,858,030         (16,000,001)         15,568,044         74,327,338         83,325,506           Dept. of Human Services-Centers         26,858,030         (16,000,001)         156,860,292         2,738,753         51,139           Dept. of Human Services-County Social Service         187,500,121         20,000,000         189,500,121         188,669,141         503,080           Dept. of Human Services-County Social Service         187,500,121         20,000,000         189,500,121         188,669,141         503,080           Dept. of Human Services-County Social Service         187,500,121         20,000         189,500,121         188,669,141         503,080           Job Service         20,000         30,000         189,500,121         188,669,141         503,080           Regulatory:         18,200         20,000         20,446,687         28,747,835         1,716,852						
Veteran's Home         19,724,040         258,887         19,982,927         18,233,068         1,749,859           Dept. of Human Services-Management         2,631,764         11,438,680         14,070,444         12,397,324         1,673,125           Dept. of Human Services-Program and Policy         131,394,944         2,628,100         157,663,044         74,327,535         83,325,506           Dept. of Human Services-Centers         26,588,030         (16,000,001)         10,588,029         207,463         10,308,056           Dept. of Human Services-County Social Service         187,500,121         20,000         189,500,121         188,869,141         60,308           Job Service Commission         30,209,538         255,149         30,464,687         28,747,835         1,716,852           Insurance Department         30,209,538         255,149         30,444,687         28,747,835         1,716,852           Insurance Department         30,209,538         255,149         30,444,687         28,747,835         1,716,852           Insurance Department         30,209,538         255,149         30,446,687         28,747,835         1,716,852           Insurance Commission         22,847,724         (20,000)         22,472,24         1,116,518         1,142,211           Financial Institu						
Open of Human Services-Management         2,631,764         11,438,680         14,070,444         12,397,324         1,673,120           Dept. of Human Services-Management         26,588,030         (16,00,001)         15,683,044         74,327,538         83,325,006           Dept. of Human Services-Centers         26,588,030         (16,00,001)         10,588,029         2,796,753         51,139           Dept. of Human Services-Institutions         17,229,985         (14,440,093)         2,789,892         2,738,753         51,139           Dept. of Human Services-Institutions         187,501,212         2,000,000         180,500,121         188,889,114         183,089,141           Dept. of Human Services-County Social Service         606,102         -         606,102         87,160         518,098           Job Service         606,102         -         606,102         87,160         518,098           Job Service Services Commission         2,255,243         472,512         23,277,93         23,492,943         235,000           Public Service Commission         2,264,724         (20,00)         2,244,724         1,116,513         1,1716,852           Flain Service Commission         2,264,724         20,000         2,241,724         1,116,513         1,2172           Public Service Commiss	•					
Dept. of Human Services-Program and Policy         131,394,944         26,258,100         157,653,044         74,327,538         83,325,506           Dept. of Human Services-Centers         26,588,030         (16,000,001)         150,880,29         2,738,755         51,139           Dept. of Human Services-Institutions         17,229,985         (14,440,093)         2,789,892         2,738,755         51,139           Dept. of Human Services-County Social Service         606,102         2,000,000         188,500,121         188,880,141         630,890           Job Service         606,102         2         606,102         87,160         518,942           Regulatory:         80,000         2         255,149         30,464,687         28,478,835         1,716,852           Industrial Commission         23,255,431         472,512         23,727,943         23,499,943         235,000           Public Service Commission         2,264,724         (20,000)         2,244,724         1,116,513         1,128,211           Financial Institutions         9,105,507         284,402         9,309,099         8,455,899         937,320           Public Service Commission         2,288,984         7,05         2,810,999         2,656,222         1,111,28,417           Financial Institutions						
Dept. of Human Services-Centers         26,588,030         (16,000,001)         10,588,029         207,463         10,380,568           Dept. of Human Services-Institutions         17,229,985         (14,440,083)         2,789,892         2,738,753         51,139           Dept. of Human Services-County Social Service         187,500,121         20,000,000         189,500,121         188,691,41         630,980           Regulatory:         806,102         -         606,102         87,160         518,942           Regulatory:         80,000         30,209,538         255,149         30,464,687         28,747,835         1,716,852           Insurance Department         30,209,538         255,149         30,464,687         28,747,835         1,716,852           Industrial Commission         23,255,431         472,512         23,727,943         23,492,943         235,000           Public Service Commission         2,264,724         (20,000)         2,244,724         1,116,151         1,128,211           Financial Institutions         9,106,507         284,402         9,390,909         8,453,589         393,7320           Public Service Commission         12,494,025         70,829         12,564,854         11,182,694         736,160           Corrections & Rehab         27,185,5						
Dept. of Human Services-Institutions         17,229,985         (14,440,093)         2,789,892         2,738,753         51,138           Dept. of Human Services-County Social Service         187,500,121         2,000,000         189,500,121         188,689,141         630,980           Regulatory:         Industrial Commission         30,209,538         255,149         30,464,687         28,747,835         1,716,852           Industrial Commission         23,255,431         472,512         23,727,943         23,492,943         235,000           Public Service Commission         2,264,724         (20,000)         2,244,724         1,116,613         1,128,211           Financial Institutions         9,106,507         284,002         9,390,909         8,453,589         193,332           Securities Commission         2,208,984         2,015         2,810,999         2,656,226         154,778           Public Safety and Corrections:         11,2494,025         70,829         12,564,854         11,182,864         736,160           Corrections & Rehab         27,7185,537         2         2,815,935         16,791,784         32,067,574           Agriculture & Commerce         39,458,285         27,189,251         66,647,536         30,003,316         36,644,220           Depart						
Dept. of Human Services-County Social Service         187,500,121         2,000,000         189,500,121         188,869,141         630,980           Job Service         606,102         —         606,102         87,60         518,842           Regulatory:         Insurance Department         30,209,538         255,149         30,464,687         28,747,835         1,716,652           Industrial Commission         23,255,431         472,512         23,727,943         23,492,943         235,000           Public Safetyrice Commission         2,264,724         (20,000)         2,244,724         1,116,513         1,118,211           Financial Institutions         9,106,507         284,402         9,390,909         8,453,589         937,320           Securities Commission         2,260,984         2,015         2,810,999         2,656,226         154,778           Public Safety and Corrections:         11,2494,025         70,829         12,564,854         11,828,694         736,160           Corrections & Rehab         27,185,537         —         27,185,537         21,436,457         5,749,080           Adjutart General         2,798,503         2,880,832         48,859,335         16,791,786         36,644,220           Department of Commerce:         2,874,861	·					
Job Service         606,102         —         606,102         87,160         518,942           Regulatory:         1         30,209,538         255,149         30,464,687         28,747,835         1,716,852           Industrial Commission         23,255,431         472,512         23,727,943         23,492,943         235,000           Public Service Commission         2,264,724         (20,000)         2,244,724         1,116,513         1,128,211           Financial Institutions         9,106,507         2,84,402         9,390,909         8,453,589         937,320           Securities Commission         2,260,898         2,015         2,210,999         2,565,226         154,773           Public Safely and Corrections:         2,7185,537         70,829         12,564,854         11,828,694         736,160           Corrections & Rehab         27,185,537         -         27,185,537         21,366,457         5,749,080           Agriculture & Commerce:         27,978,503         20,880,832         48,859,335         16,791,784         32,067,551           Agriculture & Commerce:         29,978,503         27,189,251         66,647,536         30,003,316         36,644,220           Department of Agriculture         19,874,861         2,502,289         2,23	·					
Regulatory:   Insurance Department   30,20,538   255,149   30,464,687   28,747,835   1,716,852   1,7	•		2,000,000			
Insurance Department   33,209,538   255,149   30,464,687   28,747,835   1,716,852   Industrial Commission   23,255,431   472,512   23,727,943   23,492,943   235,000   22,000   2,244,724   1,116,513   1,128,2011   Financial Institutions   9,106,507   284,402   9,390,909   8,453,589   937,320   Securities Commission   2,808,984   2,015   2,810,999   2,656,266   154,773   Public Safety and Corrections:		606,102	_	606,102	87,160	518,942
Industrial Commission         23,255,431         472,512         23,727,943         23,492,943         235,000           Public Service Commission         2,264,724         (20,000)         2,244,724         1,116,513         1,128,211           Financial Institutions         9,106,507         284,402         9,390,909         8,453,589         937,320           Securities Commission         2,808,984         2,015         2,810,999         2,656,226         154,773           Public Safety and Corrections:         12,494,025         70,829         12,564,854         11,828,694         736,160           Corrections & Rehab         27,185,537         —         27,185,537         21,436,457         5749,080           Adjutant General         27,978,503         20,880,832         48,859,335         16,791,784         32,067,551           Agriculture & Commerce:         27,978,503         20,880,832         48,859,335         16,791,784         32,067,551           Agriculture & Commerce:         394,58,285         27,189,251         66,647,536         30,003,316         36,644,220           Department of Commerce         39,458,285         27,189,251         66,647,536         30,003,316         36,644,220           Recing Commission         166,601         2         28	• •	00 000 500	055.440	00.404.007	00 7 17 005	4 740 050
Public Service Commission         2,264,724         (20,000)         2,244,724         1,116,513         1,128,211           Financial Institutions         9,106,507         284,402         9,390,909         8,453,589         937,320           Securities Commission         2,808,984         2,015         2,810,999         2,656,226         154,773           Public Safety and Corrections:         "Highway Patrol         12,494,025         70,829         12,564,854         11,828,694         736,160           Corrections & Rehab         27,185,537         —         27,185,537         21,436,457         5,749,080           Adjutant General         27,978,503         20,880,832         48,859,335         16,791,784         32,067,551           Agriculture & Commerce:         "Highway Patrol Commerce         39,458,285         27,189,251         66,647,536         30,003,316         36,644,220           Department of Commerce         39,845,285         27,189,251         66,647,536         30,003,316         36,644,220           Department of Agriculture         19,874,861         2,502,289         22,377,150         15,062,523         7,314,627           Racing Commission         287,999         —         287,999         98,504         189,495           C	•					
Financial Institutions         9,106,507         284,402         9,390,909         8,453,589         937,320           Securities Commission         2,808,984         2,015         2,810,999         2,656,226         154,773           Public Safety and Corrections:         11,494,025         70,829         12,564,854         11,828,694         736,160           Corrections & Rehab         27,185,537         —         27,185,537         21,436,457         5,749,080           Adjutant General         27,978,503         20,880,832         48,859,335         16,791,784         32,067,551           Agriculture & Commerce         29,978,503         27,189,251         66,647,536         30,003,316         36,644,220           Department of Commerce         39,458,285         27,189,251         66,647,536         30,003,316         36,644,220           Department of Agriculture         19,874,861         2,502,289         22,377,150         15,062,523         7,314,627           Racing Commission         166,601         2         166,603         127,970         38,633           Natural Resources:         1         287,999         —         287,999         98,504         189,495           Council of Arts         10,000         349,000         359,000 <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td></t<>						
Securities Commission         2,808,984         2,015         2,810,999         2,656,226         154,778           Public Safety and Corrections:         12,494,025         70,829         12,564,854         11,828,694         736,160           Corrections & Rehab         27,185,537         —         27,185,537         21,436,457         5,749,080           Adjictant General         27,978,503         20,880,832         48,859,335         16,791,784         32,067,551           Agriculture & Commerce:         39,458,285         27,189,251         66,647,536         30,003,316         36,644,220           Department of Agriculture         19,874,861         2,502,289         22,377,150         15,062,523         7,314,627           Racing Commission         166,601         2         166,603         127,970         38,633           Natural Resources:         —         —         287,999         2         15,062,523         7,314,627           Game and Fish         50,911,601         2,49,026         53,160,627         46,362,200         67,98,427           Parks and Recreation         479,733,098         315,246,143         794,979,241         344,633,374         450,345,867           Transportation:         —         29,896,987         2,361,556			, , ,			
Public Safety and Corrections:         Highway Patrol         12,494,025         70,829         12,564,854         11,828,694         736,160           Corrections & Rehab         27,185,537         —         27,185,537         21,436,457         5,749,080           Adjutant General         27,978,503         20,880,832         48,859,335         16,791,784         32,067,551           Agriculture & Commerce:         39,458,285         27,189,251         66,647,536         30,003,316         36,644,220           Department of Commerce         39,458,285         27,189,251         66,647,536         30,003,316         36,644,220           Department of Agriculture         19,874,861         2,502,289         22,377,150         15,062,523         7,314,627           Racing Commission         166,601         2         166,603         127,970         38,633           Natural Resources:         1         287,999         —         287,999         98,504         189,495           Council of Arts         10,000         349,000         359,000         292,405         66,595           Game and Fish         50,911,601         2,249,026         53,160,627         46,362,200         67,984,27           Parks and Recreation         479,733,098         315,246,143						
Highway Patrol         12,494,025         70,829         12,564,854         11,828,694         736,160           Corrections & Rehab         27,185,537         —         27,185,537         21,436,457         5,749,080           Adjutant General         27,978,503         20,880,832         48,859,335         16,791,784         32,067,551           Agriculture & Commerce         39,458,285         27,189,251         66,647,536         30,003,316         36,644,220           Department of Agriculture         19,874,861         2,502,289         22,377,150         15,062,523         7,314,627           Racing Commission         166,601         2         166,603         127,970         38,633           Natural Resources:         Historical Society         287,999         —         287,999         98,504         189,495           Council of Arts         10,000         349,000         359,000         292,405         66,595           Game and Fish         50,911,601         2,249,026         53,160,627         46,362,200         6,798,427           Parks and Recreation         13,536,498         3,796,961         17,333,459         14,648,401         2,685,058           Water Commission         479,733,098         315,246,143         794,979,241         3		2,808,984	2,015	2,810,999	2,656,226	154,773
Corrections & Rehab         27,185,537         —         27,185,537         21,436,457         5,749,080           Adjutant General         27,978,503         20,880,832         48,859,335         16,791,784         32,067,551           Agriculture & Commerce:         39,458,285         27,189,251         66,647,536         30,003,316         36,644,220           Department of Agriculture         19,874,861         2,502,289         22,377,150         15,062,523         7,314,627           Racing Commission         166,601         2         166,603         127,970         38,633           Natural Resources:         *** <td></td> <td>12 404 025</td> <td>70.000</td> <td>10 564 054</td> <td>11 000 004</td> <td>726 160</td>		12 404 025	70.000	10 564 054	11 000 004	726 160
Adjutant General         27,978,503         20,880,832         48,859,335         16,791,784         32,067,551           Agriculture & Commerce:         39,458,285         27,189,251         66,647,536         30,003,316         36,644,220           Department of Agriculture         19,874,861         2,502,289         22,377,150         15,062,523         7,314,627           Racing Commission         166,601         2         166,603         127,970         38,633           Natural Resources:         8         8         8         8         9,999         98,504         189,495           Council of Arts         10,000         349,000         359,000         292,405         66,595           Game and Fish         50,911,601         2,249,026         53,160,627         46,362,200         6,798,427           Parks and Recreation         13,536,498         3,796,961         17,333,459         14,648,401         2,685,058           Water Commission         479,733,098         315,246,143         794,979,241         344,633,374         450,345,867           Transportation:         29,896,987         2,361,556         32,258,543         22,126,522         10,132,021           Department of Transportation         893,657,928         54,237,162         947,8	<i>5</i> ,		70,629			
Agriculture & Commerce:         39,458,285         27,189,251         66,647,536         30,003,316         36,644,220           Department of Agriculture         19,874,861         2,502,289         22,377,150         15,062,523         7,314,627           Racing Commission         166,601         2         166,603         127,970         38,633           Natural Resources:         **** <td></td> <td></td> <td>20,000,022</td> <td></td> <td></td> <td></td>			20,000,022			
Department of Commerce         39,458,285         27,189,251         66,647,536         30,003,316         36,644,220           Department of Agriculture         19,874,861         2,502,289         22,377,150         15,062,523         7,314,627           Racing Commission         166,601         2         166,603         127,970         38,633           Natural Resources:         8         8         8         8         166,603         127,970         38,633           Natural Resources:         8         8         8         8         8         8         8         9         8         9         98,504         189,495         189,495         66,595         69,987         2,49,026         53,160,627         46,362,200         69,984,27         77,31,695	•	27,976,503	20,000,032	40,009,330	10,791,704	32,007,331
Department of Agriculture         19,874,861         2,502,289         22,377,150         15,062,523         7,314,627           Racing Commission         166,601         2         166,603         127,970         38,633           Natural Resources:         Historical Society         287,999         —         287,999         98,504         189,495           Council of Arts         10,000         349,000         359,000         292,405         66,595           Game and Fish         50,911,601         2,249,026         53,160,627         46,362,200         6,798,427           Parks and Recreation         13,536,498         3,796,961         17,333,459         14,648,401         2,685,058           Water Commission         479,733,098         315,246,143         794,979,241         344,633,374         450,345,867           Transportation:         Aeronautics Commission         29,896,987         2,361,556         32,258,543         22,126,522         10,132,021           Department of Transportation         893,657,928         54,237,162         947,895,090         653,343,348         294,551,742           Total Charges to Appropriations         3,039,308,459         559,217,059         3,598,525,518         2,485,357,964         1,113,167,554	•	20 459 295	27 100 251	66 647 526	20 002 216	26 644 220
Racing Commission         166,601         2         166,603         127,970         38,633           Natural Resources:         Historical Society         287,999         —         287,999         98,504         189,495           Council of Arts         10,000         349,000         359,000         292,405         66,595           Game and Fish         50,911,601         2,249,026         53,160,627         46,362,200         6,798,427           Parks and Recreation         13,536,498         3,796,961         17,333,459         14,648,401         2,685,058           Water Commission         479,733,098         315,246,143         794,979,241         344,633,374         450,345,867           Transportation:         Aeronautics Commission         29,896,987         2,361,556         32,258,543         22,126,522         10,132,021           Department of Transportation         893,657,928         54,237,162         947,895,090         653,343,348         294,551,742           Total Charges to Appropriations         3,039,308,459         559,217,059         3,598,525,518         2,485,357,964         1,113,167,554	•					
Natural Resources:           Historical Society         287,999         —         287,999         98,504         189,495           Council of Arts         10,000         349,000         359,000         292,405         66,595           Game and Fish         50,911,601         2,249,026         53,160,627         46,362,200         6,798,427           Parks and Recreation         13,536,498         3,796,961         17,333,459         14,648,401         2,685,058           Water Commission         479,733,098         315,246,143         794,979,241         344,633,374         450,345,867           Transportation:         29,896,987         2,361,556         32,258,543         22,126,522         10,132,021           Department of Transportation         893,657,928         54,237,162         947,895,090         653,343,348         294,551,742           Total Charges to Appropriations         3,039,308,459         559,217,059         3,598,525,518         2,485,357,964         1,113,167,554						
Historical Society         287,999         —         287,999         98,504         189,495           Council of Arts         10,000         349,000         359,000         292,405         66,595           Game and Fish         50,911,601         2,249,026         53,160,627         46,362,200         6,798,427           Parks and Recreation         13,536,498         3,796,961         17,333,459         14,648,401         2,685,058           Water Commission         479,733,098         315,246,143         794,979,241         344,633,374         450,345,867           Transportation:         489,896,987         2,361,556         32,258,543         22,126,522         10,132,021           Department of Transportation         893,657,928         54,237,162         947,895,090         653,343,348         294,551,742           Total Charges to Appropriations         3,039,308,459         559,217,059         3,598,525,518         2,485,357,964         1,113,167,554	•	100,001	2	100,003	127,970	30,033
Council of Arts         10,000         349,000         359,000         292,405         66,595           Game and Fish         50,911,601         2,249,026         53,160,627         46,362,200         6,798,427           Parks and Recreation         13,536,498         3,796,961         17,333,459         14,648,401         2,685,058           Water Commission         479,733,098         315,246,143         794,979,241         344,633,374         450,345,867           Transportation:         Aeronautics Commission         29,896,987         2,361,556         32,258,543         22,126,522         10,132,021           Department of Transportation         893,657,928         54,237,162         947,895,090         653,343,348         294,551,742           Total Charges to Appropriations         3,039,308,459         559,217,059         3,598,525,518         2,485,357,964         1,113,167,554		287 000	_	287 000	98 504	180 /05
Game and Fish         50,911,601         2,249,026         53,160,627         46,362,200         6,798,427           Parks and Recreation         13,536,498         3,796,961         17,333,459         14,648,401         2,685,058           Water Commission         479,733,098         315,246,143         794,979,241         344,633,374         450,345,867           Transportation:         Aeronautics Commission         29,896,987         2,361,556         32,258,543         22,126,522         10,132,021           Department of Transportation         893,657,928         54,237,162         947,895,090         653,343,348         294,551,742           Total Charges to Appropriations         3,039,308,459         559,217,059         3,598,525,518         2,485,357,964         1,113,167,554	·		3/19 000			
Parks and Recreation         13,536,498         3,796,961         17,333,459         14,648,401         2,685,058           Water Commission         479,733,098         315,246,143         794,979,241         344,633,374         450,345,867           Transportation:           Aeronautics Commission         29,896,987         2,361,556         32,258,543         22,126,522         10,132,021           Department of Transportation         893,657,928         54,237,162         947,895,090         653,343,348         294,551,742           Total Charges to Appropriations         3,039,308,459         559,217,059         3,598,525,518         2,485,357,964         1,113,167,554						
Water Commission         479,733,098         315,246,143         794,979,241         344,633,374         450,345,867           Transportation:           Aeronautics Commission         29,896,987         2,361,556         32,258,543         22,126,522         10,132,021           Department of Transportation         893,657,928         54,237,162         947,895,090         653,343,348         294,551,742           Total Charges to Appropriations         3,039,308,459         559,217,059         3,598,525,518         2,485,357,964         1,113,167,554						
Transportation:         29,896,987         2,361,556         32,258,543         22,126,522         10,132,021           Department of Transportation         893,657,928         54,237,162         947,895,090         653,343,348         294,551,742           Total Charges to Appropriations         3,039,308,459         559,217,059         3,598,525,518         2,485,357,964         1,113,167,554						
Aeronautics Commission         29,896,987         2,361,556         32,258,543         22,126,522         10,132,021           Department of Transportation         893,657,928         54,237,162         947,895,090         653,343,348         294,551,742           Total Charges to Appropriations         3,039,308,459         559,217,059         3,598,525,518         2,485,357,964         1,113,167,554		41 9,1 33,090	010,240,140	107,313,441	577,055,574	+50,545,007
Department of Transportation         893,657,928         54,237,162         947,895,090         653,343,348         294,551,742           Total Charges to Appropriations         3,039,308,459         559,217,059         3,598,525,518         2,485,357,964         1,113,167,554		29 896 987	2 361 556	32 258 543	22 126 522	10 132 021
Total Charges to Appropriations 3,039,308,459 559,217,059 3,598,525,518 2,485,357,964 1,113,167,554						
	·					
Ending Budgetary Fund Balance \$ - \$ - \$ - \$ -	iolal Unarges to Appropriations					
	Ending Budgetary Fund Balance	<u>\$</u>	\$ \$	_ 9	<u> </u>	\$ <u> </u>

Required Supplemental Information Budgetary Comparison Schedule Budget to GAAP Reconciliation State Fund For the Biennium ended June 30, 2023

changes in fund balance-governmental funds

Sources/Inflows of resources

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and for the State Fund Expenditures

## Actual Amounts (budgetary basis) "total revenue inflows" from the budgetary comparison schedule 2,485,357,964 Backing out 2022 activity (1,224,002,680)Differences-Budget to GAAP: The period of availability for revenue recognition for budget purposes differs from the GAAP basis. 2,844,171,335 Total revenues, lease & SBITA acquisitions, and transfers as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds 4,105,526,619 **Uses/Outflows of resources** Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule 2,485,357,964 Backing out Expenditures from FY2022 (1,224,002,680)Differences-Budget to GAAP: Estimated liabilities are recorded as expenditures for GAAP but not for Budget 2,071,264,911 New Loans issued are expenditures for Budget but not for GAAP (652, 193)GAAP, but not Budget expenditures are reduced by year end inventory balances (362,747)Intrafund activity eliminated for GAAP (568,803,433)Certain due to other funds are recorded under GAAP, but not for Budget 14,788,425

2,777,590,247

Total expenditures, sale of capital assets, and transfers as reported on the statement of revenues, expenditures, and

Note To Required Supplemental Information -Budgetary Reporting For the Biennium Ended June 30, 2023

The Budgetary Comparison Schedules present comparisons of the original and revised legally adopted budgets with actual data on a budgetary basis for major funds. The only major fund with a legally adopted budget is the General Fund. All other funds are budgeted together as "Other Budgeted Funds." A budgetary schedule has been done for these other funds because they include budgeted amounts for the Federal Fund and State Funds, which are major special revenue funds. These amounts are reported on the schedules entitled "Federal Funds" and "State Funds".

North Dakota's Appropriation Acts include a dual legal level of budgetary control - one at the General Fund versus Other Budget Income level for each agency and one at the line item level for each agency. Line items are not separate between General Fund and Other Budgeted Income so that control is not presented in our budgetary comparison schedule for major funds. The legal level of control for all agencies is reported in a publication titled "State of North Dakota 2021-2023 Biennium Budget and Actual Detail (Budgetary Basis) For the Biennium Ended June 30, 2023." This budget information is available through the Office of Management and Budget, 600 East Boulevard Ave Dept. 110, Bismarck, ND 58505. For the 2021-2023 biennium there were general, federal, and special fund supplemental appropriations of \$2,806,648,097.

The Budgetary Comparison Schedule reports expenditures on a budgetary basis. The accounting principles applied for purposes of developing data on a budgetary basis differ from those used to present the financial statements in accordance with GAAP. Reconciliations of the three for the Biennium ended June 30, 2023, for the General Fund, Federal Fund, and State Fund is on the previous pages.

Required Supplementary Information Schedule of State's Share of Net Pension Liability North Dakota Public Employee Retirement System Last 10 Fiscal Years\*

(Dollars in thousands)

` 	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability (asset)	Emp	loyer's covered payroll	Plan fiduciary net position	Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	48.283473%	\$ 1,434,839	\$	633,498	\$ 1,755,477	226.49%	55.03%
2022	48.518942%	505,713		619,117	1,916,364	81.68%	79.13%
2021	49.782079%	1,566,155		589,042	1,570,261	265.88%	49.44%
2020	48.640060%	570,358		569,875	1,506,252	100.08%	72.53%
2019	50.378759%	859,160		569,979	1,496,340	150.74%	63.53%
2018	51.879909%	833,182		588,960	1,415,199	141.47%	62.65%
2017	53.421343%	520,338		566,915	1,290,070	91.78%	71.10%
2016	54.824190%	365,845		494,732	1,300,271	73.95%	77.70%
2015	55.154588%	348,760		477,406	1,258,398	73.05%	78.17%

<sup>\*</sup>Complete data for this schedule is not available prior to 2015. Amounts presented for each fiscal year have a measurement date of the previous fiscal year end.

#### Required Supplementary Information Schedule of State's Contributions North Dakota Public Employee Retirement System Last 10 Fiscal Years\* (Dollars in thousands)

	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percentage of covered payroll
2023	\$ 44,608	\$ (44,601) \$	7 9	\$ 660,002	6.76 %
2022	43,631	(43,632)	(1)	633,498	6.89%
2021	42,920	(42,906)	14	619,117	6.93%
2020	40,941	(41,030)	(89)	589,042	6.95%
2019	40,036	(40,022)	14	569,875	7.02%
2018	39,824	(39,815)	9	569,979	6.99%
2017	41,089	(41,034)	55	588,960	6.98%
2016	39,895	(40,330)	(435)	566,915	7.11%
2015	37,076	(37,571)	(495)	494,732	7.59%

<sup>\*</sup>Complete data for this schedule is not available prior to 2015.

Required Supplementary Information Schedule of State's Share of Net Pension Liability North Dakota Highway Patrolmen's Retirement System Last 10 Fiscal Years\*

(Dollars in thousands)

	Employer's proportion of the net pension liability (asset)	s	Employer's proportionate that of the net pension liability (asset)	Employer's covered payroll	Plan fiduciary net position	Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	100.00%	\$	78,339	\$ 12,402	\$ 92,325	638.6%	54.10%
2022	100.00%		23,295	11,637	100,076	202.28%	81.12%
2021	100.00%		96,045	11,038	82,184	841.78%	46.11%
2020	100.00%		24,900	10,608	81,416	240.48%	76.58%
2019	100.00%		19,457	10,929	78,929	181.21%	80.22%
2018	100.00%		20,711	10,934	73,336	189.42%	77.98%
2017	100.00%		22,111	10,527	65,811	210.04%	74.85%
2016	100.00%		13,436	10,146	66,676	132.43%	83.23%
2015	100.00%		9,766	9,348	65,667	104.47%	87.05%

<sup>\*</sup>Complete data for this schedule is not available prior to 2015. Amounts presented for each fiscal year have a measurement date of the previous fiscal year end.

#### Required Supplementary Information Schedule of State's Contributions North Dakota Highway Patrolmen's Retirement System Last 10 Fiscal Years\* (Dollars in thousands)

	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)		Employer's covered payroll	Contributions as a percentage of covered payroll
2023	\$ 2,569	\$ (2,569)	\$	— \$	12,562	20.45 %
2022	2,479	(2,479)		_	12,402	19.99 %
2021	2,293	(2,293)		_	11,637	19.70 %
2020	2,175	(2,175)		_	11,038	19.70 %
2019	2,091	(2,091)		_	10,608	19.71 %
2018	2,153	(2,153)		_	10,929	19.70 %
2017	2,154	(2,154)		_	10,934	19.70 %
2016	2,127	(2,127)		_	10,527	20.21 %
2015	2,002	(2,002)		_	10,146	19.73 %

<sup>\*</sup>Complete data for this schedule is not available prior to 2015.

Required Supplementary Information Schedule of State's Share of Net Pension Liability Retirement Plan for the Employees of Job Service North Dakota Last 10 Fiscal Years\*

(Dollars in thousands)

_	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability (asset)	Employer's covered payroll	Plan fiduciary net position	proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	100.00% \$	(15,685) \$	133	\$ 86,177	(25,573.44)%	122.25 %
2022	100.00%	(31,760)	200	96,604	(18,130.18)%	148.98 %
2021	100.00%	(31,122)	386	95,251	(9,892.34)%	148.53 %
2020	100.00%	(31,006)	417	97,203	(7,443.56)%	146.84 %
2019	100.00%	(27,459)	471	95,588	(6,590.37)%	140.30 %
2018	100.00%	(33,636)	563	97,265	(5,974.42)%	152.86 %
2017	100.00%	(35,329)	565	96,534	(6,252.92)%	157.72 %
2016	100.00%	(32,893)	674	96,283	(4,880.27)%	151.89 %
2015	100.00%	(32,650)	753	97,697	(4,335.99)%	150.20 %

Employer's

# Required Supplementary Information Schedule of State's Contributions Retirement Plan for the Employees of Job Service North Dakota Last 10 Fiscal Years\* (Dollars in thousands)

	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)		Employer's covered payroll	Contributions as a percentage of covered payroll
2023	\$	<b>—</b> \$	- \$	— \$	61	0.00%
2022			_	_	133	0.00%
2021			_	_	200	0.00%
2020			_	_	386	0.00%
2019			_	_	417	0.00%
2018			_	_	471	0.00%
2017			_	_	563	0.00%
2016			_	_	565	0.00%
2015			_	_	674	0.00%

<sup>\*</sup>Complete data for this schedule is not available prior to 2015.

<sup>\*</sup>Complete data for this schedule is not available prior to 2015. Amounts presented for each fiscal year have a measurement date of the previous fiscal year end.

Required Supplementary Information Schedule of State's Share of Net Pension Liability North Dakota Teachers' Fund for Retirement Last 10 Fiscal Years\* (Dollars in thousands)

	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability (asset)	Employer's covered payroll	Plan fiduciary net position	Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.528362%	\$ 7,684	\$ 4,053	\$ 15,977	189.59%	67.50%
2022	0.569581%	6,001	4,260	18,696	140.87%	75.70%
2021	0.592257%	9,065	4,196	15,698	216.04%	63.40%
2020	0.626693%	8,631	4,252	16,395	202.99%	65.50%
2019	0.665791%	8,874	4,397	16,849	201.82%	65.50%
2018	0.652945%	8,968	4,294	15,413	208.85%	63.20%
2017	0.666339%	9,762	4,329	14,155	225.50%	59.20%
2016	0.678409%	8,873	4,173	14,531	212.63%	62.10%
2015	0.616525%	6,460	3,576	12,891	180.65%	66.60%

<sup>\*</sup>Complete data for this schedule is not available prior to 2015. Amounts presented for each fiscal year have a measurement date of the previous fiscal year end.

#### Required Supplementary Information Schedule of State's Contributions North Dakota Teachers' Fund for Retirement Last 10 Fiscal Years\* (Dollars in thousands)

	Statutorily required contribution	Contributions in relation to the statutorily required contribution	n Contribution deficiency (excess)		Employer's covered payroll	Contributions as a percentage of covered payroll
2023	\$ 488	\$ (488	8) \$	— \$	3,827	12.75%
2022	517	(517	7)	_	4,053	12.75%
2021	543	(543	3)	_	4,260	12.75%
2020	535	(535	5)	_	4,196	12.75%
2019	542	(542	2)	_	4,252	12.75%
2018	561	(56)	1)	_	4,397	12.75%
2017	547	(547	7)	_	4,294	12.75%
2016	528	(528	(8)	_	4,329	12.75%
2015	532	(532	2)	_	4,173	12.75%

<sup>\*</sup>Complete data for this schedule is not available prior to 2015.

Required Supplementary Information Schedule of State's Share of OPEB Liability Retiree Health Insurance Credit Last 10 Fiscal Years\* (Dollars in thousands)

	Employer's proportion of the net OPEB (asset)	Employer's proportionate share of the net OPEB liability (asset)	Employer's covered payroll	Plan fiduciary net position	Employer's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2023	50.399667 % \$	59,295	\$ 553,794	\$ 778,589	10.71 %	56.28 %
2022	35.114882 %	27,401	571,568	64,027	4.79 %	76.63 %
2021	51.922391 %	40,900	571,617	75,610	7.16 %	63.38 %
2020	49.778349 %	39,178	561,580	68,451	6.98 %	63.13 %
2019	50.731122 %	39,954	563,479	64,888	7.09 %	61.89 %
2018	51.545839 %	40,877	574,972	60,615	7.11 %	59.78 %

<sup>\*</sup>Complete data for this schedule is not available prior to 2018. Amounts presented for each fiscal year have a measurement date of the previous fiscal year end.

Required Supplementary Information Schedule of State's Contributions Retiree Health Insurance Credit Last 10 Fiscal Years\* (Dollars in thousands)

	torily required ontribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percentage of covered payroll
2023	\$ 6,003	\$ (6,00	4) \$ (1)	547,608	1.10 %
2022	6,257	(6,25	3) 4	553,794	1.13 %
2021	6,563	(6,54	9) 14	571,568	1.15 %
2020	6,631	(6,62)	6) 5	571,617	1.16 %
2019	6,425	(6,41	3) 12	561,580	1.14 %
2018	6,434	(6,42	4) 10	563,479	1.14 %

<sup>\*</sup>Complete data for this schedule is not available prior to 2018.

#### Required Supplementary Information Schedule of Changes in Net Pension Liability and Related Ratios North Dakota Public Employee Retirement System Last 10 Fiscal Years\*

	2023	2022	2021	2020
Total pension liability (asset)				
Service cost	\$ 224,785	\$ 143,197	\$ 242,751	\$ 135,139
Interest	335,804	345,662	296,285	317,129
Change of benefit terms	(9,139)	_	_	_
Difference between expected and actual experience	72,723	3,714	47,336	213,457
Changes of assumptions	(1,132,003)	1,375,419	(1,743,329)	1,663,289
Benefit payments, including refund of employee contributions	 (271,514)	(252,066)	(231,300)	(218,554)
Net change in total pension liability (asset)	(779,344)	 1,615,926	(1,388,257)	 2,110,460
Total pension liability (asset) - beginning	6,607,469	 4,991,543	6,379,800	 4,269,340
Total pension liability (asset) - ending (a)	\$ 5,828,125	\$ 6,607,469	\$ 4,991,543	\$ 6,379,800
Plan fiduciary net position				
Contributions - employer	\$ 101,933	\$ 96,631	\$ 91,266	\$ 85,504
Contributions - employee	93,408	89,634	85,915	81,478
Contributions - service credit repurchase	5,151	10,249	7,129	10,819
Contributions - other	_	_	_	_
Net investment income	281,850	(256,072)	844,933	101,106
Transfers from other plans	10	14	(2)	(3)
Benefit payments, including refund of employee contributions	(271,514)	(252,066)	(231,300)	(218,554)
Administrative expense	(2,670)	(2,341)	(2,569)	(2,730)
Net change in plan fiduciary net position	208,168	(313,951)	795,372	57,620
Plan fiduciary net position - beginning	 3,635,772	3,949,723	 3,154,351	3,096,731
Plan fiduciary net position - ending (b)	\$ 3,843,940	\$ 3,635,772	\$ 3,949,723	\$ 3,154,351
Net pension liability (asset) - ending (a) - (b)	\$ 1,984,185	\$ 2,971,697	\$ 1,041,820	\$ 3,225,449
Plan fiduciary net position as a percentage of the total pension liability (asset)	65.96%	55.03%	79.13%	49.44%
Covered payroll	\$ 1,318,276	\$ 1,248,308	\$ 1,213,676	\$ 1,167,768
Plan net pension liability (asset) as a percentage of covered payroll	150.51%	85.84%	85.84%	276.21%

	2019		2018		2017		2016		2015	_	2014
\$	172,184 294,701 — (210,896) (464,473) (197,758) (406,242)	\$	164,018 279,835 — (65,346) 125,225 (182,522) 321,210	\$	113,148 269,771 — (3,612) 741,492 (162,992) 957,807	\$	126,444 243,285 — 15,915 108,139 (149,664) 344,119	\$	104,158 236,420 2 4,396 (76,152) (134,930) 133,894	\$	94,611 218,719 — 25,783 — (119,886) 219,227
	4,675,582		4,354,372		3,396,565		3,052,446		2,918,552		2,699,325
\$	4,269,340	\$	4,675,582	\$	4,354,372	\$	3,396,565	\$	3,052,446	\$	2,918,552
\$	81,588	\$	80,727	\$	78,934	\$	77,080	\$	70,842	\$	61,661
Ψ	78,213	Ψ	77,486	Ψ	76,007	Ψ	74,219	Ψ	68,392	Ψ	59,394
	7,220		19,985		11,805		9,179		6,652		8,325
			_				_		_		_
	159,824		249,165		311,761		11,334		81,537		316,630
	(5)		(24)		32		23,575		_		_
	(197,758)		(182,522)		(162,992)		(149,664)		(134,930)		(119,886)
	(2,531)		(2,473)		(2,607)	_	(2,538)	_	(2,365)		(2,211)
	126,551		242,344		312,940		43,185		90,128		323,913
	2,970,180	_	2,727,836	_	2,414,896	_	2,371,711	_	2,281,583	_	1,957,670
\$	3,096,731	\$	2,970,180	\$	2,727,836	\$	2,414,896	\$	2,371,711	\$	2,281,583
\$	1,172,609	\$	1,705,402	\$	1,626,536	\$	981,669	\$	680,735	\$	636,969
	72.53%		63.53%		62.65%		77.70%		77.70%		78.18%
\$	1,098,416	\$	1,075,958	\$	1,063,372	\$	973,536	\$	973,536	\$	888,452
	106.75%		158.50%		152.96%		69.92%		69.92%		71.69%

#### Required Supplementary Information Schedule of Changes in Net Pension Liability and Related Ratios North Dakota Highway Patrolmen's Retirement System Last 10 Fiscal Years\*

	2023	2022	2021	2020
Total pension liability (asset)				
Service cost	\$ 5,681	\$ 3,281	\$ 6,693	\$ 2,878
Interest	8,550	8,548	7,305	7,869
Change of benefit terms	_	_	(135)	_
Difference between expected and actual experience	417	1,844	(2,197)	729
Changes of assumptions	(5,010)	39,467	(60,572)	66,142
Benefit payments, including refund of employee contributions	(6,391)	 (5,848)	(5,952)	 (5,704)
Net change in total pension liability (asset)	3,247	47,292	 (54,858)	71,914
Total pension liability (asset) - beginning	170,663	123,371	 178,229	106,315
Total pension liability (asset) - ending (a)	\$ 173,910	\$ 170,663	\$ 123,371	\$ 178,229
Plan fiduciary net position				
Contributions - employer	\$ 2,573	\$ 2,687	\$ 2,294	\$ 2,177
Contributions - employee	1,770	1,826	1,548	1,470
Contributions - service credit repurchase	593	160	401	205
Contributions - other	_	_	_	_
Net investment income	7,195	(6,510)	19,638	2,667
Benefit payments, including refund of employee contributions	(6,391)	(5,848)	(5,952)	(5,705)
Administrative expense	(30)	 (66)	(37)	 (46)
Net change in plan fiduciary net position	5,710	(7,751)	 17,892	768
Plan fiduciary net position - beginning	92,325	 100,076	82,184	 81,416
Plan fiduciary net position - ending (b)	\$ 98,035	\$ 92,325	\$ 100,076	\$ 82,184
Net pension liability (asset) - ending (a) - (b)	\$ 75,875	\$ 78,338	\$ 23,295	\$ 96,045
Plan fiduciary net position as a percentage of the total pension liability (asset)	56.37%	54.10%	81.12%	46.11%
Covered payroll	\$ 11,991	\$ 12,267	\$ 11,516	\$ 11,410
Plan net pension liability (asset) as a percentage of covered payroll	632.76%	638.60%	202.28%	841.78%

	2019		2018		2017		2016		2015		2014
\$	2,818	\$	2,738	\$	2,701	\$	2,226	\$	2,038	\$	1,894
Ψ	7,527	Ψ	7,203	Ψ	6,951	Ψ	6,311	Ψ	6,008	Ψ	5,750
	7,527		7,200		0,551		0,511		0,000		J,750
	(68)		(621)		22		40		984		(300)
	3,043		_		1,257		3,946		395		_
	(5,391)		(4,981)		(4,806)		(4,713)		(4,746)		(3,784)
	7,929		4,339		6,125		7,810		4,679		3,560
	98,386		94,047		87,922		80,112		75,433		71,873
\$	106,315	\$	98,386	\$	94,047	\$	87,922	\$	80,112	\$	75,433
\$	2,091	\$	2,153	\$	2,156	\$	2,127	\$	2,002	\$	1,865
	1,412		1,453		1,456		1,436		1,352		1,243
	168		282		249		_		97		87
	_		_		_		_		_		_
	4,251		6,716		8,500		317		2,335		9,240
	(5,391)		(4,981)		(4,806)		(4,713)		(4,746)		(3,784)
	(44)		(30)		(30)		(32)		(31)		(28)
	2,487		5,593		7,525		(865)		1,009		8,623
	78,929		73,336		65,811		66,676		65,667		57,044
\$	81,416	\$	78,929	\$	73,336	\$	65,811	\$	66,676	\$	65,667
\$	24,899	\$	19,457	\$	20,711	\$	22,111	\$	13,436	\$	9,766
	76.58%		80.22%		77.98 %		74.85 %		83.23 %		87.05 %
\$	10,354	\$	10,737	\$	10,629	\$	10,527	\$	10,146	\$	9,348
	240.48%		181.21%		194.84 %		210.04 %		132.44 %		104.47 %

#### Required Supplementary Information Schedule of Changes in Net Pension Liability and Related Ratios Retirement Plan for the Employees of Job Service North Dakota Last 10 Fiscal Years\*

		2023		2022	2021	2020
Total pension liability (asset)		,		,		
Service cost	\$	15	\$	42	\$ 58	\$ 57
Interest		2,038		2,342	2,629	3,038
Change of benefit terms		_		_	_	_
Difference between expected and actual experience		4,761		3,413	(201)	(1,122)
Changes of assumptions		_		4,717	2,899	540
Benefit payments, including refund of employee contributions		(5,169)		(4,865)	(4,669)	(4,582)
Net change in total pension liability (asset)		1,645		5,649	716	(2,069)
Total pension liability (asset) - beginning		70,493		64,844	64,128	66,197
Total pension liability (asset) - ending (a)	\$	72,138	\$	70,493	\$ 64,844	\$ 64,128
Plan fiduciary net position						
Contributions - employer	\$	_	\$	_	\$ _	\$ _
Contributions - employee		4		9	14	27
Contributions - service credit repurchase		_		_	_	_
Contributions - other		_		_	_	_
Net investment income		2,487		(5,551)	6,025	2,621
Benefit payments, including refund of employee contributions		(5,168)		(4,866)	(4,669)	(4,582)
Administrative expense		(15)		(18)	(17)	(19)
Net change in plan fiduciary net position		(2,692)		(10,426)	1,353	(1,953)
Plan fiduciary net position - beginning		86,177		96,603	95,250	97,203
Plan fiduciary net position - ending (b)	\$	83,485	\$	86,177	\$ 96,603	\$ 95,250
Net pension liability (asset) - ending (a) - (b)	\$	(11,347)	\$	(15,684)	\$ (31,759)	\$ (31,122)
Plan fiduciary net position as a percentage of the total pension liability (asset)		115.73 %		122.25 %	148.98 %	148.53 %
Covered payroll	\$	61	\$	175	\$ 175	\$ 315
Plan net pension liability (asset) as a percentage of covered payroll	-	18,478.87%	-:	25,573.44%	 18,130.18%	-9,892.34%

	2019		2018		2017		2016		2015		2014
\$	70	\$	80	\$	56	\$	71	\$	128	\$	88
	3,130		3,501		4,130		4,281		5,026		5,107
					_				_		
	(505)		(310)		(1,648)		(2,007)		(1,806)		(1,607)
			5,812		4,421		70		(310)		
	(4,627)		(4,583)	_	(4,534)	_	(4,601)	_	(4,694)	_	(4,595)
	(1,932)		4,500		2,425		(2,186)		(1,656)		(1,007)
	68,129		63,629		61,204		63,390		65,046		66,053
\$	66,197	\$	68,129	\$	63,629	\$	61,204	\$	63,390	\$	65,046
\$		\$		\$	_	\$	_	\$	_	\$	_
	29		33		39		44		50		56
	_		_		_		_		_		_
	_		_								
	6,230		2,919		5,239		4,840		3,260		11,888
	(4,627)		(4,583)		(4,534)		(4,601)		(4,694)		(4,595)
_	(17) 1,615		(46)	_	(13) 731	_	(32) 251	_	(30)	_	(31) 7,318
	95,588		97,265		96,534		96,283		97,697		90,379
\$	97,203	\$	95,588	\$	97,265	\$	96,534	\$	96,283	\$	97,697
Ť	01,200	Ť		Ť		Ť		Ť		Ť	,
\$	(31,006)	\$	(27,459)	\$	(33,636)	\$	(35,330)	\$	(32,893)	\$	(32,651)
	146.84 %		140.30 %		152.86 %		157.72 %		151.89 %		150.20 %
\$	417	\$	417	\$	499	\$	567	\$	791	\$	843
	-7,443.56%		-6,590.37%		-6,746.56%		-6,256.45%		-4,160.24%		-3,874.93%

## Required Supplementary Information Schedule of Changes in Net Pension Liability and Related Ratios North Dakota Teachers' Fund for Retirement Last 10 Fiscal Years\* (Dollars in thousands)

2023 2022 2021 2020 Total pension liability (asset) \$ 96,101 92,336 \$ 87,088 \$ 80,591 Service cost Interest 318,879 311,929 300,698 306,791 Change of benefit terms Difference between expected and actual experience (8,505)8,366 (20,732)(55,451)Changes of assumptions 51,813 Benefit payments, including refund of employee contributions (262, 282)(251,847)(241, 128)(230.851)Net change in total pension liability (asset) 97,247 143,913 155,024 187,612 Total pension liability (asset) - beginning 4,479,973 4,336,060 4,181,036 3,993,424 Total pension liability (asset) - ending (a) 4,577,220 4,479,973 4,336,060 4,181,036 Plan fiduciary net position Contributions - employer 100,331 98,264 \$ 93,032 102,308 Contributions - employee 94,284 92,462 90,557 85,735 Contributions - service credit repurchase 2,017 2,559 2,175 1,109 Contributions - other (10)25 126 159 Net investment income 217,471 (198,881)684,173 86,206 Benefit payments, including refund of employee contributions (262, 282)(251,847)(241,128)(230,851)Administrative expense (2,891)(2,592)(2,678)(2,095)Net change in plan fiduciary net position 149,989 (258,485)631,873 34,361 Plan fiduciary net position - beginning 3,023,920 3,282,405 2,650,532 2,616,171 Plan fiduciary net position - ending (b) 3,173,909 3,023,920 3,282,405 2,650,532 1,530,504 Net pension liability (asset) - ending (a) - (b) 1,403,311 1,456,053 1,053,655 Plan fiduciary net position as a percentage of the total pension liability 69.30 % 67.50 % 75.70 % 63.40 % (asset) \$ \$ \$ \$ Covered payroll 802,413 786,912 770,700 729,661 Plan net pension liability (asset) as a percentage of covered payroll 174.90 % 185.00 % 136.70 % 209.80 %

<sup>\*</sup>Restated in 2015 due to GASB 68 implementation.

	2019	2018	2017	2016		2015		2014
\$	77,756 296,876	\$ 78,041 287,375	\$ 75,476 276,412	\$ 68,239 265,440	\$	60,618 249,064	\$	56,752 237,821
	(23,495)	(27,939)	(10,749)	(8,093)		2,209		9,347
	_	_	_	_		171,325		_
	(221,228)	(207,979)	(196,516)	(185,969)		(172,239)		(162,259)
	129,909	129,498	144,623	139,617		310,977		141,661
3	3,863,515	3,734,017	3,589,394	3,449,777		3,138,800		2,997,139
	3,993,424	\$ 3,863,515	\$ 3,734,017	\$ 3,589,394	\$	3,449,777	\$	3,138,800
					_			
\$	89,445	\$ 86,676	\$ 86,059	\$ 82,840	\$	78,422	\$	62,355
	82,429	79,878	79,309	76,343		72,268		56,555
	1,917	2,181	2,553	2,768		1,601		2,034
	159	194	236	45		172		48
	135,043	211,345	266,688	8,239		73,205		294,246
	(221,228)	(207,979)	(196,516)	(185,969)		(172,239)		(162,259)
	(2,251)	(2,129)	(2,173)	(1,852)		(1,923)		(1,586)
	85,514	 170,166	 236,156	 (17,586)	_	51,506	_	251,393
2	2,530,657	2,360,491	2,124,335	2,141,921		2,090,415		1,839,584
\$ 2	2,616,171	\$ 2,530,657	\$ 2,360,491	\$ 2,124,335	\$	2,141,921	\$	2,090,977
\$ 1	1,377,253	\$ 1,332,858	\$ 1,373,526	\$ 1,465,059	\$	1,307,856	\$	1,047,823
	65.50 %	65.50 %	63.20 %	59.20 %				66.60 %
\$	701,528	\$ 679,809	\$ 674,971	\$ 649,725		62.10 %	\$	580,053
	196.10 %	196.10 %	203.50 %	225.50 %	\$	615,105		180.60 %

#### Required Supplementary Information Schedule of Changes in Net Other Post Employment Benefit Liability and Related Ratios Retiree Health Insurance Credit Fund Last 10 Fiscal Years\*

		2023	2022		2021			2020		
Total OPEB liability (asset)										
Service cost	\$	4,866	\$	4,004	\$	4,273	\$	4,042		
Interest		14,548		15,155		14,658		15,498		
Change of benefit terms		_		_		_		_		
Difference between expected and actual experience		(777)		616		2,165		315		
Changes of assumptions		(10,643)		30,533		_		4,372		
Benefit payments, including refund of employee contributions		(14,215)		(13,746)		(12,885)		(12,317)		
Net change in total OPEB liability (asset)		(6,221)		36,562		8,211		11,910		
Total OPEB liability (asset) - beginning		274,514		237,952		229,741		217,831		
Total OPEB liability (asset) - ending (a)	\$	268,293	\$	274,514	\$	237,952	\$	229,741		
Plan fiduciary net position										
Contributions - employer	\$	12,138	\$	12,566	\$	13,111	\$	13,392		
Contributions - employee		11		12		16		16		
Contributions - service credit repurchase		282		457		375		557		
Net investment income		15,975		(26,757)		36,527		6,905		
Benefit payments, including refund of employee contributions		(14,215)		(13,746)		(12,885)		(12,317)		
Administrative expense		(356)		(383)		(431)		(454)		
Other								10		
Net change in plan fiduciary net position	-	13,835		(27,851)		36,713		8,109		
Plan fiduciary net position - beginning		154,483		182,334		145,621		137,512		
Plan fiduciary net position - ending (b)	\$	168,318	\$	154,483	\$	182,334	\$	145,621		
Net OPEB liability (asset) - ending (a) - (b)	\$	99,975	\$	120,031	\$	55,618	\$	84,120		
Plan fiduciary net position as a percentage of the total OPEB liability (asset)		62.74 %		56.28 %		76.63 %		63.38 %		
Covered payroll	\$	1,005,183	\$	1,032,405	\$	1,090,258	\$	1,139,971		
Plan net OPEB liability (asset) as a percentage of covered employee payroll		9.95 %	·	11.63 %	·	5.10 %		7.38 %		

<sup>\*</sup>Complete data for this schedule is not available prior to 2017.

2019		2018		2017	
	_		_		_
\$	3,828	\$	3,767	\$	3,430
	15,217		14,485		14,327
	_		_		_
	(1,374)		2,732		(2,231)
	5,002		_		8,861
	(11,505)		(11,016)	_	(10,014)
	11,168		9,968		14,373
	206,663		196,695		182,322
\$	217,831	\$	206,663	\$	196,695
\$	12,977	\$	12,834	\$	12,576
	16		16		16
	377		747		464
	8,178		8,211		12,074
	(11,505)		(11,016)		(10,014)
	(437)		(480)		(443)
					10
	9,606		10,312		14,683
	127,906		117,594		102,921
\$	137,512	\$	127,906	\$	117,604
	00.040	•		•	== == 1
\$	80,319	\$	78,757	\$	79,091
	63.13 %		61.89 %		59.78 %
\$	1,115,858	\$	1,094,217	\$	1,081,841
	7.20 %		7.20 %		7.31 %

<sup>\*</sup>Complete data for this schedule is not available prior to 2017.

#### Required Supplementary Information Schedule of Changes in Net Other Post Employment Benefit Liability and Related Ratios Met Life Insurance Plan Last 10 Fiscal Years\*

(Dollars in thousands)

	 2023	 2022	 2021	 2020
Total OPEB liability (asset)				
Service cost	\$ _	\$ _	\$ 	\$ _
Interest	38	30	32	37
Change of benefit terms	_	_	_	_
Difference between expected and actual experience	_	(17)	_	(192)
Changes of assumptions	_	(138)	_	46
Benefit payments, including refund of employee contributions	(86)	(89)	(83)	(78)
Net change in total OPEB liability (asset)	(48)	(214)	(51)	(187)
Total OPEB liability (asset) - beginning	1,001	1,215	1,266	1,453
Total OPEB liability (asset) - ending (a)	\$ 953	\$ 1,001	\$ 1,215	\$ 1,266
Plan fiduciary net position				
Contributions - employer	\$ 86	\$ 89	\$ 83	\$ 78
Contributions - employee	_	_	_	_
Contributions - service credit repurchase	_	_	_	_
Contributions - other	_	_	_	_
Net investment income	_	_	_	_
Benefit payments, including refund of employee contributions	(86)	(89)	(83)	(78)
Administrative expense	_	_	_	_
Net change in plan fiduciary net position	_			_
Plan fiduciary net position - beginning	_	_	_	_
Plan fiduciary net position - ending (b)	\$ 	\$ 	\$ 	\$ 
Net OPEB liability (asset) - ending (a) - (b)	\$ 953	\$ 1,001	\$ 1,266	\$ 1,266
Plan fiduciary net position as a percentage of the total OPEB	0.00 %	0.00 %	0.00 %	0.00 %
Covered payroll	n/a	n/a	n/a	n/a
Plan net OPEB liability (asset) as a percentage of covered payroll	n/a	n/a	n/a	n/a

<sup>\*</sup>Complete data for this schedule is not available prior to 2018.

2019		2018
4	\$	4
42		43
_		_
_		_
_		_
(84)		(80)
(38)		(33)
1,491		1,524
1,453	\$	1,491
84	\$	80
_		_
_		_
_		_
_		_
(84)		(80)
_		_
	\$	
1,453	\$	1,491
0.00 %		0.00 %
n/a		n/a
n/a		n/a
	4 42 — — (84) (38)  1,491 1,453  84 — — — (84) — — — (84) — — — 1,453  0.00 % n/a	4 \$ 42

<sup>\*</sup>Complete data for this schedule is not available prior to 2018.

#### Required Supplementary Information Schedule of Employer Contributions Last 10 Fiscal Years\* (Dollars in thousands)

ND Public Employe	es Retire	mer	<u>nt Syster</u>	<u>n</u>															
	2023		2022		2021	_	2020		2019	_	2018		2017		2016	2	2015	2	2014
Actuarially determined contribution Contribution in	\$191,27	4	\$157,390	9	\$157,543	\$	3140,537	\$	127,129	\$	125,714	\$1	16,564	\$1	24,336	\$10	07,514	\$10	07,864
relation to the actuarially determined contribution	101,93	3	96,631		91,266		85,504		81,588		80,727	-	78,934	7	7,081	7	0,843	6	1,661
Contribution deficiency (excess)	\$89,341		\$60,759		\$66,277	\$	555,033	\$	45,541	\$	44,987		37,630		7,255		6,671	_	6,203
Covered payroll	1,318,27	<u>'</u> 6	1,248,308	= = 3 1	1,213,676	=	,167,768	=	,098,416	1	,075,958	1,	063,372	1,0	048,548	973	3,536		3,452
Contributions as a percentage of covered payroll	7.73	%	7.74 %	ó	7.52 %		7.32 %	,	7.43 %		7.50 %		7.42 %		7.35 %		7.28 %		6.94 %
Highway Patrolmen			•		0004		0000		2242		0040		0047		0040		2045	,	2044
Actuarially determine	2023	3	2022	_	2021		2020		2019		2018		2017		2016		2015		2014
contribution	u \$5,10	07	\$3,92	1	\$4,081		\$3,256		\$2,936		\$2,949		\$3,060	,	\$2,307	\$	2,201	\$	2,348
Contribution in relatio to the actuarially determined	n																		
contribution	2,57	'4	2,687	_	2,293		2,177		2,091		2,153		2,156		2,127		2,002	1	1,865
Contribution deficiend (excess)	\$ 2,53	3	\$ 1,234		\$ 1,788		\$ 1,079		\$ 845		\$ 796	\$	904	\$	180	\$	199	\$	483
Covered payroll	11,99		12,267		11,516	_ :	11,410		10,354		10,737	1	0,629	1	0,527	10	),146	9	,348
Contributions as a percentage of covere payroll	d 21.4	7 %	21.90	%	19.91	%	19.08 '	%	20.20 %	6	20.05 %		20.28 %	. :	20.21 %	1	9.73 %	1	9.95 %
Joh Comice North F	) akata																		
Job Service North D	2023		2022		2021		2020		2019		2018	,	2017	2	2016	2	2015	2	2014
Actuarially determined contribution	\$ —	\$	_	\$	_	\$	_	\$	_	\$	_	\$	_	\$	_	\$	_	\$	_
Contribution in relation to the actuarially																			
determined contribution	_	_																	
Contribution deficiency (excess)	\$ —	\$		\$		\$		\$		\$		\$		\$		\$		\$	
Covered payroll	61	_	133		200		386		417		417		499		565		674		843
Contributions as a percentage of covered payroll	0.00 %		0.00 %		0.00 %		0.00 %		0.00 %		0.00 %		0.00 %		0.00 %		0.00 %		0.00 %

#### Required Supplementary Information Schedule of Employer Contributions Last 10 Fiscal Years\* (Dollars in thousands)

#### ND Teachers' Fund for Retirement

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$97,252	\$97,341	\$101,655	\$93,688	\$90,778	\$88,307	\$89,231	\$84,724	\$71,168	\$59,513
Contribution in relation to the actuarially determined contribution	102,308	100,331	98,264	93,032	89,445	86,676	86,059	82,840	78,422	62,355
Contribution deficiency (excess)	\$(5,056)	\$(2,990)	\$3,391	\$656	\$1,333	\$1,631	\$3,172	\$1,884	\$(7,254)	\$(2,842)
Covered payroll	802,413	786,912	770,700	729,661	701,528	679,809	674,971	649,725	615,105	580,053
Contributions as a percentage of covered payroll	12.75 %	12.75 %	12.75 %	12.75 %	12.75 %	12.75 %	12.75 %	12.75 %	12.75 %	10.75 %
Retiree Health Insura	ance Credit	<u>Plan</u>								
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$14,766	\$12,414	\$13,340	\$12,145	\$12,707	\$12,252	\$11,696	\$7,544	\$6,439	\$7,014
Contribution in relation to the actuarially determined		40.000		40.000	40.0==	40.00-		40.050		10.710
contribution	12,138	12,566	13,111	13,392	12,977	12,835	12,575	12,350	11,479	10,710
Contribution deficiency (excess)	\$2,628	\$(152)	\$229	\$(1,247)	\$(270)	\$(583)	\$(879)	\$(4,806)	\$(5,040)	\$(3,696)
Covered payroll	1,005,183	1,032,405	1,090,258	1,139,971	1,115,858	1,094,217	1,081,841	1,142,375	1,052,657	1,001,204
Contributions as a percentage of covered payroll	1.21 %	1.22 %	1.20 %	1.17 %	1.16 %	1.17 %	1.16 %	1.08 %	1.09 %	1.07 %

#### Required Supplementary Information Information About the State's Pension and Other Post Employment Benefit Plans For the Fiscal Year Ended June 30, 2023

#### ND Public Employees Retirement System

**Benefit Changes** 

Effective January 1, 2025, the Main System is closed to new members. Employees newly enrolled into the system on January 1, 2025 and later will participate in a new Defined Contribution Plan.

State employees participating in the Main System on January 1, 2025 who are at least age 18 with 5 years or less of participation will be eligible to irrevocably elect to transfer to the existing DC Plan during a three-month election period ending March 31, 2025. For members who elect to transfer to the existing DC Plan, NDPERS will transfer a lump sum from the Main System to the DC Plan based on the actuarial present value of the accrued benefit as of January 1, 2025, plus interest from January 1, 2025 to the date of transfer. The state employer of an employee who elects to transfer to the existing DC Plan shall contribute an additional amount of \$3,333 annually for up to three years, provided the employee continues employment.

Member and/or employer contribution rates were changed for all plans except the Judges Plan.

For BCI members who retire on or after August 1, 2023, the multiplier is 3.00% for the first twenty years and 1.75% for additional years. For BCI members hired on or after August 1, 2023, the vesting requirement is changed from 3 years to 10 years.

Peace Officers employed by the State who were Main System participants transferred to the Public Safety with prior Main System service effective August 1, 2023.

Changes of Assumptions

There were no assumption changes made since the prior valuation.

#### Highway Patrolmen's Retirement System

Benefit Changes There were no changes made in the plan provisions since the prior valuation.

Changes of Assumptions There were no assumption changes made since the prior valuation.

Job Service North Dakota

Benefit Changes There were no changes made in the plan provisions since the prior valuation.

Changes of Assumptions There were no assumption changes made since the prior valuation.

#### Retiree Health Insurance Credit Plan

Benefit Changes There were no changes made in the plan provisions since the prior valuation.

Changes of Assumptions There were no assumption changes made since the prior valuation.

#### Required Supplementary Information Information About the State's Pension and Other Post Employment Benefit Plans For the Fiscal Year Ended June 30, 2023

Schedule of Employer Contributions

#### **PERS**

Valuation Date July 1, 2022

Actuarial Cost Method Entry Age Normal Method

Level Percentage of Payroll, Open Period

Amortization Method Assumed annual payroll growth of 3.50% (3.00% for Judges)

Remaining Amortization Period 20 Years

Asset Valuation Method 5-Year smoothed marked

Inflation 2.25%

Salary Increases 3.50% to 17.75% including inflation

Investment Rate of Return 6.5%

Retirement Age Age-based table of rates that are specific to the type of eligibility condition

Mortality Sex-distinct Pub-2010 tables for General Employees, with scaling based on actual

experience. Respective corresponding tables were used for healthy retirees, disabled retirees, and active members. Mortality rates are projected from 2010 using the MP-2019

scale.

Other Notes The interest rate on member contributions decreased from 7.00% to 6.50% effective

January 1, 2021.

The benefit accrual rate for members first enrolled on or after January 1, 2020 in the Main and Public Safety Systems is 1.75% (compared to 2.00% for members enrolled before

January 1, 2020).

The investment return assumption was updated from 7.00% to 6.50% beginning with the actuarial valuation as of July 1, 2022. All other actuarial assumptions used in the actuarial valuation as of July 1, 2022 were based on an experience review for the period from July 1, 2014 to July 1, 2019, and were adopted for first use commencing with the actuarial

valuation as of July 1, 2020.

The employer rates to the System are the statutory/Board approved contribution rates of 7.12% of payroll for the Main System (8.26% for members enrolled on or after January 1, 2020), 17.52% for the Judges System, 9.81% for Public Safety with prior Main System service System and 7.93% for Public Safety without prior Main System service System.

#### **Required Supplementary Information** Information About the State's Pension and Other Post Employment Benefit Plans For the Fiscal Year Ended June 30, 2023

#### **HPRS**

Valuation Date July 1, 2023

**Actuarial Cost Method Entry Age Normal Method** 

Amortization Method Level Percentage of Payroll, Open Period

Assumed annual payroll growth of 3.50%

20 Years Remaining Amortization Period

Asset Valuation Method 5-Year smoothed marked

Inflation 2.25%

Salary Increases Service-based table for members with less than five years of service and age-based table

for members with more than five years of service.

6.5% Investment Rate of Return

Age-based table of rates that are specific to the type of eligibility condition Retirement Age

Mortality

Pub-2010 Healthy Retiree Mortality table (for General Employees), sexdistinct, with rates multiplied by 103% for males and 101% for females. Pub-2010 Disabled Retiree Mortality table (for General Employees), sex-distinct, with rates multiplied by 117% for males and 112% for females. Pub-2010 Employee Mortality table (for General Employees), sex-distinct, with rates multiplied by 92% for both males and females. Mortality rates are projected from

2010 using the MP-2019 scale.

Other Notes There were no benefit changes during the year.

> The assumptions were updated beginning with the actuarial valuation as of July 1, 2020 based on an experience study covering the period July 1, 2014 through July 1, 2019. The investment return assumption was decreased from 7.00% to 6.50% beginning with the

actuarial valuation as of July 1, 2022.

The employer rate to the System is the statutory contribution rate of 19.70% of payroll. The statutory employer and employee contributions will each increase by 0.5% of pay every year from January 1, 2022 to January 1, 2025 ultimately increasing both by 2.0% of pay.

#### **Required Supplementary Information** Information About the State's Pension and Other Post Employment Benefit Plans For the Fiscal Year Ended June 30, 2023

#### **JSND**

Valuation Date July 1, 2023

**Actuarial Cost Method** Frozen Initial Liability (Aggregate since no initial Liability remains)

Amortization Method Not Applicable

Asset Valuation Method 5-Year smoothed marked

Inflation 2.25%

**COLA** 2.25%

Salary Increases 3.50%

Investment Rate of Return 3.00%

Age-based table of rates that are specific to the type of eligibility condition Retirement Age

Pub-2010 Healthy Retiree Mortality table (for General Employees), sex distinct, with rates Mortality

multiplied by 103% for males and 101% for females. Pub-2010 Disabled Retiree Mortality table (for General Employees), sex-distinct, with rates multiplied by 117% for males and 112% for females. Pub-2010 Employee Mortality table (for General Employees), sex-distinct, with rates multiplied by 92% for both males and females. Mortality rates are projected from 2010 using the MP-2019 scale.

Other Notes There were no benefit changes during the year.

> The assumptions were updated beginning with the actuarial valuation as of July 1, 2020 based on an experience study covering the period July 1, 2014 through July 1, 2019. The Board approved lowering the investment return assumption from 3.75 percent to 3.00

percent, first effective July 1, 2022.

The System has assets in excess of the present value of future benefits. Therefore, no

employer contributions are being made.

#### Required Supplementary Information Information About the State's Pension and Other Post Employment Benefit Plans For the Fiscal Year Ended June 30, 2023

#### TFFR:

Amortization method Level percentage of payroll, closed

Remaining amortization Period 20 years

Asset valuation method 5-year smoothed market

Inflation 2.30%; decrease from 2.75% prior to 7/1/2020 and from 3% prior to 7/1/2015.

Salary increases 3.80% - 14.80% including inflation and productivity; 4.25% - 14.5% prior to 7/1/2020; 4.5% -

14.75% prior to 7/1/2015.

Investment rate of return 7.25%, net of investment expenses, including inflation; rate decreased from 7.75%

beginning 7/1/2020 and decreased from 8% beginning 7/1/2015.

Retirement age In the 2020 and 2015 valuation, rates of retirement were changed to better reflect

anticipated future experience.

Mortality In the 2020 valuation, the PubT-2010 pre-retirement, retiree and contingent survivor tables

were adopted and for disabled members, PubNS-2010 tables were adopted; all with

generational improvement.

In the 2015 valuation, assumed life expectancies were adjusted as a result of adopting the RP-2014 mortality tables with generational improvement. In prior years, those assumptions

were based on percentages of GRS post termination non-disabled tables and RP-2000

disabled-life tables.

#### **Required Supplementary Information** Information About the State's Pension and Other Post Employment Benefit Plans For the Fiscal Year Ended June 30, 2023

#### **RHIC**

Valuation Date July 1, 2023

Actuarial Cost Method Entry Age Normal Method

Amortization Method N/A

Asset Valuation Method 5-Year smoothed marked

Inflation 2.25%

Salary Increases Not Applicable

Investment Rate of Return 5.75%

Retirement Age Age-based table of rates that are specific to the type of eligibility condition

Pub-2010 Healthy Retiree Mortality table (for General Employees), sex distinct, with rates multiplied by 103% for males and 101% for females. Pub-2010 Disabled Retiree Mortality Mortality table (for General Employees), sex-distinct, with rates multiplied by 117% for males and

112% for females. Pub-2010 Employee Mortality table (for General Employees), sex-distinct, with rates multiplied by 92% for both males and females. Mortality rates are projected from 2010 using the MP-2019 scale.

Other Notes Beginning January 1, 2020, members first enrolled in the NDPERS Main System and the

Defined Contribution Plan on or after that date will not be eligible to participate in RHIC. Therefore, RHIC will become for the most part a closed plan. There were no other benefit

changes during the year.

The investment return assumption was decreased from 7.25% to 6.5% beginning with the actuarial valuation as of July 1, 2020. All other actuarial assumptions were adopted by the Board based on an experience study covering the period July 1, 2015, through June 30,

2019.

The determination of the actuarial rate was changed effective July 1, 2019 to equal the rate needed to pay off the unfunded liability and future NC contributions at the end of 20 years

as a level percent of closed group (decreasing) payroll.

The employer rate to the System is the statutory contribution rate of 1.14% of payroll.

#### Schedule of Investment Returns

	Public Employees Retirement System	Highway Patrolmen's Retirement System	Job Service North Dakota	Teachers' Fund for Retirement	Retiree Health Insurance Credit Fund
2023	8.13 %	7.86 %	3.30 %	7.35 %	10.82 %
2022	(6.32)%	(6.50)%	(5.55)%	(6.17)%	(14.48)%
2021	27.43 %	23.90 %	6.81 %	26.36 %	25.58 %
2020	3.57 %	3.28 %	3.09 %	3.37 %	5.37 %
2019	5.69 %	5.39 %	7.00 %	5.46 %	6.75 %
2018	9.21 %	9.16 %	3.32 %	9.15 %	7.01 %
2017	13.01 %	12.93 %	5.85 %	12.81 %	11.75 %
2016	0.49 %	0.48 %	5.14 %	0.39 %	0.83 %
2015	3.61 %	3.66 %	3.41 %	3.56 %	0.00 %
2014	16.29 %	16.20 %	13.46 %	16.35 %	0.00 %

Required Supplementary Information Information About the State's Pension and Other Post Employment Benefit Plans For the Fiscal Year Ended June 30, 2023

#### Met Life Insurance Plan:

Actuarial Cost Method Entry age normal actuarial cost method was used in the valuation.

Changes of Assumptions

The following changes were made to the actuarial assumptions and methods effecting July 1, 2022:

- The discount rate is 4.09 percent based on the S&P Municipal Bond 20 Year High Grade Rate Index as of June 30, 2022, compared to the prior discount rate of 2.66%.
- Mortality was updated from table RP-2014 adjusted to 2006 and projected using scale MP-2019 to table PubG-2010 Headcount Weighted with improvement scale MP-2021.



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## **Combining Financial Statements**

## **Nonmajor Governmental Funds**

#### **Permanent Fund**

A permanent fund is used to report resources that are legally restricted to the extent than only earnings, and not principal, may be used to for the benefit of the government or its citizens.

#### 956-Coal Development Permanent Fund

The Coal Development Fund reports resources that are constitutionally committed for distribution to other state funds and for making loans to energy impacted entities and school districts.

#### 410-Veterans' Postwar Trust Fund

The Veterans' Postwar Trust Fund reports resources that are constitutionally committed to be utilized for programs which must be of benefit and service to veterans, who are defined by legislative enactment, or their dependents.

#### **Capital Projects Fund**

A capital projects fund is used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

#### 960-Building Authority

Account for the acquisition or construction of buildings primarily for use by the State and making any improvements connected to those buildings.

#### **Debt Service Funds**

A debt service fund is used to account for accumulation for resources for, and the payment of, principal and interest on long-term debt.

#### 919-Building Authority Debt Service Fund

Account for accumulation of resources for, and the payment of, principal and interest on bonds issued by the North Dakota Building Authority.

#### 935-Legacy Bond Program

Legacy Bond Program through the Bank of North Dakota to be used for infrastructure projects and programs.

#### Combining Balance Sheet Nonmajor Governmental Funds June 30, 2023

	P	erm Trust Fun	d		ebt Service Fun	ds	Capital Proj. Fund	
	Coal Development Trust Fund	Veteran's Postwar Trust Fund	Total	Building Authority	Legacy Bond Program	Total	Building Authority	Total Nonmajor Governmental Funds
ASSETS								
Cash Deposits at the Bank of ND	\$ 204,938	\$ 673,908	\$ 878,846	\$ 32,000	\$ 42,407,000	\$ 42,439,000	\$ 423,000	\$ 43,740,846
Cash and Cash Equivalents	_	190,038	190,038	_	_	_	_	190,038
Investments at the Bank of ND	_	_	_	236,000	478,256,000	478,492,000	_	478,492,000
Investments	44,917,425	7,375,174	52,292,599	_	_	_	_	52,292,599
Accounts Receivable - Net	_	3,255	3,255	_	_	_	_	3,255
Taxes Receivable - Net	96,243	517	96,760	_	_	_	_	96,760
Interest Receivable - Net	117,101	20,699	137,800	_	73,000	73,000	_	210,800
Due from Other Funds	_	9	9	_	_	_	_	9
Loans and Notes Receivable - Net	33,177,357	_	33,177,357	_	_	_	_	33,177,357
Total Assets	78,513,064	8,263,600	86,776,664	268,000	520,736,000	521,004,000	423,000	608,203,664
DEFERRED OUTFLOWS OF RESOURCES								
Total Deferred Outflows of Resources		_			_			
Total Assets and Deferred Outflows of Resources	\$ 78,513,064	\$ 8,263,600	\$ 86,776,664	\$ 268,000	\$ 520,736,000	\$ 521,004,000	\$ 423,000	\$ 608,203,664
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts Payable	9,270	22,666	31,936	6,000	_	6,000	_	37,936
Securities Lending Collateral	6,540,937	_	6,540,937	_	_	_	_	6,540,937
Due to Other Funds	140,223	_	140,223	_	_	_	_	140,223
Total Liabilities	6,690,430	22,666	6,713,096	6,000	_	6,000		6,719,096
DEFERRED INFLOWS OF RESOURCES								
Total Deferred Inflows of Resources								
Fund Balances:								
Nonspendable	71,585,466	7,519,292	79,104,758					79,104,758
Restricted	71,363,400	7,319,292	79,104,736	262,000	E20 726 000	E20 008 000	423,000	
Committed	237,168	721,642	958,810	202,000	520,736,000	520,998,000	423,000	521,421,000 958,810
Committee	237,100	721,042	930,010	_	_	_	_	936,610
Total Fund Balances	71,822,634	8,240,934	80,063,568	262,000	520,736,000	520,998,000	423,000	601,484,568
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 78,513,064	\$ 8,263,600	\$ 86,776,664	\$ 268,000	\$ 520,736,000	\$ 521,004,000	\$ 423,000	\$ 608,203,664

Combining Statement of Revenues, Expenditures and Changes in Fund Balance Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2023

		Perm Trust Fund		D	ebt Service Fund	s	Capital Proj. Fund	
	Coal Development Trust Fund	Veteran's Postwar Trust Fund	Total	Building Authority	Legacy Bond Program	Total	Building Authority	Total Nonmajor Governmental Funds
REVENUES								
Individual and Corporate Income Taxes	\$ —	\$ 28,608 \$	28,608	\$ —	\$	\$ —	\$ —	\$ 28,608
Oil, Gas, and Coal Taxes	1,440,993	_	1,440,993	_	_	_	_	1,440,993
Licenses, Permits and Fees	_	16,809	16,809	_	_	_	_	16,809
Sales and Services	_	10,130	10,130	_	_	_	_	10,130
Interest and Investment Income	2,090,354	540,110	2,630,464	3,000	4,848,000	4,851,000	18,000	7,499,464
Miscellaneous	_	547,966	547,966	_	_	_	_	547,966
Total Revenues	3,531,347	1,143,623	4,674,970	3,000	4,848,000	4,851,000	18,000	9,543,970
EXPENDITURES								
Current:								
General Government	321,174	60,775	381,949	_	_	_	_	381,949
Health and Human Services	_	149,226	149,226	_	_	_	_	149,226
Regulatory	_	_	_	_	76,754,539	76,754,539	_	76,754,539
Debt Service:								
Principal	_	_	_	5,955,000	_	5,955,000	_	5,955,000
Interest and Other Charges	_	_	_	4,526,000	13,821,000	18,347,000	_	18,347,000
Bond and Note Cost of Issuance	_	_	_	_	1,523,000	1,523,000	_	1,523,000
Total Expenditures	321,174	210,001	531,175	10,481,000	92,098,539	102,579,539		103,110,714
Revenues over (under) Expenditures	3,210,173	933,622	4,143,795	(10,478,000)	(87,250,539)	(97,728,539)	18,000	(93,566,744)
OTHER FINANCING SOURCES (USES)								
Bonds and Notes Issued	_	_	_	_	319,038,000	319,038,000	_	319,038,000
Transfers In	_	_	_	10,047,000	_	10,047,000	_	10,047,000
Transfers Out	(1,850,719)	_	(1,850,719)	_	(24,513,461)	(24,513,461)	(3,712,000)	(30,076,180)
Total Other Financing Sources (Uses)	(1,850,719)	_	(1,850,719)	10,047,000	294,524,539	304,571,539	(3,712,000)	299,008,820
Net Change in Fund Balances	1,359,454	933,622	2,293,076	(431,000)	207,274,000	206,843,000	(3,694,000)	205,442,076
Fund Balances - Beginning of Year	70,463,180	7,307,312	77,770,492	693,000	313,462,000	314,155,000	4,117,000	396,042,492
Fund Balances - End of Year	\$ 71,822,634	\$ 8,240,934 \$	80,063,568	\$ 262,000	\$ 520,736,000	\$ 520,998,000	\$ 423,000	\$ 601,484,568

## Nonmajor Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises—where the intent of the State is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the State has decided that periodic determination of net income is appropriate for accountability purposes.

#### **BANK OF NORTH DAKOTA**

#### 907 - School Construction Assistance Revolving Loan Fund

Fund used to provide low-interest school construction loans.

#### 459 (914) - Innovation Technology Loan Fund (LIFT)

Fund used to provide loans for commercialization of intellectual property within the State of North Dakota. Industries eligible for loans include advanced computing and data management, agriculture technology, autonomous and unmanned vehicles and related technology, energy, health care, value- added agriculture, value added energy, and any other industry or area identified by the committee that will contribute to the diversification of the state's economy.

#### 934 - Infrastructure Revolving Loan Fund

Fund used to provide loans to political subdivisions for essential infrastructure projects.

#### 954 - Addiction Counselor Internship Loan Program

Fund used to provide loans to qualified individuals participating in a paid or unpaid internship at a licensed substance abuse treatment facility in North Dakota in order to obtain licensure as an addiction counselor.

#### 984 - Medical Facility Infrastructure Loan Program

Fund used to make loans to medical facilities to conduct construction that improves the health care infrastructure in the state or improves access to existing nonprofit health care providers in the state.

#### 985 - Rebuilders Permanent Loan Fund

Fund used to make loans to North Dakota 2011 flood-damaged homeowners to provide financial assistance needed to repair their home.

#### 961-Clean Sustainable Energy Loan Fund

Fund used to enhance the production of clean sustainable energy, to make the state a world leader in the productions of clean sustainable energy, and to diversity and grow the state's economy.

#### 900-Agriculture Diversification and Development Fund

Fund used for loan disbursements, grants, and administrative costs.

#### **BONDING**

#### 210 (924) - State Bonding Fund

Fund used to maintain the bonding of public employees and officials of the state, county, city or other unit of local government.

#### **COMMUNITY WATER FACILITY LOAN**

#### 974 - Water Infrastructure Revolving Loan Fund

Accounts for supplementary financing in conjunction with federal moneys available to improve adequate water supplies.

#### **FIRE AND TORNADO**

#### 211 (923) - State Fire and Tornado Fund

Accounts for state agencies and political subdivisions to insure against loss to the public buildings, fixtures and permanent contents therein, through fire, lightning, windstorm, etc.

#### **GUARANTEED STUDENT LOAN**

#### 969 - North Dakota Guaranteed Student Loan

Accounts for the revenues and expenses associated with the administration, development and operation of the guaranteed loan program.

#### HIT PLANNING LOAN FUND

#### 987 - HIT Planning Loan Fund

Fund to provide low-interest loans to health care entities to improve health information technology infrastructure.

#### INFORMATION TECHNOLOGY DEPARTMENT

#### 408 (903) - Edutech Fund

Fund used for professional development sessions and presentations by the Information and Technology Department.

#### 476 (908) - SW Interoperable Radio Network Fund

Fund used for a radio broadcasting system for the state that enables seamless interoperable communications from local, state, and federal levels.

#### **MILL AND ELEVATOR**

#### 970 - Mill and Elevator

Accounts for revenues and expenditures associated with the operation of the Mill and Elevator.

#### PERS UNIFORM GROUP INSURANCE

#### 980 - Public Employees Retirement System Group Insurance

Accounts for the administrative revenues and expenses associated with this insurance purchasing pool.

#### **ROUGHRIDER INDUSTRIES**

#### 926 - Roughrider Industries

Accounts for the revenues and expenses associated with the operation, manufacture and sale of products made by the prison inmates.

#### **STATE FAIR**

#### 601 (977) - State Fair

Accounts for revenues and expenditures associated with the operation of the State Fair.

#### STATE LOTTERY FUND

#### 966 (292) - State Lottery Fund

Accounts for operations of the North Dakota lottery.

#### STUDENT LOAN

#### 975 - North Dakota Student Loan Trust

Accounts for loans to students in post secondary education. The trust acquires eligible loans guaranteed or insured by the United States government or the North Dakota Guaranteed Student Loan Program.

#### **UNEMPLOYMENT COMPENSATION FUND**

#### 967 - Job Service-Expendable Trust Fund

Accounts for State unemployment taxes collected from employers for the purpose of paying unemployment benefits.

## Combining Statement of Net Position Nonmajor Enterprise Funds June 30, 2023

Julie 30, 2023		Addiction Counselor Internship Loan	Div	griculture rersification evelopment Fund	Bonding		Clean Sustainable nergy Loan Fund	Edutech	Fire and Tornado	Guaranteed Student Loan
ASSETS	_									
Current Assets:										
Cash Deposits at the Bank of ND	\$	116,820	\$	6,096,812 \$	682,075	\$	364,000 \$	524,697		\$ 50,186,679
Cash and Cash Equivalents		_		_	1,054,118		_	_	1,164,196	_
Investments at the Bank of ND		_		_	_		_	_	_	_
Investments		_		_	2,040,880		_	- 07.050	16,444,349	_
Accounts Receivable - Net Interest Receivable - Net		923		_	156,322 26,664		79,000	27,950	60,859 142,649	_
Interest Receivable - Net Intergovernmental Receivable - Net		923		_	20,004		79,000	_	142,049	_
Due from Other Funds		_		_	_		_	55,311	_	43,097
Prepaid Items		_		2,007,351			_	55,511	550,938	43,097
Inventory		_		2,007,001	_		_	_	330,330	_
Loans and Notes Receivable - Net		13,699		_	_		1,121,000	_	_	_
Other Assets		_		_	_			_	_	_
Restricted Cash at the Bank of ND		_		_	_		_	78,537	_	1,843
Restricted Cash and Cash Equivalents		_		_	_		_	_	_	_
Restricted Investments at the Bank of ND		_		_	_		_	_	_	_
Restricted Loans Receivable - Net		_		_	_		_	_	_	_
Total Current Assets		131,442		8,104,163	3,960,059		1,564,000	686,495	19,350,802	50,231,619
Noncurrent Assets:										
Loans and Notes Receivable - Net		55,069		_	_		32,140,000	_	_	_
Other Noncurrent Assets		_		_	_		· · · —	_	_	_
Capital Assets:										
Nondepreciable		_		_	_		_	_	_	_
Depreciable, Net		_		_	_		_	_	_	_
Total Noncurrent Assets		55,069		_	_		32,140,000	_	_	
Total Assets		186,511		8,104,163	3.960.059		33,704,000	686.495	19,350,802	50,231,619
	_	100,011		0,101,100	0,000,000		00,701,000	000,100	10,000,002	00,201,010
DEFERRED OUTFLOWS OF RESOURCES										
Decrease in Fair Value of Hedging Derivatives		_		_	_		_	_	_	_
Derived from Pensions		_		_	_		_	_	_	_
Derived from OPEB		_		_	_		_	_	_	_
Total Deferred Outflows of Resources		_		_	_		_	_	_	
LIABILITIES										
Current Liabilities:										
Accounts Payable		_		_	37		_	144,188	216	477,574
Accrued Payroll		_		_	2,004		_	6,171	15,451	_
Securities Lending Collateral		_		_	16,407		_	_	93,534	_
Interest Payable		_		_	_		1,509,000	_	_	_
Intergovernmental Payable		_		_	_		_	_	7,799	_
Due to Other Funds		_		_	_		35,022,000	540	_	5,000
Claims/Judgments Payable		_		_	134,068		_	_	2,933,355	_
Compensated Absences Payable		_		_	_		_	_	_	_
Leases/SBITAs Payable		_		_	_		_	_	_	_
Bonds Payable		_		_	_		_	_	_	_
Financial Derivative Instrument		_		_	_		_	_	_	_
Unearned Revenue Other Current Liabilities		_		_	_		_	_	_	1.654.407
Total Current Liabilities					152,516		36,531,000	150,899	3,050,355	1,654,407 2,136,981
	_				152,516		30,331,000	150,699	3,030,333	2,130,961
Noncurrent Liabilities:										
Compensated Absences Payable		_		_	_		_	_	_	_
Leases/SBITAs Payable		_		_	_		_	_	_	_
Bonds Payable		_		_	_		_	_	_	_
Net Pension Liability Net Pension OPEB		_		_	_		_	_	_	_
Other Noncurrent Liabilities		_		_	_		_	_	_	 27,644,871
Total Noncurrent Liabilities										27,644,871
	_									
Total Liabilities					152,516		36,531,000	150,899	3,050,355	29,781,852
DEFERRED INFLOWS OF RESOURCES										
Derived from Pensions		_		_	_		_	_	_	_
Derived from OPEB		_		_	_		_	_	_	_
Total Deferred Inflows of Resources										
	_									
Net Position										
Net Investment in Capital Assets		_		_	_		_	_	_	_
Restricted for:										
Debt Service		_		_	_		_	_	_	_
Loan Purposes		_		_	_		_	_	_	_
Unemployment Compensation		_		_	_		_	_	_	_
Other Unrestricted		— 186,511		8,104,163	3,807,543		(2,827,000)	535,596	16,300,447	20,449,767
GIII GBUIDIO		100,011		0,104,103	0,007,043		(2,021,000)	333,380	10,000,447	20,443,707
Total Net Position	\$	186,511	\$	8,104,163 \$	3,807,543	\$	(2,827,000) \$	535,596	\$ 16,300,447	\$ 20,449,767
	Ψ	100,011	Ψ	5,.0π,100 φ	0,007,040	Ψ	(=,521,500) Φ	000,000	0,000,777	- 20,770,101

	T Planning oan Fund	Infrastructure Revolving Loan Fund	Interoperable Radio Network Fund	Innovation Loan Fund	Medical Facility Infrastructure Loan Fund	Mill and Elevator	PERS Uniform Group Insurance	Rebuilders Permanent Loan Program	Roughrider Industries	School Construction Assistance Loan Fund
\$	_	\$ 20,647,000	\$ 60,427,873	\$ 6,971,000	\$ 9,322,000	\$ 225	\$ 1,656,216	\$ 10,307,071	\$ 11,144,168	\$ 38,104,000
	_	_	_	_	_	_	2,858,504	_	500	_
	_	_	_	_	_	_		_	_	_
	_	_	306,476	_	_	80,692,136	55,676,252 300,339	_	982,696	_
	433	842,000		8,000	24,000			29,562	- 302,030	1,564,000
	_	_	_	_	_	_	_	_	_	_
	_	_	3,106,674	_	_	_	_	_	185,712	_
	_	_	_	_	_	2,023,103	_	_	34,506	_
	265,492	11,792,000	_	2,707,000	2,060,000	46,036,722 2,117,647	_	4,222,765	3,300,977	23,696,000
	200,492	11,792,000	_	2,707,000	2,060,000	2,117,047	108,845	4,222,705	401	23,090,000
	2,835,337	_	_	_	_	_	_	_	_	_
	_	_	_	_	_	_	_	_	_	_
	_	_	_	_	_	_	_	_	_	_
	3,101,262	33,281,000	63,841,023	9,686,000	11,406,000	130,869,833	60,600,156	14,559,398	15,648,960	63,364,000
	294,368	123,494,000	_	16,503,000	39,325,000	6,352,941	_	27,608,791	_	250,306,000
	_	_	_	_	_	963,471	_	_	_	_
	_	_	2,161,790	_	_	18,899,156	_	_	_	_
	_	_	18,121,509	_	_	159,586,782	96,925	_	1,425,783	_
	294,368	123,494,000	20,283,299	16,503,000	39,325,000	185,802,350	96,925	27,608,791	1,425,783	250,306,000
	3,395,630	156,775,000	84,124,322	26,189,000	50,731,000	316,672,183	60,697,081	42,168,189	17,074,743	313,670,000
	_	_	_	_	_	148,375	_	_	0.700.504	_
	_	_	_	_	_	17,059,774 583,918	_	_	2,726,524 97,995	_
						17,792,067				
						17,792,007			2,824,519	
	1,120	_	1,216,884		_	30,964,606	874,790	5,403	320,580	
	1,120	_	25,210	_	_	528,229	109,241	3,403	168,427	_
	_	_		_	_	_	_	_	_	_
	_	_	43,080	_	_	_	_	_	_	_
	_					_	_			
	_	165,000	40,000,000	28,000	53,000	110,588,654	8,905	13,749,354	18,396	349,000
	_	_	_	_	_	98,609	7,137	_	_	_
	_	_	56,271	_	_	8,115,585		_	_	_
	_	_	_	_	_	_	_	_	_	_
	_	_	_	_	_	148,375	_	_	_	_
	_	_	_	_	_	2 201 162	_	_	_	_
	1,120	165,000	41,341,445	28,000	53,000	3,291,163 153,735,221	1,000,073	13,754,757	507,403	349,000
	1,120	100,000	,,	20,000	00,000	100,100,221	1,000,010	10,701,701	001,100	0.10,000
	_	_	27,688	_	_	1,079,519	78,027	_	_	_
	_	_	12,340,138	_	_	20,041,099		_	_	_
	_	_	_	_	_	_	_	_	_	_
	_	_	_	_	_	24,149,157	_	_	3,937,829	_
	_	_	_	_	_	939,974	_	_	174,706	_
			12,367,826			46,209,749	78,027		4,112,535	
	1,120	165,000	53,709,271	28,000	53,000	199,944,970	1,078,100	13,754,757	4,619,938	349,000
				-	-		-			-
	_	_	_	_	_	9,477,546	_	_	1,560,703	_
	_	_	_	_	_	8,083	_	_	2,932	_
						9,485,629			1,563,635	
			7 0 4 2 0 4 0			135 424 470	06.005		1 405 700	
	_	_	7,843,810	_	_	135,431,478	96,925	_	1,425,783	_
	2 835 227	_	_	_	_	_	_	_	_	_
	2,835,337	_	_	_	_	_	_	_	_	_
		_	_		_					
_	559,173	156,610,000	22,571,241	26,161,000	50,678,000	(10,397,827)	59,522,056	28,413,432	12,289,906	313,321,000
\$	3,394,510	\$ 156,610,000	\$ 30,415,051	\$ 26,161,000	\$ 50,678,000	\$ 125,033,651	\$ 59,618,981	\$ 28,413,432	\$ 13,715,689	\$ 313,321,000

## Combining Statement of Net Position Nonmajor Enterprise Funds (Continued) June 30, 2023

June 30, 2023					Water	
	State Fair	State Lottery Fund	Student Loan	Unemployment Compensation	vvater Infrastructure Revolving Loan Fund	Total
ASSETS	T dil	i unu	Loan	Оотгрензацон	i unu	Total
Current Assets:						
Cash Deposits at the Bank of ND	\$ 8,887,499 \$	9,192,032 \$	_	\$ 67,327	\$ 24,884,000 \$	260,569,305
Cash and Cash Equivalents	149,273	603,159	_	310,697,903	_	316,527,653
Investments at the Bank of ND	2,000,000	_	_	_	_	2,000,000
Investments Accounts Receivable - Net	 62,412	— 374,979		28,298,220	_	74,161,481 111,262,389
Interest Receivable - Net	02,412	374,979	1,000	1,509,811	237,000	4,465,042
Intergovernmental Receivable - Net	_	_	- 1,000	638,965		638,965
Due from Other Funds	_	_	7,000	830	_	3,398,624
Prepaid Items	53,169	12,500	_	_	_	4,681,567
Inventory	_	_	_	_	_	49,337,699
Loans and Notes Receivable - Net	_	_	_	_	2,719,000	50,714,603
Other Assets	_	_	_	_	_	109,246
Restricted Cash at the Bank of ND	_	_	713,000	_	_	2,915,717
Restricted Cash and Cash Equivalents Restricted Investments at the Bank of ND	_	_	1,000,000	_	_	713,000 1,000,000
Restricted Loans Receivable - Net	_	_	59,000	_	_	59,000
Total Current Assets	11,152,353	10,182,670	1,780,000	341,213,056	27,840,000	882,554,291
	11,102,000	10,102,010	1,1 00,000	0.11,2.10,000	21,010,000	002,001,201
Noncurrent Assets:						
Loans and Notes Receivable - Net Other Noncurrent Assets	_	4 545 400	434,000	_	36,656,000	533,169,169
Capital Assets:	_	1,515,183	_	_	_	2,478,654
Nondepreciable	806,667	_	_	_	_	21,867,613
Depreciable, Net	20,194,441	112,836	_	_	_	199,538,276
Total Noncurrent Assets	21,001,108	1,628,019	434,000		36,656,000	757,053,712
Total Assets	32,153,461	11,810,689	2,214,000	341,213,056	64,496,000	1,639,608,003
DEFERRED OUTFLOWS OF RESOURCES						
Decrease in Fair Value of Hedging Derivatives	_	_	_	_	_	148,375
Derived from Pensions	1,894,257	1,153,800	_	_	_	22,834,355
Derived from OPEB	39,782	43,830	_	_	_	765,525
Total Deferred Outflows of Resources	1,934,039	1,197,630		_		23,748,255
LIABILITIES						
Current Liabilities:						
Accounts Payable	12,753	649,894	_	9,790,337	_	44,458,382
Accrued Payroll	166,593	92,900	_	_	_	1,114,226
Securities Lending Collateral	_	_	_	_	_	109,941
Interest Payable	_	_	_	4 400 005	_	1,552,080
Intergovernmental Payable  Due to Other Funds	_	7,412,650	6,000	1,460,885 95,343	49,000	1,468,684 207,550,842
Claims/Judgments Payable	_	7,412,030	0,000	95,545	49,000	3,067,423
Compensated Absences Payable	70,000	_	_	_	_	175,746
Leases/SBITAs Payable	_	34,002	_	_	_	8,205,858
Bonds Payable	135,000	_	_	_	_	135,000
Financial Derivative Instrument	_	_	_	_	_	148,375
Unearned Revenue	_	354,362	_	_	_	354,362
Other Current Liabilities						4,945,570
Total Current Liabilities	384,346	8,543,808	6,000	11,346,565	49,000	273,286,489
Noncurrent Liabilities:						
Compensated Absences Payable	29,644	71,469	_	_	_	1,286,347
Leases/SBITAs Payable	_	72,489	_	_	_	32,453,726
Bonds Payable	1,007,754	_	1,000,000	_	_	2,007,754
Net Pension Liability	2,691,825	1,699,032	_	_	_	32,477,843
Net Pension OPEB	88,361	79,618	_	_	_	1,282,659
Other Noncurrent Liabilities	2 047 504	4 000 600	1,000,000			27,644,871 97,153,200
Total Noncurrent Liabilities  Total Liabilities	3,817,584 4,201,930	1,922,608	1,000,000	11,346,565	49,000	370,439,689
Total Liabilities	4,201,930	10,400,410	1,000,000	11,340,303	49,000	370,439,069
DEFERRED INFLOWS OF RESOURCES						
Derived from Pensions	1,158,895	717,562	_	_	_	12,914,706
Derived from OPEB	10,212	1,747	_	_	_	22,974
Total Deferred Inflows of Resources	1,169,107	719,309	_	_		12,937,680
Net Position Net Investment in Capital Assets	19,858,356	6,345	_	_	_	164,662,697
Restricted for:  Debt Service	_	_	772,000		_	772,000
Loan Purposes	_	_		_	_	2,835,337
Unemployment Compensation	_	_	_	329,866,491	_	329,866,491
Other	_	1,515,183	_	_	_	1,515,183
Unrestricted	8,858,107	301,066	436,000		64,447,000	780,327,181
Total Net Position	\$ 28,716,463 \$	1,822,594 \$	1,208,000	\$ 329,866,491	\$ 64,447,000 \$	1,279,978,889



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Combining Statement of Revenues, Expenses and Changes in Fund Net Position Nonmajor Enterprise Funds

For the Fiscal Year Ended June 30, 2023

·	Addiction Counselor Internship Loan	Agriculture Diversification Development Fund	Bonding	Clean Sustainable Energy Loan Fund	Edutech	Fire and Tornado	Guaranteed Student Loan
OPERATING REVENUES							
Sales and Services	\$ —	\$	\$ 6,628	\$ —	\$ 622,833 \$	2,576,474 \$	2,478,655
Royalties and Rents	_	_	_	_	_	_	_
Interest and Investment Income	4,364	_	_	433,000	_	_	_
Miscellaneous	_	_	_	_	_	_	_
Total Operating Revenues	4,364	_	6,628	433,000	622,833	2,576,474	2,478,655
OPERATING EXPENSES							
Cost of Sales and Services	_	_	_	_	_	_	_
Salaries and Benefits	_	_	_	_	195,663	_	_
Operating	3,348	1,375,000	_	1,062,000	686,299	755,939	2,464,655
Claims	_	_	_	_	_	4,529,478	_
Interest	_	145,837	_	1,415,000	_	_	_
Depreciation	_	_	_	_	_	_	_
Miscellaneous	_	_	114	_	_	89,297	_
Total Operating Expenses	3,348	1,520,837	114	2,477,000	881,962	5,374,714	2,464,655
Operating Income (Loss)	1,016	(1,520,837)	6,514	(2,044,000)	(259,129)	(2,798,240)	14,000
NONOPERATING REVENUES (EXPENSES)							
Grants and Contracts	_	_	_	_	_	_	_
Interest and Investment Income (Loss)	361	_	70,798	1,000	_	1,002,696	52,137
Interest Expense	_	_	(3,935)	_	_	(39,158)	_
Loss on Sale of Capital Assets	_	_	_	_	_	_	_
Other	_	_	_	_	_	_	_
Total Nonoperating Revenues (Expenses)	361		66,863	1,000		963,538	52,137
Income (Loss) Before Contributions and Transfers	1,377	(1,520,837)	73,377	(2,043,000)	(259,129)	(1,834,702)	66,137
Transfers In	_	_	_	_	_	_	_
Transfer Out	_	_	_	_	_	_	_
Change in Net Position	1,377	(1,520,837)	73,377	(2,043,000)	(259,129)	(1,834,702)	66,137
Total Net Position - Beginning of Year, as Restated	185,134	9,625,000	3,734,166	(784,000)	794,725	18,135,149	20,383,630
Total Net Position - End of Year	\$ 186,511	\$ 8,104,163	\$ 3,807,543	\$ (2,827,000)	\$ 535,596 \$	16,300,447 \$	20,449,767

	T Planning .oan Fund	Infrastructure Revolving Loan Fund	Interoperable Radio Network Fund	Innovation Loan Fund	Medical Facility Infrastructure Loan Fund	Mill and Elevator	PERS Uniform Group Insurance	Rebuilders Permanent Loan Program	Roughrider Industries
\$	_	\$ —	\$ 6,617,928 \$	_	s —	\$ 445,841,075	\$ 356,058,747	s —	\$ 10,057,943
Ψ	_	_	— 0,017,020 <b>—</b>	_	_		—	_	132,783
	22,048	2,420,000	_	17,000	435,000	_	_	377,617	_
	_	_	_	_	_	_	6,215	146,808	188,998
	22,048	2,420,000	6,617,928	17,000	435,000	445,841,075	356,064,962	524,425	10,379,724
	_	_	_	_	_	380,471,835	_	_	6,101,836
	_	_	150,767	_	_	24,761,502		_	2,880,060
	5,526	951,000	2,884,652	2,711,000	224,000	11,096,917	356,831,654	281,090	1,008,346
	_	_	_	_	_	_	_	_	_
	_	_	_	_	_	_	_	_	_
	_	_	2,948,086	_	_	7,300,087	26,834	_	168,023
	_	_	_	_	_	_	_	_	_
	5,526	951,000	5,983,505	2,711,000	224,000	423,630,341	358,033,439	281,090	10,158,265
	16,522	1,469,000	634,423	(2,694,000)	211,000	22,210,734	(1,968,477)	243,335	221,459
	_	_	_	_	_	_	_	_	_
	_	75,000	58,527	25,000	28,000	90,643	2,274,876	28,878	_
	_	_	(334,358)	_	_	(5,025,601)		_	_
	_	_	_	_	_	(120,074) 82,563			_
	_	75,000	(275,831)	25,000	28,000	(4,972,469	) 1,994,876	28,878	
	16,522	1,544,000	358,592	(2,669,000)	239,000	17,238,265	26,399	272,213	221,459
	_	24,598,000	_	_	_	_	_	_	_
	(3,000,000)	_	_	_	_	(9,104,608	) –	_	_
	(2,983,478)	26,142,000	358,592	(2,669,000)	239,000	8,133,657	26,399	272,213	221,459
	6,377,988	130,468,000	30,056,459	28,830,000	50,439,000	116,899,994	59,592,582	28,141,219	13,494,230
\$	3,394,510	\$ 156,610,000	\$ 30,415,051 \$	26,161,000	\$ 50,678,000	\$ 125,033,651	\$ 59,618,981	\$ 28,413,432	\$ 13,715,689

Combining Statement of Revenues, Expenses and Changes in Fund Net Position Nonmajor Enterprise Funds (Continued) For the Fiscal Year Ended June 30, 2023

	School Construction Assistance Loan Fund	State Fair	State Lottery Fund	Student Loan	Unemployment Compensation	Water Infrastructure Revolving Loan Fund	Total
OPERATING REVENUES							
Sales and Services	\$ - \$	7,478,686 \$	39,507,316 \$	_	\$ 91,932,860	\$ - \$	963,179,145
Royalties and Rents	_	_	_	_	_	_	132,783
Interest and Investment Income	4,888,000	_	_	30,000	_	846,000	9,473,029
Miscellaneous	_	_	_	_	_	_	342,021
Total Operating Revenues	4,888,000	7,478,686	39,507,316	30,000	91,932,860	846,000	973,126,978
OPERATING EXPENSES							
Cost of Sales and Services	_	_	_	_	_	_	386,573,671
Salaries and Benefits	_	2,220,714	1,261,935	_	_	_	32,645,592
Operating	1,492,000	5,316,563	26,902,605	14,000	_	389,000	416,455,594
Claims	_	_	_	_	68,868,118	_	73,397,596
Interest	_	_	3,459	46,000	_	_	1,610,296
Depreciation	_	1,176,501	36,786	_	_	_	11,656,317
Miscellaneous	_	_	_	_	_	_	89,411
Total Operating Expenses	1,492,000	8,713,778	28,204,785	60,000	68,868,118	389,000	922,428,477
Operating Income (Loss)	3,396,000	(1,235,092)	11,302,531	(30,000)	23,064,742	457,000	50,698,501
NONOPERATING REVENUES (EXPENSES)							
Grants and Contracts	_	1,249,774	_	_	_	_	1,249,774
Interest and Investment Income (Loss)	127,000	13,066	15,640	7,000	5,072,711	_	8,943,333
Interest Expense	_	(45,175)	_	_	_	_	(5,448,227)
Loss on Sale of Capital Assets	_	_	_	_	_	_	(120,074)
Other	_	(640)	_	_	_	_	(198,077)
Total Nonoperating Revenues (Expenses)	127,000	1,217,025	15,640	7,000	5,072,711	_	4,426,729
Income (Loss) Before Contributions and Transfers	3,523,000	(18,067)	11,318,171	(23,000)	28,137,453	457,000	55,125,230
Transfers In	_	271,417	_	_	_	_	24,869,417
Transfer Out	(39,000)	_	(11,280,000)	_	_	_	(23,423,608)
Change in Net Position	3,484,000	253,350	38,171	(23,000)	28,137,453	457,000	56,571,039
Total Net Position - Beginning of Year, as Restated	309,837,000	28,463,113	1,784,423	1,231,000	301,729,038	63,990,000	1,223,407,850
Total Net Position - End of Year	\$ 313,321,000 \$	28,716,463 \$	1,822,594 \$	1,208,000	\$ 329,866,491	\$ 64,447,000	1,279,978,889



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#### Combining Statement of Cash Flows Nonmajor Enterprise Funds For the Fiscal Year Ended June 30, 2023

	Addiction Counselor Internship Loan		Agriculture Diversification Development Fund	Bonding	Clean Sustainable Energy Loan Fund	Edutech	Fire and Tornado	Guaranteed Eudent Loan
Cash Flows from Operating Activities:								
Receipts from Customers and Users	\$ -	- \$	-	\$ 9,793	\$ —	\$ 549,389	\$ 2,515,653	\$ 2,652,232
Interest Income on Loans	-	_	_	_	_	_	_	_
Receipts from Loan Principal Repayments	-	_	_	_	_	_	_	1,417,010
Receipts from Other Funds Receipts from Others	_	_	_	_	_	_	_	_
Payments to Other Funds	-	_	_	_	_	_	3,940	_
Payments for Loan Funds	-	_	_	_	49,000	_	_	(4,847,899)
Payments to Suppliers	-	_	_	(224	) —	(582,656)	(964,948)	(812,091)
Payments to Employees	-	_	_	1,689	_	(211,048)	15,451	_
Claim Payments	-	_	_	_	_	_	(3,379,247)	_
Payments to Others	(6,18	2)	(3,528,188)	_	(107,000)	_	_	_
Other								
Net Cash Provided by (Used for) Operating Activities	(6,18	2)	(3,528,188)	11,258	(58,000)	(244,315)	(1,809,151)	(1,590,748)
Cash Flows from Noncapital Financing Activities:								
Proceeds from Sale of Notes and Other Borrowings	-	_	_	_	_	_	_	_
Principal Payments - Notes and Other Borrowings	-	_	_	_	_	_	_	_
Interest Payments - Bonds	-	_	_	_	_	_	_	_
Interest Payments - Notes and Other Borrowings Transfers In	-	_	_	_	_	_	_	_
Transfers Out								
Principal Payments on Due To Other Funds	_		_	_	_	_	_	_
Grants Received	-	_	_	_	_	_	_	_
Net Cash Provided by (Used for) Noncapital Financing Activities		_						
Cash Flows from Capital and Related Financing Activities:								
Acquisition and Construction of Capital Assets	-	_	_	_	20,000,000	_	_	_
Proceeds from Bonds Principal Payments - Bonds	_		_	_	20,000,000	_	_	_
Interest Payments - Bonds			_	_	_	_	_	_
Payment of Bond Issue Costs	-	_	_	_	_	_	_	_
Principal Payments on Lease/SBITA Payable	-	_	_	_	_	_	_	_
Interest Paid on Lease/SBITA Payable	-	_	_	_	_	_	_	_
Net Cash Provided by (Used for) Capital and Related Financing Activities	-		_	_	20,000,000	_	_	
Cash Flows from Investing Activities:								
Proceeds from Sale and Maturities of Investment Securities	_	_	_	_	_	_	_	_
Purchase of Investment Securities	-	_	_	_	_	_	_	_
Net Increase (Decrease) In Investments	-	_	_	(70,979	) —	_	630,461	_
Interest and Dividends on Investments	36	1	_	63,192	1,000	_	952,273	52,137
Net Decrease In Loans	-	_	_	_	(20,012,000)	_	_	_
Disbursements for Loans and Loan Purchases	-	_	_	_	_	_	_	_
Receipt of Loan Principal Repayments	-	_	_	_	_	_	_	_
Proceeds from Collection of Loans and Notes Receivable	13,67	_	_	_	266 000	_	_	_
Loan Income Received	3,26				366,000			
Net Cash Provided by (Used for) Investing Activities	17,30	4		(7,787	) (19,645,000)		1,582,734	52,137
Net Change in Cash:								
Net Increase (Decrease) in Cash and Cash Equivalents	11,12	2	(3,528,188)	3,471	297,000	(244,315)	(226,417)	(1,538,611)
Cash and Cash Equivalents at June 30, 2022	105,69		9,625,000	1,732,722		847,549	2,378,424	51,727,133
Cash and Cash Equivalents at June 30, 2023	\$ 116,82	0 \$	6,096,812	\$ 1,736,193	\$ 364,000	\$ 603,234	\$ 2,152,007	\$ 50,188,522
Reconciliation: Current:								
Cash Deposits at the Bank of North Dakota	116,82	0	6,096,812	1,054,118		524,697	987,811	50,186,679
Cash and Cash Equivalents	-	_	_	682,075	_		1,164,196	
Restricted Cash Deposits at the Bank of North Dakota	-	_	_	_	_	78,537	_	1,843
Restricted Cash and Cash Equivalents	-				_	_	_	 _
Cash and Cash Equivalents	\$ 116,82	0 \$	6,096,812	\$ 1,736,193	\$ 364,000	\$ 603,234	\$ 2,152,007	\$ 50,188,522

	T Planning .oan Fund	Infrastructure Revolving Loan Fund	Interoperable Radio Network Fund	Innovation Loan Fund	Medical Facility Infrastructure Loan Fund	Mill and Elevator		PERS Uniform Group Insurance	Rebuilders Permanent Loan Program	Roughrider Industries	School Construction Assistance Loan Fund
\$	_	\$ —	\$ 4,245,970	\$ —	\$ —	\$ 544,403,772	\$	382,754,653 \$	- \$	10,656,021	\$ —
	22,326	_	_	_	_	_		_	_	_	_
	581,461	_	_	_	_	_		_	_	_	_
	_	_	_	_	_	_		_	_	235,327	_
	_	_	_	_	_	_		_	— (198,177)	(435,251)	_
	_	_	_	_	_	_		_	(190,177)	(433,231)	_
	(6,292)	_	(4,042,626)	_	_	(479,695,166)		(356,132,724)	_	(8,235,998)	(1,325,000)
	_	_	(117,792)	_	_	(21,736,183)		(1,154,979)	_	(2,445,443)	
	_	_	_	_	_	_		_	_	_	_
	_	(592,000)	_	(198,000)	, ,	_		(700.004)	(91,320)	_	_
		_						(728,081)			
	597,495	(592,000)	85,552	(198,000)	(227,000)	42,972,423		24,738,869	(289,497)	(225,344)	(1,325,000)
	_	_	_	_	_	59,950,464		_	_	_	_
	_	_	_	_	_	(75,057,611)		_	_	_	_
	_	_	_	_	_	_		_	_	_	_
	_		_	_	_	(4,915,278)		_	_	_	_
	(3,000,000)	24,598,000	_	_	_	(7.760.250)		(280,000)	_	_	(39,000)
	(3,000,000)	_	_	_	_	(7,760,359)		(280,000)	(2,411,657)	_	(39,000)
	_	_	_	_	_	_		_	(2,411,001)	_	_
	(3,000,000)	24,598,000	_	_	_	(27,782,784)		(280,000)	(2,411,657)	_	(39,000)
	_	_	(14,992)	_	_	(21,301,583)		_	_	(290,087)	_
	_	_	20,000,000	_	_	14,897,776		_	_	_	_
	_	_	_	_	_	_		_	_	_	_
	_	_	_	_	_	_		_	_	_	_
	_	_	(54,859)	_	_	(8,295,991)		_	_	_	_
	_	_	(308,728)	_	_	(815,913)		_	_	_	_
_	_	_	19,621,421	_	_	(15,515,711)		_	_	(290,087)	_
	_	_	_	_	_	_		165,304,190	_	_	_
	_	_	_	_	_	_		(190,611,521)	_	_	_
	_	75.000		24.000	28.000	- 0.042		2,274,876	- 20.070	_	127,000
	_	75,000	58,527	34,000	28,000	9,913		_	28,878	_	127,000
	_	(34,644,000)	_	(4,894,000)	_	_		_	_	_	(34,775,000)
	_	_	_	_	_	_		_	_	_	19,048,000
	_	8,051,000	_	_	2,042,000	_		_	6,038,521	_	_
	_	2,355,000	_	_	436,000	_		_	385,318	_	4,841,000
	_	(24,163,000)	58,527	(4,860,000)	2,506,000	9,913		(23,032,455)	6,452,717	_	(10,759,000)
	(2,402,505)	(157,000)	19,765,500	(5,058,000)		(316,159)		1,426,414	3,751,563	(515,431)	(12,123,000)
_	5,237,842	20,804,000	40,662,373	12,029,000	7,043,000	316,384	•	3,088,306	6,555,508	11,660,099	50,227,000
Þ	2,835,337	\$ 20,647,000	\$ 60,427,873	\$ 6,971,000	\$ 9,322,000	\$ 225	ф	4,514,720 \$	10,307,071 \$	11,144,668	\$ 38,104,000
		20,647,000	60 427 972	6.074.000	0 222 000	_		1 656 216	10,307,071	11,144,168	38 104 000
	_	20,047,000	60,427,873	6,971,000	9,322,000	225		1,656,216 2,858,504	10,507,071	11,144,100	38,104,000
	2,835,337	_	_	_	_				_	_	_
		_	_	_	_	_		_	_	_	_
\$	2,835,337	\$ 20,647,000	\$ 60,427,873	\$ 6,971,000	\$ 9,322,000	\$ 225	\$	4,514,720 \$	10,307,071 \$	11,144,668	\$ 38,104,000
<u> </u>	2,000,007	- 20,077,000	÷ 00,721,010	- 5,571,000	- 5,022,000	- 220	Ψ	.,o,,, 20 ψ	σ,σσι,στι ψ	, 144,000	<sub>+</sub> 55,104,000

#### Combining Statement of Cash Flows Nonmajor Enterprise Funds (Continued) For the Fiscal Year Ended June 30, 2023

	State Fair	State Lottery Fund	Student Loan	Unemployment Compensation	Water Infrastructure Revolving Loan Fund	Total
Cash Flows from Operating Activities:						
Receipts from Customers and Users	\$ 7,444,951 \$	29,959,785	\$ 87,000	\$ 87,320,096	\$ —	\$ 1,072,599,315
Interest Income on Loans	_	_	_	_	_	22,326
Receipts from Loan Principal Repayments	_	_	_	_	_	1,998,471
Receipts from Other Funds	_	_	_	_	_	235,327
Receipts from Others	_	_	_	1,063,907	_	1,063,907
Payments to Other Funds	_	_	_	_	_	(629,488)
Payments for Loan Funds			_		_	(4,798,899)
Payments to Suppliers	(5,371,007)	(17,391,875)	(14,000)	(6,375,106)	, , ,	(881,142,713)
Payments to Employees Claim Payments	(1,809,594)	(1,049,630)	_	(2,822,385)		(31,329,914)
Payments to Others		(123,928)	_	(28,359,050) (860,388)		(31,738,297) (5,734,006)
Other	_	(123,920)	_	(000,300)	_	(728,081)
	264,350	11,394,352	73,000	49,967,074	(193,000)	119,817,948
Net Cash Provided by (Used for) Operating Activities	204,350	11,394,352	73,000	49,907,074	(193,000)	119,017,940
Cash Flows from Noncapital Financing Activities:						
Proceeds from Sale of Notes and Other Borrowings	_	_	_	_	_	59,950,464
Principal Payments - Notes and Other Borrowings	_	_	_	_	_	(75,057,611)
Interest Payments - Bonds	_	_	(43,000)	_	_	(43,000)
Interest Payments - Notes and Other Borrowings	_	_	_	_	_	(4,915,278)
Transfers In Transfers Out	_	(0.400.000)	_	_	_	24,598,000
Principal Payments on Due To Other Funds	_	(9,480,000)	_	_	_	(20,559,359) (2,411,657)
Grants Received	 1,521,191	_	_		_	1,521,191
Grants received	1,321,131					1,321,131
Net Cash Provided by (Used for) Noncapital Financing Activities	1,521,191	(9,480,000)	(43,000)	_	_	(16,917,250)
Cash Flows from Capital and Related Financing Activities:						
Acquisition and Construction of Capital Assets	(321,930)	_	_	_	_	(21,928,592)
Proceeds from Bonds	(02.,000)	_	_	_	_	54,897,776
Principal Payments - Bonds	(130,000)	_	_	_	_	(130,000)
Interest Payments - Bonds	(45,175)	_	_	_	_	(45,175)
Payment of Bond Issue Costs	(12,900)	_	_	_	_	(12,900)
Principal Payments on Lease/SBITA Payable	_	_	_	_	_	(8,350,850)
Interest Paid on Lease/SBITA Payable	_	_	_	_	_	(1,124,641)
Net Cash Provided by (Used for) Capital and Related Financing Activities	(510,005)	_	_	_	_	23,305,618
Cash Flows from Investing Activities:						
Proceeds from Sale and Maturities of Investment Securities			2,000,000			167,304,190
Purchase of Investment Securities		_	(2,000,000)		_	(192,611,521)
Net Increase (Decrease) In Investments	_	_	(2,000,000)	_	_	2,834,358
Interest and Dividends on Investments	13,065	14,354	6,000	4.584.140	85,000	6,132,840
Net Decrease In Loans	_	_	_	_	_	(20,012,000)
Disbursements for Loans and Loan Purchases	_	_	_	_	(7,210,000)	(81,523,000)
Receipt of Loan Principal Repayments	_	_	_	_	2,788,000	21,836,000
Proceeds from Collection of Loans and Notes Receivable	_	_	_	_	_	16,145,196
Loan Income Received	_	_	_	_	749,000	9,135,586
Net Cash Provided by (Used for) Investing Activities	13,065	14,354	6,000	4,584,140	(3,588,000)	(70,758,351)
Net Change in Cash:		,	-,	, , , ,	(2,222,227	( 1, 11, 11, 11, 11, 11, 11, 11, 11, 11,
•						
Net Increase (Decrease) in Cash and Cash Equivalents	1,288,601	1,928,706	36,000	54,551,214	(3,781,000)	55,447,965
Cash and Cash Equivalents at June 30, 2022	7,748,171 \$ 9,036,772 \$	7,866,485 9,795,191	\$ 713,000	256,214,016 \$ 310,765,230	28,665,000 \$ 24,884,000	\$ 580,725,675
Cash and Cash Equivalents at June 30, 2023	\$ 9,030,772 \$	9,795,191	φ /13,000	\$ 310,765,230	φ 24,004,000	\$ 580,725,675
Reconciliation:						
Current:	0 006 770	0.402.022		67.007	24 004 000	264 000 200
Cash Deposits at the Bank of North Dakota  Cash and Cash Equivalents	9,036,772	9,192,032 603,159	_	67,327 310,697,903	24,884,000	261,090,396 316,006,562
Restricted Cash Deposits at the Bank of North Dakota	_	- UU3, 139 	_	510,087,803	_	2,915,717
Restricted Cash and Cash Equivalents	_	_	713,000	_	_	713,000
	¢ 0.026.770 m	0.705.404		\$ 210.705.000	¢ 24.004.000	
Cash and Cash Equivalents	\$ 9,036,772 \$	9,795,191	\$ 713,000	\$ 310,765,230	\$ 24,884,000	\$ 580,725,675

#### Combining Statement of Cash Flows Nonmajor Enterprise Funds (Continued) For the Fiscal Year Ended June 30, 2023

	Addiction Counsel Internsh	or	Agriculture Diversification Development Fund	Bonding	Clean Sustainable Energy Loan Fund	Edutech	Fire ( and Tornado	Guaranteed Student Loan
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used for) Operating Activities:								
Operating Income (Loss)	\$	1,016	\$ (1,520,837) \$	6,514	\$ (2,044,000) \$	(259,129) \$	(2,798,240) \$	14,000
Adjustments to Reconcile Operating								
Income to Net Cash Provided by Operating Activities:								
Depreciation		_	_	_	_	_	_	_
Amortization\Accretion		_	_	_	_	_	_	_
Reclassification of Interest Revenue\Expense		_	_	_	_	_	_	_
Net Depreciation In Fair Value of Investments		_	_	_	_	_	_	_
Interest Expense Paid on Lease & SBITA Activities		_	_	_	_	_	_	_
Interest Received on Program Loans		_	_	_	(433,000)	_	_	_
Receipt of Loan Principal Repayments			_	_		_	_	
Provision for Losses	(:	2,834)	_	_	1,001,000	_	_	(2,255,899)
Other		_	_		_	_	_	_
Deferred Outflows		_	_	(165)	_	_	_	_
Deferred Inflows		_	_	(150)	_	_	_	_
Change in Assets and Liabilities:				0.070		(40,400)	(00.004)	470.004
(Increase) Decrease in Accounts Receivable	,	-	_	3,279	_	(18,133)	(60,821)	173,961
(Increase) Decrease in Interest Receivable	(-	1,364)	_	_	_	(55.044)	_	_
(Increase) Decrease in Due From		_	_	_	_	(55,311)	_	_
(Increase) Decrease in Intergovernmental Receivable		_	_	_	_	_	_	_
(Increase) Decrease in Notes Receivable		_	(0.007.054)	_	_	_	(000,070)	_
(Increase) Decrease in Prepaid Items		_	(2,007,351)	_	_	_	(208,873)	_
(Increase) Decrease in Inventories		_	_	_	_	_	_	_
(Increase) Decrease in Other Assets		_	_	(224)	_	117,503	(426)	477.574
Increase (Decrease) in Accounts Payable		_	_	(224)	_	•	(136)	477,574
Increase (Decrease) in Claims\Judgments Payable		_	_	_	_	_	1,239,528 3,940	_
Increase (Decrease) in Intergovernmental Payable Increase (Decrease) in Accrued Payroll		_	_	2,004	1,418,000	(15,385)	3,940 15,451	_
Increase (Decrease) in Compensated Absences Payable		_	_	2,004	1,410,000	(15,365)	15,451	_
Increase (Decrease) in Amounts Held for Others		_	_	_	_	_	_	_
Increase (Decrease) in Amounts held for Others		_	_	_	_	(13,860)	_	_
Increase (Decrease) in Net Pension Liability		_	_	_	_	(13,000)	_	_
Increase (Decrease) in Net OPEB Liability		_	_	_	_	_	_	_
Increase (Decrease) in Other Liabilities		_	_	_	_	_	_	(384)
Total Adjustments		7,198)	(2,007,351)	4,744	1,986,000	14,814	989,089	(1,604,748)
Net Cash Provided by (Used for) Operating Activities	\$ (	6,182)	\$ (3,528,188) \$	11,258	\$ (58,000) \$	(244,315) \$	(1 800 151) \$	
Net Cash Provided by (Used for) Operating Activities	2 (	0, 102)	\$ (3,526,166) \$	11,256	\$ (56,000) \$	(244,313) \$	(1,809,151) \$	(1,590,746)
Noncash Transactions:								
Net Change in Fair Value of Investments	\$	_	\$ - \$	29,728	\$ - \$	— \$	1,092,107 \$	_
Reduction in pension and OPEB liability		_	_	_	_	_	(371,002)	_
Interest Revenue on Prize Reserves		_	_	_	_	_	_	_
Lease for building		_	_	_	_	_	_	_
Total Noncash Transactions	\$	_	\$ - \$	29,728	\$ - \$	_ \$	721,105 \$	

#### Combining Statement of Cash Flows Nonmajor Enterprise Funds (Continued) For the Fiscal Year Ended June 30, 2023

		T Planning oan Fund	Infrastructure Revolving Loan Fund	Interoperable Radio Network Fund	Innovation Loan Fund	Medical Facility Infrastructure Loan Fund	Mill and Elevator
Reconciliation of Operating Income (Loss) to Net Cash Provided (Use Operating Activities:	ed for)						
Operating Income (Loss)	\$	16,522	\$ 1,469,000	\$ 634,423	\$ (2,694,000)	\$ 211,000 \$	22,210,734
Adjustments to Reconcile Operating							
Income to Net Cash Provided by Operating Activities:							
Depreciation		_	_	2,948,086	_	_	7,300,087
Amortization\Accretion		_	_	_	_	_	8,544,375
Reclassification of Interest Revenue\Expense		_	_	_	(17,000)	(435,000)	_
Net Depreciation In Fair Value of Investments		_	_	_	_	_	_
Interest Expense Paid on Lease & SBITA Activities		_	_	_	_	_	632,462
Interest Received on Program Loans		_	(2,420,000)	_	_	_	_
Receipt of Loan Principal Repayments		_	_	_	_	_	_
Provision for Losses		_	332,000	_	2,505,000	_	_
Other		_	_	_	_	_	209,197
Deferred Outflows		_	_	_	_	_	(1,073,880)
Deferred Inflows		_	_	_	_	_	
Change in Assets and Liabilities:							
(Increase) Decrease in Accounts Receivable		_	_	109,196	_	_	19,921,956
(Increase) Decrease in Interest Receivable		278	_		_	_	_
(Increase) Decrease in Due From		_	27,000	(2,481,154)	_	(3,000)	_
(Increase) Decrease in Intergovernmental Receivable		_	_		_		_
(Increase) Decrease in Notes Receivable		581,461	_	_	_	_	(8,470,677)
(Increase) Decrease in Prepaid Items		_	_	_	_	_	(268,087)
(Increase) Decrease in Inventories		_	_	_	_	_	(6,172,638)
(Increase) Decrease in Other Assets		_	_	_	_	_	(28,512)
Increase (Decrease) in Accounts Payable		(766)	_	(1,063,426)	_	_	(3,951,108)
Increase (Decrease) in Claims\Judgments Payable		`	_		_	_	
Increase (Decrease) in Intergovernmental Payable		_	_	(2,416)	_	_	_
Increase (Decrease) in Accrued Payroll		_	_	5,287	_	_	421,042
Increase (Decrease) in Compensated Absences Payable		_	_	27,688	_	_	38,709
Increase (Decrease) in Amounts Held for Others		_	_	_	_	_	_
Increase (Decrease) in Due To		_	_	(92,132)	8,000	_	_
Increase (Decrease) in Net Pension Liability		_	_		_	_	3,639,448
Increase (Decrease) in Net OPEB Liability		_	_	_	_	_	_
Increase (Decrease) in Other Liabilities		_	_	_	_	_	19,315
Total Adjustments		580,973	(2,061,000)	(548,871)	2,496,000	(438,000)	20,761,689
Net Cash Provided by (Used for) Operating Activities	\$	597,495	\$ (592,000)	\$ 85,552	\$ (198,000)	\$ (227,000) \$	42,972,423
Managah Transportiona							
Noncash Transactions:	•		¢	¢	¢	• •	
Net Change in Fair Value of Investments	\$	_	\$ —	\$ —	\$ —	\$ - \$	_
Reduction in pension and OPEB liability		_	_	_	_	_	_
Interest Revenue on Prize Reserves		_	_	_	_	_	_
Lease for building		_	_	_	_	_	_
Total Noncash Transactions	\$	_	\$ —	\$ —	\$ —	\$ - \$	

	PERS Uniform Group Insurance	Rebuilders Permanent Loan Program	Roughrider Industries	School Construction Assistance Loan Fund	State Fair	State Lottery Fund	Student Loan	Unemployment Compensation	Water Infrastructure Revolving Loan Fund	Total
\$	(1,968,477) \$	243,335	\$ 221,460	\$ 3,396,000 \$	(1,235,092) \$	11,300,708 \$	(30,000)	\$ 23,064,742	\$ 372,000 \$	50,611,679
	26,834	_	205,234	_	1,176,501	36,786	_	_	_	11,693,528
	_	_	_	_	_	_	_	_	_	8,544,375
	_	(377,617)	_	(4,888,000)	_	_	44,000	_	(761,000)	(6,434,617)
	_	_	4,137	_	_	_	_	_	_	4,137
	_	_	_	_	_	_	_		_	632,462
	_	_	_	_	_	_		_	_	(2,853,000)
	_	(4.40,000)	_	450,000	_	_	55,000	_		55,000
	_	(146,808)	_	150,000	_	_	_	_	191,000	1,773,459
	_	_	(029 774)	_	(665 100)	(400,002)	_	_	_	209,197
	_	_	(928,774)	_	(665,109)	(400,902)	_	_	_	(3,068,830)
	_	_	(1,236,446)	_	(865,055)	(518,346)	_	_	_	(2,619,997)
	25,957,683	_	276,296	_	(33,736)	(101,418)	_	(4,510,379)	_	41,717,884
	· · · —	_	_	_			(1,000)		_	(5,086)
	92,105	_	(435,251)	_	_	_	1,000	(830)	_	(2,855,441)
	· —	_		_	_	_	_	28,736,448	_	28,736,448
	_	_	_	_	_	_	_	_	_	(7,889,216)
	_	_	(2,798)	_	6,560	(790)	_	_	_	(2,481,339)
	_	_	(838,332)	_	_	_	_	_	_	(7,010,970)
	(88,177)	_	_	_	_	(118,646)	_	_	_	(235,335)
	715,497	(8,407)	143,820	_	(61,002)	31,210	_	2,556,426	_	(1,043,039)
	_	_	_	_	_	_	_	_	_	1,239,528
	(16,568)	_	_	_	_	_	_	77,066	_	62,022
	18,462	_	(34)	_	_	7,003	_	_	_	1,871,830
	1,510	_	_	_	(5,039)	11,705	_	_	_	74,573
	_	_	_	_	166,593	_	_	_	_	166,593
	_	_	(235,327)	17,000	_	(7,670)	4,000	43,601	5,000	(271,388)
	_	_	2,502,362	_	1,735,461	1,068,190	_	_	_	8,945,461
	_	_	97,509	_	44,268	44,655	_	_	_	186,432
	_	_	800	_	_	41,867	_	_	_	61,598
	26,707,346	(532,832)	(446,804)	(4,721,000)	1,499,442	93,644	103,000	26,902,332	(565,000)	69,206,269
\$	24,738,869 \$	(289,497)	\$ (225,344)	\$ (1,325,000) \$	264,350 \$	11,394,352 \$	73,000	\$ 49,967,074	\$ (193,000) \$	119,817,948
_										
æ	•		ф.	•	•	•		r.	Φ	4 404 005
\$	— \$	-	\$ - :	\$ - \$	— \$	— \$	_	\$ —	\$ - \$	1,121,835
	_	_	_	_	_		_	_	_	(371,002)
	_	_	_	_	_	(517) (43,892)	_	_	_	(517) (43,892)
	_	_	_	_	_	(43,032)	_	_	_	(43,082)
\$	<b>-</b> \$	- :	\$ - :	\$ - \$	- \$	(44,409) \$	_	\$ —	\$ - \$	706,424

#### Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the State and to other government units, on a cost reimbursement basis.

#### 790 (927) - Central Services

Accounts for the revenues and expenditures associated with central printing and office supply services to state agencies and the Legislative Assembly; a surplus property program for the acquisition, distribution, and disposition of federal and state surplus property and procurement services for all state agencies not exempt by statute.

#### 700 (918) - Fleet Services

Accounts for costs of operating and maintaining State-owned vehicles. Costs are billed to user agencies and include depreciation on equipment.

#### 780 (929) - Information Technology Department

Accounts used for the procurement and maintenance of data processing equipment and supplies and telecommunications equipment and supplies to provide data processing and telecommunications services to state departments and agencies.

#### 288\275 (912) - Risk Management Fund

Fund provides insurance coverage and loss prevention to all state agencies and the University System for tort liability and employee injury claims. Coverage is provided using an optional combination of self-insurance and private excess insurance.

# Combining Statement of Net Position Internal Service Funds June 30, 2023

	Central Services	Fleet Services	Information Technology Department	Risk Management	Total
ASSETS					
Current Assets:					
Cash Deposits at the Bank of ND	\$ 1,083,121	\$ 29,831,470	\$ 7,624,175		
Cash and Cash Equivalents	300	_	_	1,514,491	1,514,791
Investments at the Bank of ND	_	_	_	532,285	532,285
Investments	_			5,640,474	5,640,474
Accounts Receivable - Net	2,431	1,178,099	73,252		1,253,782
Interest Receivable - Net	_	_		54,515	54,515
Intergovernmental Receivable - Net	7,417	39,933	360,801	_	408,151
Due from Other Funds	380,281	3,613,942	9,237,513	132,593	13,364,329
Prepaid Items	41,020	53,765	4,661,726	209,619	4,966,130
Inventory	149,772				149,772
Total Current Assets	1,664,342	34,717,209	21,957,467	8,857,810	67,196,828
Noncurrent Assets:					
Capital Assets:					
Depreciable, Net	1,327,017	94,558,889	29,089,457	96,646	125,072,009
Total Noncurrent Assets	1,327,017	94,558,889	29,089,457	96,646	125,072,009
Total Assets	2,991,359	129,276,098	51,046,924	8,954,456	192,268,837
DEFERRED OUTFLOWS OF RESOURCES					
Derived from Pensions	1,178,314	3,036,311	54,142,050	592,033	58,948,708
Derived from OPEB	41,604	90,746	1,784,726	22,348	1,939,424
Total Deferred Outflow of Resources	1,219,918	3,127,057	55,926,776	614,381	60,888,132
LIABILITIES					
Current Liabilities:					
Accounts Payable	137,249	1,449,317	1,674,006	3,478	3,264,050
Accrued Payroll	107,543	250,299	3,945,851	39,753	4,343,446
Securities Lending Collateral	_	_	_	37,586	37,586
Interest Payable	5,355	_	1,056,228	6,075	1,067,658
Intergovernmental Payable	_	1,750	_	_	1,750
Due to Other Funds	18,282	319,787	30,018	15,799	383,886
Claims/Judgments Payable	_	_	_	1,074,449	1,074,449
Compensated Absences Payable	6,753	8,447	332,704	5,490	353,394
Notes Payable	· —		443,584	· —	443,584
Leases/SBITAs Payable	142,772	_	11,645,795	_	11,788,567
Total Current Liabilities	417,954	2,029,600	19,128,186	1,182,630	22,758,370
Noncurrent Liabilities:					
Claims/Judgments Payable	_	_	_	6,848,891	6,848,891
Compensated Absences Payable	69,294	87,546	3,647,014	56,640	3,860,494
Notes Payable	_	_	906,607	_	906,607
Leases/SBITAs Payable	1,319,966	_	19,566,972	_	20,886,938
Net Pension Liability	1,719,109	4,523,861	71,757,059	862,077	78,862,106
Net OPEB Liability	76,345	174,771	3,014,857	40,398	3,306,371
Total Noncurrent Liabilities	3,184,714	4,786,178	98,892,509	7,808,006	114,671,407
Total Liabilities	3,602,668	6,815,778	118,020,695	8,990,636	137,429,777
DEFERRED INFLOWS OF RESOURCES					
Derived from Pensions	804,262	1,885,229	28,162,068	345,208	31,196,767
Derived from OPEB	8,565	7,232	62,413	1,355	79,565
Total Deferred Inflow of Resources	812,827	1,892,461	28,224,481	346,563	31,276,332
NET POSITION					
Net Investment in Capital Assets	(135,722)	94,558,889	(4,560,912)	96,646	89,958,901
Unrestricted	(68,496)	29,136,027	(34,710,564)	134,992	(5,508,041)
Total Net Position	(204,218)	123,694,916	(39,271,476)	231,638	84,450,860

# Combining Statement of Revenues, Expenses and Changes in Fund Net Position Internal Service Funds

For the Fiscal Year Ended June 30, 2023

	Central Services	Fleet Services	Information Technology Department	Risk Management	Total
OPERATING REVENUES					
Sales and Services Grants and Contributions Miscellaneous	\$ 2,508,307 \$ — —	41,837,029 24,000 271,193	\$ 91,154,086 — —	\$ 4,216,561 S — —	139,715,983 24,000 271,193
Total Operating Revenues	2,508,307	42,132,222	91,154,086	4,216,561	140,011,176
OPERATING EXPENSES					
Cost of Sales and Services Salaries and Benefits Operating Claims Interest Depreciation Miscellaneous	809,467 1,407,473 452,082 — — 434,977	4,248,159 21,837,545 — — 9,053,837 199,009	51,139,068 44,509,810 — 1,542,869 12,703,374	519,109 1,069,750 5,434,456 — 39,991	809,467 57,313,809 67,869,187 5,434,456 1,542,869 22,232,179 199,009
Total Operating Expenses	3,103,999	35,338,550	109,895,121	7,063,306	155,400,976
Operating Income (Loss)	 (595,692)	6,793,672	(18,741,035)	(2,846,745)	(15,389,800)
NONOPERATING REVENUES					
Interest and Investment Income Interest Expense Gain on Sale of Capital Assets	— (96,413) 11,704	1,902,839	_ _ _	429,228 (14,741) —	429,228 (111,154) 1,914,543
Total Nonoperating Revenues (Expenses)	(84,709)	1,902,839		414,487	2,232,617
Income (Loss) Before Contributions and Transfers	 (680,401)	8,696,511	(18,741,035)	(2,432,258)	(13,157,183)
Transfers In	_	53,066	_	_	53,066
Changes in Net Position	 (680,401)	8,749,577	(18,741,035)	(2,432,258)	(13,104,117)
Total Net Position - Beginning of Year, as restated	476,183	114,945,339	(20,530,441)	2,663,896	97,554,977
Total Net Position - End of Year	\$ (204,218) \$	123,694,916	\$ (39,271,476)	\$ 231,638	84,450,860

#### Combining Statement of Cash Flows Internal Service Funds For the Fiscal Year Ended June 30, 2023

For the Fiscal Year Ended June 30, 2023			Floor		lufo monti o u	Dist	
		Central Services	Fleet Services		Information Technology	Risk Management	Total
Cash Flows from Operating Activities:							
Receipts from Customers and Users	\$	726,019	305,86	88 \$	2,570,440	\$ - \$	3,602,327
Receipts from Other Funds		1,768,391	41,459,06	32	91,498,839	4,216,561	138,942,853
Payments to Other Funds		_	-	_	_	(3,390,313)	(3,390,313)
Payments to Suppliers		(1,456,998)	(21,997,2	14)	(46,011,520)	(1,090,811)	(70,556,543)
Payments to Employees		(1,021,148)	(3,184,39	94)	(42,786,761)	(467,638)	(47,459,941)
Claim Payments			-			(148,862)	(148,862)
Net Cash Provided by (Used for) Operating Activities		16,264	16,583,32	22	5,270,998	(881,063)	20,989,521
Cash Flows from Capital and Related Financing Activities:							
Acquisition and Construction of Capital Assets		_	(15,327,83		(368,875)	_	(15,696,706)
Proceeds from Sale of Capital Assets		22,500	3,982,4		<del>.</del>	_	4,004,916
Principal Payments - Notes and Other Borrowings		_		_	(1,538,368)	_	(1,538,368)
Interest Payments - Notes and Other Borrowings			-	_	(101,485)	_	(101,485)
Payment on Leases		(135,462)	-	_	_	_	(135,462)
Interest Payments - Leases		(65,425)	-		_		(65,425)
Net Cash Provided by (Used for) Capital and Related Financing Activities	-	(178,387)	(11,292,34	19)	(7,608,737)		(19,079,473)
Cash Flows from Investing Activities:							
Proceeds from Sale and Maturities of Investment Securities		_	-	_	_	1,097,558	1,097,558
Interest and Dividends on Investments			-	_		75,657	75,657
Net Cash Provided by Investing Activities			-			1,173,215	1,173,215
Net Change in Cash:							
Net Increase (Decrease) in Cash and Cash Equivalents		(162,123)	5,290,97	73	(2,337,739)	292,152	3,083,263
Cash and Cash Equivalents at June 30, 2022		1,245,544	24,540,49	97	9,961,914	1,996,172	37,744,127
Cash and Cash Equivalents at June 30, 2023	\$	1,083,421	29,831,47	70 \$	7,624,175	\$ 2,288,324 \$	40,827,390
Reconciliation:							
Cash Deposits at the Bank of North Dakota	\$	1,083,121	29,831,47	70 \$	7,624,175		39,312,599
Cash and Cash Equivalents	\$	300	. 20 024 4	70 f	7,624,175	1,514,491	1,514,791
Cash and Cash Equivalents	Φ	1,083,421	29,831,47	ОФ	7,024,175	\$ 2,288,324 \$	40,827,390
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:							
Operating Income (Loss)	\$	(595,690) \$	6,769,67	72 \$	(18,741,036)	\$ (2,846,745) \$	(15,413,799)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:							
Depreciation		434,977	9,053,83	37	12,703,374	39,991	22,232,179
Reclassification of Interest Revenue\Expense		_		_	1,542,869	, <u> </u>	1,542,869
Deferred Outflows		(466,878)	(1,463,49	96)	(22,834,331)	(180,516)	(24,945,221)
Deferred Inflows		(345,719)	(797,30	)1)	(19,066,661)	(311,873)	(20,521,554)
Change in Assets and Liabilities:							
(Increase) Decrease in Accounts Receivable		15,354	483,06		148,255	62,694	709,367
(Increase) Decrease in Due From (Increase) Decrease in Intergovernmental Receivable		(204,394) 49,725	(726,72 11,57	,	1,608,137 1,158,801	(125,005)	552,017 1,220,096
(Increase) Decrease in Prepaid Items		(29,560)	(15,87		979,023	(61,767)	871,823
Increase in Inventories		(21,470)		_	-	(01,707)	(21,470)
Increase (Decrease) in Accounts Payable		1,387	55,2		_	(24,782)	31,817
Increase In Interest Payable		_		_	(1,832,433)		(1,832,433)
Increase in Claims/Judgments Payable		_	-	_	_	2,042,239	2,042,239
Increase (Decrease) in Intergovernmental Payable		_	(1,67	75)	_	_	(1,675)
Increase in Accrued Payroll		19,929	21,84		514,939	2,640	559,354
Increase in Compensated Absences Payable		7,519	8,44		414,224	9,581	439,769
Increase (Decrease) in Due To Increase (Decrease) In Net OPEB Liability		(30,957) 46,133	(109,52 100,95		(648,301) 1,751,337	(19,159)	(807,946)
Decrease In Net Pension Liability		1,135,908	3,193,3		47,572,801	(2,614) 534,253	1,895,813 52,436,276
Total Adjustments		611,954	9,813,65		24,012,034	1,965,682	36,403,320
Net Cash Provided by (Used for) Operating Activities	\$	16,264	16,583,32	22 \$	5,270,998	\$ (881,063) \$	20,989,521
Noncash Transactions:						340,207	340,207
Net Change in Fair Value of Investments  Decrease in Securities Lending Collateral		_	-		_	(28,064)	(28,064)
Assumption of Notes Payable		_			 1,572,911	(20,004)	1,572,911
Assets Acquired Through Lease		893,324		_	5,351,207	_	6,244,531
Total Noncash Transactions	\$	893,324	<u> </u>	_ \$	6,924,118	\$ 312,143 \$	8,129,585
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# Fiduciary Funds

Fiduciary funds account for assets held by the State in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental organizations.

# Pension and Other Employee-Related Benefit Trust Funds

#### **DEFERRED COMPENSATION**

## 981 - Deferred Compensation Fund

Accounts for the activity of the deferred compensation plan adopted under the provisions of Internal Revenue Service Code, Section 457, for State employees.

#### PERS FLEXCOMP

# 932 - Flex Program

Accounts for pre-tax premium conversions, a medical spending account and a dependent care spending account according to Section 125 of the Internal Revenue Code.

#### HIGHWAY PATROLMEN'S RETIREMENT

#### 982 - Highway Patrolmen's Retirement Fund

A single employer defined benefit pension plan covering officers of the State Highway Patrol.

#### JOB SERVICE RETIREMENT

#### 920 - Job Service Retirement Fund

A single employer defined benefit pension plan for Job Service employees. Participation in this plan is limited to employees participating in the program as of September 30, 1980.

#### PREFUNDED RETIREE HEALTH PROGRAM

#### 933 - Prefunded Retiree Health Program

Members receiving retirement benefits from NDPERS receive a credit toward their monthly eligible insurance premium.

#### PUBLIC EMPLOYEES' RETIREMENT

#### 470 (983) - Public Employees Retirement System

Accounts for the financial resources associated with the Public Employees Retirement System.

#### DEFINED CONTRIBUTION RETIREMENT

#### 930 - Defined Contribution Retirement Plan

Accounts for the financial resources of the Defined Contribution Retirement Plan. Participation in this plan is limited to state employees who are in positions not classified by the Central Personnel Division and who are not employees of the judicial branch or board of higher education.

#### **TEACHERS' RETIREMENT**

#### 964 - North Dakota Teachers' Fund For Retirement

Accounts for the financial resources of the Teachers' Retirement Fund.

#### **Investment Trust Funds**

#### 911 - ND Association of Counties RIO Investments

Account for the investment assets held by the State Investment Board in a trustee capacity as an agent for the North Dakota Association of Counties.

#### 913 - City of Bismarck RIO Investments

Account for the investment assets held by the State Investment Board in a trustee capacity as an agent for the City of Bismarck.

#### 936 - City of Grand Forks RIO Investments

Account for the investment assets held by the State Investment Board in a trustee capacity as an agent for the City of Grand Forks.

#### 950 - City of Fargo RIO Investments

Account for the investment assets held by the State Investment Board in a trustee capacity as an agent for the City of Fargo.

## **Private Purpose Trust Funds**

#### STUDENT AND CULTURAL DONATIONS

#### 928 - Indian Cultural Education Trust Fund

Trust accounts for donations provided for the purpose of generating income to benefit Indian Culture.

#### **COLLEGE SAVE**

#### 940 - College SAVE

Program established by the State of North Dakota to encourage the investment of funds to be used for qualified higher education expenses at institutions of higher education.

#### MANDAN REMEDIATION TRUST

#### 943 - Mandan Remediation Trust

Accounts for the funds obtained from a lawsuit settlement for the remediation efforts of the North Dakota Health Department and the City of Mandan.

#### **Custodial Funds**

#### CHILD SUPPORT

#### 463 - Child Support Disbursement Unit Fund

Accounts for all child support payments received by the state disbursement unit.

#### STUDENT AND OTHER

#### 946 - District Court Collection Fund

Accounts for collections for third parties.

#### 986 - Developmental Center Residents' Funds

Accounts for funds belonging to patients of the State Developmental Center.

#### 990 - Veteran's Home-Custodial

Accounts for resident's personal funds.

#### 991 - State Hospital Patients

Accounts for patient's personal funds.

#### STUDENT AND OTHER cont.

#### 992 - Prisoner Accounts

Accounts for prisoner's personal fund.

#### 993 - Youth Correctional Center Student Accounts

Account for the student's personal funds.

#### 994 - School for the Deaf Students

Account for the students personal funds.

#### 995 - NDUS Fiduciary Fund

Account for the student organization funds.

#### **TAX COLLECTION**

#### 434 - Local Option Lodging Tax Suspense

Accounts for city and county lodging tax collected by the State Tax Commissioner.

#### 435 - Local Option Sales Tax Suspense

Accounts for city and county sales and use tax collected by the State Tax Commissioner.

#### 437 - City Motor Vehicle Rental Tax

Accounts for city motor vehicle rental tax collected by the State Tax Commissioner.

#### 438 - Local Option Restaurant and Lodging Tax Suspense

A city or county tax, at a rate not to exceed one percent, upon the gross receipts of retailers on the leasing or renting of hotel, motel, or tourist court accommodations within the city or county and gross receipts of a restaurant from any sales of prepared food or beverages, not including alcoholic beverages for consumption off the premises where purchased is collected by the State Tax Commissioner. Proceeds, net of a 3% administrative fee which is deposited into the general fund, are remitted quarterly to each city or county collecting the tax.



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# STATE OF NORTH DAKOTA

# Combining Statement of Fiduciary Net Position Pension, Investment and Private-Purpose Trust Funds June 30, 2023

·	Pension and Other Employee Benefit Trust Funds							
	Deferred Compensation	Defined Contribution Retirement	Highway Patrolmen's Retirement	Job Service Retirement	PERS Flexcomp	Prefunded Retiree Health Program		
ASSETS								
Cash Deposits at the Bank of ND	\$ 310,449	\$ 141,830	\$	\$ 74,529	\$ 153,440	\$ 1,627,141		
Cash and Cash Equivalents	_	_	_	_	_	_		
Receivables:								
Contributions Receivable	1,124,519	188,162	730,304	716	540,907	1,351,210		
Accounts Receivable - Net	_	_	_	_	_	_		
Taxes Receivable for Other Governments - Net	_	_	_	_	_	_		
Interest Receivable - Net	_	_	205,075	592	_	901		
Due from Other Funds	_	_	_	_	_	423,007		
Due from Fiduciary Funds	_	_	_	_	_	_		
Due from Component Units								
Total Receivables	1,124,519	188,162	935,379	1,308	540,907	1,775,118		
Investments, at Fair Value:								
Investments at the Bank of ND	_	_	_	_	_	_		
Equities	_	_	_	_	_	_		
Equity Pool	_	_	57,445,750	16,756,911	_	109,976,710		
Fixed Income Pool	3,794,656	144,806	20,977,571	66,225,503	_	55,046,287		
Cash and Cash Pool	3,229,142	474,570	118,186	565,354	_	96,387		
Real Estate Pool	_	_	18,556,629	_	_	_		
Mutual Funds	186,329,521	19,044,485	_	_	_	_		
Total Investments	193,353,319	19,663,861	97,098,136	83,547,768	_	165,119,384		
Invested Securities Lending Collateral		_	688,698	_		_		
Capital Assets (Net of Depreciation)	60,799	378	1,607	488	20,861	60,478		
Total Assets	194,849,086	19,994,231	98,723,820	83,624,093	715,208	168,582,121		
DEFERRED OUTFLOWS OF RESOURCES								
Derived from Pensions		_	_	_	_	_		
Total Deferred Outflows of Resources	_							
LIABILITIES								
Accounts Payable	41,199	99	_	138,773	22,973	263,984		
Accrued Payroll	40,198	_	_	_	24,755	_		
Securities Lending Collateral	_	_	688,698	_	_	_		
Due to Local Governments	_	_	_	_	_	_		
Tax Refunds Payable	_	_	_	_	_	_		
Due to Other Funds	4,106	159	_	_	2,206	85		
Amounts Held in Custody for Others	18,755	_	_	_	_	_		
Compensated Absences Payable	25,766				15,366			
Total Liabilities	130,024	258	688,698	138,773	65,300	264,069		
DEFERRED INFLOWS OF RESOURCES								
Derived from Pensions	_	_	_	_	_	_		
Unavailable Revenue								
Total Deferred Inflows of Resources								
NET POSITION								
Net Position Restricted for:	404740000	40 000 0==	60 005 /55	00 105 555		400 010 0=0		
Pension Benefits	194,719,062	19,993,973	98,035,122	83,485,320	_	168,318,052		
Other Employee Benefits	_	_	_	_	649,908	_		
External Investment Pool Participants Individuals, Organizations, and Other	_	_	_	_	_	_		
Governments	_	_	_	_	_	_		
Other Purposes								
Total Net Position Restricted for Pension Benefits and Other Purposes	\$ 194,719,062	\$ 19,993,973	\$ 98,035,122	\$ 83,485,320	\$ 649,908	\$ 168,318,052		

	Pension and Othe	r Employee Benefit Tr	ust Funds	nds Investment Trust Funds					
	Public Employees Retirement	Teachers Retirement	Total		City of Bismarck	ND Association of Counties	City of Grand Forks	City of Fargo	Total
\$	19,915,979	\$ 24,098,801 \$	46,322,169	\$	_ :	\$ —	\$ —	\$ — \$	_
Ψ.	219,547	— —	219,547	*	_ `	_	_	_	_
	13,078,615	28,897,866	45,912,299						
	13,070,013	20,097,000	45,912,299		_	_	_	_	_
	_	_	_		_	_	_	_	_
	7,983,009	10,215,544	18,405,121		346,490	5,023	111,807	55,868	519,188
	_	_	423,007		_	_	_	_	_
	_	889	889		_	_	_	_	_
	21,061,624	39,114,299	64,741,316		346,490	5,023	111,807	55,868	519,188
-	21,001,024	39,114,299	04,741,310		340,490	3,023	111,007	33,000	319,100
	_	 1,765,727,972	— 1,765,727,972		— 82,904,294	2,530,071	49,647,373	— 21,319,921	156,401,659
	2,252,475,123	1,705,727,972	2,436,654,494		U2,3U4,234 —	2,550,071	49,047,373	21,319,921	
	822,540,528	785,396,084	1,754,125,435		56,558,501	4,477,988	20,153,424	16,619,424	97,809,337
	4,634,124	11,329,975	20,447,738		580,540	210,006	820,986	416,716	2,028,248
	727,614,219	550,692,368	1,296,863,216		34,711,164	_	12,921,799	4,241,311	51,874,274
			205,374,006						
	3,807,263,994	3,113,146,399	7,479,192,861		174,754,499	7,218,065	83,543,582	42,597,372	308,113,518
	26,778,457	24,099,094	51,566,249		1,057,283	42,409	658,782	183,941	1,942,415
	141,846	2,580,327	2,866,784		_	_	_	_	_
	3,875,381,447	3,203,038,920	7,644,908,926		176,158,272	7,265,497	84,314,171	42,837,181	310,575,121
		1,715,386	1,715,386						
		1,715,386	1,715,386	_	_			_	
	3,973,724	5,760,090	10,200,842		110,280	5,040	50,200	33,638	199,158
	159,382	_	224,335		_	_	_	_	_
	26,778,457	24,099,094	51,566,249		1,057,283	42,409	658,782	183,941	1,942,415
	_	_	_		_	_	_	_	_
	_	_			_	_	_	_	_
	437,901	39,647	484,104		_	_	_	_	_
	— 91,241	_	18,755 132,373		_	_	_	_	_
	31,440,705	29,898,831	62,626,658		1,167,563	47,449	708,982	217,579	2,141,573
			<u> </u>		· · ·		· · · · · · · · · · · · · · · · · · ·		<u> </u>
		947,020	947,020						
	_	947,020	947,020		_	_	_	_	_
	_	947,020	947,020	=	_	_	_		
	3,843,940,742	3,173,908,455	7,582,400,726		_	_	_	_	_
	_	_	649,908		_	_	_	_	_
	_	_	_		174,990,709	7,218,048	83,605,189	42,619,602	308,433,548
	_	_	_		_	_	_	_	_
_					_				
\$	3,843,940,742 \$	3,173,908,455 \$	7,583,050,634	\$	174,990,709	\$ 7,218,048	\$ 83,605,189 \$	42,619,602 \$	308,433,548

### Combining Statement of Fiduciary Net Position Pension, Investment and Private-Purpose Trust Funds (Continued) June 30, 2023

	Private-Purpose Trust Funds							
	Grain Ins	olvency Fund	Student and Cultural Donations		Mandan Remediation Trust	Co	llege AVE	Total
ASSETS	Hust	i unu	Donations		Trust			Total
Cash Deposits at the Bank of ND Cash and Cash Equivalents	\$	717,943 \$ —	2,809	\$	5,649,130 —	\$	— \$ 939,054	6,369,882 939,054
Receivables:								
Contributions Receivable		_	_		_		_	_
Accounts Receivable - Net		_	_		_		186,787	186,787
Taxes Receivable for Other Governments - Net		_	_		_		_	_
Interest Receivable - Net		_	2,071		_		_	2,071
Due from Other Funds		_	_		_		_	_
Due from Fiduciary Funds		_	_		_		_	_
Due from Component Units					_			
Total Receivables			2,071				186,787	188,858
Investments, at Fair Value:								
Investments at the Bank of ND		_	_		_		_	_
Equities		_	_		_		_	_
Equity Pool		_	_		_		_	_
Fixed Income Pool		_	1,368,048		_		_	1,368,048
Cash and Cash Pool		_	_		_		_	_
Real Estate Pool		_	_		_		_	_
Mutual Funds		_	_		_	5	41,739,388	541,739,388
Total Investments		_	1,368,048		_	5	41,739,388	543,107,436
Invested Securities Lending Collateral		_	53,471		_		_	53,471
Capital Assets (Net of Depreciation)		_	_		_		_	_
Total Assets		717,943	1,426,399		5,649,130	5	42,865,229	550,658,701
DEFERRED OUTFLOWS OF RESOURCES								
Derived from Pensions		_	_		_		_	_
Total Deferred Outflows of Resources		_	_		_		_	_
LIABILITIES								
Accounts Payable		_	298		5,300		1,544,991	1,550,589
Accrued Payroll		_	_		_			
Securities Lending Collateral		_	53,471		_		_	53,471
Due to Local Governments		_	_		_		_	_
Tax Refunds Payable		_	_		_		_	_
Due to Other Funds		_	_		_		_	_
Amounts Held in Custody for Others		_	_		_		_	_
Compensated Absences Payable		_	_		_		_	_
Other Liabilities		_	_		_			
Total Liabilities		_	53,769	l	5,300		1,544,991	1,604,060
DEFERRED INFLOWS OF RESOURCES								
Derived from Pensions		_	_		_		_	_
Unavailable Revenue		_	_		_		_	_
Total Deferred Inflows of Resources		_	_				_	
NET POSITION								
Net Position Restricted for:								
Pension Benefits Other Employee Benefits		_	_		_		_	_
External Investment Pool Participants		_	_		_		_	_
Individuals, Organizations, and Other Governments		_	_		_		_	_
Other Purposes		717,943	1,372,630		5,643,830	5	41,320,238	549,054,641
Total Net Position Restricted for Pension Benefits and Other Purposes	\$	717,943 \$	1,372,630	\$	5,643,830	\$ 5	41,320,238 \$	549,054,641

Cu			

			Total
\$ 4,922,794 —	\$ 4,415,213 330,540	\$ 31,557,990 —	\$ 40,895,997 330,540
_	_	_	_
402	884,230	_	884,632
_		51,880,677	51,880,677
245,839	174 975	_	174 246,814
243,039	975	_	240,014
_	22,957	_	22,957
246,241	908,336	51,880,677	53,035,254
	,	- //-	
	50,000		50,000
_	50,000	_	50,000
_	_	_	_
		_	
_	_	_	_
_	_	_	_
_	_	_	_
	50,000	_	50,000
	_	_	
	_		
E 160 025	5 704 090	92 429 667	04 211 701
5,169,035	5,704,089	83,438,667	94,311,791
_	_	_	_
	_	_	_
4,820,884	61 222		4 992 116
4,020,004	61,232 103,491	_	4,882,116 103,491
_	-	_	105,491
_	_	79,191,331	79,191,331
_	_	59,503	59,503
348,151	_	_	348,151
_	_	_	_
_	_	_	_
	9,066		9,066
5,169,035	173,860	79,250,834	84,593,729
_	_	_	_
		4,187,830	4,187,830
		4,187,830	4,187,830
			_
			_
_	5,530,229	_	5,530,229
		3	3
\$	\$ 5,530,229	\$ 3	\$ 5,530,232

# STATE OF NORTH DAKOTA

## Combining Statement of Changes in Fiduciary Net Position Pension, Investment and Private-Purpose Trust Funds For the Fiscal Year Ended June 30, 2023

	Pension and Other Employee Benefit Trust Funds							
	Deferred Compensation	Defined Contribution Retirement	Highway Patrolmen's Retirement	Job Service Retirement	PERS Flexcomp	Prefunded Retiree Health Program		
ADDITIONS								
Contributions:								
Child Support Collections	\$ - \$	- \$	- \$	— \$	- \$	_		
Collections for District Courts	_	_	_	_	_	_		
Employer	_	552,043	2,573,696	_	_	12,137,476		
Employee	16,562,670	535,002	1,769,864	4,298	5,570,672	10,741		
From Participants	_	_	_	_	_	_		
Student, Patient, and Inmate Accounts	_	_	_	_	_	_		
Tax Collections for Local Governments	_	_	_	_	_	_		
Transfers from Other Funds	495,000	36,367	_	_	_	_		
Transfers from Other Plans	1,264,001	_	_	_	_	_		
Donations	_	_	_	_	_	_		
Total Contributions	18,321,671	1,123,412	4,343,560	4,298	5,570,672	12,148,217		
Investment Income:								
Net Change in Fair Value of Investments	19,096,661	1,129,361	6,007,729	(556,475)	_	12,315,155		
Interest and Dividends	130,675	922,360	1,452,182	3,323,785	1,196	4,144,674		
Less Investment Expense		326	268,922	280,428	_	484,757		
	19,227,336	2,051,395	7,190,989	2,486,882	1,196	15,975,072		
Securities Lending Activity:								
Securities Lending Income	_	_	4,363	_	_	_		
Less Securities Lending Expense	_	_	_	_	_	_		
Net Securities Lending Income		_	4,363	_	_			
Repurchase Service Credit	_	_	592,870	_	_	282,185		
Miscellaneous Income	280,000	1,776	65		868,513	1		
Total Additions	37,829,007	3,176,583	12,131,847	2,491,180	6,440,381	28,405,475		
DEDUCTIONS								
Benefits Paid to Participants	11,084,431	256,679	6,226,332	5,168,647	5,576,619	_		
Child Support Distributions	_	_	_	_	_	_		
Distributions to District Courts	_	_	_	_	_	_		
Distributions of Taxes to Local Governments	_	_	_	_	_	_		
Student, Patient, and Inmate Accounts	_	_	_	_	_	_		
Refunds	_	_	164,784	_	_	6,234		
Prefunded Credit Applied	_	_	_	_	_	14,208,566		
Transfer to Other Plans	_	_	_	_	215,000	_		
Payments in Accordance with Trust Agreements	_	_	_	_	_	_		
Administrative Expenses	810,593	9,690	30,106	14,683	497,445	355,695		
Total Deductions	11,895,024	266,369	6,421,222	5,183,330	6,289,064	14,570,495		
Redemption of Units at \$1.00 Per Unit								
Net Increase (Decrease) in Fiduciary Net Position	25,933,983	2,910,214	5,710,625	(2,692,150)	151,317	13,834,980		
Net Position - Beginning of Year, as Restated	168,785,079	17,083,759	92,324,497	86,177,470	498,591	154,483,072		
Net Position - End of Year	\$ 194,719,062 \$	19,993,973 \$	98,035,122 \$	83,485,320 \$	649,908 \$	168,318,052		

	Pension and Othe	er Employee Benefit Tru	st Funds	Investment Trust Funds					
	Public Employees Retirement	Teachers Retirement	Total	City of Bismarck	ND Association of Counties	City of Grand Forks	City of Fargo	Total	
\$	— \$	— \$	_	\$ —	\$	\$ - \$	— \$	_	
	— 101,933,327	— 102,307,888	— 219,504,430	_	_	_	_	_	
	93,407,915	94,283,739	212,144,901	_	_	_	_	_	
	—	-	_	_	_	_	_	_	
	_	_	_	_	_	_	_	_	
	_	_	_	_	_	_	_	_	
	_	_	531,367	_	_	_	_	_	
	_	_	1,264,001	_	_	_	_	_	
	195,341,242	196,591,627	433,444,699		_	_	_	_	
	235,395,847	175,293,526	448,681,804	8,993,835	268,360	6,141,701	2,637,840	18,041,736	
	56,987,131	49,487,353	116,449,356	2,797,983	166,512	1,282,186	821,064	5,067,745	
	10,704,698	7,478,535	19,217,666	455,543	14,828	224,157	109,475	804,003	
	10,704,030	7,470,000	13,217,000	+00,040	14,020	224,107	100,473	004,003	
	281,678,280	217,302,344	545,913,494	11,336,275	420,044	7,199,730	3,349,429	22,305,478	
	474.004	400.000	070.000	0.000	0.40	5.070	0.000	10.150	
	171,284 —	198,283 39,632	373,930 39,632	8,306 1,664	643 136	5,378 1,075	3,829 791	18,156 3,666	
	171,284	158,651	334,298	6,642	507	4,303	3,038	14,490	
	5,151,247	1,108,690	7,134,992	_	_	_	_	_	
	10,885		1,161,240						
_	482,352,938	415,161,312	987,988,723	11,342,917	420,551	7,204,033	3,352,467	22,319,968	
	050 474 050	054004000	505.040.000						
	253,174,353	254,361,928 —	535,848,989	_	_	_	_	_	
	_	_	_	_	_	_	_	_	
	_	_	_	_	_	_	_	_	
	 18,023,294	7,920,125	— 26,114,437	_	_	_	_	_	
	10,023,294	7,920,123	14,208,566	_	_	_	_		
	316,367	_	531,367	_	_	_	_	_	
	_	_	_	_	_	_	_	_	
	2,670,084	2,891,047	7,279,343						
	274,184,098	265,173,100	583,982,702			_	_		
				(3,750,000)		(5,057,996)	(750,000)	(9,557,996)	
	208,168,840	149,988,212	404,006,021	7,592,917	420,551	2,146,037	2,602,467	12,761,972	
	3,635,771,902	3,023,920,243	7,179,044,613	167,397,792	6,797,497	81,459,152	40,017,135	295,671,576	
\$	3,843,940,742 \$	3,173,908,455 \$	7,583,050,634	\$ 174,990,709	\$ 7,218,048	\$ 83,605,189 \$	42,619,602 \$	308,433,548	

# Combining Statement of Changes in Fiduciary Net Position Pension, Investment and Private-Purpose Trust Funds (Continued) For the Fiscal Year Ended June 30, 2023

	_	Delivata	Dumana Tuust Funda		
	Grain Insolvency	Cultural	-Purpose Trust Funds Remediation	College	
	Trust Fund	Donations	Trust	SAVE	Total
ADDITIONS					
Contributions:					
Child Support Collections	\$ - \$	- \$	— \$	— \$	_
Collections for District Courts	_	_	_	_	_
Employer	_	_	_	_	_
Employee	_	_	_	_	_
From Participants	_	_	_	45,535,022	45,535,022
Student, Patient, and Inmate Accounts	_	_	_	_	_
Tax Collections for Local Governments	_	_	_	_	_
Transfers from Other Funds	_	_	_	_	_
Transfers from Other Plans	_	_	_	_	_
Donations					
Total Contributions				45,535,022	45,535,022
Investment Income:					
Net Change in Fair Value of Investments	_	57,060	_	(104,791,838)	(104,734,778)
Interest and Dividends	2,019	32,579	89,728	12,254,418	12,378,744
Less Investment Expense		4,383	_	_	4,383
	2,019	85,256	89,728	(92,537,420)	(92,360,417)
Securities Lending Activity:					
Securities Lending Income	_	2,188	_	_	2,188
Less Securities Lending Expense		2,100	_		2,100
Net Securities Lending Income		2,188			2,188
Repurchase Service Credit	_	_	_	_	_
Miscellaneous Income	99,000	2,528	_		101,528
Total Additions	101,019	89,972	89,728	(47,002,398)	(46,721,679)
DEDUCTIONS					
Benefits Paid to Participants	_	_	_	_	_
Child Support Distributions	_	_	_	_	_
Distributions to District Courts	_	_	_	_	_
Distributions of Taxes to Local Governments	_	_	_	_	_
Student, Patient, and Inmate Accounts	_	_	_	_	_
Refunds	_	_	_	_	_
Prefunded Credit Applied	_	_	_	_	_
Transfer to Other Plans	_	_	_	_	_
Payments in Accordance with Trust Agreements	_	46,052	17,627	55,381,845	55,445,524
Administrative Expenses		1,088	10,315	3,586,782	3,598,185
Total Deductions		47,140	27,942	58,968,627	59,043,709
Redemption of Units at \$1.00 Per Unit			_	_	
Net Increase (Decrease) in Fiduciary Net Position	101,019	42,832	61,786	(105,971,025)	(105,765,388)
Net Position - Beginning of Year, as Restated	616,924	1,329,798	5,582,044	647,291,263	654,820,029
Net Position - End of Year	\$ 717,943 \$	1,372,630 \$	5,643,830 \$	541,320,238 \$	549,054,641

		Custodia	l Funds	
CI	nild Support	Students and Other	Tax Collection	Total
\$	136,117,894 \$	_	\$ —	\$ 136,117,894
	_	2,485,700	_	2,485,700
	_	_	_	_
	_	7,280	_	7,280
	_	6,459,333	_	6,459,333
	_	_	377,790,820	377,790,820
	_	_	_	_
	_	2.564.264	_	2.564.364
	136,117,894	2,564,361 11,516,874	377,790,820	2,564,361 525,425,588
-	100,117,004	11,010,014	077,700,020	020,420,000
	_	_	_	_
		174		174
				_
	_	174	_	174
	_	_	_	_
	_	_	_	_
	_	_	_	_
	_	1,064,944	_	1,064,944
		,,,,,		7 7-
	136,117,894	12,581,992	377,790,820	526,490,706
	_	_	_	_
	136,117,894	_	_	136,117,894
	_	2,360,832	_	2,360,832
	_	_	376,289,353	376,289,353
	_	6,903,483	— 25 242	6,903,483
	_	_	25,312	25,312
	_	_	_	_
	_	_	_	_
	_	3,587,372	1,476,154	5,063,526
	136,117,894	12,851,687	377,790,819	526,760,400
	_	_	_	_
		(260 60F)	1	(260 604)
	_	(269,695)	1	(269,694)
		5,799,924	2	5,799,926
			_	
\$		5,530,229	\$ 3	\$ 5,530,232

# **Statistical Information**

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# Schedule 1 -- Net Position by Component Last Ten Fiscal Years

(accrual basis of accounting)

(accidal basis of accounting)					
	2014	2015	2016		2017
Governmental Activities					
Net Investment in Capital Assets	\$ 2,502,234,624	\$ 3,622,722,021	\$ 4,299,696,899	\$	4,759,286,304
Restricted	4,976,564,822	6,254,673,532	6,246,873,312		6,224,908,099
Unrestricted	7,109,867,360	6,812,545,677	5,781,826,861		5,989,501,438
Total Governmental Activities Net Position	\$ 14,588,666,806	\$ 16,689,941,230	\$ 16,328,397,072	\$	16,973,695,841
Business-Type Activities					
Net Investment in Capital Assets	844,395,270	1,023,384,933	1,155,758,401		1,223,438,996
Restricted	600,269,799	485,012,106	533,664,273		888,080,253
Unrestricted	1,287,315,405	1,439,859,232	1,528,847,402		1,633,421,219
Total Business-Type Activities Net Position	\$ 2,731,980,474	\$ 2,948,256,271	\$ 3,218,270,076	\$	3,744,940,468
Primary Government					
Net Investment in Capital Assets	3,346,629,894	4,646,106,954	5,455,455,300		5,982,725,300
Restricted	5,576,834,621	6,739,685,638	6,780,537,585		7,112,988,352
Unrestricted	8,397,182,765	8,252,404,909	7,310,674,263		7,622,922,657
Total Primary Government Net Position	\$ 17,320,647,280	\$ 19,638,197,501	\$ 19,546,667,148	\$	20,718,636,309
				_	

	2018	2019	2020		2021	2022	2023
\$	4,988,838,700 6,355,103,413	\$ 5,185,682,467 6,639,785,616	\$ 5,427,964,743 6,543,041,908	\$	5,558,196,905 7,676,068,973	\$ 5,673,770,741 8,029,841,388	\$ 5,794,753,920 8,895,773,769
\$	7,172,275,944 18,516,218,057	\$ 8,786,695,069 20,612,163,152	\$ 9,578,050,070 21,549,056,721	\$	11,474,698,414 24,708,964,292	\$ 11,480,822,257 25,184,434,386	\$ 13,582,081,892 28,272,609,581
	1,214,133,386	1,246,740,894	1,243,098,375		1,339,862,982	1,419,736,052	1,475,621,076
	924,610,477	972,887,591	1,374,338,655		1,670,769,520	1,538,720,043	684,412,102
\$	1,779,197,611 3,917,941,474	\$ 1,904,500,531 4,124,129,016	\$ 1,952,266,055 4,569,703,085	\$	1,905,177,868 4,915,810,370	\$ 1,986,232,970 4,944,689,065	\$ 2,921,112,813 5,081,145,991
	0.000.070.000	0 400 400 004	0.074.000.440		0 000 050 007	7 000 500 700	7 070 074 000
	6,202,972,086 7,279,713,890	6,432,423,361 7,612,673,207	6,671,063,118 7,917,380,563		6,898,059,887 9,346,838,493	7,093,506,793 9,568,561,431	7,270,374,996 9,580,185,871
_	8,951,473,555	 10,691,195,600	 11,530,316,125		13,379,876,282	 13,467,055,227	 16,503,194,705
\$	22,434,159,531	\$ 24,736,292,168	\$ 26,118,759,806	\$	29,624,774,662	\$ 30,129,123,451	\$ 33,353,755,572

Schedule 2 -- Changes in Net Position Last Ten Fiscal Years

Luci		oou	····
(accru	al ha	sis of a	ccounting)

(accrual basis of accounting)				
	2014	2015	2016	2017
Expenses				
Governmental Activities:				
General Governmental	\$ 1,283,916,089	\$ 1,171,207,640	\$ 1,055,377,601	\$ 955,118,609
Education Health and Human Services	1,075,062,067 1,433,598,932	1,415,255,393 1,706,333,172	1,175,550,087 1,776,822,167	1,214,358,440 1,851,801,955
Regulatory	54,727,821	66,743,817	69,084,070	76,261,665
Public Safety and Corrections	243,149,474	249,290,966	227,617,802	238,515,283
Agriculture and Commerce	96,055,152	106,455,113	106,845,611	100,774,792
Natural Resources	119,395,831	236,079,321	321,992,458	286,546,075
Transportation	1,066,103,806	603,812,692	679,070,102	529,532,248
Interest on Long Term Debt	7.601.561	7.154.580	1.334.285	2.677.665
Total Governmental Activities Expenses	5.379.610.733	5.562.332.694	5.413.694.183	5.255.586.732
Business-Type Activities:				
Bank of North Dakota	76,366,749	71,053,171	85,822,027	88,791,813
Housing Finance	40,901,946	37,510,475	40,245,934	40,997,193
Loan Programs	12,759,106	11,366,158	17,322,830	13,172,549
State Lottery	19,264,562	20,359,788	26,038,434	20,637,595
Unemployment Compensation University System	113,988,509 1,129,869,106	144,920,974	225,358,209 1,211,438,892	156,930,938 1,204,936,394
Workers Compensation	418,500,961	1,170,159,474 377,926,363	366,662,703	254,467,332
Other	269.600.028	549.799.020	569,432,422	571.077.157
Total Business-Type Activities Expenses	2.081.250.967	2.383.095.423	2.542.321.451	2.351.010.971
Total Primary Government Expenses	\$ 7,460,861,700	\$ 7,945,428,117	\$ 7,956,015,634	\$ 7,606,597,703
·				
Program Revenues Governmental Activities:				
Charges for Services:				
General Governmental	38,080,695	37.107.914	36,278,126	33,728,302
Education	6,064,710	6,806,001	7,071,212	7,530,807
Health and Human Services	39,915,016	64,507,593	42,982,802	43,283,756
Regulatory	45,384,490	25,862,700	52,583,727	29,390,590
Public Safety and Corrections	28,552,402	30,428,332	24,446,658	23,272,409
Agriculture and Commerce	36,600,243	31,198,196	38,222,183	35,559,194
Natural Resources	29,681,837	33,895,342	35,142,635	35,392,128
Transportation	120,058,651	132,160,558	122,699,922	124,378,227
Operating Grants and Contributions	2,083,789,612	1,888,797,868	1,755,539,596	2,221,211,526
Capital Grants and Contributions	11.045.879	1.388.033	3.416.338	1.205.837
Total Governmental Activities Program Revenues Business-Type Activities:	2.439.173.535	2.252.152.537	2.118.383.199	2.554.952.776
Charges for Services:				
Bank of North Dakota	155,548,000	175,117,000	207,836,000	223,476,000
Housing Finance	36,150,366	34,386,013	36,286,659	37,984,271
Loan Programs	7,548,651	10,365,115	12,212,352	11,530,798
State Lottery	27,051,014	27,212,010	35,736,460	27,744,572
Unemployment Compensation	133,701,408	127,328,232	147,802,377	193,118,386
University System	507,302,753	517,570,660	537,645,053	546,737,253
Workers Compensation	318,779,835	339,806,696	308.682.776	244,720,318
Other	276,895,777	554,752,747	573,829,155	577,288,875
Operating Grants and Contributions	439,950,824	312,136,231	298,603,154	380,842,641
Capital Grants and Contributions Total Business-Type Activities Program Revenues	18.703.628	36.923.275 2.135.597.979	29.609.083	32.025.992 2.275.469.106
Total Primary Government Program Revenues	1.921.632.256 \$ 4,360,805,791	\$ 4,387,750,516	2.188.243.069 \$ 4,306,626,268	\$ 4,830,421,882
	Ψ 4,500,005,191	<del>4,507,750,510</del>	Ψ 4,300,020,200	¥,000,121,002
Net (Expense)/Revenue	(0.040.407.400)	(2.240.400.457)	(2.005.240.004)	(0.700.000.000)
Governmental Activities Business-Type Activities	(2,940,437,198) (159,618,711)	(3,310,180,157)	(3,295,310,984)	(2,700,633,956) (75,541,865)
Total Primary Government Net Expense	\$ (3,100,055,909)	\$ (3,557,677,601)	\$ (3,649,389,366)	\$ (2,776,175,821)
· ·	Ψ (0.100,000,00)	ψ (0,007,077,001)	ψ (0,000,000)	ψ (Σ,110,110,021)
General Revenues and Other Changes in Net Position Governmental Activities: Taxes:				
Individual and Corporate Income Taxes	700,867,920	732,975,064	414,964,865	418,040,178
Sales and Use Taxes	1,756,777,615	1,804,380,378	1,348,342,960	1,236,701,340
Oil, Gas and Coal Taxes	3,335,934,782	2,734,507,198	1,457,361,212	1,490,398,754
Business and Other Taxes	82,437,250	92,936,834	99,295,506	98,374,118
Unrestricted Investment Earnings	130,011,232	117,643,232	64,347,477	489,070,430
Tobacco Settlement	23,652,803	21,789,723	22,776,760	21,599,800
Miscellaneous	198,533,139	161,725,312	119,545,563	119,134,899
Contributions to Permanent Fund Principal	14,251,211	16,382,336	15,637,987	11,895,026
Special Items Extraordinary Item	_	_	(4,948,596)	(38,379,966)
Transfers	(424.008.500)	(542,713,254)	(603.556.908)	(503,278,766)
Total Governmental Activities	5.818.457.452	5.139.626.823	2.933.766.826	3.343.555.813
Business-Type Activities:				
Miscellaneous	1,857,975	9,562,071	93,003	4,846,618
Special Items				
Transfers	<u>455.888.029</u>	535.979.992	611.332.622	598.094.515
Total Business-Type Activities  Total Primary Government	<u>457.746.004</u> \$ 6,276,203,456	545.542.063 \$ 5,685,168,886	611.425.625 \$ 3,545,192,451	602.941.133 \$ 3,946,496,946
•	φ 0,210,203,436	φ υ,υου, 100,000	ψ 3,040,192,45T	φ 3, <del>240,490,940</del>
Change in Net Position Governmental Activities	2 070 000 054	1 000 446 666	(264 544 450)	640 004 057
Business-Type Activities	2,878,020,254 298,127,293	1,829,446,666 298,044,619	(361,544,158) 257,347,243	642,921,857 527,399,268
Total Primary Government	\$ 3,176,147,547	\$ 2,127,491,285	\$ (104,196,915)	\$ 1,170,321,125
	<u>↓</u> 0,170,1∓1,0 <del>4</del> 1	¥ 2,121,101,200	(101,100,101)	¥ 1,170,021,120

\$ 1,054,056,058 \$ 1,138,233,944 \$ 1,034,052,808 \$ 1,214,720,174 \$ 1,511,677,332 \$ 1,576,956,829 1,305,034,476 \$ 1,947,203,303 \$ 2,077,903,037 \$ 2,425,662,33 \$ 2,537,700,450 \$ 1,537,651,374 \$ 1,576,956,829 1,531,537,537,537,537,537,537,537,537,537,537						
1,208,519,846	2018	2019	2020	2021	2022	2023
86.073.174 98.931.503 103.391.326 93.811.024 67.629.011 76.924.292 46.083.037 52.774.991 56.536.692 00.546.134 56.396.539 74.300.121 13.322.203 12.050.669 16.356.752 11.27.198 81.11.42 12.279.456.81 11.128.203 11.27.198 81.11.42 12.279.456.81 11.128.203 11.279.456.81 11.128.203 11.279.456.81 11.128.203 11.279.456.81 11.128.203 11.279.456.81 11.128.203 11.279.456.83 11.149.809.180 12.27.557.603 13.40.608.370 13.057.66.945 12.11.80.809.180 12.27.557.603 13.40.608.370 13.057.66.945 12.10.279.345 12.27.557.603 13.40.608.370 13.057.66.945 12.129.233 12.27.657.603 13.40.608.370 13.057.66.945 12.129.233 13.40.809.180 12.27.557.603 13.40.608.370 13.057.66.945 12.27.038.450 12.27.557.603 13.40.608.370 13.057.66.945 12.27.038.450 12.27.557.603 13.40.808.370 13.057.60.945 12.27.357.603 13.40.808.370 13.057.60.945 12.280 12.280.27.121.12.508 13.148.4551 12.280.257.12.280 12.280.27.29.280 12.280.27.121.12.280 12.280.27.29.29.29.29.29.29.29.29.29.29.29.29.29.	1,208,513,849 1,930,264,975 60,781,953 241,143,887 95,411,926 230,194,737 444,530,511 2,502,540	1,238,988,634 1,947,263,363 61,213,248 230,666,579 99,247,117 261,307,506 443,629,333 1,952,361	1,288,935,269 2,077,950,367 78,441,824 249,751,212 107,574,065 217,545,757 429,801,053 1.691,314	1,440,183,047 2,429,626,253 262,054,990 303,434,122 235,626,424 292,875,625 518,412,351 4,267,910	1,537,651,374 2,527,706,456 153,118,491 259,572,771 138,348,393 326,713,061 546,264,425 4,973,283	1,579,569,829 2,753,186,043 232,362,836 326,906,314 175,559,082 306,630,292 679,592,179 24,213,233
6.083.037   52.714.991   56.358.682   10.264.134   56.808.139   74.308.121   13.302.033   12.665.689   16.398.782   11.275.18   8.811.142   12.276.456   12.276.18   12.276.						
6,987,309	46,083,037 13,320,203 23,214,880 115,486,597 1,178,669,412 270,197,345 632,911,836 2,365,956,484	52,714,991 12,665,669 26,174,686 84,205,911 1,198,989,180 297,497,091 594,491,102 2,365,670,133	56,536,682 16,395,752 18,929,003 611,219,223 1,227,857,663 220,279,394 616,265,019 2,870,874,062	60,546,134 11,287,518 23,631,524 731,052,695 1,349,698,370 208,717,011 652,042,298 3,130,786,574	56,986,319 8,811,142 21,962,144 75,427,408 1,350,756,645 213,028,340 771,218,508 2,565,819,517	74,380,121 12,579,456 28,204,785 68,866,118 1,427,038,459 196,649,154 818,848,351 2,703,492,736
6,987,309						
39.821,469	6,987,309 48,201,500 31,489,459 30,370,076 40,756,601 33,128,741 120,482,453 2,156,381,884 94,772	7,147,934 80,627,617 29,490,252 32,002,961 32,809,364 38,390,527 120,377,945 2,121,702,987 106,834	10,566,897 47,748,086 37,130,755 20,811,638 38,228,838 44,662,134 116,062,224 2,028,277,553 1,939	11,240,158 40,135,912 43,663,963 18,539,074 37,917,725 41,529,095 121,945,135 4,178,131,574	38,841,000 42,907,917 45,108,826 23,597,161 42,576,324 43,343,120 115,516,012 2,869,390,395 4,090,669	28,783,948 24,376,640 50,903,881 23,700,287 43,441,972 45,924,091 115,690,263 3,789,645,123 3,045,978
(107,182,637)         (80,096,636)         (43,111,768)         23,019,723         (439,625,471)         (348,003,461)           \$ (2.853,994,073)         \$ (3.047,757,185)         \$ (3.153,420,889)         \$ (2.145,354,377)         \$ (4.185,478,656)         \$ (3.898,010,598)           452,792,812         604,088,632         513,419,336         581,766,062         646,802,135         812,953,433           1,326,248,557         1,435,129,762         1,364,664,641         1,327,568,100         1,459,331,771         1,725,168,258           2,196,877,038         2,586,569,876         1,949,036,077         1,746,983,327         3,027,333,528         2,967,166,869           100,127,079         110,714,853         107,173,491         128,552,656         137,741,934         146,852,833           380,164,919         360,264,138         333,528,092         1,676,824,486         (905,927,220)         787,382,703           55,305,183         20,752,400         21,159,397         22,586,170         23,205,519         24,844,863           163,996,339         231,745,021         190,047,481         185,681,366         316,225,687         400,722,677           4,393,122         11,014,244         9,515,851         11,162,710         4,870,341         9,148,366           2,921,705         5,162,713 </td <td>39,821,469 7,391,511 31,520,906 162,161,260 549,206,645 239,542,884 639,883,523 363,266,299 4,769,350 2,258,773,847</td> <td>49,362,786 13,095,470 35,511,058 114,657,558 540,691,218 249,787,742 600,125,017 410,790,831 19,925,817 2,285,573,497</td> <td>58,096,789 17,114,318 24,505,932 452,421,028 528,517,702 230,442,756 623,799,925 596,060,095 17,501,749 2,827,762,294</td> <td>49,989,561 15,543,719 30,501,286 549,743,788 546,245,171 185,328,576 655,012,904 855,176,187 17,610,105 3,153,806,297</td> <td>44,366,000 13,284,979 29,329,209 82,240,700 586,903,796 169,374,325 805,400,331 135,133,591 54,601,115 2,126,194,046</td> <td>65,371,000 11,985,500 39,507,316 91,932,860 604,037,145 190,575,569 829,737,785 202,540,217 31,018,883 2,355,489,275</td>	39,821,469 7,391,511 31,520,906 162,161,260 549,206,645 239,542,884 639,883,523 363,266,299 4,769,350 2,258,773,847	49,362,786 13,095,470 35,511,058 114,657,558 540,691,218 249,787,742 600,125,017 410,790,831 19,925,817 2,285,573,497	58,096,789 17,114,318 24,505,932 452,421,028 528,517,702 230,442,756 623,799,925 596,060,095 17,501,749 2,827,762,294	49,989,561 15,543,719 30,501,286 549,743,788 546,245,171 185,328,576 655,012,904 855,176,187 17,610,105 3,153,806,297	44,366,000 13,284,979 29,329,209 82,240,700 586,903,796 169,374,325 805,400,331 135,133,591 54,601,115 2,126,194,046	65,371,000 11,985,500 39,507,316 91,932,860 604,037,145 190,575,569 829,737,785 202,540,217 31,018,883 2,355,489,275
\$\( (2.853.994.073) \)\$\( (3.047.757.185) \)\$\( (3.153.420.888) \)\$\( (2.145.354.377) \)\$\( (4.185.478.656) \)\$\( (3.898.010.598) \)\$  \[ \begin{array}{c ccccccccccccccccccccccccccccccccccc						
1,320,248,557         1,435,129,762         1,364,664,641         1,327,568,100         1,459,331,771         1,725,168,258           2,196,877,038         2,586,569,876         1,949,036,077         1,746,983,327         3,027,333,528         2,967,166,869           100,127,079         110,714,853         107,173,491         128,552,656         137,741,934         146,852,833           380,164,919         360,264,138         333,528,092         1,676,824,486         (905,927,220)         787,382,703           55,305,183         20,752,400         21,159,397         22,586,170         23,205,519         24,844,863           163,996,339         231,745,021         190,047,481         185,658,136         316,225,687         400,722,677           4,393,122         11,014,244         9,515,851         11,162,710         4,870,341         9,148,366           -         -         -         -         -         -         -         -           4,312,407,728         5,069,560,639         4,048,294,599         5,315,123,068         4,226,289,499         6,620,097,586           2,921,705         5,162,713         3,576,763         334,080,678         454,006,736         448,310,037           285,002,133         277,018,465         485,109,074         334,080,67						
4,312,407,728         5,069,560,639         4,048,294,599         5,315,123,068         4,226,289,499         6,620,097,586           2,921,705         5,162,713         3,576,763         336,679         2,723,709         3,217,757           285,002,133         277,018,465         485,109,074         334,080,678         454,006,736         448,310,037           287,923,838         282,181,178         488,685,837         334,417,357         456,730,445         451,527,794           \$ 4,600,331,566         \$ 5,351,741,817         \$ 4,536,980,436         \$ 5,649,540,425         \$ 4,683,019,944         \$ 7,071,625,380           1,565,596,292         2,101,900,090         937,985,479         3,146,748,968         480,436,314         3,070,090,449           180,741,201         202,084,542         445,574,069         357,437,080         17,104,974         103,524,333	1,326,248,557 2,196,877,038 100,127,079 380,164,919 55,305,183 163,996,339	1,435,129,762 2,586,569,876 110,714,853 360,264,138 20,752,400 231,745,021	1,364,664,641 1,949,036,077 107,173,491 333,528,092 21,159,397 190,047,481	1,327,568,100 1,746,983,327 128,552,656 1,676,824,486 22,586,170 185,658,136	1,459,331,771 3,027,333,528 137,741,934 (905,927,220) 23,205,519 316,225,687	1,725,168,258 2,967,166,869 146,852,833 787,382,703 24,844,863 400,722,677
285.002.133         277.018.465         485.109.074         334.080.678         454.006.736         448.310.037           287,923,838         282,181,178         488,685,837         334,417,357         456,730,445         451,527,794           \$ 4,600,331,566         \$ 5,351,741,817         \$ 4,536,980,436         \$ 5,649,540,425         \$ 4,683,019,944         \$ 7,071,625,380           1,565,596,292         2,101,900,090         937,985,479         3,146,748,968         480,436,314         3,070,090,449           180,741,201         202,084,542         445,574,069         357,437,080         17,104,974         103,524,333						
287,923,838         282,181,178         488,685,837         334,417,357         456,730,445         451,527,794           \$ 4,600,331,566         \$ 5,351,741,817         \$ 4,536,980,436         \$ 5,649,540,425         \$ 4,683,019,944         \$ 7,071,625,380           1,565,596,292         2,101,900,090         937,985,479         3,146,748,968         480,436,314         3,070,090,449           180,741,201         202,084,542         445,574,069         357,437,080         17,104,974         103,524,333	2,921,705	5,162,713	3,576,763	336,679	2,723,709	3,217,757
\$ 4,600,331,566       \$ 5,351,741,817       \$ 4,536,980,436       \$ 5,649,540,425       \$ 4,683,019,944       \$ 7,071,625,380         1,565,596,292       2,101,900,090       937,985,479       3,146,748,968       480,436,314       3,070,090,449         180,741,201       202,084,542       445,574,069       357,437,080       17,104,974       103,524,333						
<u>180,741,201</u> <u>202,084,542</u> <u>445,574,069</u> <u>357,437,080</u> <u>17,104,974</u> <u>103,524,333</u>						

# Schedule 3 -- Fund Balances, Governmental Funds Last Ten Fiscal Years

(modified accrual basis of accounting)

	2014	2015	2016	2017
General Fund				
Nonspendable	\$ 2,447,681,621	\$ 3,465,933,483	\$ 3,908,797,255	\$ 4,761,588,134
Restricted	_	_	_	_
Committed	1,365,420,166	1,332,805,458	997,494,805	364,544,853
Unassigned	1,421,552,566	1,061,519,282	421,702,619	353,772,107
Total General Fund	5,234,654,353	5,860,258,223	5,327,994,679	5,479,905,094
All Other Governmental Funds				
Nonspendable	88,250,884	179,976,824	197,452,648	208,038,662
Restricted	4,913,528,772	6,037,108,398	6,000,049,002	5,996,248,585
Committed	1,628,346,627	1,230,446,562	617,111,539	480,910,925
Assigned	224,403,093	_	79,512,397	228,964,056
Unassigned	_	(8,477,525)	(3,376,686)	(3,146,889)
Total All Other Governmental Funds	6,854,529,376	7,439,054,259	6,890,748,900	6,911,015,339
Total Fund Balances, Governmental Funds	\$ 12,089,183,729	\$ 13,299,312,482	\$ 12,218,743,579	\$ 12,390,920,433

2018	2019		2020		2020 2021 2022		2022	2023
\$ 5,551,216 8,990,891 411,711,769	\$ 6,638,440 279,367 348,222,819	\$	6,194,850 396 1,066,688,590	\$	7,560,989 1,189,782 1,020,424,743	\$	7,983,403 567,263 1,136,436,411	\$ 7,356,933 — 1,532,804,951
6,242,855,378	7,231,354,796		7,655,894,378		9,708,645,637		9,795,178,076	11,199,264,744
6,669,109,254	7,586,495,422		8,728,778,214		10,737,821,151		10,940,165,153	 12,739,426,628
216,171,493	101,738,203		103,260,391		136,551,832		134,831,158	127,402,160
6,124,510,110	6,488,554,439		6,410,963,955		7,514,294,011		7,876,626,867	8,759,261,125
398,555,411	1,187,965,245		840,247,407		953,335,924		1,319,832,396	1,939,645,375
381,732,051	374,609,779		419,726,973		386,292,467		265,429,426	301,458,315
_	(1,642,214)		(4,821,080)		(9,019,900)		_	_
 7,120,969,065	8,151,225,452		7,769,377,646		8,981,454,334		9,596,719,847	 11,127,766,975
\$ 13,790,078,319	\$ 15,737,720,874	\$	16,498,155,860	\$	19,719,275,485	\$	20,536,885,000	\$ 23,867,193,603

# Schedule 4 -- Changes in Fund Balances, Governmental Funds Last Ten Fiscal Years

(modified accrual basis of accounting)

(modified accrual basis of accounting)				
	2014	2015	2016	2017
Revenues				
Individual and Corporate Income Taxes	\$ 736,426,799	\$ 714,657,090	\$ 424,229,756	\$ 397,563,377
Sales and Use Taxes	1,747,358,775	1,790,646,715	1,353,955,780	1,227,777,645
Oil, Gas, and Coal Taxes	3,336,441,100	2,734,607,036	1,457,086,135	1,489,177,632
Business and Other Taxes	85,216,692	93,445,691	99,743,017	99,358,473
Licenses, Permits and Fees	205,896,279	215,706,207	207,163,123	201,347,912
Intergovernmental	1,433,023,985	1,626,610,762	1,643,431,832	1,718,291,215
Sales and Services	54,206,137	81,988,980	57,382,857	56,713,042
Royalties and Rents	474,293,031	398,048,916	237,379,524	256,351,062
Fines and Forfeits	23,022,332	26,167,673	22,979,377	25,792,953
Interest and Investment Income	515,486,326	149,053,816	63,615,120	863,607,155
Tobacco Settlement	33,896,173	30,512,364	31,872,848	25,677,716
Commodity Assessments	24,788,270	23,662,092	25,007,037	27,771,103
Miscellaneous	37,337,036	17,176,577	43,591,538	19,059,502
Total Revenues	8,707,392,935	7,902,283,919	5,667,437,944	6,408,488,787
Expenditures				
Current:				
General Government	391,604,389	690,034,696	363,410,801	375,462,221
Education	1,073,921,730	1,116,260,493	1,174,928,314	1,212,413,715
Health and Human Services	1,430,474,509	1,707,702,397	1,774,061,712	1,830,146,819
Regulatory	47,317,516	58,625,606	60,161,098	66,319,143
Public Safety and Corrections	230,055,951	237,542,738	216,354,458	221,427,867
Agriculture and Commerce	95,791,431	106,304,742	106,791,473	100,053,823
Natural Resources	107,874,535	185,712,117	307,669,526	270,375,075
Transportation	1,015,136,123	550,382,661	613,815,927	446,115,824
Intergovernmental - Revenue Sharing	887,469,331	811,392,745	693,793,125	574,300,791
Capital Outlay	250,938,968	648,582,253	770,056,268	585,432,696
Debt Service:				
Principal	18,094,333	35,744,666	63,766,311	11,576,381
Interest and Other Charges	7,999,247	7,915,666	4,544,267	2,809,155
Bond and Note Cost of Issuance	_	_	_	_
Total Expenditures	5,556,678,063	6,156,200,780	6,149,353,280	5,696,433,510
Revenue over (under) Expenditures	3,150,714,872	1,746,083,139	(481,915,336)	712,055,277
Other Financing Sources (Uses)				
Bonds and Notes Issued	_	_	_	_
Payment of Refunded Bonds	_	_	_	_
Lease Acquisitions	52,526	244,493	149,891	1,728,159
Sale of Capital Assets	336,557	49,910	5,712,951	27,150
Other	_		-	
Transfers In	104,808,196	1,176,200,047	838,882,833	346,374,625
Transfers Out	(528,711,650)	(1,718,913,302)	(1,443,399,242)	(849,628,391)
Total Other Financing Sources (Uses)	(423,514,371)	(542,418,852)	(598,653,567)	(501,498,457)
Extraordinary Item				(38,379,966)
				(00,010,000)
Net Changes in Fund Balances	\$ 2,727,200,501	\$ 1,203,664,287	\$ (1,080,568,903)	\$ 172,176,854
Debt Service as a Percentage of Noncapital Expenditures	<1%	<1%	1%	<1%

2	018		2019	 2020	 2021	 2022	 2023
\$	459,742,512	\$	594,902,271	\$ 514,474,130	\$ 580,658,626	\$ 664,895,947	\$ 806,747,080
1,	308,380,507		1,447,039,166	1,382,950,275	1,326,013,473	1,461,872,541	1,722,350,685
2,	198,245,617		2,586,461,875	1,949,413,720	1,746,635,471	3,016,379,426	2,978,251,411
	100,050,115		113,491,911	107,904,881	125,055,742	138,985,340	149,088,825
	209,425,979		208,629,095	205,881,199	205,204,816	197,636,285	198,612,574
1,	666,435,743	1,722,371,509	1,935,418,579	2,954,711,047	2,894,663,210	3,115,793,060	
	59,147,530		87,945,566	63,647,829	61,109,068	61,158,343	63,823,059
	358,554,090		428,518,481	350,303,312	353,401,250	617,606,229	680,664,152
	27,794,757		31,643,952	28,740,584	36,954,902	24,960,386	39,725,547
	668,469,231		568,502,158	267,822,601	2,736,264,540	(1,183,555,882)	1,187,959,595
	55,305,183		20,752,400	21,159,397	22,586,170	23,205,519	24,844,863
	25,879,090		24,055,725	23,180,351	27,911,971	27,563,462	32,367,127
	32,577,808		26,261,882	 32,010,373	 27,671,984	 24,438,015	 40,751,317
7,	170,008,162		7,860,575,991	6,882,907,231	10,204,179,060	7,969,808,821	 11,040,979,295
	196,145,504		212,878,777	221,601,805	421,622,553	411,498,194	551,474,755
	205,816,564		1,236,434,495	1,286,565,575	1,417,944,095	1,519,738,946	1,577,259,003
1,	895,273,724		1,901,317,937	2,036,979,868	2,346,331,566	2,485,114,631	2,661,241,445
	50,990,125		44,017,306	66,636,947	238,371,129	137,003,570	202,896,412
	217,079,519		206,073,620	228,482,829	248,403,023	235,852,853	287,859,738
	93,502,803		97,290,753	106,261,515	230,631,647	137,476,833	172,097,075
	210,225,132		240,134,308	196,940,075	264,426,811	306,294,713	272,864,649
	369,478,453		359,256,938	330,326,337	380,064,758	397,269,719	508,032,541
	826,616,477		964,483,838	805,934,582	761,332,025	1,115,020,869	1,067,904,006
	339,847,100		341,357,479	383,713,350	401,825,733	296,216,316	426,673,396
	16,169,612		10,839,024	20,566,373	6,434,015	17,247,882	23,077,580
	2,532,662		2,073,539	1,800,116	4,027,874	6,418,386	20,432,118
				<u> </u>	 _	 1,886,000	 1,523,000
5,	423,677,675		5,616,158,014	5,685,809,372	6,721,415,229	7,067,038,912	7,773,335,718
1,	746,330,487		2,244,417,977	1,197,097,859	3,482,763,831	904,655,909	3,267,643,577
	42,812,909		_	3,344,100	89,728,267	389,962,280	319,038,000
	(20,347,000)		-				4 000 450
	175,968		184,258	145,827	1,310,560	14,086,369	4,306,452
	19,343 —		1,141,039 —	269,769 —	191,812 —	644 —	84,718 —
	291,318,581		285,737,190	563,143,071	742,667,620	444,562,760	537,885,413
(	658,815,902)		(576,455,477)	 (1,003,565,640)	 (1,108,701,068)	 (927,860,759)	 (792,371,894)
(	344,836,101)		(289,392,990)	(436,662,873)	(274,802,809)	 (79,248,706)	 68,942,689
\$ 1,	401,494,386	\$	1,955,024,987	\$ 760,434,986	\$ 3,207,961,022	\$ 823,521,203	\$ 3,336,586,266
<	:1%		<1%	<1%	<1%	<1%	<1%

# Schedule 5 Taxable Sales by Industry Last Ten Calendar Years

Calendar Year 2013 2014 2016 2015 Mining and Oil Extraction \$4,374,052,860 \$3,195,799,670 \$1,270,571,326 \$5,194,104,870 Construction 985,079,023 965,197,436 893,628,575 788,360,652 Manufacturing 1,334,723,444 1,527,873,493 1,256,620,179 955,191,364 Transportation, Communications, And Public Utilities 569,453,738 630,444,105 566,226,446 359,835,574 Wholesale 6,434,467,781 7,391,400,913 5,339,698,317 3,564,195,615 Retail 6,569,146,675 6,900,590,520 6,137,317,234 6,634,790,900 Services 3,441,014,994 3,684,213,017 3,176,227,835 2,547,155,903 Accommodation and Food Service 1,756,625,375 1,928,607,097 1,839,842,915 1,705,940,154 Miscellaneous Total \$25,464,563,890 \$28,222,431,451 \$22,902,834,837 \$17,328,567,822 Effective Tax Rate 5.08 % 5.00 % 5.35 % 5.42 %

Source: ND State Tax Department

Schedule 6
Sales Tax Revenue Payers by Industry
Calendar Years 2013 and 2022

(Dollars are in Millions)

Calendar Year 2013

	Number	Percentage	Tax	Percentage
	of Filers	of Total	 iability	of Total
Retail Trade	11,276	36.2 %	\$ 393	30.3 %
Wholesale Trade	5,139	16.5 %	\$ 319	24.6 %
Services	8,650	27.7 %	\$ 219	17.0 %
Transportation, Communications,				
And Public Utilities	505	1.6 %	\$ 28	2.2 %
Manufacturing	2,489	8.0 %	\$ 67	5.2 %
Construction	2,516	8.1 %	\$ 49	3.8 %
Miscellaneous				
Mining and Oil Extraction	616	2.0 %	\$ 219	16.9 %
Total	31,191	100.0 %	\$ 1,294	100.0 %

Source: ND State Tax Department

### Calendar Year

		Outcha	ui i cui		
2017	2018	2019	2020	2021	2022
\$ 1,933,586,774	\$ 2,798,102,134	\$ 3,099,269,900	\$ 1,670,338,769	\$ 1,550,152,783	\$ 2,214,642,058
572,742,527	581,608,306	618,279,202	552,912,062	572,799,245	725,447,618
940,433,285	1,073,576,742	1,167,694,348	199,376,511	1,138,536,628	1,404,869,602
325,778,272	520,830,231	607,973,352	309,734,767	542,253,695	438,619,126
3,971,599,479	4,849,827,096	4,972,679,709	3,840,938,987	4,239,430,757	5,843,206,893
6,039,261,375	6,253,114,138	6,686,103,548	7,175,885,046	8,117,420,573	8,536,747,803
2,411,082,485	2,420,785,043	2,537,470,588	3,361,463,017	2,328,226,383	2,818,238,152
1,706,215,062	1,765,283,726	1,834,041,363	1,476,480,919	1,853,920,237	2,020,329,248
\$ 17,900,699,259	\$ 20,263,127,416	\$ 21,523,512,010	\$ 18,587,130,078	\$ 20,342,740,301	\$ 24,002,100,500
5.06 %	5.12 %	5.11 %	5.13 %	5.13 %	4.96 %

# Calendar Year 2022

Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
16,325	33.5 %	\$ 423.42	35.6 %
6,954	14.3 %	289.82	24.3 %
15,862	32.5 %	240	20.2 %
613.00	1.3 %	21.76	1.8 %
4,950	10.1 %	69.69	5.9 %
3,284	6.7 %	35.98	3.0 %
783	1.6 %	109.85	9.2 %
48,771	100.0 %	\$ 1,190.52	100.0 %

# Schedule 7 Ratios of Outstanding Debt by Type Last Ten Fiscal Years

(dollars in thousands)

	Fiscal Year							
		2014		2015		2016		2017
Governmental Activities								
Revenue Bonds	\$	163,031	\$	129,345	\$	64,049	\$	54,105
Leases Payable		667		600		467		1,695
SBITA Payable		_		_		_		_
Notes Payable		4,981		4,412		3,891		2,181
Total Governmental Activities		168,679		134,357		68,407		57,981
Business-type Activities								
Revenue Bonds		901,527		884,086		1,040,019		1,019,125
Certificates of Participation		_		_		_		_
Leases Payable		44,774		41,224		38,533		41,425
SBITA Payable		_		_		_		_
Notes Payable		484,763		665,792.00		747,186		1,299,860
Total Business-Type Activities		1,431,064		1,591,102		1,825,738		2,360,410
Total Primary Government	\$	1,599,743	\$	1,725,459	\$	1,894,145	\$	2,418,391
Debt as a Percentage of Personal Income 1		4.1 %		4.3 %		4.4 %		5.8 %
Amount of Debt per Capita 1	\$	2,279	\$	2,383	\$	2,560	\$	3,195

Details regarding the state's debt can be found in Note 3-L of the financial statements.

<sup>&</sup>lt;sup>1</sup> These ratios are calculated using personal income and population for the prior calendar year. See Schedule 10 for personal income and population data.

#### Fiscal Year

2018	2019	 2020	 2021	 2022	2023
\$ 40,429	\$ 29,950	\$ 19,730	\$ 112,488	\$ 491,725	\$ 786,774
1,415	1,118	834	3,301	40,409	41,401
_	_	_	_	_	46,668
22,248	21,897	14,817	16,406	17,157	15,835
64,092	52,965	35,381	132,195	 549,291	890,678
1,242,368	1,525,285	1,666,599	1,692,518	1,795,064	1,902,600
_	96,843	104,120	104,123	262,217	260,727
40,058	54,359	51,662	49,950	67,495	78,125
_	_	_	_	_	22,336
1,289,686	1,120,787	648,266	198,740	135,353	698,447
2,572,112	2,797,274	2,470,647	2,045,331	 2,260,127	2,962,234
\$ 2,636,204	\$ 2,850,239	\$ 2,506,028	\$ 2,177,526	\$ 2,809,418	\$ 3,852,912
6.4 %	6.9 %	6.1 %	4.8 %	5.5 %	7.5 %
\$ 3,478	\$ 3,760	\$ 3,306	\$ 2,845	\$ 3,625	\$ 4,944

# Schedule 8 Pledged-Revenue Coverage Last Ten Fiscal Years

							Debt Service				
Fiscal Year	Gross Revenues		Less: Operating Net Available Revenues					Principal		Interest	Coverage
	BUII	LDING AUTHO	RITY I	BONDS							
2014	\$	9,176,000	\$	_	\$	9,176,000	\$	6,825,000	\$	2,336,000	1.00
2015		8,163,000		_		8,163,000		6,130,000		2,080,000	0.99
2016		9,868,000		_		9,868,000		6,375,000		1,896,000	1.19
2017		5,300,000		_		5,300,000		5,315,000		1,680,000	0.76
2018		32,500,000		_		32,500,000		31,110,000		1,485,000	1.00
2019		6,343,000		_		6,343,000		5,200,000		1,092,000	1.01
2020		5,312,000		_		5,312,000		4,400,000		879,000	1.01
2021		5,363,000		_		5,363,000		4,620,000		3,307,000	0.68
2022		12,008,000		_		12,008,000		7,185,000		4,838,000	1.00
2023		10,050,000		_		10,050,000		5,955,000		4,526,000	0.96
	Pled	lged revenues i	nclude	interest and le	ase į			2,222,222		,,,,	
	WAT	TER COMMISS	ION B	ONDS							
2014	\$	16,615,188	\$	_	\$	16,615,188	\$	5,990,528	\$	3,911,439	1.68
2015		8,783,565		_		8,783,565		13,343,592		3,318,972	0.53
2016		45,840,868		_		45,840,868		52,525,000		1,309,125	0.85
	Pled	lged revenues ii	nclude	user fees, inte	rest,	and Tobacco Se	ttlem	ent funds.			
	INFO	ORMATION TE	CHNO	LOGY BONDS	i						
2014	\$	60,619,327	\$	53,925,234	\$	6,694,093	\$	711,950	\$	14,239	9.22
	Pled	lged revenues i	nclude	user fees.							
	DEP	ARTMENT OF	TRAN	ISPORTATION	во	NDS					
2014	\$	5,320,012	\$	_	\$	5,320,012	\$	3,865,000	\$	1,451,535	1.00
2015		5,318,070		_		5,318,070		4,015,000		1,303,070	1.00
2016		5,317,250		_		5,317,250		4,165,000		1,150,500	1.00
2017		5,315,500		_		5,315,500		4,375,000		942,250	1.00
2018		5,314,000		_		5,314,000		4,590,000		723,500	1.00
2019		5,313,500		_		5,313,500		4,820,000		494,000	1.00
2020		5,313,000		_		5,313,000		5,060,000		253,000	1.00
		lged revenues in copriations, and					ntal re	evenues and tra	nsfer	s from fund 002), h	ighway fund
	LEG	ACY BONDS									
2022	\$	389,848,000	\$	1,886,000	Ф	387,962,000	•		\$		
	φ		φ		φ		φ	_	φ	— 13,821,000	— 17 77
2023	Dlod	323,886,000	noluda	78,277,539		245,608,461		_		13,021,000	17.77
	riea	lged revenues ii	iciuue	user rees.							

						Debt Service					
Fiscal Year	Gr	oss Revenues		ess: Operating Expenses		Net Available Revenues	Principal Interest			Interest	Coverage
	STU	JDENT LOAN T	RUS	<b>S</b> T							
2014	\$	868,000	\$	559,000	\$	309,000	\$	_	\$	9,000	34.33
2015		732,000		487,000		245,000		_		9,000	27.22
2016		639,000		402,000		237,000		_		10,000	23.70
2017		543,000		361,000		182,000		_		14,000	13.00
2018		237,000		57,000		180,000		_		22,000	8.18
2019		84,000		38,000		46,000		_		31,000	1.48
2020		70,000		26,000		44,000		_		23,000	1.91
2021		47,000		17,000		30,000		_		8,000	3.75
2022		36,000		15,000		21,000		_		10,000	2.10
2023		37,000		14,000		23,000		_		46,000	0.50
	Pled	dged revenues ii	nclu	de federal revenu	ies,	and loan and inve	stme	ent interest.			
	но	USING FINANC	ΕA	GENCY							
2014	\$	48,261,366	\$	28,677,687	\$	19,583,679	\$	189,830,000	\$	22,360,000	0.09
2015		46,104,013		25,535,000		20,569,013		136,385,000		18,303,000	0.13
2016		48,479,659		27,986,000		20,493,659		102,480,000		17,801,000	0.17
2017		50,851,271		28,185,000		22,666,271		249,400,000	17,985,000		0.08
2018		54,771,000		29,905,000		24,866,000		126,620,000		18,900,000	0.17
2019		64,712,000		37,843,000		26,869,000		89,660,000		23,474,000	0.24
2020		72,051,000		43,041,000		29,010,000		109,720,000		30,104,000	0.21
2021		66,753,000		44,296,000		22,457,000		233,210,000		33,530,000	0.08
2022		59,012,000		41,917,000		17,095,000		266,540,000		28,989,000	0.06
2023		87,644,000		52,234,000		35,410,000		123,540,000		33,300,000	0.23
	Plea	dged revenues ii	nclu	de income and pr	осе	eds from mortgag	e loa	n activity.			
	UNI	VERSITY SYST	ЕМ								
2014	\$	750,780,897	\$	1,051,848,696	\$	(301,067,799)	\$	42,458,545	\$	11,650,094	(5.56)
2015		758,127,326		1,090,845,378		(332,718,052)		45,904,456		13,702,718	(5.58)
2016		838,245,926		1,200,399,795		(362,153,869)		60,435,257		12,328,344	(4.98)
2017		794,108,239		1,186,452,340		(392,344,101)		46,330,594		12,539,581	(6.66)
2018		795,593,560		1,160,802,712		(365,209,152)		44,073,161		12,241,613	(6.49)
2019		814,825,704		1,179,695,430		(364,869,726)		20,538,565		11,627,313	(11.34)
2020		802,320,682		1,192,083,445		(389,762,763)		19,508,893		13,753,146	(11.72)
2021		967,486,213		1,308,671,037		(341,184,824)		26,018,512	20,177,507		(7.39)
2022		939,531,681		1,233,808,828		(294,277,147)		44,274,373		25,014,172	(4.25)
2023		975,769,896		1,299,337,474		(323,567,578)		35,301,656		23,661,813	(5.49)

Pledged revenues include student fees, auxiliary revenues, sales, tax revenue, investment income and debt service grants.

NOTE: Gross revenues include nonoperating interest income. Operating expenses do not include bond interest or depreciation expenses.

Schedule 9 Legal Debt Limit Fiscal Year Ending June 30, 2023

The state may issue or guarantee the payment of bonds, provided that all bonds in excess of two million dollars shall be secured by first mortgage upon real estate in amounts not to exceed sixty-five percent of its value; or upon real and personal property of state-owned utilities, enterprises, or industries, in amounts not exceeding its value, and provided further, that the state shall not issue or guarantee bonds upon property of state-owned utilities, enterprises, or industries in excess of ten million dollars.

No further indebtedness shall be incurred by the state unless evidenced by a bond issue, which shall be authorized by law for certain purposes, to be clearly defined. Every law authorizing a bond issue shall provide for levying an annual tax, or make other provision, sufficient to pay the interest semiannually, and the principal within thirty years from the date of the issue of such bonds and shall specially appropriate the proceeds of such tax, or of such other provisions to the payment of said principal and interest, and such appropriation shall not be repealed nor the tax or other provisions discontinued until such debt, both principal and interest, shall have been paid. No debt in excess of the limit named herein shall be incurred except for the purpose of repelling invasion, suppressing insurrection, defending the state in time of war or to provide for the public defense in case of threatened hostilities.

The State is in compliance with the Legal Debt Margin.

Source: North Dakota Constitution, Art. X, Section 13.

The State of North Dakota has had no General Obligation Bonded Debt since Fiscal Year 1998. No Schedule of Ratios of General Bonded Debt is being presented.

#### Schedule 10 Demographic and Economic Indicators Last Ten Calendar Years

Year	Population (a)	Total Personal Income (b) (000's)	Per Capita Personal Income (b)	ND Unemployment Rate (c)	Annual Average UI Covered Employment (d)
2013	723,149	\$38,860,600	\$53,821	2.9 %	427,109
2014	738,736	\$41,526,200	\$56,314	2.7 %	444,658
2015	755,537	\$40,600,600	\$53,842	2.8 %	437,078
2016	754,434	\$39,104,000	\$52,519	3.1 %	417,150
2017	754,942	\$39,812,900	\$52,686	2.7 %	414,039
2018	758,080	\$42,291,900	\$55,598	2.6 %	417,578
2019	762,062	\$43,614,400	\$57,501	2.4 %	422,826
2020	765,309	\$45,450,200	\$59,388	5.1 %	395,988
2021	774,948	\$50,793,100	\$65,544	3.7 %	400,472
2022	779.261	\$51.574.500	\$66.184	2.1 %	411.308

#### Source:

- (a) Census Bureau
- (b) Bureau of Economic Analysis
- (c) Local Area Unemployment Statistics program (SA)
- (d) Quarterly Census of Employment and Wages program

# Schedule 11 Principal Employers

North Dakota Century Code 52-01-02 and 52-01-03 prohibits Job Service North Dakota from disclosing information provided to them by employers, including the employer name and number of employees, unless authorized by the employer. Sufficient permission has not been received to allow for presentation of this schedule.

The following schedule is being presented as an alternative to the principal employer schedule:

Schedule 12 Employment by Industry Current Calendar Year and Ten Years Ago

		2022			2013	
Industry	Number of Employees	Rank	Percent of Total Nonagricultural Wage and Salary Employment	Number of Employees	Rank	Percent of Total Nonagricultural Wage and Salary Employment
Government	81,800	1	19.14 %	79,900	1	17.95 %
Educational and Health Services	67,000	2	15.68 %	61,200	2	13.75 %
Retail Trade	44,900	3	10.51 %	48,600	3	10.92 %
Leisure and Hospitality	38,900	4	9.10 %	39,200	4	8.81 %
Professional and Business Services	34,700	5	8.12 %	33,100	5	7.44 %
Manufacturing	27,300	6	6.39 %	25,400	10	5.71 %
Construction	26,000	7	6.08 %	32,800	6	7.37 %
Financial Activities	24,400	8	5.71 %	22,900	11	5.14 %
Wholesale Trade	23,000	9	5.38 %	26,400	7	5.93 %
Transportation, Warehousing and Utilities	22,600	10	5.29 %	26,200	8	5.89 %
Logging and Mining	16,200	11	3.79 %	26,200	8	5.89 %
Other Services	14,700	12	3.44 %	16,400	12	3.68 %
Information	5,800	13	1.36 %	6,800	13	1.53 %
Total	427,300		100 %	445,100		100 %

Source: Job Service North Dakota: Current Employment Statistics Program.

# Schedule 13 Education Enrollment Last Ten Academic Years

**Public School Enrollment** 

	0044.45	0045.40	0040 47	0047.40	0040.40	2040.00	0000 04	0004.00	0000 00	0000 04	
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	
Kindergarten	9,033	8,925	8,841	9,271	9,324	9,620	8,992	9,524	9,235	8,636	
Grades 1-3	25,960	26,585	26,320	26,316	26,663	27,208	26,812	27,034	27,696	27,888	
Grades 4-6	23,751	24,513	25,244	26,076	26,580	26,622	25,880	26,246	26,759	27,268	
Grades 7-8	15,299	15,642	16,115	16,511	16,845	17,561	17,742	17,707	17,603	17,419	
Grades 9-12	30,235	30,405	30,343	30,771	31,430	31,847	32,619	33,347	34,092	34,556	
Total Enrollment	104,278	106,070	106,863	108,945	110,842	112,858	112,045	113,858	115,385	115,767	
Special Education Students	13,675	13,988	14,429	15,175	15,902	16,459	16,485	17,054	17,686	_	

Source: Department of Public Instruction

University System Full-Time Equivalent Student Enrollment

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Bismarck State College	2,909	2,912	2,860	2,646	2,611	2,598	2,558	2,390	2,466	2,599
Dakota College at Bottineau	518	459	490	527	590	2,596 596	2,556 552	615	550	576
Dickinson State University	1,176	1,070	1,114	1,128	1,090	1,093	1,147	1,154	1,155	1,118
Lake Region State College	978	981	971	995	1,005	974	867	791	797	858
Mayville State University	798	796	782	784	817	801	801	815	784	734
Minot State University	2,600	2,570	2,591	2,467	2,483	2,399	2,273	2,242	2,167	2,135
ND State College Of Science	2,272	2,305	2,298	2,253	2,126	2,076	2,020	2,029	2,064	2,124
North Dakota State University	12,934	12,834	12,782	12,784	12,394	11,704	11,252	10,861	10,701	10,552
University of North Dakota	12,420	12,455	12,180	11,964	11,585	11,164	10,933	10,842	10,760	10,955
Valley City State University	990	1,031	1,044	1,086	1,096	1,164	1,160	1,090	1,073	1,112
Williston State College	579	738	756	763	806	783	703	668	646	658
Total	38,174	38,151	37,870	37,398	36,603	35,352	34,268	33,497	33,164	33,421

Note: Full-Time Equivalent Enrollment is based upon student credit hours.

Source: North Dakota University System

Schedule 14 State Employees by State Agency Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
EXECUTIVE BRANCH										
Adjutant General	177	170	155	155	155	155	151	154	203	141
Aeronautics Commission	6	6	7	7	7	7	7	7	6	6
Bank of North Dakota	180	180	182	183	190	190	190	174	182	165
Barley Council	5	5	5	5	5	1	1	1	1	1
Beef Commission	2	2	2	3	3	3	4	4	4	2
Career and Technical Education	34	29	27	27	25	25	55	55	47	49
Corn Council	6	6	6	6	6	3	3	3	2	3
Council on the Arts	5	5	5	5	5	5	5	5	6	5
Department of Agriculture	77	77	77	77	73	74	78	78	78	78
Department of Commerce	70	69	69	69	54	66	62	61	53	58
Department of Corrections and Rehabilitation	813	834	838	845	845	895	899	906	829	835
Department of Emergency Services	70	76	79	79	79	76	63	68	65	64
Department of Environmental Quality	0	0	0	0	0	2	158	163	148	152
Department of Financial Institutions	29	29	30	31	30	30	31	31	28	31
Department of Human Services	2,203	2,215	2,216	2,218	2,163	2,140	2,223	2,273	1,973	2,008
Department of Public Instruction	99	100	100	92	92	94	89	87	78	78
Department of Transportation	1,084	1,082	1,081	1,081	1,047	1,008	985	985	941	937
Department of Trust Lands	31	34	34	33	30	30	29	30	28	30
Ethics Commission	0	0	0	0	0	0	2	2	1	1
Game and Fish Department	158	164	163	163	163	164	166	165	164	164
Highway Patrol	213	215	215	204	204	204	204	202	184	179
Historical Society	72	73	80	80	77	78	77	81	79	81
Indian Affairs Commission	5	5	5	5	5	4	4	4	3	4
Industrial Commission	93	114	113	114	106	108	108	108	93	99
Information Technology Department	341	354	350	352	346	447	400	455	435	450
Job Service North Dakota	239	238	182	182	182	182	173	159	143	144
Milk Marketing Board	6	6	6	6	6	4	4	4	1	1
ND Department of Health	354	365	366	368	360	365	205	213	203	204
ND Horse Racing Commission	2	2	2	2	2	2	2	2	2	2
ND Housing Finance Agency	46	40	41	41	41	42	43	43	49	48
ND Mill and Elevator Association	134	135	142	147	153	151	150	153	155	149
ND Vision Services/School for the Blind	33	33	32	32	30	30	29	29	27	28
North Dakota University System	7,904	8,028	8,012	7,532	7,290	7,207	7,192	7,165	7,222	7,295
Office of Administrative Hearings	5	5	5	5	5	5	5	5	5	5

EXECUTIVE BRANCH, Continued         Office of Management and Budget       134       132       124       123       117       118       114       109         Office of the Attorney General       217       248       253       253       240       249       246       249         Office of the Governor       18       18       18       19       17       18       13       15       15       15       14       14       14       14		
Office of the Attorney General         217         248         253         253         240         249         246         249           Office of the Governor         18         18         18         19         17         17         17         17           Office of the Insurance Commissioner         49         49         49         49         46         46         41         41           Office of the Labor Commissioner         13         15         15         15         14         14         14         15           Office of the State Auditor         55         61         62         62         57         57         59         59           Office of the State Tax Commissioner         134         134         135         135         132         132         123         123           Office of the State Treasurer         8         8         8         8         7         7         7         7           Oilseed Council         1         2         1         1         1         1         1         1         1         1         1         1         1         1         1         1         1         1         1         1         1		
Office of the Governor         18         18         18         19         17         17         17         17           Office of the Insurance Commissioner         49         49         49         49         46         46         41         41           Office of the Labor Commissioner         13         15         15         15         14         14         14         15           Office of the State Auditor         55         61         62         62         57         57         59         59           Office of the State Tax Commissioner         134         134         135         135         132         132         123         123           Office of the State Treasurer         8         8         8         8         7         7         7         7           Oilseed Council         1         2         1 <td< td=""><td>100</td><td>101</td></td<>	100	101
Office of the Insurance Commissioner         49         49         49         49         46         46         41         41           Office of the Labor Commissioner         13         15         15         15         14         14         14         15           Office of the State Auditor         55         61         62         62         57         57         59         59           Office of the State Tax Commissioner         134         134         135         135         132         132         123         123           Office of the State Treasurer         8         8         8         8         7         7         7         7           Oilseed Council         1         2         1         2         2	236	230
Office of the Labor Commissioner         13         15         15         15         14         14         14         14         15           Office of the State Auditor         55         61         62         62         57         57         59         59           Office of the State Tax Commissioner         134         134         135         135         132         132         123         123           Office of the State Treasurer         8         8         8         8         7         7         7         7           Oilseed Council         1         2         1         2         5         66	16	16
Office of the State Auditor         55         61         62         62         57         57         59         59           Office of the State Tax Commissioner         134         134         135         135         132         132         123         123           Office of the State Treasurer         8         8         8         7         7         7         7         7           Oilseed Council         1         2         1         2         2         2	33	33
Office of the State Tax Commissioner         134         134         135         135         132         132         123         123           Office of the State Treasurer         8         8         8         8         7         7         7         7           Oilseed Council         1         2         1         2         2         2	9	10
Office of the State Treasurer         8         8         8         8         7         7         7         7           Oilseed Council         1         2         1         2         2         2 <td>53</td> <td>51</td>	53	51
Oilseed Council         1         2         1         2         2         2	106	108
Parks and Recreation Department         55         65         66         65         63         62         62         58           Protection and Advocacy         28         28         28         28         28         29         29         23           Public Employees Retirement System         33         33         35         35         35         35         35         36	7	7
Protection and Advocacy         28         28         28         28         28         29         29         23           Public Employees Retirement System         33         33         35         35         35         35         35         36	1	1
Public Employees Retirement System         33         33         35         35         35         35         36	56	57
	27	29
Public Service Commission 44 46 46 47 47 47 44 44	36	35
	42	41
Retirement and Investment Office 19 19 19 19 19 20 20 18	17	25
School for the Deaf 50 51 51 51 51 51 50	44	43
Secretary of State 31 34 34 34 32 32 32 33	28	29
Securities Department 9 9 9 10 9 9 11	8	8
Seed Department 30 30 30 31 31 30 30 30	23	23
Soybean Council 7 8 8 8 7 6 6 6	6	4
State Fair Association         28         27         27         26         27         28         26         26	19	21
State Library 30 31 30 30 29 29 28 28	24	26
Veteran's Affairs Department88999778	8	8
Veterans Home 118 120 116 118 120 119 118 119	94	93
Water Commission 90 95 96 96 93 93 93 93	81	91
Wheat Commission 8 8 8 8 8 6 6 6	5	5
Workforce Safety and Insurance         256         266         265         265         267         265         264	234	241
LEGISLATIVE BRANCH		
Legislative Council 36 36 37 36 36 36 36 36	37	39
JUDICIAL BRANCH		
Judiciary Branch         363         364         392         392         355         363         363         362	351	353
Total State Employees 16,368 16,639 16,598 16,121 15,675 15,707 15,679 15,747	15,139	15,225

NOTE: Fulltime employees are reported as of fiscal year end. ND University System employees based on annual budgets. Certain agencies have been reorganized, eliminated or created over the fiscal years resulting in fluctuations. Agencies are being displayed based on the organizational structure of the State.

Sources: Office of Management and Budget, ND University System, Bank of North Dakota, Mill and Elevator, Housing Finance Agency

Schedule 15 Operating Indicators by Function Last Ten Fiscal Years

Last Ten Fiscal Years										
010	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government Office of the Tax Commissioner										
Number of returns filed electronically 1	383,906	412,559	428,347	391,234	460,464	447,690	417,060	463,418	446,023	436,694
rambo of rotatio mod diseasementy .	000,000	,	120,011	001,201	100, 101	,000	117,000	100,110	110,020	100,001
Education										
Department of Public Instruction										
Public School Enrollment 2	104,278	106,070	106,863	108,945	110,842	112,858	112,045	113,858	115,385	115,767
North Dakota University System										
Full Tme Equivalent Student Enrollment 3	38,174	38,151	37,870	37,398	36,603	35,352	34,268	33,497	33,164	33,421
Health and Human Services										
North Dakota Department of Health										
Number of Autopsies Performed in ND 4	261	258	244	234	239	176	111	200	213	NA
North Dakota Department of Environmental Quality										
Air Quality - Percent of Facilities in Compliance 4	99	100	100	100	99	99	99	98	99	NA
Public Water Systems - Percent of Facilities in Compliance 4	95	96	98	99	98	99	100	100	99	NA
Department of Human Services										
Number of TANF Caseloads	2,773	2,515	2,367	2,313	2,206	1,968	1,981	2,035	1,712	1,223
Number of Medicaid Recipients	105,539	114,364	122,374	123,766	124,371	122,304	119,763	121,527	141,051	149,775
Regulatory										
Office of the Insurance Commissioner										
Licensed Insurance Agents 4	61,142	65,671	66,882	75,769	73,304	83,193	94,289	106,243	112,489	130,075
Public Service Commission										
Weighing and Measuring Devices Inspected	5,892	5,446	6,136	5,172	5,183	4,653	3,526	5,191	5,155	4,091
Weights and Measures Quality Assurance Inspections	166	249	216	207	160	79	180	302	269	379
Gas Pipeline Safety Inspections	127	72	81	82	78	42	49	106	42	73
Gas Pipeline Safety Inspection-Person Days	162	124	134	150	191	122	153	236	155	209
Public Safety and Corrections										
Department of Corrections and Rehabilitation										
Average Daily Adult Prison Population 4	1,617	1,767	1,794	1,813	1,709	1,766	1,492	1,459	1,603	NA
Office of the Attorney General-Bureau of Investigations	.,	.,	.,	.,	.,	.,	.,	.,	.,	
Criminal Cases Opened 4	478	449	558	514	339	427	407	355	381	NA
Drug Cases Opened 3	380	387	544	446	278	402	338	325	281	NA
Office of the Attorney General-Crime Laboratory										
Toxicology Alcohol Blood and Breath Analyses 4	6,523	6,472	5,472	5,201	4,298	4,007	3,080	3,712	_	NA
Methamphetamine/Amphetamine Samples Processed 4	2,942	4,527	4,669	3,932	4,077	3,284	2,782	1,686	_	NA
Office of the Adjutant General										
Assigned National Guard 5	4,167	4,006	3,980	4,032	4,002	4,094	4,155	4,223	4,111	4,089
Agriculture and Commerce										
Department of Agriculture										
Pounds of Pesticide Waste Collected	310,754	384,857	137,297	180,692	340,074	521,584	114,597	258,115	258,115	302,773
Job Service North Dakota (JSND)										
Net Job Growth from Nonfarm Employment 4	16,900	(7,600)	(19,200)	(2,500)	3,700	4,500	-29,300	4,300	10,200	NA
Source: Current Employment Statistics, BLS - JSND										
New Private Sector Businesses 4	940	382	(67)	(281)	-172	336	115	542	1,502	NA
Source: Quarterly Census of Employment & Wages, BLS - JSND										
Game and Fish Department										
Registered Boats 4	53,558	61,328	67,026	57,220	60,660	62,672	60,123	63,523	79,391	NA
Hunting and Fishing Licenses Issued	357,488	354,728	356,548	351,704	343,709	343,530	342,272	377,378	357,154	NA
Department of Parks and Recreation	,	,	,	,	,		,	,	,	
Park Visitations 4	1,187,022	1,211,150	1,182,628	1,196,868	1,211,744	1,214,226	1,296,509	1,292,896	1,135,530	NA
Camping Nights 4	68,480	71,075	73,316	71,555	72,831	72,979	94,079	97,241	88,625	NA
Snowmobile Registrations 4	3,743	8,958	2,779	8,767	2,762	7,478	10,316	7,261	10,046	NA
OHV Registrations 4	26,200	12,753	25,316	13,673	27,148	13,115	42,509	39,289	46,485	NA
Torrespondention										
Transportation										
Department of Transportation Registered Vehicles 4	1,159,317	1,168,252	1,160,042	1,159,040	1,184,472	1,188,053	1,182,587	1,097,305	1,203,810	NA
Licensed Drivers	527,541	545,027	555,935	561,667	561,333	566,015	557,164	559,778	563,161	585,817
	327,371	3.3,027	333,333	331,007	551,000	550,010	557,104	555,775	555,101	555,017
Unemployment Compensation										
Job Service North Dakota										
Number of Covered Workers 4	444,658	437,078	417,150	414,039	417,578	422,826	395,988	400,472	411,308	NA
Washing Cofety and Income										
Workforce Safety and Insurance Number of Claims Filed	26,395	24,798	21,227	20,045	19,830	19,913	18,813	17,845	17,477	18,128
Number of Covered Workers	418,234	435,993	427,899	408,107	405,367	409,559	414,371	386,414	391,512	402,018
	0,204	.55,555	1,000	.55, 107	.55,567	.55,555	, 07 1	555,717	001,012	.02,010

Sources: The State agencies listed above provided the statistics for their agency

NA-Not Available
1 Calendar Year Received
2 Academic Year End Enrollment
3 Academic Year Enrollment
4 Statistics on a Calendar Year Basis
5 National Guard member count is at September 30 of each year

Schedule 16 Capital Assets by Function Last Ten Fiscal Years

Last Tell I Iscal Teals										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
Office of Management and Budget										
Capitol Complex Buildings	7	7	7	7	7	7	7	7	7	7
Education										
Department of Land										
Common Schools Trust										
Land Acreage	631,997	632,039	631,794	631,806	631,806	631,806	631,761	631,629	631,629	631,480
ND University System										
Buildings	528	528	534	534	516	516	470	475	449	450
*Buildings Square Footage	15,852,457	15,852,457	16,299,100	16,299,100	16,571,905	16,571,905	16,682,484	16,543,663	16,174,990	N/A
Health and Human Services										
Dept. of Human Services										
Buildings	63	63	63	63	63	63	60	60	60	60
Public Safety and Corrections										
Department of Corrections										
and Rehabilitation	71	71	71	70	70	70	70	70	70	70
Buildings										
Office of the Adjutant General										
Headquarters, Camp and Armory Buildings	280	298	298	302	330	327	319	319	319	327
Natural Resources										
Game and Fish Department										
Wildlife Management Areas	204	201	200	201	201	201	202	203	201	202
Boats, ATV's, Snowmobiles, Tractors, Other	462	460	472	491	493	498	506	520	536	558
Dept. of Parks and Recreation										
Park/Recreational Sites	15	15	15	15	15	15	15	15	14	14
Park Maintanenace Vehicles/Equipment	305	305	363	392	364	409	420	430	384	392
Transportation										
Department of Transportation										
Roadway Miles Maintained	8,509	8,563	8,614	8,614	8,614	8,622	8,624	8,624	8,624	8,624
Fleet Vehicles	3,652	3,664	3,726	3,740	3,541	3,406	3,386	3,291	3,291	3,345
Heavy Equipment	441	448	441	445	479	480	489	489	489	495
Buildings	142	158	159	162	164	165	167	169	169	171

Sources: The State agencies listed above provided the data for their agency

Schedule 17
Claims Development Information
Last Ten Fiscal Years

The following tables illustrate how the individual funds' earned revenues and investment income compare to related costs of loss and other expenses assumed by the funds as of the end of each of the last ten years. The rows of the tables are defined as follows: (1) This line shows the total of each fiscal year's earned contribution revenues and investment revenues. (2) This line shows each fiscal year's other operation costs of the fund including overhead and claims expense not allocable to individual claims. (3) This line shows the funds' incurred claims and allocated claim adjustment expense (both paid and accrued) as originally reported at the end of the first year in which the event that triggered coverage under the contract occurred (called policy year). (4) This section of 10 columns shows the cumulative amounts paid as of the end of successive years for each policy year. (5) This section of 10 columns shows how each policy year's incurred claims increased or decreased as of the end of successive years. This annual re-estimation results from new information received regarding unknown claims, reevaluation of existing information on known claims, as well as emergence of new claims not previously known. (6) This line compares the latest re-estimated incurred claims amount to the amount originally established (line 3) and shows whether this latest estimate of claims cost is greater or less than originally thought. As data for individual policy years mature, the correlation between original estimates and re-estimated amounts is commonly used to evaluate the accuracy of incurred claims currently recognized in less mature policy years. The columns of the tables show data for successive policy years (expressed in thousands).

#### Schedule 17 Claims Development Information Last Ten Fiscal Years

(Expressed In Thousands)

Bonding Fund

	 2014	2015		2016	2	2017	 2018	2019	2020	2021	 2022	2023
Net Earned Required Contribution and Investment Revenues	\$ 133	\$ 70	\$	173	\$	101	\$ 42	\$ 204	\$ 183	\$ 68	\$ (185)	\$ 77
2 Unallocated Expenses	33	36		67		26	21	25	8	(16)	9	4
3 Estimated Incurred Claims and Expense,End of Policy Year	39	94		26		21	87	39	(1)	59	3	0
4 Paid (Cumulative) as of:												
End of Policy Year	(32)	(35)	)	(77)		(86)	(19)	(106)	(136)	(193)	(131)	134
One Year Later	(32)	(35)	)	(77)		(86)	(19)	(106)	(136)	(193)	(131)	
Two Years Later	(32)	(35)	)	(77)		(86)	(19)	(106)	(14)	(193)		
Three Years Later	(32)	(35)	)	(77)		(86)	(19)	(106)	(14)			
Four Years Later	(32)	(35)	)	(77)		(86)	(19)	(106)				
Five Years Later	(32)	(35)	)	(77)		(86)	19					
Six Years Later	(32)	(35)	)	(77)		(86)						
Seven Years Later	(32)	(35)	)	(77)								
Eight Years Later	(32)	(35)	)									
Nine Years Later	(32)											
5 Re-estimated Incurred												
Claims and Expenses:												
End of Policy Year	39	94		26		(21)	87	39	(1)	59	3	0
One Year Later	39	94		26		(21)	87	39	(1)	59	3	
Two Years Later	39	94		26		(21)	87	39	(1)	59		
Three Years Later	39	94		26		(21)	87	39	(1)			
Four Years Later	39	94		26		(21)	87	39				
Five Years Later	39	94		26		(21)	87					
Six Years Later	39	94		26		(21)						
Seven Years Later	39	94		26								
Eight Years Later	39	94										
Nine Years Later	39											
6 Increase in Estimated Incurred Claims and Expense From End of Policy Year	0	0		0		0	0	0	0	0	0	0
	-	· ·		-		-	-	-	-	-	-	-

#### Schedule 17 Claims Development Information Last Ten Fiscal Years

(Expressed In Thousands)

Fire and Tornado Fund

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net Earned Required Contribution and Investment Revenues	\$ 5,388	\$ (2,124)	\$ 2,908	\$ 4,765	\$ 3,567	\$ 3,845	\$ 2,704	\$ 4,989	\$ 54	\$ 4,000
2 Unallocated Expenses	915	800	912	1,348	1,118	874	541	705	635	795
3 Estimated Incurred Claims and Expense, End of Policy Year	998	1,141	3,039	4,750	2,352	2,953	2,576	3,511	1,674	2,933
4 Paid (Cumulative) as of:										
End of Policy Year	562	9,378	8,890	3,805	8,318	3,218	2,253	3,705	2,939	3,711
One Year Later	1,067	1,553	3,117	4,466	1,158	3,218	2,253	3,705	2,939	
Two Years Later	1,080	1,564	3,119	4,466	1,158	3,218	2,253	3,705		
Three Years Later	1,080	1,564	3,119	4,466	1,158	3,218	2,253			
Four Years Later	1,080	1,564	3,119	4,466	1,158	3,218				
Five Years Later	1,080	1,564	3,119	4,466	1,158					
Six Years Later	1,080	1,564	3,119	4,466						
Seven Years Later	1,080	1,564	3,119							
Eight Years Later	1,080	1,564								
Nine Years Later	1,080									
5 Reestimated Incurred Claims and Expenses:										
End of Policy Year	998	1,516	3,039	4,750	2,352	3,040	2,953	3,511	1,674	2,933
One Year Later	1,146	1,725	3,292	4,692	3,153	3,040	2,953	3,511	1,674	
Two Years Later	1,122	1,723	3,229	4,634	3,153	3,040	2,953	3,511		
Three Years Later	1,122	1,723	3,226	4,634	3,153	3,040	2,576			
Four Years Later	1,122	1,723	3,226	4,634	3,153	3,040				
Five Years Later	1,122	1,723	3,226	4,634	3,251					
Six Years Later	1,122	1,723	3,226	4,634						
Seven Years Later	1,122	1,723	3,222							
Eight Years Later	1,122	1,723								
Nine Years Later	1,122									
6 Increase in Estimated Incurred Claims and Expense From End of Policy Year	125	582	191	(58)	0	87	0	0	0	0

# Schedule 17 Claims Development Information Last Ten Fiscal Years (Expressed In Thousands)

Workforce Safety & Insurance

Workforce Safety & Insurance										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net Earned Required Contribution and Investment Revenues	\$ 502	\$ 408	\$ 377	\$ 396	\$ 343	\$ 386	\$ 353	\$ 429	\$ (31)	\$ 249
2 Unallocated Expenses	41	41	43	47	44	45	44	48	43	49
3 Estimated Incurred Claims and Expense, End Of Policy Year	338	315	229	198	193	187	177	145	126	140
4 Paid (Cumulative) as of:										
End of Policy Year	65	61	41	40	42	42	42	33	34	43
One Year Later	111	102	74	65	76	69	62	50	52	
Two Years Later	128	120	84	73	76	77	67	54		
Three Years Later	140	132	84	78	80	82	70			
Four Years Later	148	140	88	82	82	85				
Five Years Later	154	146	91	84	83					
Six Years Later	158	150	92	85						
Seven Years Later	160	152	93							
Eight Years Later	162	153								
Nine Years Later	163									
5 Reestimated Incurred										
Claims and Expenses:										
End of Policy Year	338	315	229	198	192	187	177	145	126	140
One Year Later	321	283	204	177	179	174	156	118	133	
Two Years Later	299	271	191	164	172	168	134	103		
Three Years Later	291	267	174	154	157	151	123			
Four Years Later	285	265	161	141	140	137				
Five Years Later	277	263	148	131	131					
Six Years Later	265	250	139	126						
Seven Years Later	249	240	133							
Eight Years Later	235	231								
Nine Years Later	228									
6 Increase in Estimated Incurred Claims and Expense From End of Policy Year	(110)	(83)	(229)	(73)	(62)	) (49)	(54)	(41)	(13)	0

#### Schedule 18 Agricultural Production

Value of Export Shares of Agricultural Commodities - 2021 - 2022

	2021 Dollars		2022 Dollars	2022 % of U.S.
	(Mil.)		(Mil.)	
Wheat	1,077.8	14.91	1,499.4	18.02
Soybeans and Products	1,428.1	4.32	1,655.1	4.09
Other Oil Seeds and Products	714.6	34.25	764.9	37.99
Vegetables Fresh and Processed	294.9	4.04	259.0	3.37
Grain Products	141.3	3.55	188.4	4.10
Vegetable Oils	240.1	6.03	251.5	5.87
Feeds and Other Feed Grains	238.6	2.07	309.1	6.73
Corn	381.5	2.05	420.7	2.27
Other Plant Products	190.1	1.02	235.5	1.23
Beef, Veal and Pork	182.8	0.98	188.0	0.97
Other Livestock Products	64.8	1.28	72.5	1.48
Hides and Skins	13.9	1.19	12.7	1.14
Dairy Products	11.6	0.15	13.4	0.14
Other Poultry Products	3.1	0.12	4.5	0.16
Total	\$ 4,983.2	3.52 %	\$ 5,874.7	3.80 %

<sup>1/</sup> Includes other nonpoultry meats, animal fat, live farm animals, and other animal parts.

Totals may not add due to rounding.

2023 Crop Rank Among States

North Dakota Ranks	Crop Description	North Dakota Produces
1st	Canola	85 %
	Flaxseed	79 %
	Pinto Beans	70 %
	Spring Wheat	55 %
	Durum Wheat	49 %
	Sunflower Non-oil	48 %
	SunFlower Oil	48 %
	All Dry Edible Beans	40 %
	Honey Production	25 %
	Oats	23 %
	Rye	22 %

Source: North Dakota Agricultural Statistics August 2023

<sup>2/</sup> Includes turkey meat, eggs, and other fowl products.

<sup>3/</sup> Includes processed feeds, fodder, barley, oats, rye, and sorghum.

<sup>4/</sup> Includes peanuts (oil stock), other oil crops, corn meal, other oilcake and meal, protein substances, bran and residues.

<sup>5/</sup> Includes sweeteners and products, other horticulture products, planting seeds, cocoa, coffee, and other processed foods. Data sources: USDA Economic Research Service; USDA Foreign Agricultural Service (Global Agricultural Trade System).



# 2024 ACFR

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2024



### STATE OF NORTH DAKOTA

### **Annual Comprehensive Financial Report**

FOR THE FISCAL YEAR ENDED

June 30, 2024



Prepared by the Office of Management and Budget

State of North Dakota
Office of Management and Budget Fiscal Management Division
600 East Boulevard Avenue Dept. 110
Bismarck, ND 58505-0400
701-328-2680

This ACFR is also available at our Fiscal Management website: <a href="https://www.omb.nd.gov/financial-transparency/annual-comprehensive-financial-reports-acfr">https://www.omb.nd.gov/financial-transparency/annual-comprehensive-financial-reports-acfr</a>

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# **Introductory Section**



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December 13, 2024

To the governor, legislators, and citizens of the state of North Dakota,

In accordance with North Dakota Century Code (NDCC) section 54-44-04(14), we are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the state of North Dakota for the fiscal year ended June 30, 2024. This report has been prepared by the Office of Management and Budget. The financial statements contained in the ACFR have been prepared in accordance with generally accepted accounting principles (GAAP) applicable to state and local governments, as promulgated by the Governmental Accounting Standards Board (GASB). Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the state's management. To the best of our knowledge and belief, the information contained in the ACFR is accurate in all material respects and reported in a manner that presents fairly the financial position and results of operations of the state's primary government and the component units for which it is financially accountable. All disclosures necessary to enable the reader to gain an understanding of the state of North Dakota's financial affairs have been included.

The state's management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the U.S. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the costs of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

In compliance with state statute, the Office of the State Auditor audited the state's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the state for the fiscal year ended June 30, 2024 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and evaluating the overall financial statement presentation. Their examination was conducted in accordance with GAAP and the standards applicable to financial audits contained in *Government Auditing Standards* as published by the Comptroller General of the United States. The Office of the State Auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the state's financial statements for the fiscal year ended June 30, 2024, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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The state of North Dakota is also required to undergo a single audit in conformity with the provision of the Single Audit Act Amendments of 1996 and the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (contained in Title 2 U.S. Code of Federal Regulations Part 200). Information related to this single audit, including a schedule of expenditures of federal awards, the independent auditor's reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs, are included in a separately issued biennial single audit report.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditor's Report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it.

#### PROFILE OF THE GOVERNMENT

The state of North Dakota provides for a full range of services, including education, health and social services, highway maintenance and construction, law enforcement, judicial, public safety, business regulation, community and economic development, and natural resource development. The state's reporting entity reflected in the ACFR includes all the funds of the state as legally defined, as well as all of its component units in conformity with the requirements of GASB Statement No. 61. Statement No. 61 provides that the financial statements should emphasize the primary government and permit financial statement users to distinguish between the primary government and its component units. Consequently, the transmittal letter, MD&A, and the financial statements focus on the primary government and its activities. Although information pertaining to the discretely presented component units is provided, their separately issued financial statements should be read to obtain a complete overview of their financial position. The state's reporting entity is described more fully in Note 1A to the basic financial statements.

The state operates through a biennial appropriation, which represents agency appropriations recommended by the governor and presented to the legislative assembly at the beginning of each legislative session. The budget is legally required to be adopted through passage of appropriation bills by the legislative assembly and signed by the governor. The governor has line-item veto powers over all appropriations subject to legislative override. Once passed and signed, the appropriation bill becomes the departments' financial plan for the next two years. Changes to the appropriation are limited to Emergency Commission authorization, initiative, allotment, or referendum action.

The state budgets by fund but does not formally budget revenues. The legal level of budgetary control is at the agency, appropriation authority and expenditure line-item level. The state's budgetary policies and procedures are further explained in Note 1D on the notes to the basic financial statements.

#### LOCAL ECONOMY

Although North Dakota's economy is increasingly diversified, the agricultural industry continues to play a lead role in the state's economy. The North Dakota Agricultural Statistics report states: North Dakota led the nation in the production of all dry edible beans, pinto beans, pink beans, canola, flaxseed, honey, oats, rye, all sunflowers, all wheat, durum wheat and spring wheat for 2023. North Dakota also ranked second in the production of small red beans, lentils, and dry edible peas.

The energy industry plays an important role in the state's economy. The development of wind and coal resources, the production of ethanol and bio-diesel, and oil and natural gas extraction all contribute to the state's economy. North Dakota's current crude oil production ranks third in the

nation in both crude oil reserves and production. North Dakota has almost two percent of the U.S. nature gas reserves. Additionally, North Dakota has the world's largest known deposit of lignite and accounts for five percent of the U.S. total coal production. In 2023, wind energy in North Dakota accounted for 37% of its total electricity, which was the 4th highest of wind power for any state.

According to the United States Census Bureau, the state's resident population for 2023 was approximately 784,000 people. Health care and social assistance account for the highest percent of employment in the state. Other leading areas of employment are educational services, retail trade, accommodation and food services, construction, and manufacturing. The unemployment rate for the state in September 2024 was 1.8%, compared to 3.9% for the United States.

A listing of the state's 20 largest employers demonstrates the diversity of the economy. Top employers include: health care providers, educational services, social assistance, the U.S military, manufacturers, and retail companies.

North Dakota exporting grew significantly when comparing 2023 to 2022. The International Trade Administration showed that North Dakota's exports were about \$5.2 billion for 2022 and increased to about \$8.8 billion in 2023. Petroleum and coal products accounted for approximately \$4.4 billion of North Dakota's exporting.

#### LONG-TERM FINANCIAL PLANNING

The long-term financial plan for the state of North Dakota was outlined by Governor Burgum as part of the 2023-25 executive budget address and presented to members of the 68th Legislative Assembly in December 2022. The Governor's long-term financial plan included the following key components:

- Maintaining healthy reserves.
- Providing tax relief.
- Investing in priorities, including technology, education, workforce, infrastructure, families and childcare, healthcare and human services, and inequities in state employee pay
- Ensuring solvency for the state pension fund.

The legislature met in January-April of 2023 and passed significant legislation including providing for healthy reserves, tax relief to the citizens of ND and increased investments in behavior health for women's treatment and reform. In addition, they funded investments in infrastructure including roads and bridges, water resources, a state-of-the-art health lab, and a correctional facility for women.

The state's rainy-day fund, the Budget Stabilization Fund, was nearly depleted during the 2015-17 biennium economic downturn. The fund has been refilled to the maximum balance allowed by law and, due to conservative budget management and strong revenues, the fund was not used during the COVID-19 pandemic which occurred during the 2019-21 biennium. A critical component of ensuring the long-term financial well-being of the state of North Dakota is a well-funded Budget Stabilization Fund that provides a necessary buffer against volatile commodity prices that drive ups and downs in the state's economy. Other reserve funds include the state General Fund balance, the Foundation Aid Stabilization Fund, and the Legacy Fund.

Another component of the state's long-term financial plan is ensuring the solvency of the state's pension fund. During the 2023-25 legislative session a bill was passed to close the Public Employees Defined Benefit plan no later than January of 2025. To support this approach, the governor has proposed \$65 million injection from oil and gas extraction and production taxes to the Public Employees Retirement Plan to help address the state unfunded liability. The legislature also

assessed an additional 1% employer retirement contribution with an additional \$135.0 million from Strategic Investment and Infrastructure Fund to address this liability.

The backbone of the state's financial plan is a revenue forecast that is accurate, conservative, and credible. The state utilizes a Revenue Forecasting Advisory Committee, comprised of representatives of the major industries in the state and the legislative and executive branches of government, along with the expertise of a national economic forecasting consultant. With the assistance of these experts, the state's Tax Department and Office of Management and Budget develop a conservative revenue forecast for use in the budgeting process.

The budgeting process begins with the development of a biennial budget proposal reflecting the Governor's priorities for the next two years. The budget is submitted to the legislature for their consideration and eventual enactment. With a biennial budget cycle, each revenue forecast, and budget proposal provides a three-year plan for the revenues and expenditures of state government.

#### RELEVANT FINANCIAL POLICIES

North Dakota's financial policies ensure that in the event of an economic downturn, North Dakota state government will be able to continue to provide its citizens with necessary services. Should North Dakota experience a significant revenue shortfall, the state is able to access funds in the budget stabilization fund.

North Dakota experienced a significant revenue shortfall during the 2015-17 biennium due to decreases in oil and agriculture prices, resulting in a transfer of nearly the entire balance of the budget stabilization fund to the general fund prior to June 30, 2017. The 2017 legislature established an ongoing allocation of \$75 million per biennium from oil and gas tax revenues to the budget stabilization fund. North Dakota Century Code requires the transfer to the budget stabilization fund of any end-of-biennium general fund balance in excess of \$65 million. Pursuant to Section 54-27.2-01, the fund is limited to no more than 15 percent of current biennium appropriations. Any deposits or interest that would otherwise be deposited or retained in the fund must instead be deposited in the General Fund once the maximum balance is reached. The current cap on the fund is \$914 million.

The 2021-23 biennium ended with the budget stabilization fund meeting the cap of \$914 million so no general fund transfer was made to the fund. The balance of the budget stabilization fund is estimated to be over \$914 million by June 30, 2025 due to a combination of existing fund balance and additional oil tax revenue allocations.

In addition to accessing the budget stabilization fund, in the event of an economic downturn the Governor can reduce general fund expenditure authority uniformly across state agencies through a process known as allotment. In the event of an allotment, the foundation aid stabilization fund was established to protect the state school aid program. Dollars from this fund would replace the amount of general fund dollars allotted, thus K-12 education would not experience a reduction in funding. The passage of Measure 2 in the 2016 general election allowed money in the fund to be appropriated for education-related purposes. Funding for the foundation aid stabilization fund comes from 10 percent of oil extraction tax collections. The foundation aid stabilization fund is expected to have a June 30, 2025 balance in excess of \$216.7 million.

#### **MAJOR INITIATIVES**

Major initiatives proposed by Governor Doug Burgum and approved by the legislature for the 2023-25 biennium include:

- Investing in infrastructure and other priorities;
- Supporting K-12 education;
- Investing in workforce including child care;
- Investing in cybersecurity and upgrading outdated technology; and
- Maintaining reserves and the rainy-day fund.

#### INFRASTRUCTURE INVESTMENTS

The 2023-25 biennial budget includes funding to rebuild and repair roads throughout the state, for water supply and flood control and capital projects for state parks. Funding for infrastructure improvements includes:

- \$903.5 million to rebuild and repair state highways.
- \$159.0 million for city road projects.
- \$133.0 million dedicated to the repair and rebuilding of county and township roads.
- \$19.5 million for projects across the state park system.
- \$780.7 million for water-related projects, including \$316.2 million for water supply, \$52.0 million for rural water supply, \$115.7 million for flood control, \$12.0 million for general water projects, \$218.0 million for state-owned water projects and \$9.0 million for other new projects.

#### **TECHNOLOGY UPDATES**

The Governor's budget included support for replacing outdated technology to better serve the citizens of the state and provide the most efficient use of resources.

- \$28.4 million for Enterprise Digitization to replace outdated technology across numerous agencies for the 2023-25 biennium.
- \$12.4 million for Data Governance
- \$29.0 million for Customer Relationship Management which includes the Business Gateway initiative.
- \$168 million of federal funds for broadband projects.
- 41.0 FTE were requested to support increases in IT operations and initiatives.

#### **EDUCATION**

K-12 education initiatives include:

- \$2.30 billion in state funding for K-12 schools through integrated funding formula:
- \$58.1 million to assist districts in the provision of transportation services;
- \$24 million to go towards special education contracts; and

Higher Education initiatives include:

• \$20.0 million in state funding to continue the North Dakota Higher Education Challenge Grant Program, to encourage philanthropy by providing a state match for private contributions to the state's colleges and universities.

 \$429.9 million is slated to be invested for capital projects across the system, with funding from revenue bonds, private donations, capital building funds and carryover authority.

#### Child Care initiatives

- \$37.0 million for child care assistance and enhanced programs for infant and toddlers.
- \$40.0 million for four year old programs, quality tiers in child care, employer-led cost share programs, grants for shared services, non-traditional hours programs, training and streamlining background checks.

#### **RESERVES**

It is anticipated that by June 30, 2025, there will be a total ending balance of approximately \$2.16 billion in the budget stabilization fund, foundation aid stabilization fund, strategic investment and improvements fund, and tax relief fund. The general fund budget for the 2023-25 biennium totals \$6.10 billion.

#### AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the state of North Dakota for its ACFR for the fiscal year ended June 30, 2023. This was the 33rd consecutive year that North Dakota has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate. In addition, the state of North Dakota received the GFOA's Award for Distinguished Budget Presentation for its 2023-2025 budget. In order to qualify for the Distinguished Budget Presentation Award, the state's budget document was judged to be proficient in several categories, including policy documentation, financial planning, and organization. This report was prepared by staff members of the Fiscal Management Division of the Office of Management and Budget. Their dedication and efforts are greatly appreciated. We also extend our gratitude to the numerous individuals from virtually all the state agencies and institutions, especially the Office of the State Auditor, for their assistance.

Sincerely,

Susan Sisk Director



#### Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

### State of North Dakota

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

June 30, 2023

Christopher P. Morrill

Executive Director/CEO

## Judicial Public Service Commission State Tax Commissioner Secretary of State STATE OF NORTH DAKOTA ORGANIZATIONAL CHART Commissioner Agriculture Governor The Executive Boards & Commissions State State Smeral Commissioner Insurance Superintendent of Public Instruction Legislative Court A Legisbure

TrialCourts

University System

Regulatory

Public Safety & Cornections

Natural Res & Recreation

Transportation

Health & Human Services

Government

Mucation

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State

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# NORTH DAKOTA PRINCIPAL STATE OFFICIALS

June 30, 2024

#### **ELECTED OFFICIALS**

Doug Burgum, Governor
Tammy Miller, Lieutenant Governor
Michael Howe, Secretary of State
Drew Wrigley, Attorney General
Julie Fedorchak, Public Service Commissioner
Randel Christmann, Public Service Commissioner
Sheri Haugen-Hoffart, Public Service Commissioner
Doug Goehring, Commissioner of Agriculture
Josh Gallion, State Auditor
Jon Godfread, Commissioner of Insurance
Kirsten Baesler, Superintendent of Public Instruction
Brian Kroshus, Tax Commissioner
Thomas Beadle, State Treasurer

#### **LEGISLATIVE**

Dennis Johnson, Speaker of the House
Mike Lefor, House Majority Leader
Zac Ista, House Minority Leader
Lt. Gov. Tammy Miller, President of the Senate
David Hogue, Senate Majority Leader
Kathy Hogan, Senate Minority Leader

#### **JUDICIAL**

Jon J. Jensen, Chief Justice, North Dakota Supreme Court
Daniel J. Crothers, Justice
Lisa K. Fair McEvers, Justice
Jerod E. Tufte, Justice
Douglas A. Bahr, Justice

## **Financial Section**

STATE AUDITOR
Joshua C. Gallion



701-328-2241 **FAX** 701-328-2345

PHONE

www.nd.gov/auditor

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OFFICE OF THE STATE AUDITOR
STATE CAPITOL
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Bismarck, North Dakota, 58505

ndsao@nd.gov

#### **Independent Auditor's Report**

The Honorable Doug Burgum, Governor of the State of North Dakota

Members of the Legislative Assembly of the State of North Dakota

#### **Report on the Audit of the Financial Statements**

#### **Opinions**

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of North Dakota as of and for the year ended June 30, 2024, and the related notes to the financial statements which collectively comprise the State's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements are referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of North Dakota, as of June 30, 2024, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United State of America.

We did not audit the financial statements listed below.

Bank of North Dakota Building Authority College SAVE Comprehensive Health Association of North Dakota

Department of Trust Lands North Dakota Development Fund Guaranteed Student Loan Program

Housing Finance Agency
Housing Incentive Fund

Job Service North Dakota Mandan Remediation Trust

Public Employees Retirement System

**Public Finance Authority** 

Retirement and Investment Office

State Fair Association

State Historical Society of North Dakota

Foundation

Student Loan Trust

Workforce Safety and Insurance

The financial statements of the above entities represent total assets, net position or fund balance, and revenues of the government-wide financial statements and fund financial statements as of June 30, 2024, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended as follows:

	Percent of Assets	Percent of Net Position or Fund Balance	Percent of Revenues
Government-Wide Financial Statements			
Governmental Activities	28%	30%	16%
Business-Type Activities	81%	62%	49%
Aggregate Discretely Presented Component Units	90%	100%	93%
Fund Financial Statements			
Major Governmental Funds			
General Fund	0%	0%	0%
Federal Fund	1%	28%	1%
State Special Revenue Fund	73%	75%	44%
Major Enterprise Funds			
Bank of North Dakota	100%	100%	100%
Housing Finance Agency	100%	100%	100%
University System	0%	0%	0%
Workforce Safety and Insurance	100%	100%	100%
Aggregate Remaining Fund Statements	93%	97%	64%

Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for the financial statements of the above entities are based solely on the report of the other auditors.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United State of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the State of North Dakota and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the North Dakota University System's discretely presented component units (foundations) and the North Dakota Historical Foundation were not audited in accordance with *Government Auditing Standards*.

#### Emphasis of Matter

As discussed in Note 17 to the basic financial statements, the Bank of North Dakota elected to present an unclassified statement of net position because current assets were not matched with current liabilities. Presentation of a classified statement of net position would give the false impression that there is a liquidity problem at the bank. Presentation of a classified statement of net position for the Bank of North Dakota would be misleading to the extent that the financial statements may be materially misstated. Our opinion is not modified with respect to this matter.

As described in Note 21 to the basic financial statements, the State of North Dakota adopted the provisions of GASB 99 *Omnibus 2022* and GASB 100 *Accounting Changes and Error Corrections*. Our opinion is not modified with respect to this matter.

#### Responsibilities of Management for the Financial Statements.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United State of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the State of North Dakota's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements
  whether due to fraud or error, and design and perform audit procedures responsive to
  those risks. Such procedures include examining, on a test basis, evidence regarding the
  amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit
  procedures that are appropriate in the circumstances, but not for the purpose of expressing
  an opinion on the effectiveness of the State of North Dakota's internal control. Accordingly,
  no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the State of North Dakota's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules and related reconciliations and notes, information about the state of North Dakota's pension plans and other post-retirement benefits, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information or provide any assurance.

#### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State of North Dakota's basic financial statements. The combining and individual fund financial statements are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

#### Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial

statements do not cover the other information and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

#### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2024 on our consideration of the State of North Dakota's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State of North Dakota's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State of North Dakota's internal control over financial reporting and compliance.

Joshua C. Gallion State Auditor

Bismarck, North Dakota

December 13, 2024

#### MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the State of North Dakota's (the State's) Annual Comprehensive Financial Report presents a discussion and analysis of the State's financial performance, providing an overview of the activities for the fiscal year ended June 30, 2024. Please read it in conjunction with the transmittal letter at the front of this report and with the State's financial statements, which follow this section.

#### **FINANCIAL HIGHLIGHTS**

#### Government-wide:

Total assets and deferred outflows of resources of the State exceeded its liabilities and deferred inflows of resources at fiscal year-end by \$37.1 billion (reported as net position), an increase of \$3.7 billion from the previous year. The net position of governmental activities increased by 10.5% while the net position of the business-type activities showed an increase of 15.4%.

As a result of implementing GASB Statement 68, *Accounting and Financial Reporting for Pensions*, the State recorded a \$11 million net pension asset, \$733.7 million deferred outflows of resources, \$1.03 billion net pension liability, and \$814.7 million deferred inflows of resources for the primary government. The State decreased its net pension liability by \$492.9 million during the year. The decrease in the pension liability is due to the fact that beginning in fiscal year 2024 the state is on a path to fully fund the pension plan. As long as the state is on a path to fully fund the pension plan the expected rate of return is used instead of a discounted rate. In addition, the funding status of the plan for the 2024 ACFR was 65.96% which is an increase from the 2023 ACFR which had a funding status of 55.03%. The State of North Dakota's, employer's proportionate share, of the net pension liability also decreased by .65% to 47.636865% in Fiscal Year 2024 from 48.283473% in Fiscal Year 2023.

As of the close of fiscal year 2024 the State's governmental funds reported combined ending fund balances of \$26.5 billion, an increase of \$2.6 billion. Of this amount, \$141.03 million is non-spendable, primarily for Permanent Trust Funds. Spendable fund balance consists of \$9.73 billion restricted for specific purposes such as common schools, highway projects, and state education aid, \$3.41 billion committed and \$357.3 million assigned for specific functional expenditures such as education and health and human service operations, with the unassigned fund balance making up the remaining amount of \$12.86 billion, which is primarily made up of the legacy fund with a balance of \$10.96 billion.

The enterprise funds reported net position at year-end of \$5.86 billion, an increase of \$782.7 million during the year.

#### Long-term Debt:

The State's total debt (bonds, certificates of participation, lease, SBITA, and notes payable) decreased approximately 9.6% during the fiscal year to \$3.48 billion, a decrease of \$369.05 million, which represents the net difference between new issuances and payments. During the year the State issued \$472.1 million in bonds and \$13.30 billion in notes.

More detailed information regarding these activities and funds is included in Note 3J.

#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is an introduction to the State's basic financial statements, which consists of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

#### **Government-wide Statements**

The government-wide financial statements provide a broad view of the State's operations in a manner similar to a private-sector business. The statements provide both short-term and long-term information about the State's financial position, which assists in assessing the State's economic condition at the end of the fiscal year. These statements include all non-fiduciary assets, deferred outflows of resources, liabilities, and deferred inflows of

resources using the accrual basis of accounting. The current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Position presents all of the State's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between the two reported as "net position". Over time, increases and decreases in net position is an indicator of whether the State's financial position is improving or deteriorating.

The Statement of Activities presents information showing how the State's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying events giving rise to the change occur, regardless of the timing of related cash flows. Therefore, revenues and expenses are reported in these statements for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both statements report three activities:

Governmental Activities – The activities in this section are primarily supported by taxes and intergovernmental revenue. Most of the State's basic services, such as education, health and human services and transportation, are reported under this category.

Business-type Activities – These functions are intended to recover all or a significant portion of their costs through user fees and charges to external users of goods and services. The Bank of North Dakota, Housing Finance Agency and the University System are examples of the State's business-type activities.

Discretely Presented Component Units – These are operations for which the State has financial accountability but they have certain independent qualities as well. These entities operate similar to private- sector business and the business-type activities described above. The State has 5 discretely presented component units. Financial information for these entities is presented separately from the financial information presented for the primary government.

The government-wide financial statements can be found immediately following this discussion and analysis.

#### **Fund Financial Statements**

A fund is a fiscal and accounting entity with a self-balancing set of accounts that the State uses to keep track of specific sources of funding and spending for a particular purpose. The State, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

The basic fund financial statements begin after the Component Unit FASB basis statements and provide more detail about the major individual funds. The State's funds are divided into three categories – governmental, proprietary, and fiduciary. It is important to note that these fund categories use different accounting approaches and should be interpreted differently.

Governmental funds - Most of the State's basic services are reported in the governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on the near-term inflows and outflows of spendable resources. They also focus on the balances left at year-end that are available for future spending. Such information may be useful in evaluating whether there are more or fewer financial resources that can be spent in the near future to finance the State's programs. These funds are reported using modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a

reconciliation to facilitate this comparison between governmental funds and the governmental activities. These reconciliations are presented on the page immediately following each governmental fund financial statement.

Governmental funds include the General Fund, special revenue, debt service, capital project, and permanent funds. The State has several governmental funds, of which three (3) are considered major individual funds. These three are the General Fund, the Federal Fund, and the State Special Revenue Fund. Each of these major funds is presented in a separate column in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance. The remaining governmental funds are combined in a single aggregated column on the basic fund statements. Individual fund data for each of these non-major governmental funds can be found in the other supplementary information section of this report.

Proprietary funds – Services for which the State charges customers a fee are generally reported in proprietary funds. The state maintains two different types of proprietary funds, enterprise funds and internal service funds. Enterprise funds report activities that provide supplies and services to the general public. Internal service funds report activities that provide supplies and services for the State's other programs and activities. Like the government-wide statements, proprietary funds use the accrual basis of accounting. Although the basis of accounting is the same for the government-wide and proprietary fund statements, reconciliation between these statements is presented because of the allocation of internal service funds' net income.

The State has four (4) major enterprise funds: The Bank of North Dakota, Housing Finance, University System, and Workforce Safety and Insurance. These four funds are each presented in separate columns on the basic proprietary fund financial statements. The remaining enterprise funds are combined in a single total column on these statements. Individual fund data for each of the non-major enterprise funds can be found in the other supplementary information section of this report.

The State's internal service funds are reported as governmental activities on the government-wide statements, because the services they provide predominantly benefit governmental activities. The State's four (4) internal service funds are reported on the basic proprietary fund financial statements in a single combined column. Individual fund data for the internal service funds is provided in the form of combining statements found in the other supplementary information section of this report.

Fiduciary funds - The State acts as a trustee, or fiduciary, for its employee pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. The State's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position. These funds, which include pension (and other employee benefit) trust, investment trust, private-purpose trust, and agency funds, are reported using accrual accounting. The government-wide statements exclude fiduciary fund activities and balances because the State cannot use these assets to finance its operations.

#### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and the fund financial statements. The notes to the financial statements can be found immediately following component units' financial statements.

#### **Required Supplementary Information**

The basic financial statements are followed by a section of required supplementary information. This section includes a budgetary comparison schedule, which includes reconciliation between the statutory fund balances for budgetary purposes and the fund balances for the General Fund, the Federal Fund and the State Special Revenue Fund as presented in the governmental fund financial statements. In addition, the required supplementary information includes up to ten years of information on the State's pension and Other Post Employment Benefit (OPEB) plans, including schedules on the employer proportionate share of the net pension liability and net OPEB liability, changes in the net pension liability and OPEB liability, and employer contributions.

#### **Other Supplementary Information**

Other supplementary information includes combining financial statements for non-major governmental, non-major enterprise, internal service, and fiduciary funds. These funds are added together, by fund type, and presented in single columns in the basic financial statements.

#### FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

As noted previously, net position may serve over time as a useful indicator of a government's financial position. The State's combined net position (governmental and business-type activities) totaled \$37.1 billion at the end of fiscal year 2024. Net position increased \$3.7 billion from the prior fiscal year.

#### State of North Dakota's Net Position

(Expressed in Thousands)

	Governmental Activities				ss-Type vities	Total Primary Government		
	2024 2023			2024	2023	2024	2023	
Current and Other Assets	\$ 28,376,498	\$ 26,133,316	\$ ^	15,870,920	\$ 15,243,050	\$ 44,247,418	\$ 41,376,366	
Capital Assets	6,352,725	6,022,104		2,314,469	2,175,967	8,667,194	8,198,071	
Total Assets	34,729,223	32,155,420		18,185,389	17,419,017	52,914,612	49,574,437	
Deferred Outflows of Resources	589,591	881,556		172,068	250,456	761,659	1,132,012	
Long-Term Liabilities								
Outstanding	1,757,189	2,166,481		3,913,449	4,407,365	5,670,638	6,573,846	
Other Liabilities	1,693,808	2,092,492		8,313,291	7,951,920	10,007,099	10,044,412	
Total Liabilities	3,450,997	4,258,973	_	12,226,740	12,359,285	15,677,737	16,618,258	
Deferred Inflows of Resources	629,143	505,393		266,923	229,042	896,066	734,435	
Net Position								
Net Investment in								
Capital Assets	6,025,171	5,794,754		1,622,974	1,475,621	7,648,145	7,270,375	
Restricted	9,912,513	8,895,774		1,529,676	684,412	11,442,189	9,580,186	
Unrestricted	15,300,990	13,582,082		2,711,144	2,921,113	18,012,134	16,503,195	
Total Net Position	\$ 31,238,674	\$ 28,272,610	\$	5,863,794	\$ 5,081,146	\$ 37,102,468	\$ 33,353,756	

The largest component (49%) of the State's net position is unrestricted net position. Unrestricted net position may be used at the State's discretion, but often have limitations on use based on State statutes. Restricted net position makes up thirty-one percent (31%) of the state's net position. Restricted net position represents resources that are subject to external restrictions, constitutional provisions, or enabling legislation on how they can be used.

Twenty-one percent (21%) of the State's net position reflects its investment in capital assets such as land, buildings, equipment, intangibles (software), Lease assets, Subscription Based IT arrangements (SBITAs), and infrastructure (roads, bridges and other immovable assets) less any related debt outstanding that was needed to acquire or construct the assets. The State uses these capital assets to provide services to citizens; consequentially, these assets are not available for future spending. Although the State's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The condensed financial information on the following page were derived from the government-wide Statement of Activities and reflects how the State's net position changed during the fiscal year:

#### State of North Dakota's Changes in Net Position

(Expressed in Thousands)
Governmental Busine

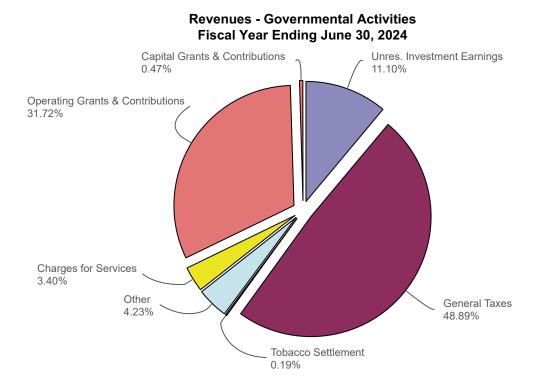
		nmental vities		ss-Type vities	Total Primary Government		
	2024	2023	2024	2023	2024	2023	
Revenues:							
Program Revenues:							
Charges for Services	\$ 390,659	\$ 375,655	\$ 2,376,402	\$ 2,121,930	\$ 2,767,061	\$ 2,497,585	
Operating Grants & Contributions							
	3,647,965	3,789,645	562,286	202,540	4,210,251	3,992,185	
Capital Grants & Contributions	54,472	3,046	42,513	31,019	96,985	34,065	
General Revenues:							
Income Taxes	638,144	812,953	_	_	638,144	812,953	
Sales Taxes	1,737,542	1,725,168	_	_	1,737,542	1,725,168	
Oil, Gas and Coal Taxes	3,112,312	2,967,167	_	_	3,112,312	2,967,167	
Other Taxes	134,809	146,853	_	_	134,809	146,853	
Investment Earnings	1,276,314	787,383	_	_	1,276,314	787,383	
Tobacco Settlement	22,080	24,845	_	_	22,080	24,845	
Other	486,937	400,723	1,547	3,218	488,484	403,941	
Total Revenues	11,501,234	11,033,438	2,982,748	2,358,707	14,483,982	13,392,145	
Expenses:							
General Government	1,427,904	1,640,333		_	1,427,904	1,640,333	
Education	1,692,042	1,579,570		_	1,692,042	1,579,570	
Health and Human Services	2,666,060	2,753,186		_	2,666,060	2,753,186	
Regulatory	250,018	232,363	_	_	250,018	232,363	
Public Safety and Corrections	321,352	326,906	_	_	321,352	326,906	
Agriculture and Commerce	185,616	175,559	_	_	185,616	175,559	
Natural Resources	265,515	306,631		_	265,515	306,631	
Transportation	654,865	679,592			654,865	679,592	
Interest on Long Term Debt	31,244	24,213	_	_	31,244	24,213	
Bank of North Dakota	31,244	24,213	176,250	76,924	176,250	76,924	
Housing Finance	_	_	91,154	74,380	91,154	70,924	
Loan Programs	_	_	10,452	12,580			
State Lottery	_	_			10,452	12,580	
-	_	_	29,933	28,205	29,933 89,042	28,205	
Unemployment Compensation	_	_	89,042	68,868	·	68,868	
University System Workforce Safety and Insurance	_	_	1,509,753	1,427,039	1,509,753	1,427,039	
•	_	_	210,481	196,649	210,481	196,649	
Other Total Expenses	\$ 7,494,616	\$ 7,718,353	\$29,926 \$ 2,946,991	\$ 18,848 \$ 2,703,493	829,926 \$10,441,607	\$18,848 \$10,421,846	
Total Expenses	<del>φ 7,494,010</del>	φ <i>1,1</i> 10,333	φ 2,940,991	<del>φ 2,703,493</del>	\$ 10,44 1,007	\$10,421,040	
Increase (decrease) in Net Position							
Before Contributions, Loss & Transfers	4 000 040	2 245 005	25.757	(044.700)	4 0 4 0 0 7 5	0.070.000	
	4,006,618	3,315,085	35,757	(344,786)	4,042,375	2,970,299	
Contributions to Permanent Fund Principal	6,341	9,148			6,341	9,148	
Transfers	(1,046,895)		746,890	448,310	(300,005)	194,168	
Hallololo	(1,040,000)	(204,142)	740,000	440,010	(000,000)	134,100	
Change in Net Position	2,966,064	3,070,091	782,647	103,524	3,748,711	3,173,615	
Net Position - Beginning	28,272,610	25,184,434	5,081,146	4,944,689	33,353,756	30,129,123	
Prior Period Adjustment *		18,085	<u> </u>	32,933		51,018	
Net Position- Ending	\$31,238,674	\$28,272,610	\$ 5,863,793	\$ 5,081,146	\$37,102,467	\$33,353,756	

#### **Governmental Activities**

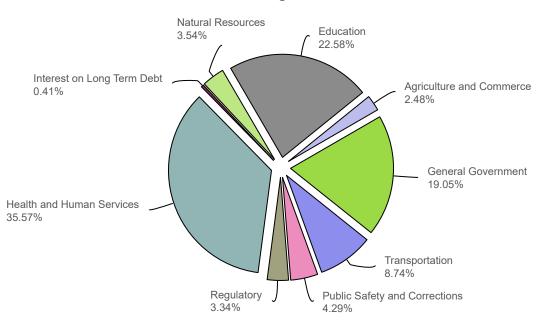
Governmental Activities increased the State's net position by \$2.97 billion. Revenues increased 4.2%, with the largest increase in the State's revenues for fiscal year 2024 coming from unrestricted investment income which saw an increase of \$488.9 million. This is primarily due to higher investment returns for the Legacy and Budget Stabilization Funds. The Legacy Fund had net investment income in Fiscal Year 2024 of \$1.04 billion and in Fiscal Year 2023 it was \$683.2 million. The Budget Stabilization fund had net investment income in Fiscal Year 2024 of \$62.09 million and in Fiscal Year 2023 it was \$22.27 million. The investment earnings are unrestricted because it is not for a particular function. The State saw an increase of \$145.1 million in Oil, Gas and Coal Taxes which is due to an increase in collections of Oil & Gas Production Tax. The increase in Oil & Gas Production taxes is due to higher oil prices which can be attributed to a number of factors, including increased demand, a strong economy, and low reserves.

Expenses for governmental activities remained relatively consistent.

The following chart depicts revenues of the governmental activities for the fiscal year:



The following chart depicts expenses of the governmental activities for the fiscal year:



### Expenditures - Governmental Activities Fiscal Year Ending June 30, 2024

#### **Business-type Activities**

Net position of the business-type activities increased by \$782.6 million during the fiscal year.

Workforce Safety and Insurance's (WSI) net position increased by \$101.4 million, and WSI's financial position remains stable. Changes in net position are the result of two separate activities or major program revenues: underwriting and investing. In fiscal year 2024, WSI's investment portfolio yielded a year-to-date return of 5.97% (net of fees), with a gain of \$125 million before expenses. The year-to-date return for fiscal years 2023 and 2022 was 2.74% and -9.04%,respectively. Earned premium net of discounts and reinsurance totaled \$181 million, \$185 million, and \$163 million for fiscal years 2024, 2023, and 2022 respectively. The number of total claims filed in fiscal year 2024 is 17,041. This is a decrease of 1,087 from the previous fiscal year 2023's total of 18,128.

The Bank of North Dakota net position increased by \$76.6 million. The loan portfolio increased by \$407 million to \$5.64 billion at December 31, 2023. Interest-bearing deposits totaled \$8.05 billion at December 31, 2023 compared to \$7.68 billion at December 31, 2022. Deposit balances remain high in 2023 due to increased state tax revenues and American Rescue Plan dollars. The Bank's capital position is as strong as it has ever been with a tier one capital leverage ratio of 11.10% much higher than the "well capitalized" threshold of 5% as defined by the federal banking regulation.

The University System's net position increased \$268.6 million. The increase in current assets is mainly attributed to increases in cash of \$33.26 million and investments of \$100.0 million. Cash increases were mainly attributed to a \$97.0 million appropriation by the 2023 North Dakota Legislature for the new NDSU Agriculture Field Lab Facility. There was also a decrease in cash of \$78.5 million as a result of a shift from cash to certificates of deposit investments. Operating grants and contracts increased mainly due to increases at NDSU and UND. NDSU's awards increased \$4.5 million in NDSU's College of Engineering and \$3.8 million in NDSU's North Dakota Agriculture Experiment Station. UND's awards increased \$14.4 million in UND's College of Engineering and the EERC.

Housing Finance Authority (HFA) net position increase of \$24.2 million as a result of the year's program operations and financing activities. Operating revenues were up \$24.08 million as a result of higher mortgage and investment income than in the prior year. This was partially offset by a small loss on the sale of investments and a slight decrease in fee income. HFA continues to fund mortgage loans at a fast pace. Although mortgage rates have started to drop slightly, the pricing of mortgage revenue bonds continues to be competitive. With the higher interest rates over the last few years, the Agency has and continues to see a decrease in loan payoffs making refinances or move up mortgage purchases less favorable.

### FINANCIAL ANALYSIS OF THE STATE'S FUNDS

### **Governmental Funds**

As the State completed the year, its governmental funds reported combined fund balances of \$26.5 billion, an increase of \$2.6 billion from the prior fiscal year. Of the \$26.5 billion in net position, \$141.0 million is non-spendable, \$9.7 billion is restricted, \$3.4 billion is committed, \$357.3 million is assigned, and \$12.9 billion is unassigned. These fund balance categories are a result of GASB Statement 54. Note 1V provides definitions for these categories. The following analysis of funds provides the explanation for the overall change in net position for governmental funds.

The General Fund is the chief operating fund of the State. At the end of current fiscal year, unassigned fund balance of the General Fund was \$12.9 billion, non-spendable was \$7.6 million, and \$1.4 billion was committed for expenditure by various governmental functions.

Total General Fund balance increased during the fiscal year by \$1.6 billion. Revenues increased approximately 21%, due primarily to increases in interest and investment income of \$466 million and Oil, Gas, and Coal Taxes of \$640 million. The increase in investment income are from the Legacy and Budget Stabilization funds which are part of the general fund in the governmental fund statements. The Legacy Fund was created by a constitutional amendment in 2010. The amendment provides that 30% of oil and gas gross production and oil extraction taxes on oil produced after June 30, 2011, be transferred to the Legacy fund. Net investment income for the Legacy Fund exceeded \$1.04 billion in FY2024 and \$683 million in Fiscal Year 2023. The State Investment Board is responsible for the investment of the fund. This fund has a current fund balance of \$10.96 billion. The General Fund also saw an increase in Oil, Gas, and Coal Taxes this increase was due to the way Oil, Gas, and Coal taxes are distributed within the state. Revenue for oil, gas, and coal taxes are distributed first to the general fund and then once the max amount is reached the revenues will then be distributed to the next fund. Since Fiscal Year 2024 was the first year of the biennium the General Fund revenues were higher than the prior year. The Individual and Corporate Income Tax decreased by \$181 million primarily due to House Bill 1158 of the 2023 North Dakota Legislative session, changing individual income tax from five tax brackets to three with the first tax bracket being 0%.

General fund expenditures increased by \$423.8 million or 19.98% with the largest increase in Health and Human Services. However, total expenditures for the general fund and special revenue fund remained relatively consistent from Fiscal Year 2023. The increase in Health and Human Services was due to reallocating more expenses back to the General Fund, that had been paid with Federal Funds in the prior year.

The State Special Revenue ending fund balance increased by \$1.2 billion resulting in a \$11.7 billion fund balance. Revenues decreased by 2.13% in the state special revenue fund primarily due to a decrease in Oil, Gas, and Coal Taxes of \$505.6 million. This is due to the tax distribution allocation being first allocated to the general fund, once the max is reached for the General Fund, the Special Revenue funds receive their allocations, as previously explained above. There was an increase in Interest and Investment Income of \$296.02 million. This increase was a result of stronger performance in the public equity markets, which increased the fair value of investments for Fiscal Year 2024.

The Federal Fund balance of \$22.1 million consists primarily of non-spendable items such as prepaids and inventory. Revenues decreased by \$317.98 million, expenditures decreased by \$ 314.77 million, and the federal fund balance decreased by \$15.3 million. These decreases were primarily due to the decrease in federal funds the

state received in Fiscal Year 2024 as compared to the previous years that saw increases in spending due to the revenues received from the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program authorized by the American Rescue Plan Act and Coronavirus Relief Fund (CRF).

# **Proprietary Funds**

The State's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The increases/decreases in the net position of the proprietary funds are discussed under "Business-type Activities" above.

# **General Fund Budgetary Highlights:**

The State has a biennial appropriated budget. The fiscal year ending June 30, 2024, was the first year of the 2023-25 budget cycle. The original budget increased \$71.38 million. The increases to the beginning appropriated budget are from authorized carryover of general fund appropriation authority and legislative changes of which the larger ones are noted below.

Several state agencies were authorized by appropriation laws to carryover a portion or all of their general fund appropriation for various purposes, including the University System, \$738 thousand, and Legislative Council, 5.3 million and Legislative Assembly, \$2.7 million.

Of the \$577 thousand in capital construction carryover dollars, \$500 thousand was for Health and Human Services.

The general fund budgetary revenues and other financing sources for Fiscal Year 2024 were \$3.01 billion or 61% of the approved budget for the 2023-2035 biennium.

There were no expenditures in excess of general fund authority.

### **CAPITAL ASSETS AND DEBT ADMINISTRATION**

Capital Assets: At the end of the fiscal year 2024, the State had invested \$7.6 billion, net of accumulated depreciation, in a broad range of capital assets. Depreciation charges for this fiscal year totaled \$425 million.

(Net of Depreciation, Expressed in Thousands)

		nmental vities		ss-Type vities	Total Primary Government		
	2024	2023	2024 2023		2024	2023	
Land and Land Improvements Building & Building	\$ 175,064	\$ 165,855	\$ 28,704	\$ 26,979	\$ 203,768	\$ 192,834	
Improvements	425,072	429,743	1,521,833	1,322,774	1,946,905	1,752,517	
Equipment	209,097	199,399	212,338	210,731	421,435	410,130	
Intangibles							
Software	199,355	225,549	1,106	1,185	200,461	226,734	
Other	10,368	10,619	12,565	12,663	22,933	23,283	
Infrastructure	4,506,402	4,420,165	169,581	168,119	4,675,983	4,588,284	
Construction in Progress	726,706	487,745	272,243	332,665	998,949	820,410	
Right-to-use Lease & SBITA assets:							
Land	87	86	17,012	15,550	17,099	15,636	
Building and Improvements	34,811	36,273	5,944	24,525	40,755	60,798	
Equipment	2,929	2,724	33,007	34,627	35,936	37,351	
Infrastructure	_	_	21,000	1,746	21,000	1,746	
SBITAs	62,834	57,417	18,937	24,663	81,771	82,080	
Total	\$ 6,352,725	\$ 6,035,575	\$ 2,314,270	\$ 2,176,227	\$ 8,666,995	\$ 8,211,802	

<sup>\*</sup> Beginning capital asset balances were adjusted for certain reclassifications for FY2023 in the Governmental Activities and Business Type Activities.

The total increase in the State's investments in capital assets for the current fiscal year was 5.5% in terms of net book value. However, actual expenditures to purchase or construct capital assets were approximately \$1.38 billion for the year. A major portion of this amount was used to construct or reconstruct assets for highway construction. More detailed information on the State's capital assets can be found in Note 3H to the financial statements.

Long-term Debt: Article X, Section 13 of the Constitution of North Dakota provides that the state may issue or guarantee the payment of bonds provided that all bonds in excess of \$2 million are: secured by first mortgage upon property and no further indebtedness may be incurred by the state unless evidenced by a bond issue; authorized by law, for a certain purpose; provisioned to pay the interest semiannually, and pay the principal within 30 years. The law authorized the bond issue must specifically appropriate the provisions to the payment of the principal and interest of the bond. The State has no general obligation bonds outstanding at June 30, 2024.

The State does have a number of revenue bonds outstanding at June 30, 2024. Current state statutes empower certain state agencies and the Building Authority to issue bonds as part of their activities. This debt is not backed by the full faith and credit of the State of North Dakota. The principal and interest on revenue bonds issued by state agencies is payable from designated revenue sources. The Building Authority's bonds generate revenue to finance the construction and improvements of State buildings. Revenues derived from leases on the buildings fund the debt service requirements. Starting in FY 22 the state issued appropriation bonds through the Legacy Bond Program, these are appropriation bonds issued to provide financing to legislative approved state projects and programs. The bonds are direct obligations of the Public Finance Authority and secured by the State of North Dakota's Legacy Fund earnings, capitalized interest CD's and interest earnings pursuant to the applicable bond resolutions.

The Bank of North Dakota has advances from the Federal Home Loan Bank due within one year in the amount of \$25 million. The advances had a fixed interest rate of 5.64%.

The state had lease additions for equipment and buildings of \$18.4 million for Business Type Activities and \$9.1 million for Governmental Activities.

More detailed information regarding the State's long-term obligations is presented in Note 3J to the financial statements.

## State of North Dakota's Outstanding Debt

(Expressed in Thousands)

	Goverr Activ	nmer vities		Busine: Activ			Total Primary Government		
	2024		2023	2024	2023	2024		2023	
Revenue Bonds Certificate of	\$ 754,697	\$	787,130	\$ 2,226,968	\$ 1,902,600	\$	2,981,665	\$	2,689,730
Participation	_		_	251,166	260,727		251,166		260,727
Notes Payable	14,257		15,835	44,013	698,447		58,270		714,282
Lease Payable	40,388		41,401	80,878	77,923		121,266		119,324
SBITA Payable	54,791		46,668	16,862	22,336		71,653		69,004
Total	\$ 864,133	\$	891,034	\$ 2,619,887	\$ 2,962,033	\$	3,484,020	\$	3,853,067

<sup>\*</sup> Beginning Lease Payable balances were adjusted for certain reclassifications for FY2023 in the Business- Type Activities.

The State's total debt decreased approximately 9.6% during the current fiscal year.

## **ECONOMIC CONDITION AND OUTLOOK**

Moody's Analytics recently completed an analysis of the North Dakota economy for its Précis U.S. State October 2024 publication. The report depicts an economy in mild expansion, with more than half of all industries adding to the labor force. The Bakken is the most productive shale oil producer in the nation in terms of output per drilling rig. The Bakken has been able to keep drilling costs lower than elsewhere in the nation while at the same time the productivity per drilling rig is higher.

North Dakota's outlook is linked tightly to two major industries, energy and agriculture. The planned increase in oil output from OPEC will hurt all producers and the increase in supply will drive the price down, but the Bakken is more prepared to deal with these adversities than others. The most recent North Dakota average price per barrel of oil was at \$72.68, which is above the estimated price of \$68.40 used for budgeting purposes. With the most recent production number being at 1.2 million barrels per day compared to 1.1 million bpd used for budgeting. On the agriculture side, prices are beginning to rebound after taking a significant hit in the past year, but production expenses are cutting into any profits.

North Dakota's employment growth is increasing but may become hindered by an overly tight labor market. As stated above, over half of the industries are adding jobs with the healthcare and public sector being the top two contributors to that growth. The unemployment rate in North Dakota remains low at 2.2%, which is slightly higher than the 1.9% reported for the same time frame last year. Even though North Dakota may become hindered by a tight labor market this is allowing for the wage growth to accelerate.

Per capita income for North Dakota remains ahead of the national average for a second year in a row. Per capita income for 2024 was \$72,041 for North Dakota, while the U.S. was \$65,810.

The median household income saw a 2% decrease from 2023 numbers and is currently behind the national average. For 2024, median household income in North Dakota was at \$76,960 compared to \$80,610 for the U.S.

Effective January 1, 2025, the PERS Main System will be closed to new members. Employees newly enrolled into the system on January 1, 2025 and later will participate in a new Defined Contribution Plan. In Fiscal Year 2024 there was a cash infusion into the PERS Main System of \$135 million from the Strategic Investment and Improvements Fund. The impact of this cash infusion is not reflected in the net pension liability balances in the 2024 ACFR, since the measurement date for the Pension Adjustments is June 30, 2023.

North Dakota's Legacy Fund which is reported as part of the General Fund, was established with thirty percent of total revenue derived from taxes on oil and gas production or extraction. The principal and earnings of the Legacy Fund could not be spent until after June 30, 2017, and an expenditure of principal after that date requires a vote of at least two-thirds of the members elected of each house of the legislative assembly. No more than fifteen percent of the principal of the Legacy Fund could be expended during a biennium. Effective December 5, 2024 the fifteen percent of the principal was changed to five percent.

### CONTACTING THE STATE'S OFFICE OF FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the State's finances and to demonstrate the State's accountability for the money it receives. Questions about this report or additional financial information should be addressed to the State of North Dakota, Office of Management and Budget, 600 E. Boulevard, Dept. 110, Bismarck, ND 58505.



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# **Basic Financial Statements**

# **Statement of Net Position** June 30, 2024

54115 55, 252 T			Prin	nary Government			Component	
	G	overnmental Activities		Business-Type Activities	Total	(	Units (GASB Based)	
ASSETS								
Cash and Cash Equivalents	\$	64,991,374	\$	807,566,340	\$ 872,557,714	\$	1,808,134	
Investments		19,757,462,419		6,078,542,958	25,836,005,377		4,625,000	
Accounts Receivable - Net		204,095,900		165,359,566	369,455,466		37,239	
Taxes Receivable - Net		686,258,151		_	686,258,151		_	
Interest Receivable - Net		53,916,412		86,751,513	140,667,925		388,481	
Lease Receivable - Net		588,864		1,160,621	1,749,485		_	
Intergovernmental Receivable - Net		355,584,677		57,888,197	413,472,874		_	
Internal Receivable		7,109,050,947		_	684,439,026		84,803,262	
Due from Component Units		_		42,684,137	42,684,137		_	
Prepaid Items		21,696,299		4,208,250	25,904,549		_	
Inventory		42,842,004		48,579,389	91,421,393		_	
Loans and Notes Receivable - Net		55,077,914		6,237,266,948	6,292,344,862		34,241,317	
Pension Assets		11,346,765		_	11,346,765		_	
Other Assets		13,392,799		131,637,001	145,029,800		_	
Restricted Assets:								
Cash and Cash Equivalents		_		252,470,000	252,470,000		67,958,476	
Investments		_		55,333,716	55,333,716		1,039,105,203	
Interest Receivable - Net		193,000		8,910,000	9,103,000		5,583,234	
Loans and Notes Receivable - Net		_		1,892,561,000	1,892,561,000		117,330,200	
Capital Assets:								
Nondepreciable		901,769,648		300,947,385	1,202,717,033		_	
Depreciable, Net		5,450,955,903		2,013,521,908	 7,464,477,811		64,415	
Total Assets		34,729,223,076		18,185,388,929	46,490,000,084		1,355,944,961	
DEFERRED OUTFLOWS OF RESOURCES							_	
Deferred Loss on Bond Refunding		_		2,603,390	2,603,390		_	
Decrease in Fair Value of Hedging Derivatives		_		2,636,375	2,636,375		_	
Derived from Pensions		572,179,078		161,547,571	733,726,649		252,000	
Derived from OPEB		17,411,543		5,280,975	22,692,518			
Total Deferred Outflows of Resources		589,590,621		172,068,311	761,658,932		252,000	

<sup>\*</sup> An internal receivables balance remains in the Total column because certain Business-Type Activities have different fiscal year ends than the Governmental Activities. As internal balances are reported separately as internal receivables and internal payables, those lines, as well as the total assets and total liabilities, do not crossfoot.

# **Statement of Net Position** June 30, 2024

·		0		
	Governmental Activities	Primary Government Business-Type Activities	Total	Component Units (GASB Based)
LIABILITIES				
Accounts Payable	475,260,175	83,907,604	559,167,779	397,564
Accrued Payroll	88,443,865	50,002,042	138,445,907	_
Securities Lending Collateral	291,174,951	19,444,841	310,619,792	_
Interest Payable	6,402,006	39,873,941	46,275,947	4,245,983
Intergovernmental Payable	219,574,297	1,727,997	221,302,294	_
Tax Refunds Payable	171,409,607	_	171,409,607	_
Internal Payable	_	6,424,611,921	_	_
Due to Component Units	_	22,785,127	22,785,127	_
Contract Retainage Payable	22,153,033	10,521,129	32,674,162	_
Federal Funds Purchased	_	323,010,000	323,010,000	_
Other Deposits	_	1,124,733,343	1,124,733,343	_
Amounts Held In Custody for Others	_	20,148,000	20,148,000	_
Unearned Revenue	419,389,477	135,732,325	555,121,802	525,835
Financial Derivative Instrument	_	2,636,375	2,636,375	_
Other Liabilities	_	54,156,375	54,156,375	_
Long-Term Liabilities				
Due within one year	71,433,720	328,733,058	400,166,778	32,720,000
Due in more than one year	859,853,878	3,332,339,847	4,192,193,725	546,697,000
Net Pension Liability	787,623,855	240,294,634	1,027,918,489	343,000
Net OPEB Liability	38,277,831	12,081,826	50,359,657	_
Total Liabilities	3,450,996,695	12,226,740,385	9,253,125,159	584,929,382
DEFERRED INFLOWS OF RESOURCES				
Grant Received Prior to Time Requirements	_	95,431	95,431	_
Unrealized Gain on Interest Rate Swap	_	52,125,000	52,125,000	_
Derived from Pensions	623,379,743	191,292,797	814,672,540	277,000
Derived from OPEB	5,129,006	1,503,528	6,632,534	_
Financial Derivative Instruments	_	20,762,000	20,762,000	_
Right-to-Use Leases	634,359	1,144,266	1,778,625	_
Deferred Gain on Bond Refunding				3,581,000
Total Deferred Inflows of Resources	629,143,108	266,923,022	896,066,130	3,858,000
NET POSITION				
Net Investment in Capital Assets	6,025,171,278	1,622,973,864	7,648,145,142	64,415
Restricted for:	0,020,,2. 0	.,022,0.0,001	.,0.0,0,2	0.,0
General Government	6,110,133	_	6,110,133	_
Education	7,952,239,571	_	7,952,239,571	_
Health and Human Services	43,640,679	_	43,640,679	_
Regulatory Purposes	106,686,643	_	106,686,643	_
Public Safety & Corrections	6,363,359	_	6,363,359	_
Agriculture and Commerce	58,530,653	_	58,530,653	_
Cultural and Natural Resources	720,668,198	_	720,668,198	_
		_	, ,	_
Transportation	517,785,411	200.050	517,785,411	_
Capital Projects	286,996,000	306,850	287,302,850	
Debt Service	89,377,977	241,768,025	331,146,002	94,033,995
Loan Purposes	_	24,221,250	24,221,250	559,093,236
Pledged Assets	_	846,678,000	846,678,000	_
Unemployment Compensation		351,949,008	351,949,008	_
Pension Benefits	11,346,765	_	11,346,765	_
Permanent Fund and University System - Nonexpendable	81,686,889	20,240,640	101,927,529	_
University System - Expendable	_	23,912,649	23,912,649	_
Other	31,080,666	20,599,291	51,679,957	_
Unrestricted	15,300,989,672	2,711,144,256	18,012,133,928	114,217,933
Total Net Position	\$ 31,238,673,894	\$ 5,863,793,833	\$ 37,102,467,727	\$ 767,409,579

# **Statement of Activities**

# For the Fiscal Year Ended June 30, 2024

				Pr	ogram Revenues		
Functions/Programs		Expenses			Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:		_			_		_
Governmental Activities:							
General Government	\$	1,427,905,308	\$ 46,790,978	\$	29,540,310	\$	_
Education		1,692,041,966	12,566,411		1,332,472,398		_
Health and Human Services		2,666,060,312	31,501,392		1,474,985,448		_
Regulatory		250,017,939	56,000,926		54,662,933		_
Public Safety and Corrections		321,352,280	32,635,253		109,969,524		1,538,297
Agriculture and Commerce		185,615,694	46,183,609		43,920,081		_
Natural Resources		265,513,767	43,823,893		65,253,779		11,800
Transportation		654,864,608	121,156,801		537,160,514		52,922,024
Interest on Long Term Debt		31,244,429	_		_		_
Total Governmental Activities		7,494,616,303	390,659,263		3,647,964,987		54,472,121
Business-Type Activities:							
Bank of North Dakota		176,250,146	481,017,000		_		_
Housing Finance		91,153,893	89,451,000		24,894,752		_
Loan Programs		10,451,299	14,193,461		1,613,006		_
State Lottery		29,933,326	40,455,491		24,377		_
Unemployment Compensation		89,041,785	102,283,932		8,840,370		_
University System		1,509,752,564	618,170,001		394,286,253		42,512,985
Workforce Safety & Insurance		210,480,904	185,758,905		125,198,248		_
Other		829,926,432	845,072,493		7,429,162		_
Total Business-Type Activities	_	2,946,990,349	2,376,402,283		562,286,168		42,512,985
Total Primary Government	\$	10,441,606,652	\$ 2,767,061,546	\$	4,210,251,155	\$	96,985,106
Component Units (GASB Based):	\$	56,497,434	\$ 7,129,830	\$	85,684,448	\$	

## General Revenues:

Taxes:

Individual and Corporate Income Taxes

Sales and Use Taxes

Oil, Gas and Coal Taxes

**Business and Other Taxes** 

Unrestricted Investment Earnings

Tobacco Settlement

Miscellaneous

Payment from State of North Dakota

Contributions to Perm Fund Principal

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position, Beginning of Year

Net Position, Ending

<sup>\*</sup>Transfers will not zero out due to different year ends of agencies included in the ACFR. See Note 3G for detail.

Net (	(Expense	) Revenue and	Change in	Net Position
-------	----------	---------------	-----------	--------------

		Primary Government		
	Governmental Activities	Business-Type Activities	Total	Component Units GASB Based)
\$	(1,351,574,020)		\$ (1,351,574,020)	
	(347,003,157)		(347,003,157)	
	(1,159,573,472)		(1,159,573,472)	
	(139,354,080)		(139,354,080)	
	(177,209,206)		(177,209,206)	
	(95,512,004)		(95,512,004)	
	(156,424,295)		(156,424,295)	
	56,374,731		56,374,731	
	(31,244,429)		(31,244,429)	
	(3,401,519,932)		(3,401,519,932)	
			 ,	
		304,766,854	304,766,854	
		23,191,859	23,191,859	
		5,355,168	5,355,168	
		10,546,542	10,546,542	
		22,082,517	22,082,517	
		(454,783,325)	(454,783,325)	
		100,476,249	100,476,249	
		22,575,223	22,575,223	
	_	34,211,087	34,211,087	
	(3,401,519,932)	34,211,087	(3,367,308,845)	
				\$ 36,316,844
	638,143,776	_	638,143,776	_
	1,737,541,874	_	1,737,541,874	_
	3,112,312,361	_	3,112,312,361	_
	134,809,258	_	134,809,258	_
	1,276,314,177	_	1,276,314,177	_
	22,079,919	_	22,079,919	_
	486,936,774	1,546,725	488,483,499	_
		-,010,120	-	95,000,000
	6,341,407	_	6,341,407	
	(1,046,895,301)	746,890,030	(300,005,271)	_
	6,367,584,245	748,436,755	 7,116,021,000	 95,000,000
_	2,966,064,313	782,647,842	 3,748,712,155	 131,316,844
	28,272,609,581	5,081,145,991	33,353,755,572	636,092,735
\$	31,238,673,894	\$ 5,863,793,833	\$ 37,102,467,727	\$ 767,409,579

# Statement of Net Assets Component Units FASB Basis

June 30, 2024

	Major University System Foundation	Nonmajor University System Foundation	State Historical Society Foundation
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 78,235,766	\$ 7,463,015	\$ 137,752
Receivable from Primary Institution	3,979,790	_	_
Investments	51,612,676	_	507,258
Accounts Receivable - Net	1,863,354	1,582	_
Notes receivable	2,962,618	274,287	_
Unconditional Promises to Give - Net	31,581,886	1,888,535	4,702
Net investment in Direct Financing Leases	902,725		_
Inventory	1,591,062		_
Other Assets	33,622,495	240,783	_
Total Current Assets	206,352,372	9,868,202	649,712
Noncurrent Assets:			
Restricted Cash and Cash Equivalents	12,758,603	544,115	_
Investments:	,,	,	
Investments, Net of Current Portion	1,004,879,714	30,842,944	1,605,117
Investments, Restricted	5,019,063		
Investments Held In Trust	32,676,636	_	_
Beneficial Interest In Trust	21,392,095	_	_
Charitable Gift Annuity Investments	6,247,350	_	_
Charitable Remainder Trust Account Investments	14,687,576	_	_
Real Estate and Equipment Held for Investment - Net	15,606,852		
Other Long-Term Investments	36,046,188	225.641	_
ů .		223,041	_
Contracts for Deed & Notes Receivable, Net of Current Portion	449,619 67,230,302	1 111 165	_
Long-Term Pledges Receivable/ Unconditional Promises to Give - Net		1,111,465	_
Other Receivables	2,499,948	_	_
Receivable from Primary Institution	19,569,699	_	_
Net investment in Direct Financing Leases, Net of Current Portion	8,053,434	4 005 004	
Other noncurrent assets	4,396,413	1,365,094	89,427
Notes Receivable - Net	6,000,000		
Capital Assets - Net	180,304,874	14,263,917	3,558
Total Noncurrent Assets	1,437,818,366	48,353,176	1,698,102
Total Assets	1,644,170,738	58,221,378	2,347,814
LIABILITIES			
Current Liabilities:			
Accounts Payable and Accrued Liabilities	6,384,945	351,495	1,338
Investments Held on Behalf of Institutions	_	1,928,333	_
Compensated Absences Payable	_	-,,,,,,,,,	10,972
Payable to Primary Institution	12,486,074	7,676	_
Accrued Payroll	1,640,368		9,779
Gift Annuities & Life Income Agreements	2,720,674		_
Unearned Revenue	15,733,711		51,244
Other Liabilities	1,716,167		
Current Potion of Long-Term Liabilities	15,790,850	163,963	_
Total Current Liabilities	56,472,789	2,451,467	73,333
Noncurrent Liabilities:	30,472,703	2,401,401	70,000
Deposits	22,567,210		
Investments Held on Behalf of Institutions	3,928,210		
Gift Annuities & Life Income Agreements, Net of Current Portion	17,576,952		
Obligations Under Split-Interest Agreement	7,844,784		
Payable to Primary Institution	446,628	_	_
Other Liabilities		_	_
	1,090,565	44 205 244	_
Long-Term Liabilities	89,367,382	11,365,214	
Total Noncurrent Liabilities	142,821,731	11,365,214	
Total Liabilities	199,294,520	13,816,681	73,333
Net Assets			
With Donor Restriction	1,146,099,231	34,049,376	813,181
Without Donor Restriction	298,776,987	10,355,321	1,461,300
Total Net Asset	1,444,876,218	44,404,697	2,274,481
Total Liabilities and Net Assets	\$ 1,644,170,738	\$ 58,221,378	\$ 2,347,814

# Statement of Revenues, Expenses and Changes in Fund Net Assets Component Units FASB Basis

For the Fiscal Year Ended June 30, 2024

	Un	Major iversity System Foundation	Nonmajor University System Foundation		te Historical Society oundation
Support and Revenue					
Gifts and Contributions	\$	149,701,959	\$	2,296,219	\$ 253,078
Investment Income		42,337,074		5,811,101	91,050
Grant Revenue		1,166,050			4,000
Net Realized and Unrealized Losses on Investment					
Securities		60,755,627		1,670,825	155,731
Program and Event Income		55,094,511		2,654,874	121,992
Other Income		8,079,510		1,815,300	25,172
Total Support and Revenue	_	317,134,731		14,248,319	651,023
EXPENSES					
Program Services	\$	91,458,499	\$	4,525,510	\$ 39,655
Supporting Services		56,876,536		4,081,822	359,731
Fund Raising Expense		10,428,921		_	8,427
Total Expenses		158,763,956		8,607,332	407,813
Changes in Net Assets		158,370,775		5,640,987	243,210
Total Net Assets - Beginning of Year, as restated		1,286,505,443		38,763,710	2,031,271
Total Net Assets - End of Year	\$	1,444,876,218	\$	44,404,697	\$ 2,274,481

# Balance Sheet Governmental Funds June 30, 2024

		Special Rev	/enue	Nonmajor	
	General	Federal	State	Governmental Funds	Total
ASSETS					
Cash Deposits at the Bank of ND	\$ 2,385,241,749	\$ 324,445,000 \$	3,071,552,274 \$	11,717,875 \$	5,792,956,898
Cash and Cash Equivalents	16,372,995	2,106	48,192,812	144,821	64,712,734
Investments at the Bank of ND	311,051,165	_	627,410,140	367,656,000	1,306,117,305
Investments	11,525,683,609	_	8,172,572,794	52,922,811	19,751,179,214
Accounts Receivable - Net	28,597,196	6,040,175	169,276,010	106	203,913,487
Taxes Receivable - Net	441,310,587	_	244,832,099	115,465	686,258,151
Interest Receivable - Net	40,366,170	_	13,102,806	577,879	54,046,855
Lease Receivable - Net	265,378	8,269	315,217	_	588,864
Intergovernmental Receivable - Net	_	338,216,732	16,425,907	_	354,642,639
Due from Other Funds	116,452,981	79,197,603	31,353,248	50	227,003,882
Prepaid Items	4,164,831	4,412,161	8,051,349	_	16,628,341
Inventory	3,404,671	23,934,842	15,379,761	_	42,719,274
Loans and Notes Receivable - Net	34,350	161,490	16,202,482	38,679,592	55,077,914
Other Assets	_	_	13,391,000	1,799	13,392,799
Total Assets	14,872,945,682	776,418,378	12,448,057,899	471,816,398	28,569,238,357
DEFERRED OUTFLOWS OF RESOURCES					
Total Deferred Outflows of Resources	_	_	_	_	_
Total Assets and Deferred Outflows of Resources	\$ 14,872,945,682	\$ 776,418,378 \$	12,448,057,899 \$	471,816,398 \$	28,569,238,357
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	115,743,300	222,675,758	134,546,171	14,936	472,980,165
Accrued Payroll	57,270,183	10,157,021	16,464,516	_	83,891,720
Securities Lending Collateral	77,219,782	_	201,693,101	12,181,248	291,094,131
Interest Payable	166,513	2,193	1,530,539	_	1,699,245
Intergovernmental Payable	3,198,994	26,230,547	190,144,756	_	219,574,297
Tax Refunds Payable	167,208,188	_	4,201,419	_	171,409,607
Due to Other Funds	20,636,529	110,399,429	126,112,739	151,031	257,299,728
Contract Retainage Payable	126,690	11,559,094	10,467,249	_	22,153,033
Unearned Revenues	152,018	366,470,759	53,202,251	_	419,825,028
Total Liabilities	441,722,197	747,494,801	738,362,741	12,347,215	1,939,926,954
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	109,643,849	6,831,706	9,242,451	_	125,718,006
Unpaid Penalty and Interest	_	_	567,970	_	567,970
Right-to-Use Leases	237,242	7,961	389,156	_	634,359
Total Deferred Inflows of Resources	109,881,091	6,839,667	10,199,577	_	126,920,335
Fund Balances:					
Nonspendable					
Inventory	3,404,671	23,934,842	15,379,761	_	42,719,274
Long - Term Receivables	_	_	1	_	1
Prepaid Expenditures	4,164,831	4,412,161	8,051,349	_	16,628,341
Permanent Trust Fund	_	_	_	81,686,889	81,686,889
Restricted	_	_	9,353,720,482	376,289,000	9,730,009,482
Committed	1,448,036,912	_	1,965,040,814	1,493,294	3,414,571,020
Assigned	_	1,451	357,303,174	_	357,304,625
Unassigned	12,865,735,980	(6,264,544)		_	12,859,471,436
Total Fund Balances	14,321,342,394	22,083,910	11,699,495,581	459,469,183	26,502,391,068
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 14,872,945,682	776,418,378 \$	12,448,057,899 \$	471,816,398 \$	28,569,238,357

# Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

June 30, 2024

## **Total Fund Balances-Governmental Funds**

\$ 26,502,391,068

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of assets is \$10,844,236,840 and the accumulated depreciation is \$4,618,901,578.

6,225,335,262

Other assets not available in the current period and therefore are not reported in the governmental funds:

Net Pension Asset

11,346,765

Deferred outflows of resources are not reported in the governmental funds:

Loss on bond refunding —
Related to OPEB 16,003,951
Related to pensions 532,081,393

Total Deferred Outflows 548,085,344

Some of the state's revenues will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are unavailable in the funds.

126,153,557

Internal service funds are used to charge the costs of certain activities to individual funds.

The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in governmental activities in the statement of net position.

81,985,248

Deferred inflows of resources are not reported in the governmental funds:

Unpaid penalty and interest 567,970
Related to OPEB (4,832,800)
Related to pensions (582,722,908)
Total Deferred Inflows

(586,987,738)

Long-term liabilities and related accrued interest are not due and payable in the current period and therefore are not reported as liabilities in the funds. Those liabilities consist of:

Bonds Payable (754,696,978)Notes Payable (13,350,011)Accrued Interest on Long-Term Liabilities (3,930,331)Compensated Absences (54,211,112)Lease & SBITA Assets (71,967,202)Other Post-employment Benefit Obligation (35,479,918)Net Pension Liability (734,712,625)Claims and Judgments (1,287,435)

(1,669,635,612)

**Net Position of Governmental Activities** 

\$ 31,238,673,894

Total Long-Term Liabilities

# Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds

For the Fiscal Year Ended June 30, 2024

			Special	Revenue	Nonmajor Governmental		
		General Federa		State	Funds	Total	
REVENUES							
NEVEROES							
Individual and Corporate Income Taxes	\$	623,453,421	\$ —	, ,	\$ 28,504 \$	, ,	
Sales and Use Taxes		1,309,222,492	_	418,536,359	_	1,727,758,851	
Oil, Gas, and Coal Taxes		1,504,367,919	_	1,606,397,731	1,366,661	3,112,132,311	
Business and Other Taxes		57,783,455	_	84,555,352	_	142,338,807	
Licenses, Permits and Fees		10,928,309	_	208,259,436	22,041	219,209,786	
Intergovernmental		734,752	2,659,188,001	47,286,842	_	2,707,209,595	
Sales and Services		2,198,366	447,383	56,919,114	5,565	59,570,428	
Royalties and Rents		43,535,837	295,487	640,169,337	_	684,000,661	
Fines and Forfeits		3,253,947	_	39,520,587	_	42,774,534	
Interest and Investment Income		1,210,786,667	1,406,542	729,782,594	26,142,952	1,968,118,755	
Tobacco Settlement		_	_	22,079,919	_	22,079,919	
Commodity Assessments		_	_	30,611,067	_	30,611,067	
Miscellaneous		16,052,896	108,840,057	20,305,738	71,275	145,269,966	
Total Revenues		4,782,318,061	2,770,177,470	3,907,657,099	27,636,998	11,487,789,628	
EXPENDITURES							
Current:							
General Government		251,452,624	20,849,627	173,664,877	532,819	446,499,947	
Education		920,197,951	360,376,232	316,355,161	_	1,596,929,344	
Health and Human Services		1,038,891,304	1,536,470,474	43,028,522	235,733	2,618,626,033	
Regulatory		29,312,205	25,251,886	63,439,475	114,606,000	232,609,566	
Public Safety and Corrections		183,285,956	85,157,923	22,552,463	_	290,996,342	
Agriculture and Commerce		40,809,684	40,387,025	103,179,790	_	184,376,499	
Natural Resources		17,750,662	33,071,562	192,029,136	_	242,851,360	
Transportation		1,461,364	262,278,053	221,214,774	_	484,954,191	
Intergovernmental - Revenue Sharing		4,464,390	· · · —	1,059,418,458	_	1,063,882,848	
Capital Outlay		40,093,768	387,904,397	163,431,215	_	591,429,380	
Debt Service:		, ,	,,	,,		,,	
Principal		14,806,431	2,271,981	2,807,189	33,460,000	53,345,601	
Interest and Other Charges		2,759,475	286,488	559,883	26,232,125	29,837,971	
interest and other onarges			•				
Total Expenditures		2,545,285,814	2,754,305,648	2,361,680,943	175,066,677	7,836,339,082	
Revenues over (under) Expenditures		2,237,032,247	15,871,822	1,545,976,156	(147,429,679)	3,651,450,546	
OTHER FINANCING SOURCES (USES)							
Lease and SBITA Acquisitions		19,475,590	3,400,456	7,702,973	_	30,579,019	
Sale of Capital Assets		_	_	63,200	_	63,200	
Transfers In		128,309,775	1,310,920	223,272,928	110,767,125	463,660,748	
Transfers Out		(802,901,846)	(35,870,551)	(566,430,820)	(105,352,831)	(1,510,556,048	
Total Other Financing Sources (Uses)		(655,116,481)	(31,159,175)	(335,391,719)	5,414,294	(1,016,253,081	
Net Change in Fund Balances		1,581,915,766	(15,287,353)	1,210,584,437	(142,015,385)	2,635,197,465	
Fund Balances - Beginning of Year		12,739,426,628	37,371,263	10,488,911,144	601,484,568	23,867,193,603	
Fund Balances - End of Year	•						
i unu palances - Enu or teaf	<u>*</u>	14,321,342,394	\$ 22,083,910	\$ 11,699,495,581	\$ 459,469,183 \$	20,302,391,068	

# Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Fiscal Year Ended June 30, 2024

Net Change in Fund Balances-Total Governmental Funds
--

\$ 2,635,197,465

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital outlay	606,413,286
Depreciation expense	(270,444,056)
Excess of capital outlay over depreciation expense	

In the statement of activities, only the gain (loss) on the sale of assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the book value of the assets sold.

(969,359)

335,969,230

Donations of capital assets increase net position in the statement of activities but do not appear in the governmental funds because they are not financial resources.

115,664

Some of the assets acquired this year were financed through leases and SBITAs payable. The amount financed is reported in the governmental funds as a source of financing. However, leases and SBITAs payable are reported as long-term liabilities in the statement of net position.

(33,237,197)

Based on receipt dates, some revenues are not considered "available" revenues and are unavailable in the governmental funds. Unavailable revenues increased/decreased by this amount this year.

18,573,699

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of internal service funds is reported with governmental activities.

(6,747,962)

The pension assets resulting from contributions in excess of annual required contribution are not financial resources and, therefore, are not reported in the funds.

(4,337,938)

Deferred outflows of resources do not provide current financial resources

Amortization of deferred loss on bond refunding
Related to OPEB
(6,552,427)
Related to pension
(265,852,084)

(272,582,511)

Deferred pension inflows are not considered current cash expenses and are not reported as an expenditure in the funds.

Unpaid penalty and interest (255,728)
Related to OPEB (2,750,354)
Related to pension (111,881,989)
Total deferred inflows

(114,888,071)

The net OPEB liability relating to retirement plans

The net pension liability relating to retirement plans

7,100,768 351,310,176

Repayment of long-term debt is reported as an expenditure in governmental funds but the repayment reduces long-term liabilities in the statement of net position.

In the current year, these amounts consist of:

Total deferred outflows

 Bond principal retirement
 32,433,000

 Note payments
 1,578,454

 Lease payments
 8,297,456

 SBITA payments
 11,733,545

 Total long-term debt repayment
 11,733,545

54,042,455

Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. This adjustment combines the net changes of the following:

Accrued Interest (714,494)
Compensated Absences (2,863,706)
Claims and Judgments 96,094
Total additional expenditures

(3,482,106)

Change in Net Position of Governmental Activities

2,966,064,313

# Statement of Net Position Proprietary Funds

June 30, 2024

		Busines	s-Type Activiti	es - Enterprise l	Funds		Governmental Activities
•	Bank of North	Housing	University	Workforce Safety and	Other Enterprise		Internal
400570	Dakota	Finance	System	Insurance	Funds	Total	Service Funds
ASSETS Current Assets:							
Cash Deposits at the Bank of ND		\$ 16 120 000	\$ 381,942,747	\$ 9,355,530	¢ 3/3 176 69/	\$ 750,603,961	\$ 34,666,458
Cash and Cash Equivalents		6,000	13,865,705	19,137,907	334,499,728	367,509,340	278,640
Investments at the Bank of ND		0,000	285,215,420	19,137,907	4,000,000	289,215,420	270,040
Investments				2,117,345,307	73,126,320		6,282,845
Accounts Receivable - Net		1,616,000	39,418,364	12,456,932	111,868,270	165,359,566	184,247
Interest Receivable - Net		32.000	- 33,410,304	10,355,707	6,031,806	16,419,513	62,557
Lease Receivable - Net		32,000	31,904	10,555,767	184,858	216,762	02,337
Intergovernmental Receivable - Net		438,000	56,731,081	_	719,116	57,888,197	942,038
Due from Other Funds		331,000	45,236,082		1,251,328	46,818,410	12,792,450
Due from Component Units		331,000	18,790,830		1,231,320	18,790,830	12,732,430
Prepaid Items		104,000	10,790,030	430,135	3,674,115	4,208,250	5,067,958
Inventory		104,000	8,792,828	430, 133	39,786,561	48,579,389	122,730
Loans and Notes Receivable - Net		_	2,408,700	_	72,276,419	74,685,119	122,730
Other Assets		1,272,000	9,931,830	_	419,330	11,623,160	_
Restricted Cash at the Bank of ND		20,139,000	9,931,030	_	3,148,082	23,287,082	_
Restricted Cash and Cash Equivalents		251,727,000	_	_	743,000	252,470,000	_
Restricted Investments at the Bank of ND		231,727,000	_	_	1,000,000	1,000,000	_
Restricted Interest Receivable - Net		8,910,000	_	_	1,000,000		_
Restricted Interest Receivable - Net		40,820,000	_	_	53,000	8,910,000 40,873,000	_
•				0.400.004.540			
Total Current Assets		341,524,000	862,436,595	2,169,081,518	995,958,617	4,369,000,730	60,399,923
Noncurrent Assets:							
Restricted Cash at the Bank of ND		_	10,824,129	_	_	10,824,129	_
Restricted Investments at the Bank of ND		_	2,319,195	_	_	2,319,195	_
Restricted Investments		53,837,000	1,496,716	_	_	55,333,716	_
Investments at the Bank of ND		_	57,745,999	_	_	57,745,999	_
Investments		_	11,091,227	_	_	11,091,227	_
Due from Component Units		_	23,893,307	_	_	23,893,307	_
Lease Receivable		_	767,130	_	176,729	943,859	_
Loans and Notes Receivable - Net		_	7,975,653	_	646,965,176	654,940,829	_
Restricted Loans Receivable - Net		1,851,688,000	_	_	_	1,851,688,000	_
Other Noncurrent Assets		29,238,000	_	_	4,988,841	34,226,841	_
Capital Assets:							
Nondepreciable		_	250,787,751	3,546,009	44,164,625	298,498,385	_
Depreciable, Net		316,000	1,792,367,119	14,778,796	199,359,993	2,006,821,908	127,390,289
Total Noncurrent Assets		1,935,079,000	2,159,268,226	18,324,805	895,655,364	5,008,327,395	127,390,289
Bank Related Assets:	440.057.000					440.057.000	
Cash and Cash Equivalents	440,057,000					440,057,000	
Investments	3,876,909,000					3,876,909,000	
Interest Receivable - Net	70,332,000					70,332,000	
Due from Other Funds	140,032,000					140,032,000	
Loans and Notes Receivable - Net	5,507,641,000					5,507,641,000	
Other Assets	85,787,000					85,787,000	
Capital Assets:							
Nondepreciable	2,449,000					2,449,000	
Depreciable, Net	6,700,000					6,700,000	
Total Bank Related Assets	10,129,907,000					10,129,907,000	
Total Assets	10,129,907,000	2,276,603,000	3,021,704,821	2,187,406,323	1,891,613,981	19,507,235,125	187,790,212
DEFERRED OUTFLOWS OF RESOURCES							
Deferred Loss on Bond Refunding	_	_	2,603,390	_	_	2,603,390	_
Decrease in Fair Value of Hedging Derivatives	_	_		_	2,636,375	2,636,375	_
Derived from Pensions	11,418,000	3,713,000	115,078,158	16,537,684	14,800,729	161,547,571	40,097,685
Derived from OPEB	410,000	116,000	3,587,538	645,515	521,922	5,280,975	1,407,592
Total Deferred Outflows of Resources	11,828,000	3,829,000	121,269,086	17,183,199	17,959,026	172,068,311	41,505,277
•							

Banker   B			Busi	ness-Type Activi	ties - Enterprise F	unds		Governmental Activities
Part								
Carrent Liabilities			-	-	-	•	Total	
Accounts Psychiate Interest Psyc	LIABILITIES	Darota	i mance	Oystein	mourance	i unus	Iotai	Cervice runus
Securise Langing Collabraria	Current Liabilities:							
Securities Lending Collaboral   19,248,	*		2,017,000		5,742,623			
Inference Perpubble	•		_	48,892,878	40.248.457			
Due to Order Funds	•		32 765 000	3 902 718				
Due to Coffeen Funds  Due to Coffeen Funds  Due to Comprome Units  Contract Retainings Payable  Contract Retainings Payable  Contract Retainings Payable  Compromes Units  Contract Retainings Payable  Compromes Payable  Compromes Payable  Compromes Payable  Compromes Payable  Compromes Payable  Compromes Compromes Payable  Compromes Compromes Value  Compromes Compromes Value  Compromes Compromes Value  Comprom	*				_			-
Contract Nethamage Physible Co					179,877			587,649
Common	•		_		_	_		_
Clambid Logingment Payabile   Clambid Logingments Pay	ů ,		_		_	_		_
Calmen Ungerment Payable	•		20 148 000	6,079,785	_	_		_
Compensated Absences Psyshele   3,000				_	110,121,720	2,792,639		873,759
Montes Payable	*		_	_	82,678,376			_
			380,000		1,735,102	190,948		
Bonds Payable         65,687,000         12,738,788         — 152,200         78,003,008         — 152,000         78,003,008         — 152,000         78,003,008         — 152,000         — 2,838,575         — 2,838,575         — 2,838,575         — 2,838,575         — 2,838,575         — 2,838,575         — 2,838,575         — 2,838,575         — 2,838,575         — 3,838,508,400         — 2,838,575         — 3,838,508,400         — 2,838,575         — 3,838,508,400         — 2,838,575         — 2,838,575         — 3,838,508,400         — 2,838,575         — 3,838,508,400         — 2,288,400         — 3,838,508,400         — 2,288,400         — 3,838,508,400         — 2,288,400         — 3,838,508,400         — 2,288,400         — 3,838,508,400         — 2,288,400         — 3,838,508,400         — 2,288,400         — 3,838,600	•		_			7.700.050		
Financial Derivative Instrument	•				210,708			12,321,180
Chement Revenue	•		05,007,000	12,703,700	_			_
Total Current Liabilities	Unearned Revenue		_	50,452,884	84,963,889			_
Noncurrent Liabilities				668,100		2,494,642	3,162,742	
Intergovernmental Payable			121,509,000	199,750,435	304,880,752	207,426,253	833,566,440	22,591,591
Due to Component Units								
Claims/Judgments Payable	·		_		_	_		_
Compensated Absences Payable	•		_	19,627,716	907 550 390	_		6 334 006
Notes Payable   12,455,158   17,768   18,003,031   18,0	, ,		_	34 426 387		1 334 779		
Bonds Payable	Notes Payable		_			,,		
Net Pension Liability	· · · · · · · · · · · · · · · · · · ·		_	29,563,428	179,768	40,005,840	69,749,036	10,890,353
Net OPEB Liability	•				<del>-</del>			
Chee Noncurrent Liabilities	•							
Total Noncurrent Liabilities:	•		244,000		1,440,066			2,797,913
Bank Related Liabilities:			1,877,817,000		834,378,007			77,462,102
Due to Other Funds	Bank Related Liabilities:							
Federal Funds Purchased   323,010,000   7,681,087,267   7,69	•	539,005					539,005	
Deposits Held for Other Funds							7,939,995	
Other Deposits         1,018,060,733         1,018,060,733         1,018,060,733         1,018,060,733         1,018,000,73         1,018,000,733         1,018,000,733         1,018,000,733         1,018,000,733         1,018,000,733         1,018,000,733         1,018,000,73 <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<>								
Chine   Liabilities   18,227,000								
Company   Comp	•							
Due in more than one year         744,000 17,490,000 17,490,000 17,490,000 17,490,000 17,490,000 17,490,000 17,490,000 17,490,000 17,490,000 17,490,000 17,490,000 17,491,000 17,	Long Term Liabilities:	,,,					,,	
Net Pension Liability Net OPEB Liability         17,490,000 993,000 993,000         17,490,000 993,000 993,000         17,490,000 993,000 993,000         17,490,000 993,0	•	25,733,000					25,733,000	
Net OPEB Liabilities	•							
Total Bank Related Liabilities	•							
Total Liabilities	,							
DEFERRED INFLOWS OF RESOURCES         Carants Received Prior to Time Requirements Unrealized Gain on Interest Rate Swap         ————————————————————————————————————	Total Liabilities		1 999 326 000	1 012 /11 808	1 130 258 750	300 453 520		100 053 603
Grants Received Prior to Time Requirements         —         95,431         —         95,431         —         95,431         —           Unrealized Gain on Interest Rate Swap         52,125,000         —         —         —         52,125,000         —         —           Derived from Pensions         14,516,000         3,864,000         135,571,073         20,532,099         16,809,625         191,292,797         40,656,835           Derived from OPEB         129,000         30,000         1,699,079         164,280         1111,169         1,503,528         296,206           Financial Derivative Instruments         —         —         20,762,000         —         —         333,569         1,144,266         —           Right-to-Use Leases         —         —         808,397         —         335,669         1,144,266         —           Total Deferred Inflows of Resources         66,770,000         24,656,000         137,543,980         20,696,379         17,256,663         266,923,022         40,953,041           NET POSITION         Net Investing In Assets         9,149,000         92,000         1,434,354,359         18,324,805         161,053,700         1,622,973,864         103,272,149           Restricted for:         —         —		3,103,024,000	1,333,320,000	1,012,411,000	1,100,200,700	300,433,323	10,000,214,000	100,000,000
Unrealized Gain on Interest Rate Swap Derived from Pensions         52,125,000 3,864,000 135,571,073 20,532,099 16,809,625 191,292,797 40,656,835 191,000 20,000 1,069,079 164,280 111,169 1,503,528 296,206 110,000 110,000 110,000,000 10,000 10,000,00		_	_	95 431	_	_	95 431	_
Derived from OPEB         129,000         30,000         1,069,079         164,280         111,169         1,503,528         296,206           Financial Derivative Instruments         —         20,762,000         —         —         —         20,762,000         —           Right-to-Use Leases         —         —         808,397         —         335,869         1,144,266         —           Total Deferred Inflows of Resources         —         66,770,000         24,656,000         137,543,980         20,696,379         17,256,663         266,923,022         40,953,041           NET POSITION         Net Investment in Capital Assets         9,149,000         92,000         1,434,354,359         18,324,805         161,053,700         1,622,973,864         103,272,149           Restricted for:         Capital Projects         —         306,850         —         —         306,850         —           Debt Service         —         235,456,000         5,516,025         —         796,000         241,768,025         —           Pledged Assets         846,678,000         —         —         331,48,082         24,221,250         —           University System-Nonexpendable         —         —         —         —         351,9	Unrealized Gain on Interest Rate Swap	52,125,000	_	-	_	_		_
Financial Derivative Instruments         — 20,762,000 (Application of Resources)         — 20,762,000 (Application of Resources)         — 33,5869 (Application of Resources)         — 20,762,000 (Application of Resources)         — 33,5869 (Application of Resources)         — 20,762,000 (Application of Resources)         — 20,762,000 (Application of Resources)         — 33,5869 (Application of Resources)         — 1,144,266 (Application of Resources)         — 20,762,000 (Application of Resources)         — 20,666,000 (Application of Resources)         — 20,666,000 (Application of Resources)         — 20,666,000 (Application of Resources)         — 20,409,000 (Application of Resources)			3,864,000	135,571,073	20,532,099	16,809,625		40,656,835
Right-to-Use Leases         —         —         808,397         —         335,869         1,144,266         —           Total Deferred Inflows of Resources         66,770,000         24,656,000         137,543,980         20,696,379         17,256,663         266,923,022         40,953,041           NET POSITION         Net Investment in Capital Assets         9,149,000         92,000         1,434,354,359         18,324,805         161,053,700         1,622,973,864         103,272,149           Restricted for:         Capital Projects         Suppose         306,850         Total Net Position         235,456,000         5,516,025         Total Net Position         341,686,281         241,768,025         Total Net Position         246,678,000         Total Net Position         24,466,78,000         Total Net Position         24,466,78,000         24,264,640         Total Net Position         24,264,940         Total Net Posit		129,000		1,069,079	164,280	111,169		296,206
Total Deferred Inflows of Resources         66,770,000         24,656,000         137,543,980         20,696,379         17,256,663         266,923,022         40,953,041           NET POSITION Net Investment in Capital Assets Restricted for:		_	20,762,000		_			_
NET POSITION           Net Investment in Capital Assets         9,149,000         92,000         1,434,354,359         18,324,805         161,053,700         1,622,973,864         103,272,149           Restricted for:         Capital Projects	•	66 770 000	24 656 000		20 696 379			40 953 041
Net Investment in Capital Assets         9,149,000         92,000         1,434,354,359         18,324,805         161,053,700         1,622,973,864         103,272,149           Restricted for:         Capital Projects		00,110,000	21,000,000	101,010,000	20,000,0.0	11,200,000	200,020,022	10,000,011
Debt Service         235,456,000         5,516,025         796,000         241,768,025         —           Loan Purposes         21,073,168         3,148,082         24,221,250         —           Pledged Assets         846,678,000         —         —         —         846,678,000         —           Unemployment Compensation         —         —         —         351,949,008         351,949,008         —           University System-Nonexpendable         —         20,240,640         —         20,240,640         —         23,912,649         —         23,912,649         —         23,912,649         —         23,912,649         —         20,599,291         —         —           Unrestricted         115,314,000         20,902,000         468,559,948         1,026,309,579         1,073,371,214         2,704,456,741         (14,983,394)           Total Net Position         \$971,141,000         \$ 256,450,000         \$1,993,018,119         \$1,044,634,384         \$1,591,862,815         \$5,857,106,318         \$8,828,875,55	Net Investment in Capital Assets	9,149,000	92,000	1,434,354,359	18,324,805	161,053,700	1,622,973,864	103,272,149
Loan Purposes         Solution		_	_	306,850	_	_	306,850	_
Pledged Assets         846,678,000         —         —         —         —         846,678,000         —           Unemployment Compensation         —         —         —         351,949,008         351,949,008         —           University System-Nonexpendable         —         20,240,640         —         20,240,640         —           University System-Expendable         —         23,912,649         —         23,912,649         —           Other         —         19,054,480         —         1,544,811         20,599,291         —           Unrestricted         115,314,000         20,902,000         468,559,948         1,026,309,579         1,073,371,214         2,704,456,741         (14,983,394)           Total Net Position         \$971,141,000         \$256,450,000         \$1,993,018,119         \$1,044,634,384         \$1,591,862,815         \$5,857,106,318         \$8,828,875,555		_	235,456,000		_			_
Unemployment Compensation         —         —         —         —         351,949,008         351,949,008         —         —         —         —         —         —         —         —         20,240,640         —         —         20,240,640         —         —         20,240,640         —         —         20,240,640         —         —         20,240,640         —         —         20,240,640         —         —         20,240,640         —         —         20,240,640         —         20,240,640         —         —         23,912,649         —         —         23,912,649         —         —         23,912,649         —         —         23,912,649         —         —         23,912,649         —         —         23,912,649         —         —         23,912,649         —         —         23,912,649         —         —         15,44,811         20,599,291         — <td>•</td> <td>-</td> <td>_</td> <td>21,073,168</td> <td>_</td> <td>3,148,082</td> <td></td> <td>_</td>	•	-	_	21,073,168	_	3,148,082		_
University System-Nonexpendable         —         20,240,640         —         —         20,240,640         —           University System-Expendable         —         23,912,649         —         23,912,649         —           Other         —         19,054,480         —         1,544,811         20,599,291         —           Unrestricted         115,314,000         20,902,000         468,559,948         1,026,309,579         1,073,371,214         2,704,456,741         (14,983,394)           Total Net Position         \$971,141,000         \$256,450,000         \$1,993,018,119         \$1,044,634,384         \$1,591,862,815         \$5,857,106,318         \$8,828,755	•	846,678,000	_	_	_	351 0/0 009		_
University System-Expendable Other         —         23,912,649         —         23,912,649         —         23,912,649         —         23,912,649         —         23,912,649         —         23,912,649         —         20,599,291         —         —         —         —         1,544,811         20,599,291         —         —         —         1,026,309,579         1,073,371,214         2,704,456,741         (14,983,394)           Total Net Position         \$ 971,141,000         \$ 256,450,000         \$ 1,993,018,119         \$ 1,044,634,384         \$ 1,591,862,815         \$ 5,857,106,318         \$ 88,288,755		_	_	20.240.640	_	JJ 1,548,000 —		_
Other Unrestricted         1         1         9.054.480 (1.925.948)         1         1.544.811 (20.599.291)         20.599.291 (14.983.394)           Total Net Position         \$ 971.141.000 (20.640.000)         \$ 1.993.018.119 (1.943.384)         \$ 1.044.634.384 (1.591.862.815)         \$ 5.857.106.318 (1.988.785.785)	University System-Expendable	_	_		_	_		_
Total Net Position \$ 971.141.000 \$ 256.450.000 \$1.993.018.119 \$1.044.634.384 \$1.591.862.815 \$5.857.106.318 \$ 88.288.755				19.054.480			20.599.291	
			256,450,000	\$ 1,993,018,119	\$ 1,044,634,384	\$ 1,591,862,815	\$ 5,857,106,318	\$ 88,288,755

Reconciliation of the Proprietary Funds Statement of Net Position to the Statement of Net Position

June 30, 2024

**Total Net Position - Enterprise Funds** 

Amounts reported for business-type activities in the statement of net position are different because:

Prior year net position restatement and reduction of current year expenses
based on the allocation of internal service fund's net income

Net Position of Business-Type Activities

5,857,106,318

6,687,515 5,863,793,833

# Statement of Revenues, Expenses and Changes in Fund Net Position Proprietary Funds

For the Fiscal Year Ended June 30, 2024

		Bus	iness-Type Activ	vities - Enterpris	e Funds		Activities		
	Bank of North Dakota	Housing Finance	University System	Workforce Safety and Insurance	Other Enterprise Funds	Total	Internal Service Funds		
OPERATING REVENUES						_			
Sales and Services Auxiliary Sales Pledges for Bonds	\$ 98,310,000 —	\$ 4,593,000 —	\$ 103,175,113 114,000,519	\$ 183,583,977 —	\$ 988,942,914	\$1,378,605,004 114,000,519	\$ 141,469,852 —		
Tuition and Fees	_	_	370,739,297	_	_	370,739,297	_		
Grants and Contributions	_	_	186,205,068	_		186,205,068	_		
Royalties and Rents	_	_	_	1,157,384	143,783	143,783 1,157,384	_		
Fines and Forfeits	382.707.000	84,858,000	_	1,137,304	12,517,396	480,082,396	_		
Interest and Investment Income	362,707,000	04,030,000	968,294	432,095	606,541	2,006,930	218,385		
Miscellaneous Total Operating Revenues	481,017,000	89,451,000	775,088,291	185,173,456	1,002,210,634	2,532,940,381	141,688,237		
			· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·					
OPERATING EXPENSES									
Cost of Sales and Services			26,503,074		346,243,979	372,747,053	799,671		
Salaries and Benefits	19,741,000	559,000	912,267,714	27,444,097	32,906,679	992,918,490	57,568,242		
Operating	18,716,000	15,075,000	369,127,144	7,417,951 88,114,195	466,109,760 93,636,931	876,445,855 181,751,126	61,579,842 3,618,425		
Claims Scholarships and Fellowships	_	_	51,778,247			51,778,247	0,010,420		
Interest	137,201,000	54,623,000		_	1,787,710	193,611,710	644,516		
Depreciation	547,000	246,000	100,268,165	3,857,441	12,147,544	117,066,150	23,030,700		
Miscellaneous	470 005 000				142,255	142,255	333,359		
Total Operating Expenses	176,205,000	70,503,000	1,459,944,344	126,833,684	952,974,858	2,786,460,886	147,574,755		
Operating Income (Loss)	304,812,000	18,948,000	(684,856,053)	58,339,772	49,235,776	(253,520,505)	(5,886,518)		
NONOPERATING REVENUES (EXPENSES									
Grants and Contracts Gifts	_	24,556,752 —	126,258,789 64,040,673	_	543,923 —	151,359,464 64,040,673	_		
Interest and Investment Income	_	338,000	17,781,723	125,198,248	17,031,703	160,349,674	373,429		
(Loss) Interest Expense	_		(23,055,559)	, ,	, ,	, ,	(78,382)		
Dividends Expense Gain (Loss) on Sale of Capital	_	_		(79,482,640)		(79,482,640)			
Assets	_	_	(3,707,718)	_	(32,118)	(3,739,836)	1,280,624		
Tax Revenue	_	_	6,619,870	_	· —	6,619,870	_		
Grant Expense	_	(20,648,000)			(050,050)	(43,708,095)	_		
Other			23,286,519	1,493,895	(250,250)	24,530,164			
Total Nonoperating Revenues		4,246,752	188,164,202	43,071,263	11,357,196	246,839,413	1,575,671		
Income (Loss) Before Contributions and									
Transfers	304,812,000	23,194,752	(496,691,851)	101,411,035	60,592,972	(6,681,092)	(4,310,847)		
Capital Grants and Contributions			42 E42 00E			42 542 005			
	_	1,151,248	42,512,985 729,339,161	_	272,248,417	42,512,985 1,002,738,826	4,780,703		
Transfers In Transfer Out	(228,238,000)			_	(20,957,463)				
Changes in Net Position	76,574,000	24,246,000	268,606,962	101,411,035	311,883,926	782,721,923	469,856		
Total Net Position - Beginning of Year, as Previously Reported	894,567,000	232,204,000	1,724,411,157	943,223,349	1,279,978,889	5,074,384,395	84,450,860		
Restatement for Correction of Errors			_	_			3,368,039		
Total Net Position - End of Year	\$ 971,141,000	\$256,450,000	\$1,993,018,119	\$1,044,634,384	\$ 1,591,862,815	\$5,857,106,318	\$ 88,288,755		
Reconciliation of Statement of I Fund Net Position of Proprietar For the Fiscal Year Ended June	y Funds to the S								
Net Change in Net Position-To	•	unds				\$ 78	32,721,923		
Amounts reported for business-ty	pe activities in th	ne statement of	net position are	different because	:				
Expenses were reduced base	ed on the allocati	on of internal s	ervice fund's net	income			(74,081)		
Change in Net Position of Busi	iness-Type Acti	vities				\$ 78	32,647,842		

Governmental



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# Statement of Cash Flows Proprietary Funds

For the Fiscal Year Ended June 30, 2024

	Rucinos	ss-Type Activities - Enterpris	o Eunde			
	Bank of North Dakota	Housing Finance	University System			
Cash Flows from Operating Activities:						
Receipts from Customers and Users	\$ 3,988,000	\$ 321,321,000	\$ 212,700,269			
Receipts from Tuition and Fees Interest Income on Loans	<del>-</del>	<del>_</del>	368,719,761			
Receipts from Loan Principal Repayments	_	_	2,674,709			
Receipts from Other Funds	_	_	2,074,703			
Receipts from Grants and Contracts	_	_	103,032,623			
Receipts from Others	_	_	25,764,873			
Payments to Other Funds	_	(285,677,000)	=			
Payments for Loan Funds	_	(===,==,===,	(1,152,013)			
Payments for Scholarships and Fellowships	_	_	(49,665,243)			
Payments to Suppliers	(26,541,000)	(281,105,000)	(408,161,702)			
Payments to Employees	(19,185,000)	(5,378,000)	(904,026,091)			
Claim Payments						
Payments to Others	_	(1,023,000)	_			
Other	_		_			
et Cash Provided by (Used for) Operating Activities	(41,738,000)	(251,862,000)	(650,112,814)			
ash Flows from Noncapital Financing Activities:	<u> </u>		·			
Proceeds from Bonds	_	472,107,000	_			
Proceeds from Sale of Notes and Other Borrowings	13,300,001,000	_	_			
Principal Payments - Bonds	_	(126,840,000)	_			
Principal Payments - Notes and Other Borrowings	(13,950,001,000)		_			
Interest Payments - Bonds		(45,897,000)	_			
Interest Payments - Notes and Other Borrowings	(7,430,000)	, , , , , , , , , , , , , , , , , , ,	_			
Tax Collections		_	6,619,872			
Transfers In	_	1,151,000	104,388,022			
Transfers Out	(228,238,000)	(100,000)	(6,553,334)			
Net Increase in Non-Interest Bearing Deposits	31,512,000	· -				
Net Increase in Interest Bearing Deposits	365,689,000	_	_			
Payments of Interest on Deposits	(110,564,000)	_	_			
Interest Paid on Federal Funds and Reverse Repurchase Agreements	(13,569,000)	_	_			
Net Increase in Federal Funds and Reverse Repurchase Agreements	117,165,000	_	_			
Loan Proceeds from Due To Other Funds	_	_	208,583,253			
Principal Payments on Due To Other Funds	_	_	(208,521,816)			
Grants and Gifts Received for Other than Capital Purposes	_	24,557,000	109,661,578			
State Appropriations	_	_	586,305,800			
Grants Given for Other than Capital Purposes		(20,648,000)	(23,738,148)			
et Cash Provided by (Used for) Noncapital Financing Activities	(495,435,000)	304,330,000	776,745,227			
ash Flows from Capital and Related Financing Activities:						
Acquisition and Construction of Capital Assets	(385,000)	(8,000)	(215,074,594)			
Loan proceeds from other funds	_	_	_			
Proceeds from Sale of Capital Assets	_	_	1,628,638			
Proceeds from Bonds	_	_	_			
Proceeds from Sale of Notes and Other Borrowings	_	_	_			
Principal Payments - Bonds	_	_	_			
Principal Payments - Notes and Other Borrowings	_	_	(41,335,834)			
Interest Payments - Bonds	_	_	_			
Interest Payments - Notes and Other Borrowings	_	_	(22,413,782)			
Capital Appropriations	_	_	222,571,904			
Payment of Bond Issue Costs	_	_	_			
Capital Grants and Gifts Received	_	_	38,549,340			
Insurance Proceeds	_	_	619,611			
Principal Payments on Lease/SBITA Payable	_	(218,000)	_			
Interest Paid on Lease/SBITA Payable		(9,000)	_			
et Cash Provided by (Used for) Capital and Related Financing Activities	(385,000)	(235,000)	(15,454,717)			
sh Flows from Investing Activities:						
Proceeds from Sale and Maturities of Investment Securities	1,302,970,000	5,843,000	297,029,440			
Purchase of Investment Securities	(743,914,000)	_	(392,664,478)			
Net Increase In Investments		_				
	116,435,000	470,000	16,403,390			
Interest and Dividends in Investments		_	_			
Interest and Dividends in Investments Proceeds from Sale of Other Real Estate	124,000					
	124,000 (398,324,000)	_	_			
Proceeds from Sale of Other Real Estate			_			
Proceeds from Sale of Other Real Estate Net Decrease in Loans		_ _ _	_ _ _			
Proceeds from Sale of Other Real Estate Net Decrease in Loans Disbursements for Loans and Loan Purchases		_ _ _ _	_ _ _			
Proceeds from Sale of Other Real Estate Net Decrease in Loans Disbursements for Loans and Loan Purchases Receipt of Loan Principal Repayments		- - - -	- - - -			
Proceeds from Sale of Other Real Estate Net Decrease in Loans Disbursements for Loans and Loan Purchases Receipt of Loan Principal Repayments Proceeds from Collection of Loans and Notes Receivable	(398,324,000) — — —	=======================================				

	ies - Enterprise Funds	Governmer	ital Activities
force Safety Insurance	Other Enterprise	Total	Internal Service Funds
\$ 110,740,061	\$ 1,074,349,798	\$ 1,723,099,128	\$ 3,404,239
_	_	368,719,761	_
_	25,411	25,411	-
_	1,979,263	4,653,972	_
_	_	_	139,278,883
	<del>_</del>	103,032,623	_
249,135	1,123,877	27,137,885	_
(3,429,128)	(256,343)	(289,362,471)	(3,708,846
_	(3,311,330)	(4,463,343)	_
_	<del>-</del>	(49,665,243)	
(00.040.700)	(886,969,968)	(1,602,777,670)	(63,908,419
(26,249,723)	(38,039,405)	(992,878,219)	(54,303,702
(130,234,990)	(78,271,122)	(208,506,112)	(239,661
(1,988,157)	(4,323,805)	(7,334,962)	_
(F0.012.002)	(44,768)	(44,768)	20.522.404
(50,912,802)	66,261,608	(928,364,008)	20,522,494
_		472,107,000	_
_	234,929,522	13,534,930,522 (126,840,000)	_
_	(252 254 820)		_
_	(253,251,830)	(14,203,252,830)	_
_	(61,000)	(45,958,000)	_
_	(4,505,783)	(11,935,783) 6,619,872	_
_	241,927,000	347,466,022	4,780,703
_	(18,250,088)	(253,141,422)	4,700,700
	(10,230,088)	31,512,000	
		365,689,000	
_	_	(110,564,000)	
_	_	(13,569,000)	
_	_	117,165,000	_
_	_	208,583,253	_
_	(2,185,000)	(210,706,816)	_
_	865,340	135,083,918	_
_	_	586,305,800	_
_	_	(44,386,148)	_
_	199,468,161	785,108,388	4,780,703
(3,451,788)	(27,374,839)	(246,294,221)	(22,394,291
_	(40,000,000)	(40,000,000)	_
_	_	1,628,638	4,817,417
_	18,788,756	18,788,756	_
_	10,000,000	10,000,000	_
_	(135,000)	(135,000)	_
_	_	(41,335,834)	(443,585
_	(45,275)	(45,275)	_
_	_	(22,413,782)	(9,076
_	_	222,571,904	_
_	(17,070)	(17,070)	_
_	_	38,549,340	_
_	_	619,611	_
(228,298)	(8,957,989)	(9,404,287)	(13,375,357
(3,680,086)	(2,414,702) (50,156,119)	(2,423,702) (69,910,922)	(60,919) (31,465,811)
59,000,000	185,717,900	1,850,560,340	(8,832
(5,009,440)	(188,200,000)	(1,329,787,918)	_
_	6,014,882	6,014,882	000.15
_	11,592,267	144,900,657	289,154
_	(40,000,000)	124,000	_
_	(10,223,000)	(408,547,000)	_
_	(174,919,500)	(174,919,500)	_
_	25,257,000	25,257,000	_
_	18,675,637	18,675,637	_
422.005	11,372,311	261,373,311	_
432,095	(444.740.500)	432,095	
54,422,655	(114,712,503)	394,083,504	280,322

# Statement of Cash Flows Proprietary Funds (Continued) For the Fiscal Year Ended June 30, 2024

	Year Ended June 30, 2024	Business-Type Activities - Enterprise Funds Bank of Housing								
		N	orth Dakota		Finance	Uni	versity System			
Net Change In Ca										
Net Increas	se (Decrease) in Cash and Cash Equivalents		(10,266,000)		58,546,000		31,946,048			
Cash and (	Cash Equivalents at June 30, 2023		450,323,000		229,455,000		374,686,543			
Cash and (	Cash Equivalents at June 30, 2024	\$	440,057,000	\$	288,001,000	\$	406,632,591			
Reconciliation:										
Current:										
Cash Depo	osits at the Bank of North Dakota		_		16,135,000		_			
	Cash Equivalents		440,057,000		_		363,067,336			
	Cash Deposits at the Bank of North Dakota		_		20,139,000		_			
Noncurrent:	Cash and Cash Equivalents		_		251,727,000		32,741,126			
	Cash and Cash Equivalents		_		_		10,824,129			
Cash and Cas		\$	440,057,000	\$	288,001,000	\$	406,632,591			
Reconciliation of	Operating Income (Loss) to Net Cash Provided by (Used for) Operating									
Activities:	Operating modifie (Loss) to Net Oash Trovided by (Osed for) Operating									
Operating Income	(Loss)		213,199,000		18,948,000		(693,869,860)			
Adjustments to Red										
	Cash Provided by Operating Activities:									
Depreciation			547,000		246,000		100,268,165			
	on/Accretion		(245 505 000)		(5,717,000) 53,939,000		_			
	cation of Interest Revenue\Expense ale of Real Estate		(245,505,000) 1,000		53,939,000		_			
	ease in Fair Value of Investments				694.000		_			
	eceived on Program Loans		_		—		_			
	Credit Applied to Receivable		_		_		_			
Provision f	• •		4,364,000		_		_			
Reduction	In Provision for Loan Loss				_		_			
Other			_		_		30,041,422			
Deferred C			_		1,903,000		56,545,392			
Deferred Ir			_		865,000		31,282,237			
	Assets and Liabilities:				(0.1.0.077.000)		(0.4.0.000)			
,	crease) Decrease in Accounts Receivable		_		(316,377,000)		(918,832)			
	rease in Interest Receivable crease) Decrease in Due From		(193,000)		(1,730,000) (331,000)		_			
,	crease) Decrease in Intergovernmental Receivable		(193,000)		406,000		_			
,	crease in Notes Receivable		_		400,000		26,136,453			
	rease in Prepaid Items		_		(5,000)					
	crease) Decrease in Inventories		_				(903,603)			
Incr	rease in Other Assets		(5,021,000)		(2,959,000)		(5,608,024)			
Dec	crease in Accounts Payable		_		_		(13,215,654)			
	rease (Decrease) in Interest Payable		_		_		_			
	crease in Claims\Judgments Payable		_				_			
	rease (Decrease) in Intergovernmental Payable		_		(17,000)		0.550.570			
	rease in Accrued Payroll rease in Compensated Absences Payable		_		4,000		2,550,570 1,159,584			
	rease in Amounts Held for Others				1,324,000		1,139,304			
	rease in Other Deposits		_				363,175			
	rease (Decrease) in Due To		10,000		86,000		_			
	crease in Unavailable Revenue		_		_		(100,645,823)			
	crease in Net Pension Liability		_		(2,535,000)		(81,714,142)			
Dec	crease in Net OPEB Liability		_		_		(1,583,874)			
	rease (Decrease) in Other Liabilities		(9,140,000)		(606,000)		_			
	crease in Dividends Payable		_		_		_			
	rease in Lease Liability		(054,007,000)							
otal Adjustments			(254,937,000)		(270,810,000)		43,757,046			
let Cash Provide	ed by (Used for) Operating Activities	\$	(41,738,000)	\$	(251,862,000)	\$	(650,112,814)			
oncash Transac	etions:									
Net Change	e in Fair Value of Investments		91,613,000		(2,725,000)		1,092,428			
Reduction i	in pension and OPEB liability		_				_			
Change in	Securities Lending Collateral		_		_		_			
	f Equipment Under Capital Lease		_		_		1,260,806			
Investment			_		_		_			
Dividende (	Credited to Premium Billing		_		_		_			
			_		_		1 670 240			
Accounts R	Receivable Premium Reduction				_		1,679,346			
Accounts R Assets Acq	quired Through Lease		_							
Accounts R Assets Acq Assumption	quired Through Lease n of Notes Payable		Ξ		_		100,000			
Accounts R Assets Acq Assumption Assets Acq	ղuired Through Lease n of Notes Payable ղuired Through Special Assessments		_ _ _		_ _ _		100,000 46,189			
Accounts R Assets Acq Assumption Assets Acq Assets acq	quired Through Lease n of Notes Payable quired Through Special Assessments quired through long-term software based IT arrangements		= = =		_ _ _		100,000 46,189 3,801,600			
Accounts R Assets Acq Assumptior Assets Acq Assets acq Long-term	ղuired Through Lease n of Notes Payable ղuired Through Special Assessments		_ _ _ _ _		- - - -		100,000 46,189			
Accounts R Assets Acq Assumptior Assets Acq Assets acq Long-term I Gifts of Cap	quired Through Lease n of Notes Payable quired Through Special Assessments quired through long-term software based IT arrangements lease receivable initiated				- - - - - -		100,000 46,189 3,801,600 (618,798)			

Business-Type Activitie	s - Enterp	rise Funds				Governmental Activities		
Workforce Safety and Insurance	Oth	ner Enterprise Funds		Total	Inte	rnal Service Funds		
(170,233)		100,861,147		180,916,962		(5,882,292		
3,313,498		580,698,631		1,638,476,672		40,827,390		
\$ 3,143,265	\$	681,559,778	\$	1,819,393,634	\$	34,945,098		
ψ 0,140,200	Ψ	001,333,770	Ψ	1,010,000,004	Ψ	34,343,030		
3,143,265		342,515,429		361,793,694		34,666,458		
_		335,153,267		1,138,277,603		278,640		
_		3,148,082 743,000		23,287,082 285,211,126		_		
		. 10,000		200,211,120				
3,143,265	\$	681,559,778	\$	10,824,129 1,819,393,634	\$	34,945,098		
5,110,200		001,000,110		1,010,000,001	<u> </u>	0 1,0 10,000		
59 403 125		49 100 510		(354 120 225)		(5.886.516)		
58,493,125		49,100,510		(354,129,225)		(5,886,516		
3,857,441		12,147,544		117,066,150		23,030,700		
_		9,140,383		3,423,383				
_		(7,343,000)		(198,909,000)		644,516		
_		33,413		34,413		_		
_		_		694,000		_		
_		1,074,234		1,074,234		_		
(79,482,640)		(4,924,000)		(84,406,640)		_		
		46,000		4,410,000		_		
_		1,745,406		1,745,406		_		
417,115		643,964		31,102,501		_		
8,111,251		801,298		67,360,941		19,383,000		
4,697,672		1,245,723		38,090,632		9,676,450		
4,621,111		(600,763)		(313,275,484)		1,069,534		
_		(4,986)		(1,734,986)		_		
_		3,164,535		2,640,535		1,335,398		
_		(80,151)		325,849		(1,297,394)		
_		2,408,834		28,545,287		_		
(72,790)		(1,450,899)		(1,528,689)		(249,926)		
_		9,551,141		8,647,538		27,041		
		(440,787)		(14,028,811)				
(380,610)		(10,560,426) —		(24,156,690)		(189,765) (491,415)		
(32,550,000)		(274,784)		(32,824,784)		(725,485		
		1,367,969		1,350,969		(1,750		
_		595,783		3,146,353		208,700		
118,050		63,635		1,345,269		244,976		
_		_		1,324,000		_		
_		_		363,175		_		
(163,660)		67,399		(261)		203,764		
(2,728,808)		_		(103,374,631)		_		
(11,711,006)		(1,231,920)		(97,192,068)		(25,950,876)		
(235,634)		(51,139)		(1,870,647)		(508,458)		
(4.400.077)		26,692		(9,719,308)		_		
(4,122,277)		_		(4,122,277)		_		
218,858 (109,405,927)		17,161,098		218,858 (574,234,783)		26,409,010		
(50,912,802)	\$	66,261,608	\$	(928,364,008)	\$	20,522,494		
31,190,447		557,603 (371,383)		121,728,478 (371,383)		58,020		
8,359,019		(57 1,505)		8,359,019		43,234		
		_		1,260,806				
(93,804,981)		_		(93,804,981)		_		
83,604,917		_		83,604,917		_		
(83,604,917)		_		(83,604,917)		_		
413,723		16,345,869		18,438,938		208,184		
		_		100,000				
_		_		46,189		_		
_		_		3,801,600		3,627,748		
_		_		(618,798)		_		
_		_		273,489		_		
		7,364		7,364				
		16,539,453	\$	59,220,721	\$	3,937,186		

# Statement of Fiduciary Net Position Fiduciary Funds June 30, 2024

Julie 30, 2024							
	Ot	Pension and her Employee Benefit Trust Funds	Investment Trust Funds	Pr	ivate-Purpose Trust Funds		Custodial Funds
ASSETS				_		_	
Cash Deposits at the Bank of ND Cash and Cash Equivalents	\$	64,087,815 340,988	\$ 404,399	\$	5,896,651 795,752	\$	31,174,735 691,936
Cash and Cash Equivalents		340,900	_		195,152		091,930
Receivables:							
Contributions Receivable		42,569,516	_		_		_
Accounts Receivable - Net		_	_		309,403		14,882
Taxes Receivable for Other Governments - Net							59,580,977
Interest Receivable - Net Due from Other Funds		20,868,831	595,976		877		549
Due from Fiduciary Funds		183 743	_		_		_
Total Receivables		63,439,273	595,976		310,280		59,596,408
larrantes anto at Esia Valuer							
Investments, at Fair Value: Investments at the Bank of ND							50,000
Equities		1,842,466,840	166,765,212		_		50,000
Equity Pool		2,721,091,203	100,700,212		_		_
Fixed Income Pool		2,040,901,964	104,164,886		1,477,919		
Cash and Cash Pool		65,617,372	1,739,353		-		_
Real Estate Pool		1,217,625,605	49,464,788		_		_
Mutual Funds		227,817,763	_		602,505,906		_
Total Investments		8,115,520,747	322,134,239		603,983,825	_	50,000
Invested Securities Lending Collateral		110,040,356	4,512,864		2,459		
Capital Assets (Net of Depreciation)		5,222,849	_		_		_
Total Assets		8,358,652,028	327,647,478		610,988,967	_	91,513,079
DEFERRED OUTFLOWS OF RESOURCES							-
Derived from Pensions		2,041,484					
Total deferred outflows of resources		2,041,484				_	
		2,011,101					
LIABILITIES							
Accounts Payable		9,778,286	198,124		1,315,845		4,712,229
Accrued Payroll		371,512			_		_
Securities Lending Collateral		110,040,356	4,512,864		2,459		70 004 000
Due to Local Governments		_	_		_		76,901,398
Tax Refunds Payable Due to Other Funds		61,470	_		_		1,404 362,375
Amounts Held in Custody for Others		8,405	_		_		302,373
Compensated Absences Payable		151,722	_		_		_
Other Liabilities		_	_		_		26,801
Total Liabilities	_	120,411,751	4,710,988		1,318,304	_	82,004,207
DEFERRED INFLOWS OF RESOURCES							
Derived from Pensions		1,511,973	_		_		_
Unavailable Revenue		· · · —	_		_		5,066,782
Total deferred inflows of resources		1,511,973			_	_	5,066,782
NET POSITION							
Net Position Restricted for:							
Pension Benefits		8,238,063,554	_		_		_
Other Employee Benefits		706,234	_		_		_
External Investment Pool Participants		· —	322,936,490		_		_
Individuals, Organizations, and Other Governments		_	_		_		4,442,087
Other Purposes					609,670,663		3
Total Net Position Restricted for Pension Benefits and Other Purposes	\$	8,238,769,788	\$ 322,936,490	\$	609,670,663	\$	4,442,090

# Statement of Changes in Fiduciary Net Position Fiduciary Funds

For the Fiscal Year Ended June 30, 2024

	Pension and Other Employee Benefit Trust Funds	Investment Trust Funds	Private-Purpose Trust Funds	Custodial Funds
ADDITIONS				
Contributions:				
Child Support Collections	\$ —	\$ —	\$	\$ 136,561,287
Collections for District Courts	_	_	_	2,571,109
Employer	246,589,222	_	_	_
Employee	228,499,385	_	_	_
From Participants	_	_	45,631,896	_
Student, Patient, and Inmate Accounts	_	_	_	5,775,987
Tax Collections for Local Governments	_	_	_	390,124,014
Transfers from Other Funds	138,000,000	_	_	_
Transfers from Other Plans	755,482	_	_	_
Miscellaneous	720,860	_	_	_
Total Contributions	614,564,949		45,631,896	535,032,397
Investment Income:				
Net Change in Fair Value of Investments	549,885,700	21,790,602	60,305,265	_
Interest and Dividends	127,088,293	5,532,865	16,367,840	548
Less Investment Expense	16,905,779	721,147	3,838	
Net Investment Income	660,068,214	26,602,320	76,669,267	548
Securities Lending Activity:				
Securities Lending Income	496,772	24,398	_	_
Less Securities Lending Expense	53,091	4,872	_	_
Net Securities Lending Income	443,681	19,526		
Repurchase Service Credit	8,048,834	_	_	_
Miscellaneous Income	1,382,971		2,649	
Total Additions	1,284,508,649	26,621,846	122,303,812	535,032,945
DEDUCTIONS				
Benefits Paid to Participants	572,046,649	_	_	_
Child Support Distributions	_	_	_	136,561,287
Distributions to District Courts	_	_	_	2,448,616
Distributions of Taxes to Local Governments	_	_	_	388,573,316
Student, Patient, and Inmate Accounts	_	_	_	5,670,860
Refunds	32,737,425	_	_	23,748
Prefunded Credit Applied	14,783,098	_	_	_
Transfer to Other Plans	755,482	_	_	_
Payments in Accordance with Trust Agreements	_	_	58,166,707	_
Administrative Expenses	8,438,799		3,521,083	2,843,260
Total Deductions	628,761,453		61,687,790	536,121,087
Redemption of Units at \$1.00 Per Unit	(28,042)	(12,118,904)		
Net increase (decrease) in Fiduciary Net Position	655,719,154	14,502,942	60,616,022	(1,088,142)
Net Position - Beginning of Year	7,583,050,634	308,433,548	549,054,641	5,530,232
Net Position - End of Year	\$ 8,238,769,788	\$ 322,936,490	\$ 609,670,663	\$ 4,442,090

# Combining Statement of Net Position Component Units - Proprietary Funds (Excludes FASB Based Component Units) June 30, 2024

ASSETS   Current Assets:   Cash and Cash Equivalents   \$ 1,808,134   \$ - \$ 29,803,262   \$ - \$ Investments   - 55,000,000   - 5	31,611,396 55,000,000 37,239 388,481 1,208,696 67,958,476 106,172,203 5,583,234 5,241,667 273,201,392 932,933,000 4,625,000 33,032,621 112,088,533	
Cash and Cash Equivalents         \$ 1,808,134         \$ - \$ 29,803,262         \$ - \$           Investments         -         -         55,000,000         -           Accounts Receivable - Net         37,239         -         -         -           Interest Receivable - Net         -         -         388,481         -           Loans and Notes Receivable - Net         -         -         1,208,696         -           Restricted Cash and Cash Equivalents         -         66,083,000         -         1,875,476           Restricted Investments         -         83,371,000         -         22,801,203           Restricted Interest Receivable - Net         -         5,528,000         -         55,234           Restricted Loans Receivable - Net         -         -         -         5,241,667           Total Current Assets:         -         1,845,373         154,982,000         86,400,439         29,973,580           Noncurrent Assets:         -         932,933,000         -         -         -           Restricted Investments         -         932,933,000         -         -         -           Investments         -         -         4,625,000         -         -           Loa	55,000,000 37,239 388,481 1,208,696 67,958,476 106,172,203 5,583,234 5,241,667 273,201,392 932,933,000 4,625,000 33,032,621	
Investments	55,000,000 37,239 388,481 1,208,696 67,958,476 106,172,203 5,583,234 5,241,667 273,201,392 932,933,000 4,625,000 33,032,621	
Accounts Receivable - Net         37,239         —         —         —           Interest Receivable - Net         —         —         388,481         —           Loans and Notes Receivable - Net         —         —         1,208,696         —           Restricted Cash and Cash Equivalents         —         66,083,000         —         1,875,476           Restricted Investments         —         83,371,000         —         22,801,203           Restricted Interest Receivable - Net         —         5,528,000         —         55,234           Restricted Loans Receivable - Net         —         —         —         5,241,667           Total Current Assets         1,845,373         154,982,000         86,400,439         29,973,580           Noncurrent Assets:         —         932,933,000         —         —           Restricted Investments         —         932,933,000         —         —           Investments         —         —         4,625,000         —           Loans and Notes Receivable - Net         —         —         —         112,088,533           Capital Assets:         —         —         64,415         —           Depreciable, Net         —         —         6	37,239 388,481 1,208,696 67,958,476 106,172,203 5,583,234 5,241,667 273,201,392 932,933,000 4,625,000 33,032,621	
Interest Receivable - Net	388,481 1,208,696 67,958,476 106,172,203 5,583,234 5,241,667 273,201,392 932,933,000 4,625,000 33,032,621	
Loans and Notes Receivable - Net         —         —         1,208,696         —           Restricted Cash and Cash Equivalents         —         66,083,000         —         1,875,476           Restricted Investments         —         83,371,000         —         22,801,203           Restricted Interest Receivable - Net         —         5,528,000         —         55,234           Restricted Loans Receivable - Net         —         —         —         5,241,667           Total Current Assets         1,845,373         154,982,000         86,400,439         29,973,580           Noncurrent Assets:         Restricted Investments         —         932,933,000         —         —           Investments         —         932,933,000         —         —         —           Loans and Notes Receivable - Net         —         —         4,625,000         —           Restricted Loans Receivable - Net         —         —         —         112,088,533           Capital Assets:         —         —         64,415         —	1,208,696 67,958,476 106,172,203 5,583,234 5,241,667 273,201,392 932,933,000 4,625,000 33,032,621	
Restricted Cash and Cash Equivalents         —         66,083,000         —         1,875,476           Restricted Investments         —         83,371,000         —         22,801,203           Restricted Interest Receivable - Net         —         5,528,000         —         55,234           Restricted Loans Receivable - Net         —         —         —         5,241,667           Total Current Assets         1,845,373         154,982,000         86,400,439         29,973,580           Noncurrent Assets:         —         932,933,000         —         —           Investments         —         932,933,000         —         —           Loans and Notes Receivable - Net         —         —         4,625,000         —           Restricted Loans Receivable - Net         —         —         —         112,088,533           Capital Assets:         —         —         64,415         —	67,958,476 106,172,203 5,583,234 5,241,667 273,201,392 932,933,000 4,625,000 33,032,621	
Restricted Investments         —         83,371,000         —         22,801,203           Restricted Interest Receivable - Net         —         5,528,000         —         55,234           Restricted Loans Receivable - Net         —         —         —         5,241,667           Total Current Assets         1,845,373         154,982,000         86,400,439         29,973,580           Noncurrent Assets:         —         932,933,000         —         —           Investments         —         932,933,000         —         —           Loans and Notes Receivable - Net         —         —         4,625,000         —           Restricted Loans Receivable - Net         —         —         —         112,088,533           Capital Assets:         —         —         64,415         —	106,172,203 5,583,234 5,241,667 273,201,392 932,933,000 4,625,000 33,032,621	
Restricted Interest Receivable - Net         —         5,528,000         —         55,234           Restricted Loans Receivable - Net         —         —         —         5,241,667           Total Current Assets         1,845,373         154,982,000         86,400,439         29,973,580           Noncurrent Assets:         Restricted Investments         —         932,933,000         —         —           Investments         —         —         4,625,000         —           Loans and Notes Receivable - Net         —         —         33,032,621         —           Restricted Loans Receivable - Net         —         —         —         112,088,533           Capital Assets:         —         —         64,415         —	5,583,234 5,241,667 273,201,392 932,933,000 4,625,000 33,032,621	
Restricted Loans Receivable - Net         —         —         —         5,241,667           Total Current Assets         1,845,373         154,982,000         86,400,439         29,973,580           Noncurrent Assets:         Restricted Investments         —         932,933,000         —         —           Investments         —         —         4,625,000         —           Loans and Notes Receivable - Net         —         —         33,032,621         —           Restricted Loans Receivable - Net         —         —         —         112,088,533           Capital Assets:         —         —         64,415         —	5,241,667 273,201,392 932,933,000 4,625,000 33,032,621	
Total Current Assets         1,845,373         154,982,000         86,400,439         29,973,580           Noncurrent Assets:         Restricted Investments         —         932,933,000         —         —         —           Investments         — <td row<="" td=""><td>273,201,392 932,933,000 4,625,000 33,032,621</td></td>	<td>273,201,392 932,933,000 4,625,000 33,032,621</td>	273,201,392 932,933,000 4,625,000 33,032,621
Noncurrent Assets:       —       932,933,000       —       —         Investments       —       —       4,625,000       —         Loans and Notes Receivable - Net       —       —       33,032,621       —         Restricted Loans Receivable - Net       —       —       —       112,088,533         Capital Assets:         Depreciable, Net       —       —       64,415       —	932,933,000 4,625,000 33,032,621	
Restricted Investments         —         932,933,000         —         —           Investments         —         —         4,625,000         —           Loans and Notes Receivable - Net         —         —         33,032,621         —           Restricted Loans Receivable - Net         —         —         —         112,088,533           Capital Assets:           Depreciable, Net         —         —         64,415         —	4,625,000 33,032,621	
Restricted Investments         —         932,933,000         —         —           Investments         —         —         4,625,000         —           Loans and Notes Receivable - Net         —         —         33,032,621         —           Restricted Loans Receivable - Net         —         —         —         112,088,533           Capital Assets:           Depreciable, Net         —         —         64,415         —	4,625,000 33,032,621	
Investments         —         4,625,000         —           Loans and Notes Receivable - Net         —         —         33,032,621         —           Restricted Loans Receivable - Net         —         —         —         112,088,533           Capital Assets:         —         —         64,415         —	4,625,000 33,032,621	
Loans and Notes Receivable - Net       —       —       33,032,621       —         Restricted Loans Receivable - Net       —       —       —       112,088,533         Capital Assets:       —       —       64,415       —	33,032,621	
Restricted Loans Receivable - Net         —         —         —         112,088,533           Capital Assets:         —         64,415         —		
Capital Assets:         —         64,415         —	,,	
Depreciable, Net		
	64,415	
101011011101101101101001000000000000000	1,082,743,569	
Total Assets 1,845,373 1,087,915,000 124,122,475 142,062,113	1,355,944,961	
DEFERRED OUTFLOWS OF		
RESOURCES		
Derived from Pensions — 252,000 — — —	252,000	
Total Deferred Outflows of Resources — 252,000 — —	252,000	
LIABILITIES		
Current Liabilities:		
Accounts Payable 325,696 40,000 31,868 —	397,564	
Interest Payable – 3,833,000 – 412,983	4,245,983	
Bonds Payable — 27,020,000 — 5,700,000	32,720,000	
Unearned Revenue         20,700         —         —         505,135	525,835	
Total Current Liabilities 346,396 30,893,000 31,868 6,618,118	37,889,382	
Noncurrent Liabilities:		
Bonds Payable — 412,797,000 — 133,900,000	546,697,000	
Net Pension Liability — 343,000 — —	343,000	
Total Noncurrent Liabilities — 413,140,000 — 133,900,000	547,040,000	
Total Liabilities 346,396 444,033,000 31,868 140,518,118	584,929,382	
DEFERRED INFLOWS OF RESOURCES		
Deferred Gain on Bond Refunding — 3,581,000 — —	3,581,000	
Derived from Pensions — 277,000 — —	277,000	
Total Deferred Inflows of Resources         —         3,858,000         —         —	3,858,000	
Net Position		
Net Investment in Capital Assets — — 64,415 —	64,415	
Restricted for:	-	
Debt Service — 92,490,000 — 1,543,995	94,033,995	
Loan Purposes — 545,616,000 13,477,236 —		
Unrestricted 1,498,977 2,170,000 110,548,956 —	559,093,236	
Total Net Position \$ 1,498,977 \$ 640,276,000 \$ 124,090,607 \$ 1,543,995 \$	559,093,236 114,217,933	

Combining Statement of Activities Component Units - Proprietary Funds (Excludes FASB Based Component Units) For the Fiscal Year Ended June 30, 2024

		Program Revenues						G	eneral Revenues						
Functions/Programs	 Expenses	(	Charges for Services			Net (Expense) Revenue		Payments from State of North Dakota		Change in Net Position		Net Position Beginning of Year		Net Position End of Year	
CHAND	\$ 1,515,670	\$	1,219,792	\$	44,278	\$	(251,600)	\$	_	\$	(251,600)	\$	1,750,577	\$	1,498,977
Public Finance Authority	38,852,000		4,629,000		78,481,000		44,258,000		_		44,258,000		596,018,000		640,276,000
ND Development Fund	9,594,467		1,281,038		829,900		(7,483,529)		95,000,000		87,516,471		36,574,136		124,090,607
State Fair Foundation	1,391,063		_		_		(1,391,063)		_		(1,391,063)		1,391,063		_
Transmission Authority	5,144,234		_		6,329,270		1,185,036		_		1,185,036		358,959		1,543,995
														_	
Total Component Units	\$ 56,497,434	\$	7,129,830	\$	85,684,448	\$	36,316,844	\$	95,000,000	\$	131,316,844	\$	636,092,735	\$	767,409,579

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### NOTES TO THE FINANCIAL STATEMENTS

For the Fiscal Year Ended June 30, 2024

## **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The primary authority for the State's accounting and reporting requirements is the Office of Management and Budget. The Office of Management and Budget has adopted the pronouncements of the Governmental Accounting Standards Board (GASB), which is the nationally accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the State's accounting policies are as follows:

### A. REPORTING ENTITY

For financial reporting purposes, the State of North Dakota has included all funds, organizations, agencies, boards and commissions that make up its legal entity. The State has also included all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the State are such that exclusion would cause the State's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the State to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the State.

As required by accounting principles generally accepted in the United States of America, these financial statements present the State of North Dakota (the primary government) and its component units. The component units are included in the State's reporting entity because of the significance of their operational or financial relationships with the State.

### **BLENDED COMPONENT UNITS**

These component units are entities that are legally separate from the State, but are so intertwined with the State that they are, in substance, the same as the State. The following entity is included as a blended component unit, as the State has the ability to impose its will on this organization and the organization provides services entirely to the State. They are reported as part of the State and blended into the appropriate fund types.

**Building Authority (Debt Service Fund and Capital Projects Fund)** - The Building Authority was created by the Legislature as a separate instrumentality of the State. Its purpose is to promote the general welfare of the citizens of the State by providing financing for use by the State in altering, repairing, maintaining or constructing buildings and making any improvements connected to State buildings. The Industrial Commission, which consists of the governor, the attorney general, and the commissioner of agriculture, is the governing board of the Building Authority. The funds of the Building Authority were audited by other independent auditors for the fiscal year ended June 30, 2024, and their report has been previously issued under a separate cover.

**Legacy Bond Program (Debt Service Fund)** - The 2021 Legislative Session, authorized the Public Finance Authority to issue bonds and transfer the proceeds to the Bank of North Dakota (BND) to allocate to legislatively approved state infrastructure projects and programs including: the Fargo Diversion Project, Resources Trust Fund, Infrastructure Revolving Ioan fund, highway fund and agriculture products development facility at North Dakota State University. The Industrial Commission, which consists of the governor, the attorney general, and the commissioner of agriculture, is the governing board of the Legacy Bond Program. The funds of the Legacy Bond Program were audited by other independent auditors for the fiscal year ended June 30, 2024, and their report has been previously issued under a separate cover.

## **DISCRETELY PRESENTED COMPONENT UNITS**

These component units are entities that are legally separate from the State, but are financially accountable to the State. The following entities are included as discretely presented blended component units, as the State has the ability to impose its will on this organization, however the State has no financial obligation to these organizations. The component units' columns of government-wide financial statements include the financial data of these entities.

### MAJOR COMPONENT UNITS

Comprehensive Health Association (Proprietary Fund Type) – The Association was established by the Legislature with participating membership consisting of those insurance companies, licensed or authorized to do business in the State. It provides low cost access to health insurance coverage for residents of the State who are denied adequate health insurance and are considered uninsurable. Under North Dakota Century Code, the Majority Leader of the Senate appoints one member of the Senate and the House of Representatives appoints one member of the House to the eight-member board. The Association was audited by other independent auditors for the calendar year ended December 31, 2023, and their report has been previously issued under a separate cover.

**Public Finance Authority (Proprietary Fund Type)** – The Finance Authority was created by the Legislature as a separate agency of the State. The purpose of the Finance Authority is to make funds available for borrowing by North Dakota political subdivisions through the issuance of its bonds and the purchase of municipal securities of the political subdivisions. The Finance Authority has been granted all powers required in order to accomplish this purpose and is under the control and management of the Industrial Commission. The Fund was audited by other independent auditors for the calendar year ended December 31, 2023, and their report has been previously issued under a separate cover.

**Transmission Authority (Proprietary Fund Type)** – The Transmission Authority was created by the Legislature as a separate agency of the State. The purpose of the Transmission Authority is to make funds available to facilitate the purchase of a transmission line through the issuance of its bonds. The Transmission Authority has been granted all powers required in order to accomplish this purpose and is under the control and management of the Industrial Commission.

North Dakota Development Fund, Inc. (Proprietary Fund Type) – The Development Fund was established as a statewide nonprofit development corporation with the authority to take equity positions in; to provide loans to; or to use other innovative financing mechanisms to provide capital for new or expanding businesses in North Dakota or relocating businesses to North Dakota. A board of directors consisting of eight members, all of whom are appointed by the governor, manages the corporation. The deputy director of the Department of Commerce (a State agency) is the corporation's chief executive officer. The director of the Department of Commerce (governor-appointed cabinet position) is responsible for developing rules, subject to the approval of the board of directors, necessary to implement the administration of the corporation. The Fund was audited by other independent auditors for the fiscal year ended June 30, 2024, and their report has been previously issued under a separate cover.

Major and Non-major University System Foundations (Proprietary Fund Type) – The foundations are legally separate, tax-exempt organizations providing support and recognition to their respective colleges and universities through a variety of programs and activities. The foundations are normally managed by a board of directors made up primarily of alumni, friends or leading members of the communities. The component unit financial statements are presented under Financial Accounting Standards Board (FASB) standards. As such, certain disclosures are not reflected for the Major University System Foundation in the major component unit disclosures and no disclosures are included for the Non-major University System Foundation. A complete set of financial statements can be obtained at the North Dakota University System office at 600 E. Boulevard Avenue, #10, Bismarck, ND 58505.

Non-major State Historical Society of North Dakota Foundation – The mission of the State Historical Society of North Dakota Foundation is to provide fundraising and membership development activities to support the State Historical Society of North Dakota which preserves and promotes the heritage of North Dakota and its people. The Fund of the State Historical Society of North Dakota Foundation were audited by other independent auditors for the fiscal year ended June 30, 2024, and their report has been previously issued under a separate cover. The component unit financial statements are presented under Financial Accounting Standards Board (FASB) standards. As such, certain disclosures are not reflected for the Foundation and no disclosures are included for the Foundation.

Complete financial statements for each of the other individual component units may be obtained at the entity's administrative offices as follows:

Building Authority, Public Finance Authority and Legacy Bond Program 1200 Memorial Highway Bismarck ND 58504

Comprehensive Health Associations 4510 13th Ave. South Fargo, ND 58121 State Historical Society of North Dakota Foundation P.O. Box 1976 Bismarck, ND 58502-1976

North Dakota Development Fund, Inc. 1600 E. Century Ave., #6 Bismarck, ND 58503

## B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

# **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The Statement of Net Position and Statement of Activities report information on all non-fiduciary activities of the primary government and its component units. Primary government activities are distinguished between governmental and business-type activities.

Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The Statement of Net Position presents the reporting entity's non-fiduciary assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Net position is reported in three categories:

**Net investment in capital assets** consists of capital assets, lease assets, subscription-based information technology assets, net of accumulated depreciation and amortization and reduced by outstanding balances for bonds, notes, lease liabilities, SBITA liability and other debt that are attributed to the acquisition, construction, or improvement of those assets.

**Restricted net position** result when constraints placed on net position use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation. Net position restricted by enabling legislation are subject to change by a majority vote of the Legislative Assembly.

**Unrestricted net position** consist of net position that do not meet the definition of the two preceding categories. Unrestricted net position often are designated, to indicate that management does not consider them to be available for general operations. Unrestricted net position often have constraints on resources which are imposed by management, but can be removed or modified.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not meeting the definition of program revenues are instead reported as general revenue.

### **FUND FINANCIAL STATEMENTS**

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide statements. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements, with non-major funds being combined into a single column.

## C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of cash flows.

The State follows the pronouncements of the Governmental Accounting Standards Board (GASB), which is the nationally accepted standard-setting body for establishing accounting principles generally accepted in the United States of America for governmental entities.

Governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as they become susceptible to accrual; generally when they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period.

The State considers tax revenues to be available if they are collected within 60 days of the end of the current fiscal year end. Other revenues are considered to be available if received within one year after the fiscal year end. Major revenues that are determined to be susceptible to accrual include interest, federal grants-in-aid, and taxpayer-assessed taxes such as income, sales, corporate, excise, motor fuel taxes and unemployment compensation contributions. Revenues earned under the terms of reimbursement agreements with other governments or private sources are recorded at the time the related expenditures are made if other eligibility requirements have been met. Sales and use taxes are accrued based upon filings received and an estimate of filings due by June 30. Net income taxes from individuals and corporations are accrued based on current income earned by the taxpayer before June 30. Quarterly filings, withholding statements, and other historical data are used to estimate income. The revenue is accrued net of an allowance for uncollectible taxes. Unearned revenue is recorded for receivables that are measurable but not available at year-end.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to debt service, compensated absences, and claims and judgments, are recorded only when payment is due and payable.

## FINANCIAL STATEMENT PRESENTATION

The State reports the following major governmental funds:

The General Fund is the principal operating fund of the State.

The Federal Fund accounts for all the financial resources from the federal government.

The State Special Revenue Fund accounts for activities from state sources, which are restricted legally or administratively for the particular costs of an agency or program.

The State reports the following major enterprise funds:

The Bank of North Dakota Fund finances economic development throughout the state, participates in loans with North Dakota financial institutions, and holds interest-bearing deposit accounts for state and political subdivisions of North Dakota.

The Housing Finance Agency Fund is authorized to issue bonds to make loans to mortgage lenders for qualified residential mortgage loans and to make mortgage and construction loans for multi-family housing within the State of North Dakota.

The University System Fund accounts for all financial transactions of the colleges and universities that compose the University System of North Dakota.

The Workforce Safety & Insurance Fund is financed entirely by premiums assessed to the employers of North Dakota and provides no-fault medical and disability insurance to all North Dakota employees.

Additionally, the State reports the following fund types:

### **GOVERNMENTAL FUND TYPES**

General Fund accounts for all governmental financial resources, except for those required to be accounted for in other funds.

<u>Special Revenue Funds</u> are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

<u>Debt Service Funds</u> are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

<u>Capital Projects Funds</u> are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets. Capital project funds exclude those types of capital related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

<u>Permanent Funds</u> report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that benefit the government or its citizenry, such as the common schools within the state.

## **PROPRIETARY FUND TYPES**

<u>Enterprise Funds</u> account for those business-like State activities that provide goods/services to the public, financed primarily through user charges. They are also used to account for operations where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability and other purposes. The State's loan programs, Mill and Elevator, and Fair are reported in this type.

<u>Internal Service Funds</u> account for the financing of goods and/or services provided by one department or agency to another department or agency of a government, or to other governments, on a cost-reimbursement basis. These goods and services include motor pool services; printing, reproduction and mailing services; information technology; and risk management services. In the government-wide statements, internal service funds are included with governmental activities.

### FIDUCIARY FUND TYPES

<u>Pension and Other Employee Benefits Trust Funds</u> account for resources that are required to be held in trust for the members and beneficiaries of the State's defined benefit pension plans, defined contribution plan, deferred compensation plan, pretax benefits program, and other post-employment benefit plans.

Investment Trust Funds account for the transactions, assets, liabilities, and fund equity of the external pool participants (City of Bismarck, City of Grand Forks, City of Grand Forks Park District, ND Association of Counties, City of Fargo Fargodome, North Dakota State Board of Medicine, Petroleum Tank Release Compensation Fund, Lewis and Clark Interpretive Center Endowment Fund, Veteran's Cemetery Trust Fund and Retirement and Investment Office Investments). The State Investment Board (SIB) provides administrative services for the external pool participants. SIB issues a publicly available financial report that may be obtained by writing to the Retirement and Investment Office, 1600 East Century Avenue, Suite 3, Bismarck, North Dakota 58503. Investment Trust Funds are accounted for in essentially the same manner as Proprietary Funds.

<u>Private Purpose Trust Funds</u> account for resources of all other trust arrangements in which principal and income benefit individuals, private organizations, or other governments. Examples include student donations, the State's college savings plan, and a remediation trust.

<u>Custodial Funds</u> account for assets held by the State as an agent for other governmental units, or other organizations. Examples of funds in this category include state custodial funds for bonding, tax collection, child support disbursement, and funds held for others.

### D. GENERAL BUDGETARY POLICIES AND PROCEDURES

The State operates through a biennial appropriation that represents departmental appropriations recommended by the governor and presented to the Legislative Assembly at the beginning of each legislative session. The Legislative Assembly enacts the budgets of the various state departments through passage of specific appropriation bills. The governor has line item veto powers over all appropriations subject to legislative override.

Once passed and signed, the appropriation bill becomes the departments' financial plan for the next two years. Changes to the appropriation are limited to Emergency Commission authorization, initiative, allotment, or referendum action. The Emergency Commission can authorize receipt of federal or other moneys not appropriated by the Assembly if the Assembly did not indicate intent to reject the money. The Emergency Commission may authorize pass-through federal funds from one state agency to another. The Emergency Commission may authorize the transfer of expenditure authority between appropriated line items. The Legislature has also passed appropriation laws that authorize directors of certain state agencies to transfer appropriation authority among the various divisions of their specific agency, subject to the Budget Section of the North Dakota Legislative Council's approval. Unexpended appropriations lapse at the end of each biennium, except certain capital expenditures covered under the North Dakota Century Code (NDCC) section 54-44.1-11 and the University System's unexpended general fund appropriation authority.

The State's biennial budget is prepared primarily on a cash basis. The State does not use encumbrance accounting. The legal level of budgetary control is at the agency, appropriation, funding source and expenditure line item level, with administrative controls established at lower levels of detail in certain instances. The State does not formally budget revenues. The State appropriation is defined through the use of specific expenditure line items. Capital appropriations are generally made at the agency and project level.

North Dakota's Appropriation Act does not present budgets by GAAP fund. Instead, it authorizes General Fund appropriation authority by agency and Other Budgeted Income appropriation authority by agency. Other budgeted income includes all budgeted resources, other than the General Fund, and includes some governmental, proprietary, and fiduciary fund activities.

During the 2023-2025 biennium, there were general, federal and other funds supplemental appropriations totaling \$1,436,105,468.

## E. CASH AND CASH EQUIVALENTS

Cash and cash equivalents for reporting purposes includes cash and short-term, highly liquid investments that are readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. This includes investments with original maturity of three months or less. Also cash, as reported, may be under the control of the State Treasurer or by other administrative bodies as determined by law. Cash and cash equivalents are presented on the fund balance sheets as "Cash Deposits at the Bank of North Dakota" and "Cash and Cash Equivalents" to present the unique nature of the relationship between the Bank of North Dakota, an enterprise fund, and other state agencies.

**Cash Deposits at the Bank of North Dakota** – State agency cash balances, as required by law, are pooled by the State Treasurer and deposited in the Bank of North Dakota, an enterprise fund. These cash balances, in addition to other agency cash deposited at the Bank of North Dakota, are included on the fund balance sheets as "Cash Deposits at the Bank of North Dakota". For purposes of the Government-wide Statement of Net Position, these amounts have been reclassified to internal balances.

Cash and Cash Equivalents – All cash and cash equivalents, (other than cash deposits at the Bank of North Dakota), as permitted by the North Dakota Century Code, are included on the Government-wide Statement of Net Position as "Cash and Cash Equivalents".

The State had no cash overdrafts from pooled cash and investments at June 30, 2024.

All interest revenue is allocated to the General Fund unless state law (as outlined in the North Dakota Century Code) requires allocations of interest to other funds.

#### F. INVESTMENTS

Investments are reported at fair value. Quoted market prices, when available, have been used to value investments. The fair value for securities that have no quoted market price represent estimated fair value. International securities are valued based upon quoted foreign market prices and translated into U.S. dollars at the exchange rate in effect at June 30. In general, corporate debt securities have been valued at quoted market prices or, if not available, values are based on yields currently available on comparable securities of issuers with similar credit ratings. Mortgages have been valued on the basis of their future principal and interest payments discounted at prevailing interest rates for similar instruments. The fair value of real estate investment securities, including timberland, is based on appraisals plus fiscal year-to-date capital transactions. Publicly traded alternative investments are valued based on quoted market prices. When not readily available, alternative investment securities are valued using current estimates of fair value from the investment manager. Such valuations consider variables such as financial performance of the issuer, comparison of comparable companies' earnings multiples, cash flow analysis, recent sales prices of investments, withdrawal restrictions, and other pertinent information. Because of the inherent uncertainty of the valuation for these other alternative investments, the estimated fair value may differ from the values that would have been used had a ready market existed.

The net change in fair value of investments consists of the realized gains or losses and the unrealized increase or decrease in fair value of investments during the year. Realized gains and losses on sales of investments are computed based on the difference between the sales price and the original cost of the investment sold.

Unrealized gains and losses are computed based on changes in the fair value of investments between years. Security transactions are currently accounted for on a trade date basis. Interest income is recorded when earned. Dividend income is recorded on the ex-dividend date.

Purchases of other state funds' debt issues by the Bank of North Dakota have been recorded as normal business transactions if they are the result of arms-length transactions.

Investments are presented on the fund balance sheets as "Investments at the Bank of North Dakota" and "Investments" to present the unique nature of the relationship between the Bank of North Dakota, an enterprise fund, and other state agencies.

**Investments at the Bank of North Dakota** – State agency investments, primarily certificates of deposits of the Bank of North Dakota, are included on the fund balance sheets as "Investments at the Bank of North Dakota." For purposes of the Government-wide Statement of Net Position, these amounts have been reclassified to internal balances.

Investments – State agency investments invested at financial institutions other than the Bank of North Dakota are included on the Government-wide Statement of Net Position as "Investments." Differences on the Fund Balance Sheets between the assets, "Cash at the Bank of North Dakota" and "Investments at the Bank of North Dakota," and the liability, "Deposits Held for Other Funds," is attributable to timing differences resulting from the Bank of North Dakota having a different fiscal year end than many of the other state agencies.

#### G. SECURITIES LENDING

GASB Statement No. 28 "Accounting and Financial Reporting for Securities Lending Transactions," establishes accounting and financial reporting standards for securities lending transactions. The standard requires governmental entities to report securities lent as assets in their balance sheet. Cash received as collateral and investments made with that cash must also be reported as both an asset and a liability. The statement also requires the costs of the securities lending transactions to be reported as expenses separately from income received. In addition, the statement requires disclosures about the transactions and collateral related to them.

The Agent lends securities of the type on loan at June 30, 2024, for collateral in the form of cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus accrued interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus accrued interest.

Non-cash collateral cannot be pledged or sold unless the borrower defaults. All securities can be terminated on demand by either the lender or the borrower, although the average term of the State's loans was approximately 93 days as of June 30, 2024. Cash open collateral is invested in a short term investment pool, which had an interest sensitivity of 3 days as of this statement date. This pool is valued based on amortized cost. There were no violations of legal or contractual provisions, no borrower or lending agent default losses known to the securities lending agent. There are no dividends or coupon payments owing on the securities lent. Securities lending earnings are credited to participating clients on approximately the fifteenth day of the following month.

Indemnification deals with the situation in which a client's securities are not returned due to the insolvency of a borrower and the Agent has failed to live up to its contractual responsibilities relating to the lending of those securities. The Agent's responsibilities include performing appropriate borrower and collateral investment credit analyses, demanding adequate types and levels of collateral, and complying with applicable Department of Labor and Federal Financial Institutions Examination Council regulations concerning securities lending.

For securities loaned at fiscal year end, the State has no credit risk exposure to borrowers because the amounts the State owes the borrowers exceeds the amounts the borrowers owe the State.

#### H. INTERFUND ACTIVITY AND BALANCES

#### **INTERFUND ACTIVITY**

As a general rule, the effect of interfund activity has been eliminated from the government-wide statements. Exceptions to this rule are: 1) activities between funds reported as governmental activities and funds reported as business-type activities and 2) activities between funds that are reported in different functional categories in either the governmental or business- type activities column. Elimination of these activities would distort the direct costs and program revenues for the functions concerned.

In the fund financial statements, transfers represent flows of assets (such as goods or cash) without equivalent flows of assets in return or a requirement for repayment. Residual transfer amounts exist in the Government-wide Statement of Activities due to different fiscal year ends of various agencies included in business-type activities.

### **INTERFUND BALANCES**

Interfund receivables and payables have been eliminated from the Statement of Net Position, except for the residual amounts due between governmental and business-type activities.

### I. INVENTORIES AND PREPAID ITEMS

Inventories of Governmental Funds are valued at cost and are recognized principally using the average cost method. Generally, the cost of Governmental Funds' inventories is recorded as an expenditure when consumed rather than when purchased.

Inventories of Proprietary Funds consist primarily of grain inventories from the North Dakota Mill and Elevator Association. Grain inventories are valued at the June 30 Minneapolis grain market values less freight costs to Minneapolis. Flour, feed and resale inventories are valued at ingredient cost plus manufacturing costs incurred in their production. Proprietary Funds expense the cost of consumable supplies when used.

Generally, inventories of University System Funds are valued at the lower of cost or fair market value. Cost is generally determined on the first in/first out, or moving weighted average method. Inventories consist of food, books, and other merchandise held for resale in auxiliaries and unrestricted physical plant supplies.

Prepaid items reflect payments for costs applicable to future accounting periods. The cost of governmental prepaid items are recorded as expenditures when purchased.

### J. BOND PREMIUMS / DISCOUNTS

In the governmental funds, bond discounts and premiums are treated as period costs in the year of issue. Bond discounts and premiums are shown as an "other financing source (use)" in the statement of revenues, expenses and changes in fund balance.

In the proprietary funds, bond premiums and discounts are deferred and amortized over the term of the bonds using the effective interest method. The unamortized discount is shown on the statement of net position as a reduction of the bonds payable, and the amortization is included in the statement of revenues, expenses and changes in fund balance as interest expense.

#### K. CAPITAL ASSETS

Capital assets, which include land, buildings, equipment, intangibles (software, easements and other), construction in progress, infrastructure assets, lease assets and SBITA assets, are valued at historical cost or at estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their acquisition value on the date of donation. Where necessary, estimates of original cost are derived by factoring price levels from the current period to the time of acquisition. Library books are not capitalized as capital assets except for the University System.

All other capital assets with an original cost of \$5,000 or more per unit and an estimated useful life in excess of one year are capitalized and reported in the applicable government or business-type activities columns in the government-wide financial statements. Exceptions include: infrastructure reported by the Department of Transportation, the threshold is \$100,000 and intangible assets such as easements, water rights, patents and trademarks, the threshold is \$25,000. Capital asset costs include the purchase price or construction cost, plus the costs necessary to place the asset in its intended location and condition for use. In governmental activities. Normal maintenance and repair costs that do not materially add to the value or extend the life of the asset are not capitalized.

Collections of works of art and historical treasures are not capitalized if the following three criteria are met: (1) Held for public exhibition, education, or research in furtherance of public service, rather than financial gain; (2) Protected, kept unencumbered, cared for, and preserved; (3) Subject to organizational policy that requires the proceeds from sales of collection items to be used to acquire other items for collections. The State's non-capitalized collections include the historical artifacts at the various state museums and historical sites, and monuments and other art throughout the capital grounds. Assets that do not meet all three criteria, or that were capitalized as of June 30, 1999, are capitalized and included in the government-wide financial statements.

Infrastructure consists of major statewide public systems and items attached thereto such as freeways, freeway lighting systems, freeway drainage systems, freeway signs, bridges, bridge lighting systems, and sewer systems, including those infrastructure assets acquired prior to June 30, 1980. Infrastructure is reported in the applicable governmental or business- type activities columns in the government-wide financial statements. The Department of Transportation uses the first-in first-out method to remove the capitalized cost of a replaced road along with corresponding accumulated depreciation.

Capital assets in Governmental Funds are recorded as expenditures in the funds used to acquire or construct them in the governmental fund financial statements. Capital assets, along with accumulated depreciation and depreciation expense, which includes amortization of intangible assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Land and construction in progress are not depreciated. With the exception of infrastructure reported by the Department of Transportation (which uses the composite method), other capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>	<u>Assets</u>	<u>Years</u>
Buildings	10-50	Right-to-use Land	20-30
Infrastructure	10-50	Right-to-use Buildings and Improvements	2-52
Furniture, Automobiles, and Equipment	3-20	Right-to-use Furniture, Automobiles, and Equipment	2-7
Intangibles	3-99	Right-to-use Infrastructure	2-30

### L. DEFERRED OUTFLOWS OF RESOURCES

Deferred outflow of resources represents a consumption of net assets by the government that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources are reported in the applicable governmental or business-type activities columns, or in the component units column on the government-wide Statement of Net Position.

### M. LEASES

The State leases land, office facilities, office and computer equipment, and other assets. Lease assets and the corresponding lease liability are recorded at the present value of future payments over the shorter of the lease term or the assets useful life. The

future lease payments are discounted using the implicit rate identified in the lease, or if not identified, then the States incremental borrowing rate is used. The lease assets are amortized on a straight-line basis.

#### N. SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The State leases information technology arrangements on a subscription basis. Subscription based information technology arrangements (SBITA) and the corresponding liability are recorded at the present value of future payments over the shorter of the term or the assets useful life. The future lease payments are discounted using the implicit rate identified in the arrangement, or if not identified, then the States incremental borrowing rate is used. The SBITA's are amortized on a straight-line basis.

#### O. FEDERAL FUNDS PURCHASED

Federal Funds Purchased represent federal funds borrowed by the Bank of North Dakota from member banks generally on an overnight basis at the federal funds rate.

#### P. CLAIMS/JUDGMENTS PAYABLE

Claims/Judgments Payable is primarily Workers Compensation Claims Incurred But Not Yet Reported (IBNR) by the claimants as well as claims related to various litigation matters.

#### Q. COMPENSATED ABSENCES

### **ANNUAL LEAVE**

State employees accrue vested annual leave at a variable rate based on years of service. Teachers employed by the State do not receive annual leave. In general, accrued annual leave cannot exceed 30 days at each year end, as set by the agency. The amount of annual leave earned ranges between one and two days per month, and is fixed by the employing unit per section 54-06-14 of the NDCC.

The governmental fund financial statements recognize annual leave when the liability is incurred and payable from available expendable resources. This normally occurs only if an employee has unused reimbursable leave still outstanding at the time of their termination. The government-wide financial statements present the cost of accumulated annual leave as a liability. Proprietary and Fiduciary Funds recognize the expense and accrued liability when the annual leave is earned.

### SICK LEAVE

The North Dakota Century Code, section 54-06-14, states employees accrue sick leave at the rate of one to a maximum of one and one-half working days per month of employment without limitation on the amount that can be accumulated. Employees vest at ten years of creditable service, at which time the State is liable for ten percent of the employee's accumulated unused sick leave. The governmental fund financial statements recognize sick leave as it is incurred. The government-wide financial statements present the estimated cost of sick leave as a liability after an employee has been employed by the State for five consecutive years.

#### R. DEPOSITS

The following two liability line items are presented in the Government-wide Statement of Net Position and/or fund financial statements:

**Deposits Held For Other Funds.** "Deposits Held for Other Funds" are those deposits held by the Bank of North Dakota for other funds included in the reporting entity and shown on the fund financial statements. For purposes of the Government-wide Statement of Net Position, these amounts have been reclassified to internal balances.

Other Deposits. "Other Deposits" are those deposits held by the Bank of North Dakota for non-reporting entity third parties. It also includes deposits held for students of the University System.

Differences on the fund balance sheets between the liability "Deposits Held for Other Funds" and the assets "Cash Deposits and Investments at the Bank of North Dakota" are attributable to timing differences resulting from the Bank of North Dakota having a different accounting year end than many other state agencies.

### S. NET PENSION LIABILITY (ASSET)

For purposes of measuring the net pension liability (asset) and deferred outflows/inflows related to pension, and pension expense, information about the fiduciary net position of the North Dakota Public Employee Retirement System (PERS), North Dakota Highway Patrolmen's Retirement System (NDHPRS), Retirement Plan for the Employees of Job Service North Dakota (JSND)

and North Dakota Teachers' Fund for Retirement (TFFR) and additions to / deductions from PERS, NDHPRS, JSND and TFFR's fiduciary net position have been determined on the same basis as they are reported for PERS, NDHPRS, JSND and TFFR. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The primary government's proportionate share of pension amounts were further reallocated to the propriety funds (business-type activities) based on the amount of employer contributions paid by each proprietary fund. Pension investments are reported at fair value.

### T. NET OTHER POST EMPLOYMENT BENEFITS LIABILITY

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the North Dakota Public Employees Retirement System (NDPERS) and additions to/deductions from NDPERS' fiduciary net position have been determined on the same basis as they are reported by NDPERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Job Service North Dakota engaged an actuary to determine the net OPEB liability, deferred outflows of resources and deferred inflow of resources related to OPEB and OPEB expense for its Met Life Insurance Benefit plan.

#### U. DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources represent an acquisition of net assets that applies to a future period, and so will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources are reported in the applicable governmental or business-type activities columns or in the component units column on the government-wide Statement of Net Position. Deferred inflows of resources of governmental funds, proprietary fund, and discrete component units are reported in detail in their respective fund statements.

Lease-related amounts are recognized at the inception of leases in which the State is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that related to future periods, less any lease incentives paid to, or on behalf of, the lessee at the commencement of the lease term. The inflow of resources is recognized in a systematic and rationale manner over the lease term.

#### V. NET POSITION/FUND BALANCE

The difference between fund assets and liabilities is "Net Position" on the government-wide, proprietary, and fiduciary fund statements, and "Fund Balance" on governmental fund statements.

### **CLASSIFICATIONS**

Fund balance classifications for governmental funds are reported in two general classifications, nonspendable and spendable. Nonspendable represents the portion of fund balance that is not in spendable form such as inventories and prepaids. Spendable fund balance is further categorized as restricted, committed, assigned, and unassigned.

The <u>restricted fund balance</u> category includes amounts that can be spent only for the specific purposes stipulated by the State constitution and external parties, such as the federal government, or through enabling legislation.

The <u>committed fund balance</u> classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority, the state's legislature, through legislation, that is not considered as enabling legislation, passed into law.

<u>Assigned fund balance</u> classifications are used when the amounts are to be used for specific purposes but do not meet the criteria to be classified as restricted or committed. The assignment of fund balance is generally initiated by the executive branch and later appropriated by the Legislature for a specific purpose. In governmental funds other than the general fund, assigned fund balance also represents the remaining amount that is not restricted or committed.

<u>Unassigned fund balance</u> is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification would only be used to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The State generally segregates restricted, committed, and assigned resources by individual funds within the governmental funds. When resources meeting more than one of these classifications are comingled within an individual fund, the assumed order of spending is restricted first, committed second, assigned third, and finally, unassigned.

#### **BUDGET STABILIZATION FUND**

North Dakota Century Code (NDCC) section 54-27.2-02 requires any amount in the state general fund in excess of sixty-five million dollars at the end of any biennium to be deposited in the Budget Stabilization Fund. Any interest or earnings of the fund must be deposited in the fund per NDCC section 54-27.2-01. However, any amounts provided by law for deposit in the fund and any interest or earning of the fund which would bring the balance in the fund to an amount greater than fifteen percent of the current biennial state general fund budget, as finally approved by the most recently adjourned special or regular session of the legislative assembly, may not be deposited or retained in the fund but must be deposited instead in the state general fund.

NDCC section 54-27.2-03 states that if general fund revenue projections for the biennium will be at least two and one-half percent less than estimated by the most recently adjourned special or regular session of the legislative assembly, and if the governor orders a transfer, which must be reported to the budget section of the legislative management, the state treasurer shall transfer the appropriate funds from the budget stabilization fund to the state general fund to offset the decrease in general fund revenues. The amount transferred upon order of the governor may not exceed the difference between an amount two and on-half percent below the general fund revenue projections for the biennium. The Budget Stabilization Fund, fund balance at June 30, 2024 was \$919,633,735.

#### W. REVENUES AND EXPENDITURES/EXPENSES

In the Government-wide Statement of Activities, revenues and expenses are segregated by activity (governmental or business-type), then further by function for governmental activities (e.g., general government, education, health and human services, etc.). Additionally, revenues are classified between program and general revenues. Program revenues include 1) charges to customers or applicants for goods or services, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues, rather than as program revenue. General revenues include all taxes and money from tobacco settlements. Certain indirect costs are included in the program expenses reported for individual functions.

In the government-wide financial statements, revenues are reported by source and are further classified as either "general purpose" or "restricted". General purpose revenues are available to fund any activity accounted for in the fund. Restricted revenues are, either by State law or by outside restriction (e.g., federal grants), available only for specified purposes. When both general purpose and restricted funds are available for use, it is the State's policy to use restricted resources first. In the governmental fund financial statements, expenditures are reported by character: "Current," "Intergovernmental-revenue Sharing," "Capital Outlay," or "Debt Service." Current expenditures are sub-classified by function and are for items such as salaries, grants, supplies, and services.

Capital outlay includes expenditures for real property or infrastructure (e.g., highways). Intergovernmental-revenue sharing accounts for the distribution of certain tax revenues that are shared with local units based upon constitutional and statutory requirements. Debt service includes both interest and principal outlays related to bonds and payments on long term leases.

Revenues and expenses of proprietary funds are classified as operating or nonoperating and are sub classified by object (e.g., salaries, depreciation, and purchases for resale). Operating revenues consist of sales of goods and services, quasi- external operating transactions with other funds, grant revenues for specific activities that are considered to be operating activities of the grantor, receipts from other agencies for reimbursement of operating transactions, and other miscellaneous revenue that should be classified as operating. Grants that would qualify as an operating activity are those that do not subsidize an existing program, rather they finance a program the agency would otherwise not undertake. For certain loan and investment programs, revenue that would normally be classified as non-operating should be classified as operating. Examples of this would include interest and investment income. All other revenues that do not meet the above criteria should be classified as non-operating.

### X. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### **NOTE 2 - RESTATEMENTS**

### A. CORRECTION OF ERRORS

The changes to beginning net position are summarized in the following table (expressed in thousands):

	Informat	Service Fund - tion Technology epartment
June 30, 2023, net position, as previously reported  Correction of errors	\$	(39,271) 3,368
June 30,2023, net position, as restated	\$	(35,903)

A correction of error was made to record a SBITA that was incorrectly set up in the Internal Service Fund - Information Technology Department and should have been setup under the General Fund.

### B. CHANGES IN ACCOUNTING POLICY

As of January 1, 2023, the Bank of North Dakota adopted GASB Statement No. 100, Accounting Changes and Error Corrections. The implementation of this standard enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The financial statements have been updated to conform to the presentation requirements related to the Banks change in accounting estimate of the allowance methodology during the year ended December 31, 2023.

### **NOTE 3 - DETAILED NOTES ON ACCOUNT BALANCES**

#### A. DEPOSITS

#### **CUSTODIAL CREDIT RISK**

The State minimizes custodial credit risk by restrictions set forth in state statute. Custodial credit risk is risk associated with the failure of a depository financial institution. In the event of a depository financial institution's failure, the State would not be able to recover its deposits or collateralized securities that are in the possession of the outside parties.

State law generally requires that all State funds be deposited in the Bank of North Dakota. NDCC 21-04-01 provides that public funds belonging to or in the custody of the State shall be deposited in the Bank of North Dakota. Also, NDCC 6-09-07 states, "all state funds . . . must be deposited in the Bank of North Dakota" or must be deposited in accordance with constitutional and statutory provisions. The State does not have a formal policy that addresses custodial credit risk for deposits.

At June 30, 2024, the bank balance of the primary government's deposits was \$420,268,991. Of the bank amount, \$80,447,000 was uncollateralized and uninsured.

There were significant concentrations of uninsured and uncollateralized deposits in the Bank of North Dakota and University System at June 30, 2024. Their uninsured and uncollateralized deposits totaled \$80.5 million and \$18.9 million, and their bank deposits totaled \$81 million and \$773.3 million, respectively.

At June 30, 2024, the bank balance of the major component units' deposits was \$99,569,872. Of the bank amount, \$97,761,738 was uncollateralized and uninsured.

The internal receivable amount in the governmental activities column in the Statement of Net Position includes Cash and Investments at the Bank of North Dakota for governmental activities. The internal payable amount in the business-type activities column includes deposits the Bank has for governmental activities. Because the Bank has a different fiscal year end, these internal balances do not equal.

#### B. INVESTMENTS

The investment policies of the State of North Dakota are governed by NDCC 6-09-07, 15-10-12, and 21-04-02, indicating that all public funds must be deposited in the Bank of North Dakota unless there are other constitutional or statutory provisions. If there are no statutory provisions and the funds are invested outside the Bank of North Dakota, the state agency must have the permission of the North Dakota Industrial Commission.

Investments are generally managed by the State Investment Board, the North Dakota Department of Trust Lands, the Bank of North Dakota, and the North Dakota State Treasurer's Office. Management responsibilities and investment instruments as authorized by statute are as follows:

1. State Investment Board (SIB) – NDCC 21-10 designates the SIB with investment responsibilities for the Public Employees' Retirement System, Bonding Fund, Teachers' Fund for Retirement, Fire and Tornado Fund, Workforce Safety & Insurance Fund, Legacy Fund, and other specific funds. The Century Code states the SIB shall apply the prudent investor rule in investing funds under its supervision. The retirement funds belonging to the teachers' fund for retirement and the public employees' retirement system must be invested exclusively for the benefit of their members and in accordance with the respective funds' investment goals and objectives.

The State Investment Board's investment policy allows investment managers to use derivative securities to hedge or replicate underlying exposures but not for speculation. All derivatives are considered investment derivative investments. The SIB had four types of derivative securities at June 30, 2024: futures, options, swaps and currency forwards.

- 2. North Dakota Department of Trust Lands The Century Code states that the Department of Trust Lands shall apply the prudent investor rule in investing its funds. The investment policies of the Board allow the use of derivative securities to hedge or replicate underlying exposures but not for speculation. All derivatives are considered investment derivative investments.
- 3. The Bank of North Dakota NDCC 6-09 authorizes the Bank of North Dakota. The Bank is owned and operated by the State of North Dakota under the supervision of the North Dakota Industrial Commission. The Bank may have investments in anything that any bank lawfully may do, except what is restricted by NDCC 6-09.
- 4. The North Dakota State Treasurer's Office The North Dakota Constitution and various sections of the Century Code authorize the State Treasurer to invest all State funds deposited with the State Treasury. However, the State Treasurer must invest the public funds with the Bank of North Dakota unless there is statutory authority to do otherwise. Generally, the State Treasurer pools deposits and invests in money market accounts and Bank of North Dakota certificates of deposit.
- 5. University System NDCC 15-55-05 and 15-55-06 govern the investment of proceeds of revenue bonds and revenues pledged to bondholders. Such proceeds must be invested in the Bank of North Dakota, in a separate fund in the State Treasury or in a duly authorized depository for the state funds that is a member of the federal deposit insurance corporation. The University System may invest such funds in direct obligation of, or in obligations where the United States of America guarantees the principal and interest, or obligations of the State of North Dakota or any municipality as defined in NDCC Section 21-03-01.

Agency investments, of the primary government, under management of the State Investment Board are included below with the Pension and Investment Trust funds.

#### INTEREST RATE RISK

Interest rate risk is the risk that changes in interest rates of debt securities will adversely affect the fair value of an investment. The price of a debt security typically moves in the opposite direction of the change in interest rates. The State does not have a formal investment policy that limits investment maturities as a means of managing its exposure to potential fair value losses arising from future changes in interest rates. However, North Dakota Housing Finance's respective bond resolutions permit only investments that will not adversely affect the rating quality of the outstanding bonds. Also, the maturity date or the date on which such investment obligations may be redeemed shall coincide as nearly as practicable with the date or dates on which moneys in the funds or accounts for which the investments were made will be required. The Bank of North Dakota's investment policy provides for a duration range of one to four years, which will serve to decrease interest rate risk.

At June 30, 2024, the following tables show the debt securities of the primary government and major component units by investment type and maturity (expressed in thousands).

### **Primary Government (includes Pension and Investment Trust Funds)**

Investment Type	Total Fair Value	Less Than 1 Year	1 - 6 Years	6 - 10 Years	More Than 10 Years	Maturity Undetermined
Asset Backed Securities	\$ 631,607	\$ 904	\$ 260,397	\$ 195,659	\$ 174,647	\$ —
Bank Loans	260	_	_	260	_	_
Collateralized Bonds	859	_	_	859	_	_
Commercial Mortgage- Backed	2,374,311	5	2,051,073	8,667	314,566	_
Commercial Paper	144,105	144,105	_	_	_	_
Corporate Bonds Corporate Convertible	3,137,857	241,030	1,998,663	551,016	347,148	_
Bonds	7,634		_	_	7,634	_
Government Agencies	407,346	•	367,517	7,227	2,632	_
Government Bonds	2,900,536	470,894	1,977,888	44,197	407,557	_
Government Issued CMB	11,728	21	5,396	1,032	5,279	_
Government Mortgage- Backed	1,344,762	94	26,670	38,544	1,279,454	_
Repurchase Agreements	(8,422			_		_
Index Linked Government Bonds	453,973	43,087	161,471	203,795	45,620	_
Municipal/Provincial Bonds	35,511	14,961	3,422	2,967	14,161	_
Non-Government-Backed CMOs	107,420	_	2,649	2,580	102,191	_
Short Term Bills and Notes	159,654	159,654	_	_	_	_
Pooled Investments	1,244,705	4,319	697,122	383,830	159,433	1
Funds - Other Fixed Income	1	_	_	_	_	1
Funds - Short Term	210,083	210,057	_	_	_	26
Funds - Corporate Bonds	70	_	_	_	_	70
Funds - Muni/Provincial Bonds	74	_	_	_	_	74
Funds - Gov' Agencies	871,693		411,433	264,990	193,513	14
Total Debt Securities	14,035,767	1,312,422	7,963,701	1,705,623	3,053,835	186
Limited Partnership	\$ 1,119,389	\$ 162,521	\$ 730,961	\$ 83,108	\$ 56,553	\$ 86,246

### **Major Component Units**

Investment Type	T	otal Fair Value	 Less Than 1 Year	1 - 6 Years	6 -	10 Years	More Than 10 Years
Commercial Paper	\$	13,080	\$ 13,080	\$ _	\$	_	\$ _
Corporate Notes		3,887	1,562	2,325		_	_
Government Agencies		6,384	1,864	4,520		_	_
Government Bonds		38,957	29,337	9,620		_	_
Short Term Bills and Notes		2,301	2,301	_		_	_
Total Debt Securities	\$	64,609	\$ 48,144	\$ 16,465	\$	_	\$ _

The fair values of inflation indexed bonds are reflected in the tables above, based on their stated maturity dates. The principal balances of these bonds are adjusted every six months based on the inflation index for that period.

Some investments are more sensitive to interest rate changes than others. Variable and floating rate collateralized mortgage obligations (CMO's), asset-backed securities (ABS), interest-only and principal-only securities are examples of investments whose fair values may be highly sensitive to interest rate changes.

Interest-only (IO) and principal-only (PO) strips are transactions which involve the separation of the interest and principal components of a security. They are highly sensitive to prepayments by mortgagors, which may result from a decline in interest rates. The State held PO's valued at \$7.3 million and held IOs valued at \$20.7 million. The State has no policy regarding IO or PO strips.

#### CONCENTRATION OF CREDIT RISK

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The State does not have an investment policy that specifically addresses concentrations of credit risk in a single issuer, however the Bank of North Dakota has established asset allocation ranges for investments as a percentage of their total portfolio.

The Bank of North Dakota had the following concentrations at June 30, 2024 (expressed in thousands):

	Amount	Percent
Federal Agency		
U.S. Treasury Securities	\$ 1,487,258	38.4 %
Federal Home Loan Bank	190,308	4.9 %
Small Business Administration	73,981	1.9 %
Farm Credit	58,181	1.5 %
Freddie Mac	12,619	0.3 %
Mortgage-backed		
Fannie Mae	1,316,256	34.0 %
Freddie Mac	728,969	18.8 %
Others less than 5%	 2,094	0.1 %
	\$ 3,869,666	100.0 %

### **CREDIT RISK**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The State maintains a highly diversified portfolio of debt securities encompassing a wide range of credit ratings. Although the State has no overall policy regarding credit risk, each debt securities manager is given a specific set of guidelines to invest within based on the mandate for which it was hired. The guidelines specify in which range of credit the manager may invest. These ranges include investment grade and below investment grade categories. The Bank of North Dakota's investment policy provides minimum credit quality ratings for its investments and asset allocation ranges for investments as a percentage of the total portfolio.

As of June 30, 2024, the following tables present the debt securities of the primary government and major component units and their respective ratings (expressed in thousands).

### Primary Government (includes Pension and Investment Trust Funds) S&P Credit Rating\*

	Total Fair Value	AAA	AA	Α	BBB	BB	В	CCC	CC	С	D	Not Rated
Asset Backed Securities	631,607	\$ 395,595	\$ 81,761	\$ 53,846	\$ 17,601	\$ 327	\$ 573	\$ 2,069	\$ —	\$221	\$ 544	\$ 79,070
Bank Loans	260	_	_	_	_	_	260	_	_	_	_	_
Collateralized Bonds	859	859	_	_	_	_	_	_	_	_	_	_
Commercial Mortgage- Backed	2,374,311	2,298,548	11,369	11,519	6,281	2,532	2,125	69	_	_	_	41,868
Commercial Paper	144,105	_	_	80,428	_	_	_	_	_	_	_	63,677
Corporate Bonds	3,137,858	15,678	141,913	695,507	1,277,857	559,742	350,530	84,488	184	_	1,141	10,818
Corporate Convertible Bonds	7,634	_	_	_	1,576	6,058	_	_	_	_	_	_
Government Agencies	407,032	358,017	19,876	971	12,027	7,703	1,407	174	_	_	_	6,857
Government Bonds	1,559,973	1,494,128	779	6,809	29,039	8,983	2,259	764	_	_	_	17,212
Government Mortgage Backed	1,091,859	_	1,074,396	5,673	8,602	2,606	380	_	_	_	_	202
Government Issued CMB	7,804	373	6,212	_	_	_	_	_	_	_	_	1,219
Index Linked Gov't Bonds	96,681	73,202	_	_	3,044	_	_	_	_	_	_	20,435
Municipal/ Provincial Bonds	34,511	12,165	16,027	2,616	_	581	_	1,872	_	_	_	1,250
Non-Government Backed CMOs	107,420	34,354	7,598	3,420	3,913	2,200	445	217	337	_	_	54,936
Repurchase Agreements	(8,422)	_	_	_	_	_	_	_	_	_	_	(8,422)
Short-Term Investment Funds	1,397	_	1,397	_	_	_	_	_	_	_	_	_
Funds - Other Fixed Income	1	_	_	_	_	_	_	_	_	_	_	1
Funds - Short Term Investment	210,083	_	_	_	_	_	_	_	_	_	_	210,083
Funds - Corporate Bond Funds -	70	_	_	_	_	_	_	_	_	_	_	70
Municipal / Prov. Bonds	74	_	_	_	_	_	_	_	_	_	_	74
Funds - Govt Agencies	2	_	_	_	_	_	_	_	_	_	_	2
Pooled Investments	1,163,355		777,944	103,470	84,196	18,737	27,233					151,775
Total Credit Risk	-			_	_		_					_
Debt Securities	10,968,474	\$4,682,919	\$2,139,272	\$ 964,259	\$1,444,136	\$609,469	\$385,212	\$89,653	\$ 521	\$221	\$ 1,685	\$ 651,127
US Gov't & Agencies**	2,841,162											
Mutual Funds	226,131											
Total Debt Securities	\$14,035,767											

#### **Major Component Units**

	F	Total air Value	AAA	 AA	 А	BBB
Commercial Paper	\$	13,080	\$ _	\$ _	\$ 13,080	\$ _
Short Term Bills & Notes		2,538	237	_	2,301	_
Government Agencies		6,147	_	6,147	_	_
Corporate Notes		3,887	 	 733	 2,562	592
Total Credit Risk Debt Securities		25,652	\$ 237	\$ 6,880	\$ 17,943	\$ 592
US Gov't & Agencies		38,957				
Total Debt Securities	\$	64,609				

<sup>\*</sup>Ratings are determined in the following order: 1) S&P rating, 2) Moody's rating, 3) Fitch rating, 4) Manager-determined rating (internal rating) and 5) if no ratings are available using steps 1-4, then shown as not rated.

#### FOREIGN CURRENCY RISK

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. Although the State Investment Board does not have a formal investment policy governing foreign currency risk, the board does manage its exposure to fair value loss by requiring their international securities investment managers to maintain diversified portfolios to limit foreign currency and security risk. The Department of Trust Lands treats currency exposure in two different ways, depending on the type of investment. For the Board's international equity portfolio, the currency exposure is not hedged, as currency exposure is one of the items that adds diversity to the overall portfolio. For foreign bonds, the Board fully hedges the currency exposure, as the purpose of this portfolio is to generate more consistent returns.

At June 30, 2024, foreign currency risk exposure on investments managed by the Department of Trust Lands and State Investment Board were as follows (expressed in thousands).

<sup>\*\*</sup>US government agency securities explicitly guaranteed by the US government are categorized here. Credit ratings of US government agency securities that are only implicitly guaranteed by the US government are categorized accordingly in the main body of this table. Implicitly guaranteed agency securities included in the *Gov't Agencies, Gov't Bonds, Gov't Mortgage Backed, Gov't Issued CMB, Index Linked Gov't Bonds, and Short Term Bills and Notes categories are issued by FNMA, FHLB, FHLMC, and SLMA.* 

# **Primary Government (includes Pension and Investment Trust Funds)**

Currency	Short-Term	Debt	Equity	Real Estate	Total
Argentine peso	\$ 1	\$ —	\$ —	\$ —	\$ 1
Australian dollar	(32)	_	65,358	_	65,326
Brazilian real	902	3,349	21,529	_	25,780
British pound sterling	(23,783)	13,946	204,704	_	194,867
Canadian dollar	(13,553)	10,048	124,691	_	121,186
Chilean peso	(273)	_	1,356	_	1,083
Chinese yuan renminbi	283	_	_	_	283
Chinese yuan	_	_	62,714	_	62,714
Columbian peso	_	_	189	_	189
Czech koruna	_	_	83	_	83
Danish krone	(47)	_	72,641	_	72,594
Egyptian pound	_	_	97	_	97
Euro	(58,972)	48,574	457,588	_	447,190
Hong Kong Off-Shore-Chinese yuan remnibi	7,698	_	_	_	7,698
Hong Kong dollar	_	_	39,836	_	39,836
Hungarian forint	1	_	1,767	_	1,768
Indian rupee	8,417	_	8	_	8,425
Indonesian rupiah	2,382	_	1,877	_	4,259
Israeli shekel	_	_	830	_	830
Japanese yen	2,976	(3,552)	351,581	_	351,005
Kuwaiti dinar	_	_	336	_	336
Malaysian ringgit	_	_	893	_	893
Mexican peso	(7,776)	11,933	(779)	_	3,378
New Taiwan dollar	(4,203)	_	· —	_	(4,203)
New Zealand dollar	_	_	454	_	454
Norwegian krone	87	_	13,888	_	13,975
Pakistani rupee	_	_	301	_	301
Philippine peso	_	_	76	_	76
Polish zloty	(2)	_	7,316	_	7,314
Russian Ruble	605	_	3,093	_	3,698
Saudi Arabian riyal	_	_	3	_	3
Singapore dollar	(3,447)	_	12,913	_	9,466
South African rand	_	_	(2,114)	_	(2,114)
South Korean won	(450)	_	76,625	_	76,175
Swedish krona	7	_	55,260	_	55,267
Swiss franc	2	_	114,575	_	114,577
Taiwan dollar	_	_	26,255	_	26,255
Thai baht	(242)	_	8,026	_	7,784
Turkish lira	8,398	_	24,580	_	32,978
UAE dirham	_	_	1	_	1
International commingled					
funds (various currencies)			4,086,118	33,832	4,119,950
Total international investment securities	\$ (81,021)	\$ 84,298	\$ 5,834,669	\$ 33,832	\$ 5,871,778

**Derivative Securities** – Derivatives are financial arrangements between two parties whose payments are based on, or "derived" from, the performance of some agreed upon benchmark. The investment policies of the States' clients allow the use of derivative securities to hedge or replicate underlying exposures but not for speculation. All derivatives are considered investment derivative instruments. The fair value of all derivative securities is reported in the Statement of Net Position. At June 30, 2024, the State had four types of derivative securities: futures, options, swaps and currency forwards.

**Futures** – Futures represent commitments to purchase (asset) or sell (liability) securities at a future date and at a specific price. Futures contracts are traded on organized exchanges (exchange traded) thereby minimizing the States' counterparty risk. The net change in the futures contracts' value is settled daily in cash with the exchanges. Net gains or losses resulting from the daily settlements are included in net change in fair value of investments in the Statement of Changes in Fiduciary Net Position and totaled \$76.6 million for the year ended June 30, 2024. At June 30, 2024, the State investment portfolio had the notional futures shown below (expressed in thousands).

Futures	Notional Value		
Cash and cash equivalent derivative futures			
Long	\$	171,610	
Short		122,023	
Commodity Derivatives Futures			
Short		(18,719)	
Equity derivative futures			
Long		457,320	
Fixed income derivative futures			
Long		289,982	
Short		(305,874)	
Total futures	\$	716,342	

**Options** – Options represent or give buyers the right, but not the obligation, to buy (call) or sell (put) an asset at a preset price over a specified period. Options are traded on organized exchanges (exchange traded) thereby minimizing the States' counterparty credit risk. The option's price is usually a small percentage of the underlying asset's value. As a seller of a financial option, the State, through its investment manager, receives a premium at the beginning of the agreement and bears the risk of an unfavorable change in the price of the financial instrument underlying the option. As a buyer of a financial option, the State, through its investment manager, pays a premium at the beginning of the agreement and the counterparty bears the risk of an unfavorable change in the price of the financial instrument underlying the option. Gains and losses on options are determined based on fair values and recorded with the net change in fair value of investments in the Statement of Changes in Fiduciary Net Position and totaled \$4.9 million. At June 30, 2024, the State had the following option balances (expressed in thousands):

Options	Fair Value		
Cash & Other Options:			
Call	\$	1,349	
Put		42	
Equity Options:			
Call		697	
Fixed Income Options:			
Call		43	
Put		(94)	
Total options	\$	2,037	

**Swaps** – A swap is a derivative in which counterparties exchange certain benefits of one party's financial instrument for those of the other party's financial instrument. Specifically, the two counterparties agree to exchange one stream of cash flows for another stream. The State, through its investment managers, has entered into various swap agreements in an attempt to manage its exposure to interest rate, inflation, credit, currency risk and total return.

Gains and losses on swaps are determined based on fair values and are recorded with the net change in fair value of investments in the Statement of Changes in Fiduciary Net Position and totaled \$1.5 million for the year ended June 30, 2024. The maximum loss that would be recognized at June 30, 2024, if all counterparties failed to perform as contracted is \$2.5 million. Swap fair values are determined by a third party pricing source.

At June 30, 2024, the States' investment portfolio had the swap fair value balances as shown below (expressed in thousands).

### Credit Default Swaps

Counterparty/Moody's Rating	Notio	onal Amount	Expiration Date	Fa	ir Value
Bank of America/Aa2 (7 contracts)	\$	(9,135)	2028 - 2029	\$	314
Barclays Capital Inc/A1 (1 contract)		(3,250)	2029		2
BNP Paribas Sa Paris/Aa3 (1 contract)		(100)	2027		(1)
Citibank/A1 (2 contracts)		(400)	2024 - 2027		(1)
Citigroup Global Markets/A1 (1 contract)		(2,790)	2029		179
Goldman Sachs/A2 (6 contracts)		(1,500)	2027		(11)
JP Morgan Chase/Aa2 (4 contracts)		(13,709)	2024 - 2029		854
Morgan Stanley/A1 (8 contracts)		(11,825)	2026 - 2029		220
Wells Fargo Bank/Aa2 (11 contracts)		1,304	2024 - 2029		(251)
Total credit default swaps	\$	(41,405)		\$	1,305
Interest Rate Swaps					
			Expiration Date		
Counterparty/Moody's Rating	Notio	onal Amount	Range	Fa	ir Value
Bank of America/Aa2 (48 contracts)	\$	229,088	2025 - 2054	\$	2,914
Citigroup Global Markets/A1 (43 contracts)		106,975	2024 - 2054		213
JP Morgan Chase/Aa2 (16 contracts)		100,071	2024 - 2054		547
Morgan Stanley/A1 (61 contracts)		141,878	2024 - 2054		2,527
Wells Fargo Bank/Aa2 (65 contracts)		164,383	2024 - 2054	- <u></u>	3,910
Total Interest Rate Swaps	\$	742,395		\$	10,111
Inflation Swaps					
			Expiration Date		
Counterparty/Moody's Rating		onal Amount	Range		ir Value
Goldman Sachs/A2 (2 contracts)	\$	19,305	2024	\$	(184)
JP Morgan Chase/Aa2 (1 contract)		2,260	2024		(17)
Total Inflation Swaps	\$	21,565		\$	(201)
Total Return Swaps					
			Expiration Date		
Counterparty/Moody's Rating		onal Amount	Range		ir Value
Goldman Sachs/A2 (1 contract)	\$	6,310	2024	\$	(355)
Bank of America/AAa2 (1 contract)		20,035	2024		(932)
Citibank/A1 (2 contracts)		16,910	2024		(415)
JP Morgan Chase/Aa2 (3 contracts)		10,140	2024		(210)
Total Total Return Swaps	\$	53,395		\$	(1,912)

**Currency Forwards** – Currency forwards represent forward exchange contracts that are entered into in order to manage the exposure to changes in currency exchange rates on the currency denominated portfolio holdings. A forward exchange contract is a commitment to purchase (positive) or sell (negative) a currency at a future date at a negotiated forward rate. The gain or loss arising from the difference between the original contracts and the closing of such contracts is included in the net change in fair value of investments in the Statement of Changes in Fiduciary Net Position and totaled \$4.05 million. At June 30, 2024, the States' investment portfolio included the currency forwards balances shown below (expressed in thousands).

Currency	Cost	Purchases	Sales	Fair Value
Australian dollar	\$ (57)	\$ 57	\$ (114)	\$ (57)
Brazilian real	(796)	5,278	(6,075)	(692)
British pound sterling	(12,171)	10,472	(22,643)	(12,054)
Canadian dollar	(1,832)	684	(2,516)	(1,828)
Chilean peso	(279)	_	(279)	(273)
Chinese offshore	(23)	2,384	(2,408)	(24)
Chinese yuan	284	567	(283)	283
Danish krone	(76)	19	(95)	(75)
Euro	(38,647)	21,564	(60,211)	(38,360)
Hungarian Forint	_	2	4	6
Indonesian rupiah	1,018	1,018	_	1,011
Indian rupee	3,506	3,506	_	3,509
Japanese yen	(993)	_	(993)	(978)
Mexican peso	(3,824)	4	(3,828)	(3,871)
Singapore dollar	(846)	841	(1,687)	(842)
South African rand	_	2	4	6
South Korean won	(318)	0	(318)	(318)
Thai baht	(247)	_	(247)	(247)
Taiwan dollar	(2,037)	_	(2,037)	(2,026)
Turkish Lira	3,788	3,788	_	3,869
United States dollar	53,552	103,734	(50,182)	53,552
Total forwards subject to currency risk				\$ 591

**Derivative Interest Rate Risk** – Interest rate risk is the risk that changes in interest rates will adversely affect the value of an interest rate-based derivative investment. The State does not have a formal investment policy regarding such derivative investments. At June 30, 2024, the tables below show the States' derivative investments subject to interest rate risk (expressed in thousands).

	Total Notional Value	31	3 Months or Less		6 to 12 3 to 6 Months Months 1-5 Years						Greater Than 5 Years		
Futures- interest rate contracts Futures- commodity	\$ 277,741	\$	(56,049)	\$	26,669	\$	122,023	\$	185,098	\$	_		
contracts	(18,719)		_		(18,719)		_		_		_		
Total	\$ 259,022	\$	(56,049)	\$	7,950	\$	122,023	\$	185,098	\$			

	To	otal Fair Value	3 N	nonths or Less		3 to 6 Months		6 to 12 Months	1-	-5 Years	5- <sup>-</sup>	10 Years		Greater Than 0 Years
Options - Interest rate contracts	\$	(46)	\$	(102)	\$	41	\$	15	\$	_	\$	_	\$	_
Options on futures		(157)		(26)		82		(213)		_		_		_
Options - Foreign Exchange Contracts		1,533		5		863		665		_		_		_
Options - Credit Contracts		10		7		3		_		_		_		_
Swaps - interest rate contracts		8,199		(1,611)		(405)		(418)		2,204		1,321		7,108
Swaps - credit contracts Total	<u> </u>	1,305	\$	<u> </u>	\$	30 614	\$	<u> </u>	\$	1,275	\$	 1,321	\$	
าบเลา	Φ	10,044	Ψ	(1,727)	Φ	014	Φ	49	<u>Ψ</u>	3,479	φ	1,321	Φ	7,100

Mill and Elevator Derivative Financial Instruments – The fair value balances and notional amounts of derivative instruments outstanding at June 30, 2024, and the changes in fair value of such derivative instruments for the year then ended as reported in the State's financial statements are \$2,636,375, classified as derivative instrument (one contract equals 5,000 bushels) and \$2,636,375, classified as deferred inflow of resources – accumulated increase in fair value of hedging derivatives. The fair value of the grain futures contracts was determined on the Minneapolis Grain Exchange. The daily limit for any trade days margin requirement is \$0.60 per bushel, unless two or more wheat futures contract months within a crop year close at limit bid or limit offer, then the limit will increase by 50% per bushel the next business day. Daily price limits will revert back to \$0.60 per bushel the business day after which no wheat futures contract month closes at the expanded limit bid or limit offer. The Mill has entered into futures contracts for spring wheat to lock in a price for a future delivery or settlement period. These contracts are entered into to protect the Mill against price fluctuation of the commodity. The price protection is needed to cover any long or short positions compared to flour sales. The table below shows the cost and market values of these spring wheat futures as of June 30, 2024.

Month	# of Contracts Long (Short)	Average Cost		F	air Value	A	verage Cost	 Market Value		
Sept 2024	219	\$	6.3746	\$	6.1300	\$	7,201,163	\$ 6,712,350		
Dec 2024	656		6.8753		6.3250		22,497,388	20,746,000		
March 2025	177		6.8803		6.4925		6,089,088	5,745,863		
May 2025	73		6.7316		6.5950		2,457,038	2,407,175		
July 2025	21		6.7451		6.6775		708,238	701,138		
Sept 2025	12		6.5506		6.6175		393,038	397,050		
						\$	39,345,953	\$ 36,709,576		

The Mill is exposed to credit risk on hedging derivative instruments that are in asset positions. All grain futures trades are completed using two different national brokerage firms on the Minneapolis Grain Exchange. ADM Investor Services is rated A by the Standard & Poor's Rating Service. RJ O'Brien is a privately held business and is not rated by the Standard & Poor's Rating Service.

The Mill is exposed to rollover risk on grain futures trades whenever the hedge ration (defined in aggregate of the size across all futures months relative to the underlying net cash position) does not equal 1.0. At June 30, 2024, the table below shows the hedge ratio by futures month going forward:

Period	Hedge Ratio
Sept 2024	1.0
Dec 2024	1.0
March 2025	1.0
May 2025	1.0
July 2025	1.0
Sept 2025	1.0
Net Position	1.0

### C. SECURITIES LENDING

The following represents the balances relating to the securities lending transactions at June 30, 2024 (expressed in thousands).

#### **Primary Government (includes Pension and Investment Trust Funds)**

Securities Lent		Underlying Securities	n-Cash eral Value	Cash Collateral Investment Value		
Lent for cash collateral:						
US agency securities	\$	577	\$ _	\$	599	
US government securities		190,222	70,587		195,653	
US corporate fixed income securities		137,139	39		140,870	
US equities		83,847	_		86,091	
Global government fixed income securities		_	4,747		_	
Global corporate fixed income securities		2,087	_		2,257	
Global government securities		334	_		366	
Lent for non-cash collateral:						
Fair value of securities on loan against non-cash						
collateral		542,495	 480,172			
Total	\$	956,701	\$ 555,545	\$	425,836	

#### D. ENDOWMENT FUNDS

### **UNIVERSITY SYSTEMS**

The endowment funds reported herein are institutional funds under the terms of the gift instrument and are not wholly expendable by the institution. NDCC Section 59-21, the Uniform Prudent Management of Institutional Funds Act (UPMIFA) applies to the investment of endowments governed by a gift instrument. NDUS SBHE policy 810 stipulates endowment funds shall be invested according to the intent of the donor provided such intent is consistent with applicable laws. Absent terms expressing donor intent in a gift instrument, NDUS institution officers initially shall deposit the funds in institution accounts at the Bank of North Dakota. Thereafter, the funds may be invested according to NDCC 59-21. Subject to the intent of the donor, NDUS institution officers are delegated authority to manage and invest these institutional funds as provided by UPMIFA. NDCC Section 59-21-02.5a(7) applies to standard of conduct in the administration of powers to make and retain investments. It states that in managing and investing an institutional fund, the needs of the institution and the fund to make distributions and to preserve capital must be considered. Given the flexibility in NDCC 59-21-02, institutions have differing policies with respect to spending investment income and net appreciation on endowment funds. For UND, distributions for spending endowments each year will be calculated once annually with the quarter ended December 31 unitized fair value and is based on the set spending rate, currently 3.75 percent, applied to the average fair value for the preceding twelve quarter average. All endowment in existence at December 31 for one year will receive a distribution spending allocation. The available amount will be forecast to UND for planning purposes by February 1, and these distributions will be available for spending in the upcoming fiscal year. NDSU determines the spending of endowment earnings based on an annual evaluation.

Net appreciation on investments are available for expenditure and consist of the following at June 30, 2024:

North Dakota State University	\$ 678,950
University of North Dakota	671,697
Total NDUS	\$ 1,350,647

Reflected in net position as:

Expendable scholarships & fellowships

Non-expendable scholarships & fellowships

Endowment funds reported herein do not include the Federal Land Grant Fund held by the State Department of Trust Lands. The annual proceeds from assets held by the Commissioner of the State Department of Trust Lands and are deposited into each college/university's operating fund at the State Treasury and are used for current operating purposes. Bismarck State College, Lake Region State College and Williston State College do not participate in the proceeds allocated by the State Land Department. Total assets held by the State Land Department and proceeds for the fiscal year ended June 30, 2024 are approximately \$262.2 million and \$9.5 million respectively.

### E. RECEIVABLES

Receivables at June 30, 2024, consist of the following (expressed in thousands):

			0	G	Other overnmental	Ва	ank of North		Housing
	 General	 Federal	 State		Funds		Dakota	_	Finance
Receivables:									
Accounts	\$ 41,001	\$ 16,877	\$ 263,766	\$	_	\$	_	\$	1,616
Less Allowance	(12,403)	(10,837)	(94,490)		_		_		_
Taxes	555,175	_	246,697		115		_		_
Less Allowance	(113,865)	_	(1,865)		_		_		_
Interest	40,366	_	22,190		385		70,332		32
Less Allowance	_	_	(9,087)		_		_		_
Lease Receivable	_	8	_		_		_		_
Intergovernmental	_	338,214	16,478		_		_		438
Less Allowance	_	_	(52)		_		_		_
<b>Current Loans and Notes</b>	34	28	4,642		38,680		5,607,506		_
Less Allowance	_	_	(415)		_		_		_
Noncurrent Lease Receivable	265	_	315		_		_		_
Noncurrent Loans and Notes	_	134	11,975		_		_		_
Noncurrent Restricted Loans Receivable	_	_	_		_		_		1,871,304
Less Allowance	_	_	_		_		(99,865)		(19,616)
Restricted Interest	_	_	_		193		_		8,910
Restricted Loans	_	_	_		_		_		40,820
Net Receivables	\$ 510,573	\$ 344,424	\$ 460,154	\$	39,373	\$	5,577,973	\$	1,903,504

	University System	Workforce Safety & Insurance	Other Enterprise Funds	Internal Service Funds	Major Component Units	Total	
Receivables:							
Accounts	\$ 48,414	\$ 24,457	\$ 132,493	\$ 184	\$ 37	\$ 528,845	
Less Allowance	(8,996)	(12,000)	(20,624)	_	_	(159,350)	
Taxes	_	_	_	_	_	801,987	
Less Allowance	_	_	_	_	_	(115,730)	
Interest	_	10,356	6,032	63	388	150,144	
Less Allowance	_	_	_	_	_	(9,087)	
Lease Receivable	32	_	185	_	_	225	
Intergovernmental	56,731	_	719	942	_	413,522	
Less Allowance	_	_	_	_	_	(52)	
<b>Current Loans and Notes</b>	2,626	_	72,276	_	1,209	5,727,001	
Less Allowance	_	_	_	_	_	(415)	
Noncurrent Lease Receivable	767	_	177	_	_	1,524	
Noncurrent Loans and Notes	8,718	_	663,757	_	54,502	739,086	
Noncurrent Restricted Loans Receivable	_	_	_	_	112,089	1,983,393	
Less Allowance	(742)	_	(16,792)	_	(21,469)	(158,484)	
Restricted Interest	_	_	_	_	5,583	14,686	
Restricted Loans			53		5,242	46,115	
Net Receivables	\$ 107,550	\$ 22,813	\$ 838,276	\$ 1,189	\$ 157,581	\$ 9,963,410	

The expected future principal and interest payments on lease receivables is as follows (in thousands):

		Governmen	<u>ıtal Activiti</u>	es		Business-Type Activities				
Year ending:	Pr	<u>incipal</u>	<u>Int</u>	erest	Pri	ncipal	<u>Interest</u>			
2025	\$	418	\$	21	\$	216	\$	8		
2026		83		11		919		2		
2027		83		7		17		1		
2028		12		4		8		_		
2029										
Total	\$	596	\$	43	\$	1,160	\$	11		

### F. REVERSE REPURCHASE AGREEMENTS

State statutes permit the State to enter into reverse repurchase agreements, that is, the sale of securities with a simultaneous agreement to repurchase them in the future at the same price plus a contract rate of interest. The fair value of the securities underlying reverse repurchase agreements normally exceeds the cash received, providing the dealers a margin against a decline in fair value of the securities. All sales of investments under these agreements are for fixed terms. In investing the proceeds of these agreements, State policy is for the term to maturity of the investment to be the same as the term of the agreement. Such matching existed at year end. These agreements are secured by Fed book-entry securities held in the State's name. At June 30, 2024, the State had no repurchase agreements.

### G. INTERFUND ACCOUNTS AND TRANSFERS

### DUE FROM OTHER FUNDS/DUE TO OTHER FUNDS

Interfund balances at June 30, 2024 of the following (expressed in thousands):

Due To General Fund From:

Federal Fund	\$ 45,636
State Fund	32,110
Bank of North Dakota	6,299
Nonmajor Enterprise Funds	30,045
All Others	 2,361
Total Due To General Fund	\$ 116,451

Included in the Nonmajor Enterprise Funds amount is a loan to the Rebuilder's Loan Program for \$11,535,000. This is not expected to be repaid within one year.

Due To Federal Fund From:			
General Fund	\$ 3,098	General Fund	\$ 690
State Fund	73,881	Federal Fund	28,135
All Others	 2,219	Internal Service Funds	155
Total Due To Federal Fund	\$ 79,198	Nonmajor Enterprise Funds	1,046
		All Others	 1,242
Due to Enterprise Fund From:		Total Due To State Fund	\$ 31,268
Federal Fund	\$ 852		 
All Others	 399		
Total Due to Enterprise Fund	\$ 1,251		
Due To Internal Service Funds From:		Due To Bank of North Dakota From:	
General Fund	\$ 5,295	State Fund	\$ 13,362
State Fund	4,271	Nonmajor Enterprise Funds	123,670
University System	1,348	University System	1,635
Federal Fund	800	General Fund	468
All Others	1,078	All Others	897
	\$ 12,792	Total Due To Bank of North Dakota	\$ 140,032

Included in the Nonmajor Enterprise Funds amount is a loan to the Rebuilder's Loan Program for \$27,000 which is expected to be repaid within one year.

Due To University System From:	
General Fund	\$ 7,897
Federal Fund	34,279
State Fund	2,123
Bank of North Dakota	801
All Others	 136
Total Due To University System	\$ 45,236
Due To All Other Funds From:	

Included in this category are all other enterprise funds and fiduciary funds.

All Other

These balances are a result of a time lag between the dates that (1) services are provided and goods received or reimbursable expenditures occur, (2) the payments are made, (3) the transactions are entered into the accounting system, and (4) because of transactions occurring between funds with a fiscal year other than June 30, 2024.

A reconciliation of Due From's and Due To's is presented below (expressed in thousands):

Due From's		\$ 426,560
General Fund/Bank of ND	(6,299)	
Bank of ND/ Mill and Elevator	(6,625)	
Bank of ND/Rebuilder's Loan	27	
Bank of ND/University System	(860)	
Bank of ND/Guaranteed Student Loan	_	
Governmental Agencies/Bank of ND	(526)	
Bank of ND/Enterprise Funds	8,686	
Total Differences		(5,597)
Due To's		\$ 420,963

The previous table represents timing differences between agencies as a result of different fiscal year ends. Those agencies with a different fiscal year end include: Bank of North Dakota and the following Nonmajor Enterprise Funds: Guaranteed Student Loan and Community Water Facility Loan, which have a December year end and State Fair, which has a September year end.

#### **INTERFUND TRANSFERS**

A summary of interfund transfers for the fiscal year ended June 30, 2024, follows (expressed in thousands):

	General	Special Revenue Federal	Special Revenue State	University System	Housing Finance	Non- major Governmental	Non- major Enterprise	Pension Trust Fund	Internal Service Fund	Total
Transfers Out										
General	\$ —	\$ 6	\$ 128,858	\$ 511,895	\$ 1,151	\$ 104,001	\$ 56,990	\$ —	\$ —	\$ 802,902
Special Revenue- Federal	1,095	_	34,775	_	_	_	_	_	_	35,871
Special Revenue- State	107,500	1,307	_	194,638	_	206	120,000	138,000	4,781	566,431
Non-major Governmental	1,237	_	26,662	42,665	_	7	34,782	_	_	105,353
Bank of North Dakota	140,000	_	33,638	2,600	_	_	52,000	_	_	228,238
Housing Finance	_	_	100	_	_	_	_	_	_	100
University System	_	_	_	_	_	6,553	_	_	_	6,553
Non-Major Enterprise	18,478		2,480							20,957
Total	\$ 268,310	\$ 1,312	\$ 226,513	\$ 751,799	\$ 1,151	\$ 110,767	\$ 263,772	\$ 138,000	\$ 4,781	\$1,766,405

(Transfers In do not agree to the statements due to the timing differences noted below.)

Transfers are used for the following purposes:

- Move general fund appropriation amounts to certain agencies.
- Move revenues from the fund that statute requires to collect them to the fund authorized to spend them.
- Move certain excess revenues collected in other funds to the general fund.
- Move receipts restricted for debt service from the funds collected to the debt service funds as payments become due, and move capital project funds paying the construction costs.

For the year ended June 30, 2024, legislatively-mandated transfers were made to the general fund of \$25,000,000 from Strategic Investment and Improvement Fund, \$254,474,088 from Legacy Fund, \$8,600,000 from the State Lottery, \$9,877,705 from Mill and Elevator, \$6,106,940 from the Insurance Regulatory Trust Fund, \$736,399 from the Multistate Audit Fund, \$10,734,106 from the Securities Dept. Special Fund and \$58,328,500 from the Budget Stabilization Fund.

A reconciliation of Transfers In and Transfers Out is presented below (expressed in thousands):

	\$ (1,609,180)
Differences:	
General Fund / Bank of North Dakota	(140,000)
Spec. Rev. Hwy Fund / Legacy Bond Program	1,360
Spec. Rev. Ag Pace / Bank of North Dakota	500
Spec. Rev. PACE / Bank of North Dakota	(8,000)
Spec. Rev. Beg. Farmers Loan / Bank of North Dakota	1,500
Spec. Rev. Beg. Farmers Loan / Ag PACE	1,000
Spec. Rev. Beg. Farmers Loan / PACE	400
NDIT - SIRN Fund / Bank of North Dakota	20,000
Infrastructure Revolving Loan Fund / Legacy Bond Program	(22,459)
BND Infrastructure Revolving Loan Fund / Legacy Bond	(11,524)
Federal fund	(2)
Total Differences	(157,225)
Transfers Out	\$ (1,766,405)

The above timing differences of \$130.78 million result from transactions between agencies that have different fiscal year ends. The Bank of North Dakota (BND) has a different fiscal year end, they have a December year end. This difference is also the total net transfers on the Government-wide Statement of Activities.

### H. CAPITAL ASSETS

The following is a summary of capital assets during the fiscal year (expressed in thousands):

**Primary Government** 

Description	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024
Governmental Activities:	July 1, 2023	IIIOI Cases	Decreases	Julie 30, 2024
Capital Assets Not Being Depreciated				
Land	\$ 165,855	\$ 9,209	\$ —	\$ 175,064
Construction in Progress	487,745	436,381	(197,420)	726,706
5	653,600	445,590	(197,420)	901,770
Total Capital Assets Not Being Depreciated Capital Assets Being Depreciated:	033,000	443,390	(197,420)	901,770
Buildings and Improvements	829,014	17,258	(1,300)	844,972
	•	·	,	,
Equipment	409,477	43,286	(19,109)	433,654
Intangibles	444 200	40 400	(400)	457.050
Software	444,380	13,438	(468)	457,350
Other	41,379	1,421		42,800
Infrastructure	8,000,879	259,983	(300)	8,260,562
Lease Assets	55,958	9,086	(1,289)	63,755
Subscription-Based IT Arrangements	72,187	24,616	(2,492)	94,311
Total Capital Assets Being Depreciated	9,853,274	369,088	(24,958)	10,197,404
Less Accumulated Depreciation for:				
Buildings and Improvements	(399,272)	(21,685)	1,057	(419,900)
Equipment	(210,077)	(29,277)	14,797	(224,557)
Intangibles				
Software	(218,832)	(39,626)	463	(257,995)
Other	(30,760)	(1,672)	_	(32,432)
Infrastructure	(3,580,713)	(173,722)	275	(3,754,160)
Lease Assets	(16,875)	(10,041)	988	(25,928)
Subscription-Based IT Arrangements	(14,770)	(18,891)	2,184	(31,477)
Total Accumulated Deprecation	(4,471,299)	(294,914)	19,764	(4,746,449)
Total Capital Assets Being Depreciated, Net	5,381,975	74,174	(5,194)	5,450,955
Governmental Activities Capital Assets, Net	\$ 6,035,575	\$ 519,764	\$ (202,614)	\$ 6,352,725

		Balance			_			Balance
Description To A (1) (1)		ıly 1, 2023		Increases		ecreases	JU	ine 30, 2024
Business-Type Activities:								
Capital Assets Not Being Depreciated								
Land	\$	26,979	\$	1,725	\$	_	\$	28,704
Construction in Progress		332,665		201,127		(261,549)		272,243
Total Capital Assets Not Being Depreciated		359,644		202,852		(261,549)		300,947
Capital Assets Being Depreciated:								
Buildings and Improvements		2,149,845		257,301		(10,294)		2,396,852
Equipment		641,183		37,259		(15,396)		663,046
Intangibles								
Software		27,963		242		(3,825)		24,380
Other		41,264		4,117		_		45,381
Infrastructure		319,085		11,473		(1,177)		329,381
Lease Assets		102,008		43,574		(35,711)		109,871
Subscription Based IT Arrangements		34,039		5,227		(1,694)		37,572
Total Capital Assets Being Depreciated		3,315,387		359,193		(68,097)		3,606,483
Less Accumulated Depreciation for:								
Buildings and Improvements		(827,071)		(55,599)		7,651		(875,019)
Equipment		(430,452)		(32,617)		12,361		(450,708)
Intangibles								
Software		(26,778)		(321)		3,825		(23,274)
Other		(28,600)		(4,216)		_		(32,816)
Infrastructure		(150,966)		(9,423)		589		(159,800)
Lease Assets		(25,560)		(18,111)		10,763		(32,908)
Subscription Based IT Arrangements		(9,376)		(10,240)		981		(18,635)
Total Accumulated Deprecation		(1,498,803)		(130,527)		36,170		(1,593,160)
Total Capital Assets Being Depreciated, Net		1,816,584		228,666		(31,927)		2,013,323
Business-Type Activities Capital Assets, Net	\$	2,176,228	\$	431,518	\$	(293,476)	\$	2,314,270
							_	
Major Component Units								
		Balance						Balance
<u>Description</u>	Ju	ıly 1, 2023		Increases		ecreases	Ju	ine 30, 2024
Capital Assets Not Being Depreciated								
Land	\$	15,149	\$	_	\$	(1,115)	\$	14,034
Construction in Progress		11,391		9,423		(800)		20,014
Total Capital Assets Not Being Depreciated		26,540		9,423		(1,915)		34,048
Capital Assets Being Depreciated:		<u> </u>		<u> </u>				<u> </u>
Buildings and Improvements		219,968		1,901		(1,315)		220,554
Equipment		54,687		6,347		(1,504)		59,530
Intangibles		203		, <u> </u>				203
Infrastructure		1,888		_		(107)		1,781
Total Capital Assets Being Depreciated		276,746		8,248		(2,926)		282,068
Less Accumulated Depreciation for:						(=,==)		
Buildings and Improvements		(97,249)		(6,952)		73		(104,128)
Equipment		(28,240)		(3,452)		1,105		(30,587)
Intangibles		(98)	\$	(41)		.,100		(139)
Infrastructure		(908)	Ψ	(37)		51		(894)
Total Accumulated Deprecation		(126,495)		(10,482)		1,229		(135,748)
Total Capital Assets Being Depreciated, Net		150,251		(2,234)		(1,697)		146,320
	<u> </u>	-	Ф.		ф		Ф	
Major Component Unit Capital Assets, Net	\$	176,791	\$	7,189	<u>\$</u>	(3,612)	Φ	180,368

Lease asset by major class are as follows (expressed in thousands):

Governmental Activities:

Business-Type Activities:

Asset Class	Cost	cumulated nortization	Asset Class	Cost	cumulated nortization
Land	\$ 87	\$ 	Land	\$ 20,539	\$ (3,528)
Buildings	58,612	(23,801)	Buildings	8,323	(2,379)
Infrastructure	_	_	Infrastructure	29,485	(8,485)
Equipment	 5,057	 (2,128)	Equipment	 51,523	 (18,516)
	\$ 63,756	\$ (25,929)		\$ 109,870	\$ (32,908)

Depreciation and amortization expense was charged to functions/programs of the primary government as follows (expressed in thousands):

Governmental Activities:	
General Government	\$ 26,928
Education	3,102
Health and Human Services	40,256
Regulatory	4,138
Public Safety and Corrections	18,449
Agriculture and Commerce	368
Natural Resources	21,443
Transportation	174,718
Total Governmental Activities Depreciation Expense	\$ 289,402

The State incurred variable payments of \$8.78 million on subscription based information technology arrangements for the year ended June 30, 2024. The variable terms include the number of users.

Construction In Progress is composed of the following (expressed in thousands):

### **Project Description:**

			Amount Expended	
Governmental Activities	Amou	unt Authorized	Through June 30, 2024	Balance Authorized
Secretary of State	\$	1,720	\$ 188	\$ 1,532
Office of Management and Budget		16,800	715	16,085
Information Technology		100,000	20,333	79,667
Attorney General		425	203	222
Legislative Assembly		4,817	2,608	2,209
School for the Deaf		565	480	85
Veteran's Home		2,164	79	2,085
Environmental Quality		2,341	1,610	731
Department of Human Services		222,000	21,001	200,999
Highway Patrol		3,686	3,177	509
Corrections and Rehabilitation		138,757	5,748	133,009
Adjutant General		46,891	19,583	27,308
State Historical Society		75,497	915	74,582
Game and Fish		5,031	2,300	2,731
Parks & Recreation		31,390	2,867	28,523
Water Commission		1,800	6	1,794
Department of Transportation		918,508	644,920	273,588
Total Governmental Activities	\$	1,572,392	\$ 726,733	\$ 845,659

	Amount Expended								
Business-Type Activities	Amour	nt Authorized	Throug	h June 30, 2024	Bala	nce Authorized			
Mill and Elevator	\$	67,470	\$	39,297	\$	28,173			
University System		825,208		232,087		593,121			
Total Business-Type Activities	\$	892,678	\$	271,384	\$	621,294			

### I. DEFERRED OUTFLOWS OF RESOURCES

#### FINANCIAL DERIVATIVE INSTRUMENT

The State enters into interest rate swap agreements to modify interest rates on certain liabilities. The fair values of both hedging derivatives and investment derivatives (if any) are presented on the Statement of Net Position, either as a derivative liability (negative fair value) or as a derivative asset (positive fair value). The change in the total fair value of derivatives that are determined to be effective hedges is recorded as a deferred inflow or outflow of resources on the Statement of Net Position. If a derivative were determined to be an ineffective hedge, it would be classified as an investment derivative, and the change in the total fair value would be presented as part of investment earnings.

### **DEFERRED LOSS ON BOND REFUNDING**

A deferred charge on refunded debts results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

#### J. LONG-TERM DEBT

Debt authorized is generally limited by the state constitution. The Constitution of North Dakota provides that the State may issue or guarantee the payment of bonds, provided that all bonds in excess of \$2 million are: (1) secured by first mortgage upon property and no further indebtedness may be incurred by the State unless evidenced by a bond issue; (2) authorized by law; (3) for a certain purpose; (4) provisioned to pay the interest semiannually; and (5) the principal is paid within 30 years. Additionally, the law authorizing the bond issue must specifically appropriate the provisions to the payment of the principal and interest of the bond.

### 1. REVENUE BONDS

Bonds payable at June 30, 2024, consisted of bonds issued by the State and are accounted for by the respective state agencies in the government-wide financial statements that issued the bonds.

Current state statutes empower certain state agencies to issue bonds as part of their activities. This debt is not backed by the full faith and credit of the State of North Dakota. The principal and interest on such bonds shall be payable only from the applicable agency's program income.

### **Primary Government**

### **Building Authority**

The 2010 Series A and B, the 2012 Series A, the 2017 Series A bonds and the 2020 Series A have interest payable semiannually on June 1 and December 1 of each year. The 2010 Series A bonds are subject to optional redemption in whole or in part. The 2017 Series A bonds and 2020 Series A are not subject to optional and/or extraordinary optional redemption prior to maturity upon the occurrence of certain events. All bonds are independently secured by the funds, certain mortgaged property, and all rights, titles, and interests of the Building Authority as lessor, including all basic rent payments, investment earnings on the funds and any other income derived by the Building Authority with respect to the lease. Total net revenue pledges for fiscal year 2024 were \$10.06 million. For fiscal year 2024, principal and interest paid by the Authority on the bonds was \$10.03 million. The total principal and interest remaining to be paid as of June 30, 2024, is \$103.829 million payable through December 2040.

The 2010 bond agreements require the establishment and maintenance of reserve funds to be used for debt service payments if amounts in the bond funds are insufficient to make payments. Fund are also required for any positive arbitration due to the Federal government.

#### Legacy Bond Program

The appropriation bonds have been issued to provided financing to legislative approved state projects and programs. The bonds are limited obligations of the Public Finance Authority and payable solely from funds appropriated by the Legislative Assembly, other legally available funds, if any, and other fund or amounts held by the Trustee as security for the bonds. The total principal and interest remaining to be paid as of June 30, 2024 is \$934.9 million through June 2041.

#### Student Loan Trust

Interest is payable semiannually on June 1 and December 1 of each year. The 2004 Series A Bonds are variable rate bonds. The rate of interest is determined based on one-month SOFR plus 0.7%. The maximum rate of interest is 12% per annum. Details of the terms and provisions of the variable rate bonds are outlined in Section 2.1 of the Fourth Supplemental Resolution to the State of North Dakota Student Loan Revenue Bonds First General Bond Resolution. Section 2.2 of the Fourth Supplemental Resolution to the State of North Dakota Student Loan Revenue Bonds First General Bond Resolution has deemed these to be Federally Taxable Bonds. The Series 2004 Bonds are subject to redemption prior to maturity at the option of the Commission from any source of funds, in whole or in part, on any date at a redemption price equal to 100% of the principal amount plus accrued interest to date of redemption.

The total principal and interest remaining to be paid on the outstanding bond is \$1 million payable through June 2029. For fiscal year 2024, revenue pledged and total principal and interest paid by Student Loan Trust were \$38,000 and \$61,000, respectively.

#### Housing Finance

Housing Finance Bonds were issued to provide financing to purchase mortgage loans to finance rental housing projects. The bonds are the direct obligation of the Housing Finance Agency and are secured by the mortgage loans purchased under the applicable resolutions; the revenues, prepayments, insurance and foreclosure proceeds received related to the mortgage loans; and certain funds and accounts established pursuant to the applicable bond resolution.

Revenues Pledged – The agency has homeownership bonds outstanding in the amount of \$1.9 billion maturing at various times from July 1, 2024 through July 1, 2054. The bonds have been issued to provide financing to purchase mortgage loans. Annual principal and interest payments on the bonds are expected to require 98 percent of net revenues. Principal and interest paid for the current year and total customer net revenues were \$121.8 million and \$45.9 million, respectively. Bond principal was reduced through customer revenues and the refunding of older bonds with proceeds from new bond issues.

Pursuant to the Series Resolutions adopted to date and under the 1994 and 2009 General Resolutions, the revenues generated by the Program Loans (but not the Program Loans themselves) are pledged to secure the Bonds. The Agency is permitted by terms of the General Resolutions to issue Bonds and pledge Revenues pursuant to the Series Resolution which exceed the amount required to meet the obligations of that Series of Bonds. In such event, it is likely that any such Series of bonds would produce excess Revenues which could be available to redeem the related Series of bonds or any other Series of Bonds prior to the state maturities thereof.

### **University System**

Revenue bonds are limited obligations of the University System. The principal and interest on the bonds are payable generally from the net income of specific auxiliary activities, designated student fees, interest subsidies and debt service reserve funds. These revenues are generally pledged to the payment of bonds in accordance with the specific terms of the specific indenture. Net pledged revenues for fiscal year 2024 were \$20.6 million. Principal and interest paid for the current fiscal year were \$20.6 million, with total remaining principal and interest of \$335.9 million payable through fiscal year 2050.

### State Fair Association

Capital Financing Program Bonds Series 2015 – Interest is payable semi-annually on June 1 and December 1 of each year. The bonds maturing on June 1, 2026 and thereafter are subject to optional redemption on June 1, 2025 and any date thereafter. The bonds are secured by the Association's net revenues and by the lodging tax proceeds from the City of Minot, North Dakota.

### **Major Component Units**

#### Public Finance Authority

The bonds of the Public Finance Authority were issued to provide financing to purchase municipal securities in order to provide local political subdivisions with funds to finance local projects. The bonds are direct obligations of the Public Finance Authority and are secured by municipal securities purchased under the applicable resolutions, interest earnings and certain accounts established pursuant to the applicable bond resolutions. Net pledged revenues for fiscal year 2024 were \$7.3 million. Principal

and interest paid for the current fiscal year were \$47.5 million, with total remaining principal and interest of \$537.9 million payable through June 2045.

Transmission Authority

The bonds of the Transmission Authority were issued to provide facilitate the purchase of a transmission line. The bonds are direct obligations of the Transmission Authority and are secured by Nexus Line, LLC. Net pledged revenues for fiscal year 2024 were \$5.1 million. Principal and interest paid for the current fiscal year was \$10.6 million, with total remaining principal and interest of \$191.2 million payable through June 2042.

Revenue Bonds outstanding (expressed in thousands):

### **Primary Government**

	Maturities	Interest Rates	Balance 6/30/24	
Governmental-Type Activities:				
Building Authority	2025-2041	3.50-6.25	\$ 74,211	
Legacy Bond Fund	2025-2041	0.87 - 4.8	680,486	
Business-Type Activities:				
Student Loan Trust	6/1/2029	6.03	1,000	1)
Housing Finance:				
Homeownership	2025-2055	0.20-6.25	1,938,268	1)
University System:				2)
BSC—Bismarck	2025-2033	2.00-4.00	5,150	
Dakota College at Bottineau	2025-2026	2.00-5.00	2,435	
MaSU—Mayville	2025-2030	1.25-3.25	1,420	
MiSU-Minot	2025-2041	0.40-3.00	6,982	
NDSCS—Wahpeton	2025-2037	3.00	5,787	
NDSU—Fargo	2025-2047	1.10-5.00	99,491	
UND—Grand Forks	2025-2050	0.75-5.00	156,338	
VCSU—Valley City	2025-2046	3.00-4.00	4,389	
Williston State College	2025-2041	3.10	4,713	
State Fair Association	2024-2029	3.00	995	
Total Revenue Bonds Payable— Primary Government			\$ 2,981,665	

- 1) Entire amount of bonds payable are not associated with capital assets of the State.
- At June 30, 2024, NDSU had pledged \$11.1 million of assets as collateral for bonds payable issued at the Research I and Research II buildings and \$721,000 for agricultural equipment leases. UND pledged \$6.9 million for the Tech Accelerator Building, \$942,000 for an airport hangar and \$6.4 million for aircraft simulator and information technology and research equipment leases.

The MiSU and VCSU bonds as well as the BSC 2012 bond issue contain a provision that in the event of default, outstanding amounts become immediately due if the institutions are unable to make payment.

DCB and NDSCS contain a provision that the bond owners or a court appointed trustee may pursue any available legal remedy.

The BSC 2012 and the MISU bond issues are subject to redemption in the event of any loss, damage or destruction.

The MaSU, NDSU, UND and WSC bonds contain a provision that the bond owners or a court appointed trustee may purse any available legal remedy.

The NDSU bonds payable to component units are payable through the monies received from the operating lease between the component unit and NDSU. In the event of NDSU's failure to pay the rent under the lease, the component unit may declare all rent due and payable for the remaining term of the lease, subject to available appropriations. The component unit may take possession of the facilities.

### **Major Component Units**

	Maturities	Interest Rates	Balance 6/30/24
Public Finance Authority	2025-2045	0.24-5.00	\$ 439,817
Transmission Authority	2025-2042	3.55	139,600
University System Foundation	2025-2040	0.75-5.01	54,241
Total Revenue Bonds Payable— Major Component Units			\$ 633,658

Debt service requirements to maturity on revenue bond issues for the fiscal years ending June 30 are summarized below (expressed in thousands):

### **Primary Government**

	Governmental Activities					Business-Type Activities						
		Principal		Interest				Principal		Interest		
2025	(	31,420	\$	26,596	2025		\$	71,737	\$	78,449		
2026		33,065		25,811	2026			73,318		78,843		
2027		33,965		24,954	2027			77,629		76,936		
2028		34,955		24,006	2028			70,242		74,897		
2029		36,010		22,971	2029			68,638		73,165		
2030 - 2034		198,110		96,666	2030 - 2034			341,277		334,283		
2035 - 2039		226,631		59,084	2035 - 2039			381,405		276,892		
2040 - 2044		145,170		12,289	2040 - 2044			383,318		207,609		
2045 - 2049		_		_	2045 - 2049			437,875		126,925		
2050 - 2054		_		_	2050 - 2054			293,511		38,550		
2055 - 2059		_		_	2055 - 2059			5,380		163		
<b>Bond Premium</b>		15,371		(15,371)	<b>Bond Premium</b>			22,638		(22,638)		
Total	3	754,697	\$	277,006			\$	2,226,968	\$	1,344,074		

### **Major Component Units**

		_
	Principal	Interest
2025	\$ 33,445	\$ 23,848
2026	39,144	23,750
2027	38,678	21,713
2028	40,311	20,042
2029	45,462	18,295
2030 - 2034	186,776	62,948
2035 - 2039	148,224	27,672
2040 - 2044	50,572	5,304
2045 - 2049	4,379	220
Bond Premium	46,667	 (46,667)
Total	\$ 633,658	\$ 157,125

### 2. NOTES PAYABLE

The following is a schedule of notes payable outstanding at June 30, 2024 (expressed in thousands):

#### **Primary Government**

	Maturities	Interest Rates	_	Balance 5/30/24
Governmental Activities:			_	
Office of Management and Budget	2025-2034	2.43	\$	8,504
Department of Human Services	2025-2035	2.05-3.65		2,553
School for the Blind	2025-2037	2.60		111
Environmental Quality	2025-2035	3.65		394
Attorney General's Office	2025-2036	2.05		220
Veteran's Home	2025-2036	2.05		598
Corrections	2025-2036	2.05		895
Historical Foundation	2025-2033	2.05		75
Information Technology Department	2025-2026	0.00-3.20		906
Proprietary Activities:				
Bank of North Dakota	2024	5.64		25,000 <sup>1)</sup>
University System	2025-2037	1.00-5.25		19,013
Total Revenue Bonds Payable—				
Primary Government			\$	58,269
Major Component Units				
		Interest		Balance
	Maturities	Rates		6/30/24
University System Foundation	2025-2036	0.95-4.35	\$	48,389
Total Revenue Bonds Payable— Major Component Units			\$	48,389

These notes payable represent FHLB long-term advances. The advances must be secured by minimum qualifying collateral maintenance levels. Residential, agriculture and commercial loans with carrying values of \$864.4 million are currently being used as security to meet these minimum levels.

### Short Term Borrowings:

The Bank of North Dakota had FHLB short-term advances outstanding as of December 31, 2023 that all matured in January 2024.

The ND Housing Finance Agency maintains a collateral pledge agreement with the FHLB covering secured advances whereby the Agency has agreed to retain residential real estate loans and marketable securities, free of all other pledges, liens and encumbrances. The pledged loans and securities are discounted by FHLB when determining their borrowing capacity. The aggregate borrowing capacity of eligible collateral was approximately \$14.6 million as of June 30, 2024. In addition, borrowings are collateralized by \$23 million of loans receivable and \$17,000 of cash and investments.

Debt service requirements to maturity for notes payable for the fiscal years ending June 30 are summarized below (expressed in thousands):

### **Primary Government**

	Government	al Activities				Business	-Тур	e Activities	
		Principal	Inte	rest				Principal	Interest
2025	\$	1,608	\$	348	2025		\$	28,688	\$ 581
2026		1,628		316	2026			3,166	471
2027		1,205		276	2027			3,218	399
2028		1,248		244	2028			2,038	314
2029		1,281		212	2029			1,528	263
2030 - 2034		6,554		449	2030 - 2034			5,047	773
2035 - 2039		732		24	2035 - 2039			328	3
2040 - 2044		_		_	2040 - 2044			_	_
2045 - 2049		_		_	2045 - 2049			_	_
2050 - 2054		_		_	2050 - 2054			_	_
2055 - 2059		_		_	2055 - 2059			_	_
2060 - 2064		_		_	2060 - 2064			_	_
Total	\$	14,256	\$	1,869			\$	44,013	\$ 2,804

### **Major Component Units**

	Principal	Interest
2025	\$ 3,831	\$ 297
2026	10,780	765
2027	9,347	574
2028	5,122	364
2029	5,394	291
2030 - 2034	3,956	226
2035 - 2039	6,337	459
2040 - 2044	1,688	215
2045 - 2049	1,533	86
2050 - 2054	401	2
Total	\$ 48,389	\$ 3,279

### 3. CERTIFICATES OF PARTICIPATION

### **Primary Government**

#### University System

On September 1, 2018, the University of North Dakota (UND) entered into a lease-purchase agreement with Johnson Controls PI Project Site Operations, LLC (Johnson Controls) to construct and operate a new steam plant and make other energy conservation improvements. To fund the project, UND issued Series 2018A and 2018B Certificates of Participation through Trust Agreement with the Bank of North Dakota, as the Trustee. The certificates are subject to annual appropriations by the North Dakota Legislature as part of the general operating appropriations.

The Series 2018A certificates were issued at a par value of \$76.6 million, with a net premium of \$3.8 million. In fiscal year 2019, UND began making semi-annual interest-only payments through fiscal year 2040. The first principal payment will be due in fiscal year 2041. The certificates mature in fiscal year 2057.

The Series 2018B certificates were issued at a par value of \$16.5 million, with no premium or original issue discount. In fiscal year 2019, UND began making semi-annual interest-only payments through fiscal year 2023. The first principal payment will be due in 2024. The certificates mature in fiscal year 2041.

On July 26, 2021, UND issued tax-exempt Certificates of Participation, Series 2021A, in the amount of \$133,010,000 to fund the costs of a major renovation to student housing facilities; demolition of nine student housing facilities based upon student demand; and the construction of a new 400 and 477-bed student housing facility.

JCP University Housing Services, LLC (JCP USH) and UND entered a lease-purchase agreement in which the institution will initially lease the project from JCP USH. The title to the real estate on which the project is constructed will remain with the institution. The initial term of the lease commences on June 30, 2023, with extensions through June 30, 2061.

The Series 2021A certificates were issued at a par value of \$133.0 million, with a net premium of \$9.0 million. The certificates have interest rates ranging from 4.0 to 5.0 percent and are subject to annual appropriations by the North Dakota Legislature as part of the general operating appropriations.

The first principal and interest payments are due in the fiscal year 2024. The certificates mature in the fiscal year 2061.

The Series 2021B certificates were issued at a par value of \$18.3 million. The certificates have interest rates ranging from 0.42 to 2.34 percent and are subject to annual appropriations by the North Dakota Legislature as part of the general operating appropriations. The first principal payment was due April 1, 2022 and certificates mature in the fiscal year 2034.

On August 22, 2019, WSC entered into a lease-purchase agreement with Johnson Controls, Inc., to fund the costs of certain energy conservation improvements including, but not limited to, renovations to existing heating, ventilation, and air conditioning systems and controls, deferred maintenance improvements. To fund the project, WSC issued Series 2019 Certificates of Participation through the Bank of North Dakota. The certificates have interest rates ranging from 3.0 to 5.0 percent and are subject to annual appropriations by the North Dakota Legislature as part of the general operating appropriations.

The Series 2019 certificates were issued at a par value of \$7.4 million, with a net discount of \$78,000. In fiscal year 2020, WSC made an interest only payment with semi-annual principal and interest payment beginning fiscal year 2021 through fiscal year 2048.

The following is a schedule of certificates of participation outstanding at June 30, 2024 (expressed in thousands):

### **Primary Government**

	Maturities	Interest Rates	Bala	nce 6/30/24
Proprietary Activities:				
University System	2025-2063	0.42 - 5.00	\$	251,166

Debt service requirements to maturity on the certificates of participation for the fiscal years ending June 30 are summarized below (expressed in thousands):

### **Primary Government**

В	usiness-Type	Activities					
	F	Principal	Interest			Principal	Interest
2025	\$	1,681	\$ 8,787	2035 - 2039	9	16,503	\$ 39,911
2026		1,798	8,761	2040 - 2044		23,493	35,729
2027		1,925	8,727	2045 - 2049		37,140	29,823
2028		2,002	8,687	2050 - 2054		58,946	20,911
2029		2,039	8,641	2055 - 2059		69,440	9,249
2030 - 2034		13,176	42,302	2060 - 2064		23,023	971
				Total	9	251,166	\$ 222,499

### 4. LEASES PAYABLE

# **Primary Government**

	Governmental Activities		В	Business-Type Activities	
	Principal	Interest		Principal	Interest
2025	\$ 10,088	\$ 1,498	2025	\$ 11,967	\$ 3,257
2026	5,258	1,198	2026	9,636	2,851
2027	3,517	1,012	2027	8,272	2,480
2028	2,582	879	2028	7,344	2,132
2029	2,643	770	2029	5,568	1,845
2030 - 2034	10,209	2,399	2030 - 2034	18,911	6,387
2035 - 2039	5,598	792	2035 - 2039	5,295	3,908
2040 - 2044	308	52	2040 - 2044	4,390	3,023
2045 - 2049	184	5	2045 - 2049	6,032	1,901
2050 - 2054	_	_	2050 - 2054	3,462	560
2053 - 2057	_	_	2055 - 2059	_	57
Total	\$ 40,387	\$ 8,605	•	\$ 80,877	\$ 28,401

# **Major Component Units**

	Principal	Interest
2025	\$ 169	\$ 88
2026	174	79
2027	142	72
2028	149	65
2029	156	58
2030 - 2034	693	175
2035 - 2039	29	93
2040 - 2044	34	87
2045 - 2049	42	80
2050 - 2054	50	71
2055 - 2059	61	61
2060 - 2064	73	49
2065 - 2069	241	52
Total	\$ 2,013	\$ 1,030

5. SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA) PAYABLE

# **Primary Government**

	Governmen	tal Activities			Business-Type Activities							
		Principal	Interest			F	Principal		Interest			
2025	\$	21,562	\$ 2,173	2025		\$	8,190		622			
2026		20,205	1,253	2026			3,655		375			
2027		7,229	496	2027			2,453		210			
2028		2,424	232	2028			1,493		107			
2029		1,169	129	2029			605		42			
2030 - 2034		2,000	190	2030 - 2034			466		29			
2035 - 2039		90	20	2035 - 2039			_		_			
2040 - 2044		111	2	2040 - 2044			_		_			
Total	\$	54,790	\$ 4,495			\$	16,862	\$	1,385			

Changes in General Long-Term Liabilities

Changes in Long-Term Liabilities for the year ended June 30, 2024, are summarized as follows (expressed in thousands):

### **Primary Government**

		Beginning Balance	Additions			Reductions*	Ending Balance		Amounts Due Within One Year
Governmental Activities:									
Notes Payable	\$	15,835	\$	_	\$	(1,578)	\$ 14,257	\$	1,608
Bonds Payable	Ψ.	787,130	Ψ	_	*	(32,433)	754,697	Ψ	31,420
Leases Payable		41,401		9,086		(10,099)	40,388		10,088
SBITA Payable		46,668		27,987		(19,864)	54,791		21,561
Compensated Absences		55,561		47,137		(44,028)	58,670		4,778
Claims/Judgments Payable		9,115		3,715		(4,344)	8,486		1,979
Total Long-Term Liabilities	\$	955,710	\$	87,925	\$	(112,346)	\$ 931,289	\$	71,434
Business-Type Activities:									
Notes Payable	\$	698,447	\$	13,300,101	\$	(13,954,535)	\$ 44,013	\$	28,577
Bonds Payable		1,902,600		472,106		(147,738)	2,226,968		78,397
Certificates of Participation		260,727		_		(9,561)	251,166		1,681
Leases Payable		77,923		18,439		(15,484)	80,878		11,968
SBITA Payable		22,336		3,802		(9,276)	16,862		8,190
Intergovernmental Payable		18,008		46		(809)	17,245		698
Compensated Absences		41,600		5,419		(3,831)	43,188		6,401
Dividends Payable		86,801		82,678		(86,801)	82,678		82,678
Claims/Judgments Payable		953,298		67,848		(100,672)	920,474		112,914
Total Long-Term Liabilities	\$	4,061,740	\$	13,950,439	\$	(14,328,707)	\$ 3,683,472	\$	331,504

### **Major Component Units**

	seginning Balance	Additions	F	Reductions	Ending Balance	Amounts Due Within One Year
Notes Payable	\$ 32,592	\$ 20,008	\$	(4,210)	\$ 48,390	\$ 10,161
Bonds Payable	675,758	_		(42,101)	633,657	38,144
Leases Payable	2,174	_		(161)	2,013	169
Intergovernmental Payable	584	8		(76)	516	37
Compensated Absences	 	<u> </u>			<u> </u>	<u> </u>
Total Long-Term Liabilities	\$ 711,108	\$ 20,016	\$	(46,548)	\$ 684,576	\$ 48,511

<sup>\*</sup> Bonds payable reductions include amortization of premium of \$14.6 million.

<sup>\*\*</sup>Included above are amounts classified as Due to Component Units in the Statement of Net Position for the University System as follows, expressed in the thousands.

	E	Business-Ty	/pe /	Activities	Major Component Uni			
		Total		Current	Total		Current	
Notes Payable	\$	3,401	\$	421	\$ 48,389	\$	10,161	
Bonds Payable		10,290		1,475	54,241		5,424	
Leases Payable		8,708		875	2,013		169	
Intergovernmental Payable		_			516		37	
Total	\$	22,399	\$	2,771	\$ 105,159	\$	15,791	

Internal service funds predominately serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end, internal service funds included in the above amounts consist of \$906,607 of notes payable, \$4,126,935 of leases payable, \$19,084,598 of SBITAs payable, \$4,458,865 of compensated absences

and \$7,197,855 of claims and judgments. In addition, payments on long term debt (notes payable, leases payable and SBITA payable) for internal service funds of \$10.37 million is included above along with additions to leases and SBITA payable for internal service funds of \$3.8 million.

Other governmental activities compensated absences generally have been liquidated by the General Fund (61.4%), the Highway Fund (11.3%), the Federal Fund (12.2%), and other various funds. Other governmental activities claims and judgments have all been liquidated by the Petroleum Release Compensation Fund.

#### K. ARBITRAGE REBATE PAYABLE

Arbitrage as it applies to government financing refers to the ability of state governments to obtain funds at a tax-exempt rate of interest and to then invest those funds in investments which earn a higher yield, resulting in a profit to the issuer.

The arbitrage rebate rules require that any earnings from the investment of the tax-exempt bond proceeds which exceed the yield on the bonds be remitted to the federal government.

The State had no arbitrage rebate payable to the federal government as of June 30, 2024.

#### L. DEFERRED INFLOWS OF RESOURCES

#### GRANTS RECEIVED PRIOR TO TIME REQUIREMENTS

This amount represents unavailable revenue. The amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

#### INCREASE IN FAIR VALUE OF HEDGING DERIVATIVES

This amount represents the changes in fair value of futures.

### M. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value measurements are used to record fair value adjustments to certain assets, deferred outflows of resources, liabilities and deferred inflows of resources to determine fair value disclosures.

#### FAIR VALUE HIERARCHY

In accordance with GASB Statement No. 72, assets, deferred outflows of resources, liabilities and deferred inflows of resources are grouped at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

- Level 1: Valuation is based upon quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.
- Level 2: Valuation is based upon quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market.
- Level 3: Valuation is generated from model-based techniques that use significant assumptions not observable in the market. These unobservable assumptions reflect our own estimates of assumptions that market participants would use in pricing the asset or liability. Valuation techniques include use of option pricing models, discounted cash flow models and similar techniques.

Investments that are measured at fair value using the net asset value per share (or its equivalent) as practical expedient are not classified in the fair value hierarchy.

### **DETERMINATION OF FAIR VALUE**

In accordance with GASB Statement No. 72, fair values are based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It is the State's policy to

maximize the use of observable inputs and minimize the use of unobservable inputs when developing fair value measurements, in accordance with the fair value hierarchy.

The following is a description of the methodologies used for instruments measured at fair value.

Securities classified in Level 1 are valued using quoted prices in active markets for those securities. Securities classified in Level 2 and Level 3 are valued using methodologies such as various bid evaluations, market averages and other matrix pricing techniques as well as values derived from associated traded securities or last trade data. In instances where inputs used to measure fair value fall into different levels, the fair value is categorized based on the lowest level input that is significant to the valuation.

Investments valued at the net asset value (NAV) per share (or its equivalent) have been classified separately in the table below and include investments considered to be *alternative investments* as defined by the AICPA. The definition includes investments for which a readily determinable fair value does not exist (that is, investments not listed on national exchanges or over-the-counter markets, or for which quoted market prices are not available from sources such as financial publications, the exchanges, or NASDAQ). These types of investments can be held within any of the asset classes used by the State based on underlying portfolio holdings and analysis of risk and return relationships. These investments can be structured in different ways, including limited partnerships, limited liability companies, common trusts and mutual funds. Some are closed-ended with a specific life and capital commitment while others are open-ended with opportunity for ad hoc contributions or withdrawals and termination upon proper notice.

Commingled/Mutual Funds — These types of funds are generally open-ended funds and may be utilized in equities or fixed income asset classes. They are funds made up of underlying securities that have readily available fair values (publicly traded stocks or bonds). The State owns units of these funds rather than the individual securities. Contributions or withdrawals from these funds can be made as needed, generally with daily or monthly liquidity, with a notice period of one to fifteen days. Because they are liquid funds, there are no unfunded commitments for these types of investments.

**Distressed Debt** — These include investments in the debt instruments of companies which may be publicly traded or privately held that are financially distressed and are either in bankruptcy or likely candidates for bankruptcy. Typical holdings are senior and subordinated debt instruments, mortgages and bank loans. The State is including these types of investments in its global fixed income allocations. As of June 30, 2024, all unfunded commitments in the State distressed debt portfolios had been released. One of the funds in this category is not eligible for redemptions, while the other fund is eligible for redemptions with quarterly liquidity and 60 days notice.

**Equity Long/Short** — This strategy is a combination of long and short positions, primarily in publicly traded equities. The State utilizes this strategy, through a limited partnership structure, within its global equity allocations. This is an open-ended fund with monthly liquidity with a notice period of 15 days. There was no unfunded commitment as of June 30, 2024.

**Mezzanine Debt** — This strategy is a hybrid of debt and equity financing. It is essentially debt capital that gives the lender the rights to convert to an ownership or equity interest in the company if the loan is not paid back in time and in full. It is generally subordinated to senior debt. The State utilizes this strategy, through a limited partnership structure, in its global fixed income allocation. The two funds in this category are not eligible for redemptions, have remaining lives of 1-2 years, and no unfunded commitments as of June 30, 2024.

**Private Credit** – These investments include loans to private companies, privately placed debt of public companies, or loans backed by real assets. Loan repayment can be derived from either cash flows from an operating company or cash flows generated by a physical or esoteric asset. Private debt is typically secured and has various protections/covenants in place. The debt is customized to the borrower's requirement, thus rendering it illiquid. The State includes these strategies within its global fixed income allocation through limited partnership-type structures. Private credit issuers may be investment grade but are typically below-investment grade and similar in some respect to the syndicated bank loan and high yield markets. The State participates in two senior private credit funds, commonly referred to as direct lenders, which are structured as custom managed accounts that are not eligible for redemptions during remaining investment lives, and the unfunded commitments totaled \$216.7 million as of June 30, 2024.

**Private Equity** — Private Equity investments are typically private interests in corporations across different areas of the capital structure and in different stages of the corporations' development via limited partnership vehicles. Private Equity investments are illiquid and long term in nature (10-12 years), typically held until maturity. Private Equity portfolios generally have a "J-Curve Effect" whereby there are low to negative returns in the initial years due to the payment of investment management fees and initial funding of investments made by the General Partner during a period when investments are typically carried at cost and returns have not been realized. To diversify the program, Private Equity investments are made across business cycles, vintage years, and different strategies. The State has a dedicated sub-asset class for private equity investments within its global equity allocation in the pension pool. The State does not have the option to request redemptions from its private equity funds. The General Partner

distributes earnings and proceeds from the sale of the underlying investments as transactions occur. The State has \$432.6 million in unfunded private equity commitments as of June 30, 2024.

**Venture Capital** – These include investments in companies in a range of stages of development from start-up/seed stage, early stage, and later/expansion stage. Investments are typically made in years one through six and returns typically occur in years four through ten.

**Buyouts** – These include investments in funds that seek out and purchase underperforming or undervalued companies in order to improve them and sell them or take them public many years later. These funds are also often involved in management buyouts, which are buyouts conducted by the management of the company being purchased, and they often play key roles in leveraged buyouts, which are buyouts that are funded with borrowed money.

Real Assets – These investments are intended to provide allocations to tangible assets that are expected to be inflation protected and provide performance above the inflation rate as indicated by the CPI. Investments are generally structured as limited partnerships or limited liability companies. Investments in Real Estate Assets include Real Estate, Timberland and Infrastructure, as discussed below.

Real Estate – includes investments in private vehicles through limited partnerships or commingled vehicles that have an ownership interest in direct real estate properties. The investment strategies may include "value added" strategies, which derive their return from both income and appreciation, "opportunistic", which derive their return primarily through appreciation, and "alternative" which invest in less traditional types of property. Both domestic and international real estate funds are utilized. The State has a dedicated sub-asset class for these types of investments within global real assets. There are currently 11 different real estate funds in the portfolio. Five of those funds are open-ended vehicles that accept redemption requests quarterly with a 30-90 day notification period. There were no unfunded commitments in the open-ended funds as of June 30, 2024. The remaining six funds are closed-ended limited partnerships that are not eligible for redemptions. Those six funds have a combined unfunded commitment of \$132.1 million as of June 30, 2024.

**Timberland** – includes investments in limited liability companies that have an ownership interest in properties where the value of the property is derived mainly from income-producing timber but also from the "higher and better use" value of the underlying land. The State includes these assets within its global real asset allocations. There are three funds in the portfolio and they have no unfunded commitments. The funds are not eligible for redemption other than distributions of income and/or proceeds as determined by the investment manager. The funds have remaining lives of 1-4 years.

Infrastructure – includes investments in limited partnerships that have an ownership interest in transportation assets such as toll roads, tunnels and bridges; and regulated assets such as electricity transmission, gas and oil distribution and wastewater collection. Other possible investments would include communication assets and social infrastructure. The State includes these assets within its global real assets allocations. The infrastructure investments in the portfolio as of June 30, 2024, include both open and closed-ended funds. The three open-ended funds have no unfunded commitments and are eligible for redemptions quarterly with 90 days notice. The 17 closed-ended funds have unfunded commitments of \$240.7 million at June 30, 2024 and are not eligible for redemptions.

**Interest Rate Swap Agreements** – Fair values for interest rate swap agreements are based upon the settlement value adjusted by estimated nonperformance risk.

**Derivative Instruments** – Fair values of the grain future contracts are determined on the Minneapolis Grain Exchange.

### Fair Value

The following table shows the fair value leveling of the State's assets and liabilities at June 30 (expressed in thousands).

**Primary Government** 

Primary Government					
INVESTMENTS MEASURED AT	air Value				
FAIR VALUE	 6/30/24	 Level 1	Level 2		Level 3
Short term securities:	_				
Commercial paper	\$ 144,105	\$ _	\$ 144,105	\$	_
Short term bills and notes	159,653		159,653		_
Total short term securities	303,758	_	303,758		
Fixed income investments:					
Asset backed securities	631,612	_	629,611		2,001
Bank loans	1,740	_	1,480		260
Collateralized bonds	859	_	859		_
Collateralized mortgage obligations	6	_	6		_
Commercial mortgage-backed	327,994	_	327,994		_
Corporate bonds	3,133,848		3,133,848		_
Corporate convertible bonds	7,634		7,634		
Funds - Fixed Income ETF	17,177	17,033	<u> </u>		144
Government Agencies	2,248,955	2,189,769	59,186		_
Government Bonds	1,050,510	113	1,050,397		_
Government MBS	3,404,159	_	3,404,159		_
Government - issued Commercial Mortgage-Backed	11,729	_	11,729		
Index Linked Government Bonds	306,967	_	306,967		_
Municipal / Provincial Bonds	21,146	_	21,146		_
Non- Government Backed C.M.O.s	106,968		104,955		2,013
Sukak	2,530		2,530		
Other Fixed Income	339		339		
Total fixed income investments	 11,274,173	 2,206,915	 9,062,840		4,418
Equity Investments:	 ,_,,,,,,	 2,200,010	 0,002,010		1,110
Common stock	3,235,142	3,234,655	3		484
Convertible equity	691	691	_		_
Funds - Equities ETF	408,899	407,839			1,060
Preferred stock	76	36	_		40
Rights / Warrants	1	1			<del></del>
Total equity investments	 3,644,809	 3,643,222	 3		1,584
Other Investments:	 3,044,003	 3,043,222	 		1,504
Commodity ETF	12	12			
Currency	774	12			— 774
Master Limited Partnership	19	19			777
REITs	55	55			
Real Estate	9,714	55	_		9,714
Swap	52,125		52,125		9,7 14
Total other investments	 62,699	 	 52,125		10,488
	 02,099	 	 52,125		10,400
Derivative Investments:	44 200		44 200		
Exchange cleared swaps	11,382		11,382		_
Options	2,037	541	1,496		_
Swaps	18,683		18,683		
Grain future contracts	 2,636	 2,636	 		
Total derivative investments	 34,738	 3,177	 31,561	_	
Total investments measured at fair value	\$ 15,320,177	\$ 5,853,400	\$ 9,450,287	\$	16,490

INVESTMENTS MEASURED AT THE NET ASSET VALUE (NAV)	Fair Value 6/30/24	Unfunded ommitments	Redemption Frequency (If currently eligible)	Redemption Notice Period
Commingled Funds - Debt	\$ 1,157,621	\$ _	Daily, monthly	1 - 15 days
Commingled Funds - Equities	7,681,921		Daily, monthly	1 - 15 days
Commingled Funds - Fixed Income	873,079	_	Daily	< 5 days
Distressed Debt	230,764	_	Quarterly, not eligible	60 days
Long / short	924,093		Monthly	15 days
Mezzanine Debt	1		Not eligible	Not eligible
Private Credit	1,671,071	214,700	Not eligible	Not eligible
Private Equity	1,970,034	898,159	Not eligible	Not eligible
Real Assets	3,123,671	456,684	Quarterly, not eligible	30 - 90 days
Hedge Fund	863,503		N/A	N/A
Private Infrastructure	367,733	4,751	N/A	N/A
Total investments measured at the NAV	18,863,491	\$ 1,574,294		
Total investments	\$ 34,183,668			

**Major Component Units** 

INVESTMENTS MEASURED AT	Fai	ir Value			
FAIR VALUE		/30/24	Level 1	Level 2	Level 3
Short term securities					
Certificates of deposit	\$	2,301	\$ _	\$ 2,301	\$ _
Short term bills and notes		16,967	_	16,967	_
Total short term securities		19,268	_	19,268	_
Fixed income investments:					
Gov't Agencies		45,341	45,341	 	
Total fixed income investments		45,341	45,341		
Total investments	\$	64,609	\$ 45,341	\$ 19,268	\$ <u> </u>

### **NOTE 4 - NET POSITION**

The government-wide Governmental Activities Statement of Net Position reports \$7,864,569,954 of restricted net position, of which \$1,310,327,341 is restricted by enabling legislation.

#### **NOTE 5 - FUND BALANCE**

The following table on the next page presents further display the fund balances by major purpose.

Included in the General Fund, unassigned fund balance is \$10,959,711,077 for the North Dakota Legacy Fund. The Legacy Fund was established with thirty percent of total revenue derived from taxes on oil and gas production or extraction. The principal and earnings of the Legacy Fund may not be spent until after June 30, 2017, and an expenditure of principal after that date requires a vote of at least two-thirds of the members elected of each house of the legislative assembly. No more than fifteen percent of the principal of the Legacy Fund can be expended during a biennium.

# Governmental Fund Balances - By Purpose (Expressed in Thousands)

		Special Revenue						
	General		Federal		State	Nonmajor Governmental		Total
Fund Balances:								
Nonspendable:								
Inventory	\$ 3,405	\$	23,935	\$	15,380	\$ —	\$	42,720
Prepaid Expenditures	4,165		4,412		8,051	_		16,628
Permanent Trust Fund for Veteran's Postwar	_		_		_	8,063		8,063
Development	_		_			73,624		73,624
Total Nonspendable	7,570		28,347		23,431	81,687		141,035
Restricted for:								
Distribution to Common Schools	_		_		7,381,453	_		7,381,453
State Education Aid	_		_		544,300	_		544,300
Opioid Addiction Prevention and Treatment								
Programs	_		_		17,175	_		17,175
Lignite Research	_		_		32,646	_		32,646
Water Projects and Energy Conservation	_		_		672,829	_		672,829
Well Plugging and Site Reclamation	_		_		36,014	_		36,014
Agriculture & Commerce	_		_		58,703	_		58,703
Natural Resources	_		_		19,716	_		19,716
Highway Projects	_		_		450,801	_		450,801
Transportation	_		_		28,935	_		28,935
Petroleum Tank Release Compensation	_		_		6,903	_		6,903
Debt Service	_		_		_	376,289		376,289
Other	_		_		104,246			104,246
Total Restricted	 				9,353,721	376,289		9,730,010
Committed to:								
Strategic Investments & Improvements	_		_		1,269,855	_		1,269,855
Buydown Interest Programs	_		_		97,169	_		97,169
Human Services & Health Operations	_		_		56,882	_		56,882
Clean Sustainable Energy Fund	34,585		_			_		34,585
Outdoor Heritage Grants	_		_		40,702	_		40,702
Charitable Gaming Operating Fund	_		_		36,322	_		36,322
Water Development & Management Projects	_		_		1,456	_		1,456
Oil, Gas, and Energy Research	_		_		41,110	_		41,110
Judicial & Legal	_		_		9,842	_		9,842
Public Safety & Corrections	21,220		_		131,330	_		152,550
Legacy Earnings Distributions	10		_		_	_		10
Agriculture & Commerce	27,495		_		16,338	_		43,833
State Rail, Special Roads, and								
Transportation Support	_		_		163,268	_		163,268
Insurance Regulatory Operations	_		_		5,167	_		5,167
Parks and Recreation Operations	_		_		38,623	_		38,623
Economic Assistance & Social Services	128,290		_		_	_		128,290
Tax Relief	252,799		_		_	_		252,799
Stabilization	919,642		_			_		919,642
Theodore Roosevelt Presidential Library &	F0 000							50,000
Museum	53,208		_		_	- 040		53,208
Veteran's Postwar	40.700		_		— EC 077	840		840
Other Total Committed	 10,788				56,977	653	_	68,418
Total Committed	 1,448,037				1,965,041	1,493		3,414,571

		Special	Revenue		
	General	Federal	State	Nonmajor Governmental	Total
Assigned to:					
Education	\$ —	\$ —	\$ 16,570	\$ —	\$ 16,570
Human Services & Health Operations	_	_	227,202	_	227,202
Judicial & Legal	_		5,205		5,205
Correction and Rehabilitation Operations	_		10,125		10,125
Strategic Investments & Improvements	_	_	43,066		43,066
Agriculture & Commerce	_	_	33,964	_	33,964
Environmental Quality	_		1,744		1,744
Economic Development Community Fund	_	_	1,918		1,918
Securities Regulations	_	_	2,158		2,158
Other		1	15,351		15,352
Total Assigned		1	357,303		357,304
Unassigned	12,865,736	(6,265)			12,859,471
Total Fund Balances	\$ 14,321,343	\$ 22,083	\$ 11,699,496	\$ 459,469	\$ 26,502,391

#### **NOTE 6 - RETIREMENT SYSTEMS**

#### A. DESCRIPTION OF PLANS

The State of North Dakota administers four major retirement systems: North Dakota Public Employees' Retirement System, North Dakota Highway Patrolmen's Retirement System, Retirement Plan for the Employees of Job Service North Dakota and the Teachers' Fund for Retirement. The State also administers the North Dakota Defined Contribution Retirement Plan, which was established January 1, 2000. Certain state employees may also participate in a privately administered retirement system: Teachers' Insurance Annuity Association. The following is a brief description of each plan. More detailed information can be found in the plan agreements and the related legislation.

#### NORTH DAKOTA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)

The North Dakota Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan covering substantially all employees of the State of North Dakota, its agencies, and various participating political subdivisions (Main System). It also covers Supreme and District Court judges, the National Guard Security Officers and Firefighters, peace officers and correctional officers employed by political subdivisions and as of August 1, 2017, firefighters employed by participating political subdivisions. Effective August 1, 2015, current and newly eligible members of the National Guard System were transferred to the Law Enforcement System. It is not subject to the provisions of the Employee Retirement Security Act of 1974. PERS issues a publicly available financial report that may be obtained by writing to North Dakota Public Employees Retirement System, 1600 E. Century Ave., Suite 2, Bismarck, North Dakota 58503.

At June 30, 2024 number of participating political subdivisions in PERS was:

Cities	100
Counties	51
School Districts	133
Other	95
Total Participating Local Political Subdivisions	379

#### Administration

The North Dakota Retirement Board was created by the State Legislature and is the governing authority of PERS. Benefit and contribution provisions are administered in accordance with chapter 54-52 of the North Dakota Century Code.

Responsibility for administration of the three defined benefit pension plans and the defined contribution plan is assigned to a Board comprised of eleven members. The Board consists of a Chairman, who is appointed by the Governor; three additional members appointed by the Governor, four members of the legislative assemble appointed by a chairman of the legislative management and three members elected by the active membership of the NDPERS system.

The costs of administering the plan are financed through the contributions and investment earnings of each plan.

#### **Benefits**

Benefits are set by statute. The System has no provisions or policies with respect to automatic and ad hoc post-retirement benefit increases. Members are entitled to unreduced monthly pension benefits beginning when the sum of age and years of credited service equals or exceeds 85 (Rule of 85), or at normal retirement age (65). For members hired on or after January 1, 2016 the Rule of 85 will be replaced with the Rule of 90 with a minimum age of 60. The annual pension benefit is equal to 2.00% of their average monthly salary, using the highest 36 months out of the last 180 months of service, for each year of service. For members hired on or after January 1, 2020 the annual pension benefit is equal to 1.75% of their average monthly salary, using the three highest periods of twelve consecutive months employed during the last one hundred eighty months of employment. The Plan permits early retirement at ages 55-64 with three or more years of service.

Supreme and district court judges are entitled to unreduced monthly pension benefits beginning at the normal retirement age (65) or Rule of 85. The monthly pension benefit for Supreme and district court judges is equal to a percentage of average monthly salary using the highest 36 consecutive months out of the last 180 months of service. The percentage is equal to 3.5% of final average monthly salary multiplied by the first 10 years of service, plus 2.80% of the average monthly salary times the second 10 years of service, plus 1.25% of average monthly salary times years of service in excess of 20 years. The judicial retirement formula is only applied to eligible judicial service. Non-judicial service benefits are calculated using the 2.00% multiplier. The plan permits early retirement at ages 55-64, with five or more years of service.

Members of the National Guard System are entitled to unreduced monthly pension benefits at normal retirement age (55). Effective August 1, 2015, the National Guard System will become part of the Law Enforcement System. Members of the Law Enforcement are entitled to unreduced monthly pension benefits at normal retirement age (55) or the rule of 85. The monthly pension benefit for the National Guard/Law Enforcement is equal to 2.00 percent of their average monthly salary, using the highest 36 months out of the last 180 months of service, for each year of service. The plan permits early retirement at ages 50-55 with three or more years of service for members.

Members may elect to receive the pension benefits in the form of a single life, joint and survivor, term-certain annuity, or partial lump sum with ongoing annuity. Members may elect to receive the value of their accumulated contributions, plus interest, as a lump sum distribution upon retirement or termination, or they may elect to receive their benefits in the form of an annuity. For each member electing an annuity, total payment will not be less than the employee's accumulated contributions plus interest.

#### **Death and Disability Benefits**

Death and disability benefits are set by statute. If an active employee dies with less than three years of service for the Main System and Public Safety, or less than five years of service for Supreme and district court judges, a death benefit equal to the value of the employee's accumulated contributions, plus interest, is paid to the employee's beneficiary. If the employee has earned more than three years of service for the Main System and Public Safety, the surviving spouse will be entitled to a single payment refund, life-time monthly payments in an amount equal to 50% of the employee's accrued normal retirement benefit, or monthly payments in an amount equal to the employees' accrued 100% joint and survivor retirement benefit if the member had reached normal retirement age prior to date of death. If the surviving spouse dies before the employee's accumulated pension benefits are paid, the balance will be payable to the surviving spouse's designated beneficiary.

For judges only who have earned five years of credited service, the death benefit is the greater of (i) lump sum payment of accumulated contributions, or (ii) 100% of the member's accrued benefit (not reduced on account of age), payable for the spouse's lifetime.

Eligible members who become totally disabled after a minimum of 180 days of service receive monthly disability benefits that are equal to 25% of their final average salary with a minimum benefit of \$100. To qualify under this section, the member has to become disabled during the period of eligible employment and apply for benefits within one year of termination. The definition for "disabled" is set by the System in the North Dakota Administrative Code.

For Judges only, the disability benefit formula is 70% of final average salary minus social security and workers compensation benefits.

#### **Refunds of Member Contributions**

Upon termination, if a member is not vested (is not 65 or does not have three years of service for the Main System and National Guard/Law Enforcement, or five years of service for the Supreme and district court judges, credited for PERS), they will receive the accumulated member contributions plus interest. If an employee has vested, they have the option of applying for a refund or can remain as a terminated vested participant. If a member terminated and withdrew their accumulated employee contribution and is subsequently re-employed, they have the option of repurchasing their prior service.

#### **Contributions**

Contribution rates are set by state statute and are a percentage of salaries and wages.

Member contributions are set by state statue and are a percentage of salaries and wages. During the 1983-1985 biennium, the State implemented the employer pickup provision of the IRS code, whereby a portion or all of the required member contributions are made by the employer. The State is paying 4% of the full member contribution. Some of the political subdivisions are paying all or part of the member contributions. Employer contributions are set by statue except the contribution rates for the National Guard/Law Enforcement Plans which are set by the Board.

The 2019 Legislative Assembly passed legislation that ended the RHIC plan for new hires after January 1, 2020 and redirected the 1.14% RHIC employer contribution to the retirement account. Employer contributions are set by statute except the contribution rates for the National Guard/Law Enforcement Plans which are set by the Board.

Contribution rates are established as a percent of covered compensation as follows:

		Employer					
				2025 an	ıd Later		
	Member	Before 2024	2024-2025	State	Political Subdivision		
Main System Permanent Employees							
Hired before 2020	7.00 %	7.12 %	8.12 %	Actuarial*	8.12 %		
Hired after 2019	7.00 %	8.26 %	9.26 %	Actuarial*	9.26 %		
Main System Temporary Employees							
Hired before 2020	14.12 %	— %	— %	— %	— %		
Hired after 2019	15.26 %	— %	— %	— %	— %		
Judges	8.00 %	17.52 %	17.52 %	17.52 %	17.52 %		

\*The 2026 and 2027 contribution will be based on the amount sufficient to fund the Main System on an actuarial basis from the July 1, 2024 valuation with the amortization of the unfunded liability determined on a level percent of payroll basis over a closed period beginning on January 1, 2026 and ending June 30, 2056.

		Employer			
	Member	Before 2024	2024 and Later		
Public Safety with prior Main System service	5.50 %	9.81 %	11.40 %		
National Guard Members	5.50 %	9.81 %	11.40 %		
Public Safety without Prior Main System service	5.50 %	7.93 %	9.16 %		

		Member			Employer	
	Before		2025 and	Before	8/1/23 to	2024 and
	2024	2024	Later	8/1/23	12/31/23	Later
Public Safety with Prior Main System service						
BCI Employees	6.00 %	7.00 %	8.00 %	9.81 %	20.67 %	22.26 %
State Public Safety Employees	6.00 %	6.00 %	6.00 %	9.81 %	12.75 %	14.34 %

The member's account balance includes employee contributions, interest, and the vested employer contributions equal to the member's contributions to an eligible deferred compensation plan. Members of the Supreme and District Court Judges are not eligible to vest in the employer contributions if contributing to the deferred compensation plan.

The minimum monthly member contribution is \$25, and the maximum may not exceed certain parameters based upon years of service.

#### NORTH DAKOTA HIGHWAY PATROLMEN'S RETIREMENT SYSTEM (NDHPRS)

The North Dakota Highway Patrolmen's Retirement System is a single-employer defined benefit pension plan covering substantially all sworn officers of the Highway Patrol of the State of North Dakota. It is not subject to the provisions of the Employee Retirement Income Security Act of 1974. NDHPRS issues a publicly available financial report that may be obtained by writing to North Dakota Public Employees Retirement System, 1600 E. Century Ave., Suite 2, Bismarck, North Dakota 58503.

#### Administration

The North Dakota Retirement Board was created by the State Legislature and is the governing authority of NDHPRS. See PERS Administration note for composition of the Retirement Board. Benefit and contribution provisions are administered in accordance with chapter 39-03 of the North Dakota Century Code.

The costs of administering the plan are financed through the contributions and investment earnings of the plan.

#### **Benefits**

Pension benefits are set by statute. The System has no provisions or policies with respect to automatic and ad hoc postretirement benefit increases. Members are entitled to unreduced pension benefits upon attainment of age 55 and 10 years of eligible employment or when the sum of age and years of credited service equals or exceeds 80. The annual pension benefit is equal to a percentage of average monthly salary using the highest 36 months out of the last 180 months of service. The percentage is equal to the sum of the first 25 years of service multiplied by 3.60% and 1.75% multiplied by years of service in excess of 25, if any. The plan permits early retirement at ages 50-54, with ten or more years of service.

Members may elect to receive the pension benefits in the form of a single life, joint and survivor, term-certain annuity, or partial lump sum with ongoing annuity. Members may elect to receive the value of their accumulated contributions, plus interest, as a lump sum distribution upon retirement or termination, or they may elect to receive their benefits in the form of an annuity. For each member electing an annuity, total payment will not be less than the members' accumulated contributions plus interest.

#### **Death and Disability Benefits**

Death and disability benefits are set by statute. If an active member dies with less than 10 years of credited service, a death benefit equal to the value of the member's accumulated contributions, plus interest, is paid to the member 's beneficiary. If the member has earned more than 10 years of credited service, the surviving spouse, if any, will be entitled to a single payment refund, life-time monthly payments in an amount equal to 50 percent of the member 's accured normal retirement benefit. If the surviving spouse dies before the member 's accumulated pension benefits are paid, the balance will be payable to any designated beneficiary.

Eligible members who become totally disabled after a minimum of 180 days service receive monthly disability benefits that are up to 70 percent of their final average salary, reduced by workers compensation with a minimum benefit of \$100. To qualify under this section, the member must meet the criteria established by the Retirement Board for being totally disabled and apply for benefits within one year of termination.

#### **Refunds of Member Contributions**

Upon termination, if a member is not vested (is not 60 or does not have ten years of service credited for NDHPRS), they will receive the accumulated member contributions plus interest. If an employee has vested, they have the option of applying for a refund or can remain as a terminated vested participant. If a member terminated and withdrew their accumulated employee contribution and is subsequently re-employed, they have the option of repurchasing their prior service.

#### **Contributions**

Contribution rates for NDHPRS are set by state statute and are a percentage of covered compensation. The State is paying 4.0% of the member contribution. The member contribution rate is 14.8% and the employer rate is 21.2%. Both the member and the employer contribution rate will increase by 0.5% in January 2025.

#### RETIREMENT PLAN FOR THE EMPLOYEES OF JOB SERVICE NORTH DAKOTA (JSND)

The retirement plan for employees of Job Service North Dakota is a single-employer defined benefit public employee retirement plan administered by PERS. The plan is established under NDCC 52-11-01 with benefit provisions established through the plan document, as amended by the Board. This plan document, as amended, is authorized by the Plan Administrator, who is the Executive Director of the agency. JSND issues a publicly available financial report that may be obtained by writing to Job Service North Dakota, PO Box 5507, Bismarck, North Dakota 58506-5507.

Participation in the plan is limited to employees participating in the plan as of September 30, 1980.

#### Administration

On August 1, 2003, the administrative authority and the net position of the Retirement Plan for Employees of Job Service North Dakota were transferred from the agency to the Public Employees Retirement System Board. This action was based on the passage of House Bill 1064 by the Fifty-eighth Legislative Assembly of North Dakota. The Retirement Plan for Employees of Job Service has an Actuarial Valuation Report produced annually. Requests to obtain or review this report should be addressed to the Executive Director, NDPERS, 1600 E. Century Ave., Suite 2, Bismarck, North Dakota 58503.

The costs of administering the plan are financed through the contributions and investment earnings of the plan.

#### **Benefits**

Benefits are established through the plan document, as amended by the Board. The System provides a post-retirement cost-of living adjustment each year based on the Consumer Price Index. Employees are entitled to annual pension benefits beginning at normal retirement age (65). Employees may elect optional retirement eligibility at age 62 with 5 years of credited service, at age 60 with 20 years of credited service, or at age 55 with 30 years of credited service. Pension benefits are calculated based on the final average earnings (basic monthly earnings averaged over the highest three consecutive years of basic earnings) of the employee multiplied by the sum of:

- 1.5% times years of credited service up to 5 plus;
- 1.75% times years of credited service between 6 and 10 plus;
- 2.0% times years of credited service in excess of 10.

#### **Death and Disability Benefits**

The plan provides retirement, disability and death benefits. If death of a participant occurs prior to their annuity starting date, the surviving spouse who has been married at least two years prior to the participant's death or, if married less than two years is a parent of a child of this marriage, then the spouse shall receive monthly benefits. The amount is the greater of the benefit had the participant retired on the day before they died and elected the Contingent Annuitant Option with 55% of their retirement benefit continued to their spouse or 55% of the smaller of 40% of the deceased participant's average monthly earnings or the deceased participant's normal retirement benefit obtained by increasing their credited service by the period of time between their date of death and the date they would have attained age 60. Upon remarriage of the surviving spouse before age 60, the death benefit will cease.

If a participant becomes totally disabled, they will be eligible for a monthly disability benefit which shall be equal to the greater of 40% of the participant's average annual earnings or the accrued benefit determined as of their date of disability.

#### **Refunds of Member Contributions**

Upon termination, if a member of the JSND System terminates employment before retirement payments begin, participation in the retirement plan will cease. No further additions to retirement income will accrue on the member's behalf, and the member may be paid under one of the following options.

- The member may be paid an amount of retirement income with payments starting at Normal, Optional, or Early Retirement
  Date. The amount of that income will be equal to the amount provided under the formula according to the member's years
  of credited service and earnings.
- The member may receive a cash withdrawal benefit equal to the total of the member's contributions and employer
  contributions made on their behalf, plus 4 percent interest compounded annually. The member may elect this option at any
  time after withdrawal and before Normal, Optional, or Early Retirement Date, but such benefit shall be in place of all other
  benefits under the retirement benefits section.

#### **Contributions**

Member contributions are 3% and employer contributions are 4% of covered compensation. The funding policy of the plan provides for employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are designed to accumulate sufficient assets to pay benefits when due. For the fiscal year ended June 30, 2024 there were no employer contributions necessary into the plan. Effective July 1, 1999, the "scheduled contribution" will be zero as long as the plan's actuarial value of assets exceeds the actuarial present value of projected benefits. The "scheduled contribution" and amortization will be determined when the plan is not in surplus and will be based on a funding policy adopted by the Employer.

#### TEACHERS' FUND FOR RETIREMENT (TFFR)

The North Dakota Teachers' Fund for Retirement is a cost-sharing multiple-employer defined benefit pension plan covering all North Dakota public teachers and certain other teachers who meet various membership requirements. TFFR provides for pension, death and disability benefits. The cost to administer the TFFR plan is financed by investment income and contributions.

Teachers' Fund for Retirement issues a publicly available financial report that may be obtained by writing to the Retirement and Investment Office, 1600 East Century Avenue, Suite 3, P.O. Box 7100, Bismarck, North Dakota 58507-7100.

At June 30, 2024, the number of participating employer units in TFFR was:

Туре	Number
Public School Districts	168
County Superintendents	4
Special Education Units	20
Vocational Education Units	4
Other	8
Total	204

#### Administration

Responsibility for administration of the TFFR benefits program is assigned to a seven-member Board of Trustees (Board). The Board consists of the State Treasurer, the Superintendent of Public Instruction, and five members appointed by the Governor. The appointed members serve five-year terms which end on June 30 of alternate years. The appointed Board members must include two active teachers, one active school administrator, and two retired members. The Board submits any necessary or desirable changes in statues relating to the administration of the fund, including benefit terms, to the Legislative Assembly for consideration. The Legislative Assembly has final authority for changes to benefit terms and contributions rates.

#### **Benefits**

For purposes of determining pension benefits, members are classified within one of three categories. Tier 1 grandfathered and Tier 1 non-grandfathered members are those with service credit on file as of July 1, 2008. Tier 2 members are those newly employed and returning refunded members on or after July 1, 2008.

Tier 1 Grandfathered – A Tier 1 grandfathered member is entitled to receive unreduced benefits when three or more years of credited service as a teacher in North Dakota have accumulated, the member is no longer employed as a teacher and has reached age 65, or the sum of age and years of service equals or exceeds 85. TFFR permits early retirement from ages 55 to 64, with benefits actuarially reduced by 6% per year for every year the member's retirement age is less than 65 years or the date as of which age plus service equal 85. In either case, benefits may not exceed the maximum benefits specified in Section 415 of the Internal Revenue Code.

Pension benefits paid by TFFR are determined by NDCC Section 15-39.1-10. Monthly benefits under TFFR are equal to the three highest annual salaries earned divided by 36 months and multiplied by 2.00% times the number of service credits earned. Retirees may elect payment of benefits in the form of a single life annuity, 100% or 50% joint and survivor annuity, ten or twenty-year term certain annuity, partial lump-sum option or level income with Social Security benefits. Members may also qualify for benefits calculated under other formulas.

**Tier 1 Non-grandfathered** – A Tier 1 non-grandfathered member is entitled to receive unreduced benefits when three or more years of credited service as a teacher in North Dakota have accumulated, the member is no longer employed as a teacher, and the member has reached the age 65, or has reached age 60 and the sum of age and years of service credit equals or exceeds 90. TFFR permits early retirement from ages 55-64, with benefits actuarially reduced by 8% per year from the earlier of age 60/Rule of 90 or age 65. In either case, benefits may not exceed the maximum benefits specified in Section 415 of the Internal Revenue Code.

Pension benefits paid by TFFR are determined by NDCC Section 15-39.1-10. Monthly benefits under TFFR are equal to the three highest salaries earned divided by 36 months and multiplied by 2.00% times the number of service credits earned. Retirees may elect payment of benefits in the form of a single life annuity, 100% or 50% joint and survivor annuity, ten or twenty-year term certain annuity, partial lump-sum option or level income with Social Security benefits. Members may also qualify for benefits calculated under other formulas.

**Tier 2** – A Tier 2 member is entitled to receive unreduced benefits when five or more years of credited service as a teacher in North Dakota have accumulated, the member is no longer employed as a teacher and has reached age 65, or has reached age 60 and the sum of age and years of service credit equals or exceeds 90. TFFR permits early retirement from ages 55 to 64, with benefits actuarially reduced by 8% per year from the earlier of age 60/Rule of 90 or age 65. In either case, benefits may not exceed the maximum benefits specified in Section 415 of the Internal Revenue Code.

Pension benefits paid by TFFR are determined by NDCC Section 15-39.1-10. Monthly benefits under TFFR are equal to the five highest annual salaries earned divided by 60 months and multiplied by 2.00% times the number of service credits earned. Retirees may elect payment of benefits in the form of a single life annuity, 100% or 50% joint and survivor annuity, ten or twenty-year term certain annuity, partial lump-sum option or level income with Social Security benefits. Members may also qualify for benefits calculated under other formulas.

### **Death and Disability Benefits**

Death benefits may be paid to a member's designated beneficiary. If a member's death occurs before retirement, the benefit options available are determined by the member's vesting status prior to death. If a member's death occurs after retirement, the death benefit received by the beneficiary (if any) is based on the retirement plan the member selected at retirement.

An active member is eligible to receive disability benefits when: (a) a total disability lasting twelve months or more does not allow the continuation of teaching, (b) the member has accumulated five years of credited service in North Dakota, and (c) the Board of Trustees of TFFR has determined eligibility based upon medical evidence. The amount of the disability benefit is computed by the retirement formula in NDCC 15-39.1-10 without consideration of age and uses the member's actual years of credited service. There is no actuarial reduction for reason of disability retirement.

#### **Contributions**

Member and employer contributions paid to TFFR are set by NDCC 15-39.1-09. Every eligible teacher in the state of North Dakota is required to be a member of TFFR and is assessed at a rate of 11.75% of salary as defined by NDCC 15-39.1-04. Every governmental body employing a teacher must also pay into TFFR a sum equal to 12.75% of the teacher's salary. Member and employer contributions will be reduced to 7.75% each when the fund reaches 100% funded ratio on an actuarial basis.

A vested member who terminates covered employment may elect a refund of contributions paid plus 6% or defer payment until eligible for pension benefits. A nonvested member who terminates covered employment must claim a refund of contributions paid before 70½. Refunded members forfeit all service credits under TFFR. These service credits may be repurchased upon return to covered employment under certain circumstance defined by state statue.

#### **EMPLOYEE MEMBERSHIP DATA**

The following table summarizes employee membership information by plan at the actuarial valuation date:

	PERS	NDHPRS	JSND	TFFR
Retirees and beneficiaries currently receiving benefits:	15,632	147	163	9,693
Terminated Employees:				
Vested	10,210	39	_	2,147
Inactive	8,457	20	_	1,878
Active Employees:				
Vested	17,362	70	1	8,453
Nonvested	8,437	97	_	3,492
Total plan membership	60,098	373	164	25,663
Date of annual valuation	July 1, 2024	July 1, 2024	July 1, 2024	July 1, 2024

#### B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PLAN ASSET MATTERS

#### BASIS OF ACCOUNTING

The public employee retirement systems described above are considered part of the State of North Dakota's reporting entity and are included in the State's financial statements as pension trust funds. The financial statements of these systems are prepared using the accrual basis of accounting. Employee contributions are recognized as revenues in the period in which they are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans.

#### **INVESTMENT POLICY**

The System's Board is responsible for establishing the investment policy for the fund assets, which includes setting investment goals and specifying the percentage of assets to be invested in various types of investments for PERS, NDHPRS and JSND. The investment goals are viewed over the long term. The Board recognizes the plans' performance objectives, benefit projections, and capital market expectations when determining the asset allocation. The SIB is responsible for managing the System's investments in accordance with the investment policy.

The TFFR Board is responsible for establishing investment policy for the fund assets under NDCC 15-39.1-05.2. Benefit payments are projected to occur over a long period of time. This allows TFFR to adopt a long-term investment horizon and asset allocation policy for the management of fund assets. Asset allocation policy is critical because it defines the basic risk and return characteristics of the investment portfolio. Asset allocation targets are established using an asset-liability analysis designed to assist the Board in determining an acceptable volatility target for the fund and an optimal asset allocation policy mix. This asset-liability analysis considers both sides of the plan balance sheet, utilizing both quantitative and qualitative inputs, in order to estimate the potential impact of various asset class mixes on key measures of total plan risk, including the resulting established impact of funded status and contribution rates.

The following was the asset allocation policy as of June 30, 2024:

		Target Allocation						
	PERS and NDHPRS	JSND	TFFR	RHIC*				
Domestic equities	31.9 %	2.0 %	<u> </u>	39.0 %				
International equities	19.1 %	18.0 %	— %	26.0 %				
Private equity	7.0 %	6.0 %	— %	— %				
Domestic fixed income	23.0 %	74.0 %	— %	35.0 %				
Global real assets	19.0 %	— %	18.0 %	— %				
Global equity	— %	— %	55.0 %	— %				
Global fixed income	— %	— %	26.0 %	— %				
Cash equivalents	%	— %	1.0 %	— %				
Total	100.0 %	100.0 %	100.0 %	100.0 %				

<sup>\*</sup>See note 7 for further details of the RHIC OPEB Plan.

#### INVESTMENT RATE OF RETURN

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. The annual money-weighted rate of return on pension plan and OPEB plan investments, net of pension plan and OPEB plan investment expense, was as follows for June 30, 2024:

PERS	9.14 %
NDHPRS	8.85 %
JSND	6.03 %
TFFR	8.02 %
RHIC*	12.84 %

<sup>\*</sup>See note 7 for further details of the RHIC OPEB Plan.

#### METHOD USED TO VALUE INVESTMENTS

Investments are recorded at fair value determined by reference to published market data for publicly traded securities and through the use of independent valuation services and appraisals for other investments. The net increase in fair value of investments consists of the realized gains or losses and the unrealized increase or decrease in fair value of investments during the year. Realized gains and losses on sales of investments are computed based on the difference between the sales price and the original cost of the investment sold. Realized gains and losses on investments that had been held in more than one fiscal year and sold in the current fiscal year were included as a change in the fair value of investments reported in the prior year(s) and the current year. Unrealized gains and losses are computed based on changes in the fair value of investments between years. Security transactions are accounted for on a trade date basis. Interest income is recognized when earned. Dividend income is recorded on the ex-dividend date. The fair value for stable value option within the deferred compensation and defined contributions plans is measured at contract value.

#### C. FUNDING STATUS AND PROGRESS

#### **NET PENSION LIABILITY OF THE PLANS**

The components of the net pension liability of the Plans at June 30, 2024 were as follows (expressed in thousands):

	PERS	NDHPRS		JSND		TFFR
Total pension liability	\$ 6,218,968	\$	181,313	\$	70,275	\$ 4,758,417
Plan fiduciary net position	(4,265,287)		(107,221)		(82,804)	(3,351,008)
Net pension liability (asset)	\$ 1,953,681	\$	74,092	\$	(12,529)	\$ 1,407,409
Plan fiduciary net position as a percentage of the total pension liability	68.59 %		59.14 %		117.83 %	70.40 %

#### **ACTUARIAL ASSUMPTIONS**

#### **PERS**

The total pension liability was determined by an actuarial valuation as of July 1, 2024, using the following actuarial assumptions:

Actuarial Cost Method: Entry Age Normal

Inflation: 2.25%

Salary Increase: 3.50% to 17.75% including inflation

Retirement Age: Age-based tale of rates that specify to the type of eligible condition

Mortality Rates: Sex-distinct Pub-2010 tables for General Employees, with scaling based on actual experience. Respective corresponding tables were used for healthy retirees, disabled retirees and active members.

Other Notes: The current employer rates to the System are the statutory/Board approved contribution rates of 8.12% of payroll for the Main System (9.26% for members enrolled on or after January 1, 2020), 17.52% for the Judges System, 11.40% for Public Safety with prior Main System service System, 22.26% for BCI and 9.16% for Public Safety without prior Main System service System. The benefit accrual rate for members first enrolled on or after January 1, 2020 in the Main and Public Safety Systems is 1.75% (compared to 2.00% for members enrolled before January 1, 2020).

The investment return assumption was updated from 7.00% to 6.50% beginning with the actuarial valuation as of July 1, 2022. All other actuarial assumptions used in the actuarial valuation as of July 1, 2022. All other actuarial assumptions used in the actuarial valuation as of July 1, 2022 were based on an experience review for the period from July 1, 2014 to July 1, 2019, and were adopted for the first use commencing with the actuarial valuation as of July 1, 2020.

In 2023, House Bill 1040 was passed, which closes the Main System to employees newly enrolled into the system on January 1, 2025 and later. The state employer contribution for 2026 and later was changed to be the amount sufficient to fund the Main System on actuarial basis, with the amortization of the unfunded liability determined on a level percent of payroll basis over a closed period beginning on January 1, 2026 and ending June 30, 2056.

#### **HPRS**

The total pension liability was determined by an actuarial valuation as of July 1, 2024, using the following actuarial assumptions:

Actuarial Cost Method: Entry Age Normal

Asset Valuation Method: Plan Fiduciary Net Position (Market value of assets, no assets smoothing)

Inflation: 2.25%

Salary Increase: Service-based table for members with less than five years of service and age-based table for members with more than five years of service.

Retirement Age: Age-based table of rates that specify to the type of eligible condition.

Mortality Rates: Pub 2010 Healthy Retiree Mortality table (for General Employees), sex-distinct, with rates multiplied by 103% for males and 101% for females. Pub-2010 Disabled Retiree Mortality table (for General Employees), sex-distinct, with rates multiplied by 117% for males and 112% for females. Pub-2010 Employee Mortality table (for General Employees), sex-distinct, with rates multiplied by 92% for both males and females. Mortality rates are projected from 2010 using MP-2019 scale.

Other Notes: There were no benefit changes during the year.

The assumptions were updated beginning with the actuarial valuation as of July 1, 2020 based on an experience study covering the period of July 1, 2014 through July 1, 2019. The investment return assumption was decreased from 7.00% to 6.50% beginning with the actuarial valuation as of July 1, 2022.

The employer rate to the System is the statutory contribution rate of 21.20% of payroll. The statutory employer and employee contributions will each increase by an additional 0.5% of pay in January 1, 2025.

#### **JSND**

The total pension liability was determined by an actuarial valuation as of July 1, 2024, using the following actuarial assumptions:

Actuarial Cost Method: Entry Age Normal

Asset Valuation Method: Plan Fiduciary Net Position (Market value of assets, no assets smoothing)

Inflation: 2.25%

Salary Increase: 3.50%

Retirement Age: Age-based tale of rates that are specific to the type of eligibility condition.

Investment Rate of Return: 3.00%

Cost of Living Adjustment: 2.25%

Mortality Rates: Pub-2010 Healthy Retiree Mortality table (for General Employees), sex-distinct, with rates multiplied by 103% for males and 101% for females. Pub-2010 Disabled Retiree Mortality table (for General Employees), sex-distinct, with rates multiplied by 117% for males and 112% for females. Pub-2010 Employee Mortality table (for General Employees), sex-distinct, with rates multiplied by 92% for both males and females. Mortality rates are projected from 2010 using the MP-2019 scale.

Other Notes: There were no benefit changes during the year.

The assumptions were updated beginning with the actuarial valuation as of July 1, 2020 based on an experience study covering the period July 1, 2014 through July 1, 2019. The Board approved lowering the investment return assumption from 3.75% to 3.00%, first effective July 1, 2022.

The System has assets in excess of the present value of future benefits. Therefore, no employer contributions are being made.

#### **TFFR**

The total pension liability was determined by an actuarial valuation as of July 1, 2024, using the following actuarial assumptions:

Actuarial Cost Method: Entry Age

Asset Valuation Method: 5-year smoothed market

Inflation: 2.30%

Salary Increase (Payroll Growth): 3.80% wage inflation, plus step-rate promotional increases for members with less than 30 years of service.

Retirement Age: Experience-based tables of rates based on age and gender.

Investment Rate of Return: 7.25%, net of investments expenses, including inflation

Cost of Living Adjustment: None

Mortality Rates: For the July 1, 2024, valuation, the post-retirement healthy mortality table was updated to 104% of the PubT-2010 Retiree table for retirees and to 95% of the PubT-2010 Contingent Survivor table for beneficiaries, both projected with generational improvement using Scale MP-2019. The disabled mortality was updated to the Pub-2010 Non-Safety Disabled Mortality table projected with generational improvement using Scale MP-2019.

#### INVESTMENT RATE OF RETURN

The long-term expected rate of return on investments was determined using a building-block method in which best- estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates to return by the target asset allocation percentage and by adding expected inflation. Estimates of arithmetic real rates of return, for each major asset class included in the pension plan's target asset allocation as of July 1, 2024 is summarized in the following tables:

PERS and NDHPRS Asset Class	Long-Term Expected Real Rate of Return	JSND Asset Class	Long-Term Expected Real Rate of Return	TFFR Asset Class	Long-Term Expected Real Rate of Return
Domestic equity	5.40 %	Domestic equities	6.85 %	Global equity	5.80 %
International equity	7.00 %	Core fixed income	3.12 %	Global fixed income	2.90 %
Private equity	8.50 %	Limited duration fixed income	1.80 %	Global real assets	6.30 %
Domestic fixed income	2.88 %	Global equity	7.14 %	Cash equivalents	1.60 %
International fixed income	0.00 %	Diversified short- term fixed income	3.00 %		
Global real assets	6.10 %	Short-term corporate fixed income	1.63 %		
Cash equivalents	0.00 %	US high yield	5.54 %		
		Emerging market debt	6.47 %		

#### **DISCOUNT RATE**

For PERS, GASB Statement No. 67 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the System to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The current employer and employee fixed rate contributions are assumed to be made in each future year. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. In years where assets are not projected to be sufficient to meet benefit payments, the use of a municipal bond rate is required.

The Single Discount Rate (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 6.50%; the municipal bond rate is 3.97%; and the resulting Single Discount Rate is 6.50%.

For HPRS, the expected rate of return on pension plan investments is 6.50%; the municipal bond rate is 3.97%; and the resulting Single Discount Rate is 5.39%.

For JSND, the discount rate was 3.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed plan member and employer contributions will be made at rates equal to those based on the July 1, 2024 Actuarial Valuation Reports. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions (for JSND it is assumed no future contribution will be made), the pension plans' fiduciary net position were projected to be available to make all projected future benefit payments for current plan members as of June 30, 2024. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2024.

For TFFR, the discount rate was 7.25% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed plan member and employer contributions will be made at rates equal to those based on the July 1, 2024 Actuarial

Valuation Reports. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions TFFR's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members as of July 1, 2024. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2024.

#### SENSITIVITY OF NET PENSION LIABILITY

The following presents the net pension liability of the Plans as of June 30, 2024, calculated using the discount rate of 6.5% for PERS, 5.39% for NDHPRS, 3.00% for JSND and 7.25% for TFFR, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate (expressed in thousands):

Net Pension Liability (Asset) As of June 30, 2024	 1% Decrease (5.50%)	 Current Discount Rate (6.50%)	1% Increase (7.50%)
PERS	\$ 2,786,979	\$ 1,953,681	\$ 1,263,776
Net Pension Liability (Asset) As of June 30, 2024	1% Decrease (4.39%)	 Current Discount Rate (5.39%)	 1% Increase (6.39%)
NDHPRS	\$ 102,430	\$ 74,092	\$ 51,317
Net Pension Liability (Asset) As of June 30, 2024	1% Decrease (2.00%)	Current Discount Rate (3.00%)	1% Increase (4.00%)
JSND	\$ (5,739)	\$ (12,529)	\$ (18,369)
Net Pension Liability (Asset) As of June 30, 2024	 1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
TFFR	\$ 1,982,327	\$ 1,407,409	\$ 927,768

### D. SINGLE EMPLOYER PENSION PLANS

Below are the changes in net pension liability for the State's (primary government) single-employer plans:

Single-Employer Plans Changes in Net Pension Liability Increases (Decreases) For the Year June 30, 2024\*

	 JSND	NDHPRS
Total pension liability (asset)		
Service cost	\$ 15	\$ 5,680
Interest	2,038	8,550
Change of benefit terms	_	_
Difference between expected and actual experience	4,761	417
Changes of assumptions	_	(5,009)
Benefit payments, including refund of employee contributions	 (5,169)	 (6,391)
Net change in total pension liability (asset)	1,645	3,247
Total pension liability (asset) - beginning	70,493	170,663
Total pension liability (asset) - ending (a)	\$ 72,138	\$ 173,910
Plan fiduciary net position		
Contributions - employer	\$ _	\$ 2,574
Contributions - employee	4	1,770
Contributions - service credit repurchase	_	593
Transfers and other income	_	_
Net investment income	2,487	7,195
Benefit payments, including refund of employee contributions	(5,169)	(6,391)
Administrative expense	 (15)	 (30)
Net change in plan fiduciary net position	(2,693)	5,711
Plan fiduciary net position - beginning	 86,178	 92,324
Plan fiduciary net position - ending (b)	\$ 83,485	\$ 98,035
Net pension liability (asset) - ending (a) - (b)	\$ (11,347)	\$ 75,875
Plan fiduciary net position as a percentage of the total pension liability (asset)	115.73 %	56.37 %
Covered payroll	\$ 61	\$ 11,991
Plan net pension liability (asset) as a percentage of covered payroll	-18,478.87 %	632.76 %

<sup>\*</sup>The 2024 information presented has a measurement date of June 30, 2023. Information is expressed in thousands.

#### JOB SERVICE NORTH DAKOTA (JSND)

#### **Net Pension Asset**

At June 30, 2024, the State recorded a net pension asset of \$11,346,765 for all of the Job Service North Dakota pension plan. The net pension asset was measured as of June 30, 2023 and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date.

#### **Deferred Inflows and Outflows of Resources**

For the year ended June 30, 2024 the State recognized pension expense of \$5.7 million. At June 30, 2024 the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

		Primary G	overr	nment		Discrete Com	nponent Units	
	Deferred Outflows of Resources		Deferred Inflows of Resources		Deferred Outflows of Resources			Deferred Inflows of Resources
Differences between expected and actual experience	\$	_	\$	_	\$	_	\$	_
Changes of assumptions		_		_		_		_
Net difference between projected and actual earnings on pension plan investments		5,014,798		_		_		_
Changes in proportion and differences between employer contributions and proportionate share of contributions		_		_		_		_
Employer contributions subsequent to the measurement date		_		_		_		_
Total	\$	5,014,798	\$		\$		\$	

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

#### Year ended June 30:

	Primary Go	overnment	Component Units	
2025	\$	1,783,648	\$ -	-
2026		1,405,904	_	-
2027		1,820,979	_	-
2028		4,267		_
Total	\$	5,014,798	\$ _	_

#### Sensitivity of the State's Proportionate Share of the Net Pension Asset to Changes in the Discount Rate

The following presents the State's proportionate share of the net pension asset calculated using the discount rate of 3.00 percent, as well as what the State's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (2.00 percent) or 1-percentage-point higher (4.00 percent) than the current rate:

	1% Decrease	Current Discount	1% Increase
	(2.00%)	Rate (3.00%)	(4.00%)
State's proportionate share of the net pension asset	(4,129,713)	(11,346,765)	(17,528,530)

#### NORTH DAKOTA HIGHWAY PATROLMEN'S RETIREMENT SYSTEM (NDHPRS)

#### **Net Pension Liability**

At June 30, 2024, the State recorded a net pension liability of \$75,874,610 for all of the North Dakota Highway Patrolmen's Retirement System pension plan. The net pension liability was measured as of June 30, 2023 and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date.

#### **Deferred Inflows and Outflows of Resources**

For the year ended June 30, 2024 the State recognized pension expense of \$14.49 million. At June 30, 2024 the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Primary Government					Discrete Con	nponent Units		
	Deferred Outflows of Resources		Deferred Inflows of Resources		Deferred Outflows of Resources		ws of Inflo		
Differences between expected and actual experience	\$	1,652,156	\$	(977,413)	\$	_	\$	_	
Changes of assumptions		42,615,800		(30,094,792)		_		_	
Net difference between projected and actual earnings on pension plan investments		2,185,904		_		_		_	
Changes in proportion and differences between employer contributions and proportionate share of contributions		_		_		_		_	
Employer contributions subsequent to the measurement date		2,998,554		_		_		_	
Total	\$	49,452,414	\$	(31,072,205)	\$		\$		
earnings on pension plan investments  Changes in proportion and differences between employer contributions and proportionate share of contributions  Employer contributions subsequent to the measurement date	\$	2,998,554	\$	(31,072,205)	\$	_ 	\$	_ 	

\$2,998,554 reported as deferred outflows of resources related to pensions resulting from State contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

	Primary	/ Government	Component Units
2025	\$	8,078,838	\$ _
2026		1,278,923	_
2027		6,362,847	_
2028		(338,953)	_
2029		_	_
Total	\$	15,381,655	\$ _

#### Sensitivity of the State's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the State's proportionate share of the net pension liability calculated using the discount rate of 5.22 percent, as well as what the State's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.22 percent) or 1-percentage-point higher (6.22 percent) than the current rate:

	1	1% Decrease (4.22%)		rent Discount ate (5.22%)	1% Increase (6.22%)		
State's proportionate share of the net pension liability	\$	103,458,958	\$	75,874,610	\$	53,762,446	

#### E. COST SHARING EMPLOYER PENSION PLANS

#### NORTH DAKOTA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

#### **Proportionate Share of Net Pension Liability**

The North Dakota Public Employees' Retirement System (PERS) provides retirement benefits to employees of the primary government and its discrete component units as well as to other political subdivision subdivisions (Main System). It also covers Supreme and district court judges, the National Guard Security Officers and Firefighters, and as of August 1, 2003, peace officers and correctional officers employed by political subdivisions. Effective August 1, 2017, current and newly eligible members of the National Guard System were transferred to the Law Enforcement System. Effective August 1, 2015, current and newly eligible members of the National Guard System were transferred to the Law Enforcement System.

At June 30, 2024, the State recorded a net pension liability of \$945,203,448 for all of the PERS system. The net pension liability was measured as of June 30, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The State's proportion of the net pension liability was based on the State's share of covered payroll in the PERS pension plan relative to the covered payroll of all participating employers. At June 30, 2023 the State's proportion was 47.64 percent, which is a decrease of 0.60 percent from the prior year.

The State's discrete component unit, North Dakota Public Finance Authority, also participates in the PERS system. At June 30, 2024, the discrete component units recorded a net pension liability of \$343,000 for all of the PERS system. The net pension liability was measured as of June 30, 2023 and the total pension liability and asset used to calculate the net pension liability was determined by an actuarial valuation as of that date. The discrete component units' proportion of the net pension liability was based on their share of covered payroll in the PERS pension plan relative to the covered payroll of all participating employers. At June 30, 2023 the discrete component unit's proportion was 0.018 percent, which is a decrease of 0.0004 percent from the prior year.

#### **Deferred Inflows and Outflows of Resources**

For the year ended June 30, 2024 the State recognized pension expense of \$77.4 million and the component unit recognized pension expense of \$35,000. At June 30, 2024 the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

		Primary G	ove	rnment		Discrete Con	mponent Units		
	0 2 0		Deferred Inflows of Resources				I	Deferred nflows of desources	
Differences between expected and actual experience	\$	32,792,868	\$	(5,711,228)	\$	11,000	\$	(2,000)	
Changes of assumptions		533,552,617		(734,943,781)		189,000		(260,000)	
Net difference between projected and actual earnings on pension plan investments		26,550,233		_		9,000		_	
Changes in proportion and differences between employer contributions and proportionate share of contributions		31,265,668		(40,247,096)		29,000		(15,000)	
Employer contributions subsequent to the measurement date		52,996,230				14,000			
Total	\$	677,157,616	\$	(780,902,105)	\$	252,000	\$	(277,000)	

\$52,996,230 and \$14,000 reported as deferred outflows of resources related to pensions resulting from State and component unit contributions, respectively, subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

	Prin	Primary Government		Component Units
2025	\$	(5,506,350)	\$	9,000
2026		(110,745,023)		(30,000)
2027		14,869,302		3,000
2028		(54,992,903)		(21,000)
2029		(295,821)		_
Thereafter		(69,924)		<u> </u>
Total	\$	(156,740,719)	\$	(39,000)

#### Sensitivity of the State's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the State's proportionate share of the net pension liability calculated using the discount rate of 6.50 percent, as well as what the State's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50 percent) or 1-percentage-point higher (7.50 percent) than the current rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)		1% Increase (7.50%)
State's proportionate share of the net pension liability	\$ 1,312,214,375	\$	945,203,448	\$ 640,745,954
Component's proportionate share of the net pension liability	473,000		343,000	235,000

#### NORTH DAKOTA TEACHERS' FUND FOR RETIREMENT

#### **Proportionate Share of Net Pension Liability**

The North Dakota Teachers' Fund for Retirement (TFFR) provides retirement benefits to North Dakota public teachers and certain other teachers who meet various requirements. At June 30, 2024, the State recorded a net pension liability of \$6,840,431 for all of the TFFR. The net pension liability was measured as of June 30, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The State's proportion of the net pension liability was based on the State's share of covered payroll in the TFFR pension plan relative to the covered payroll of all participating employers. At June 30, 2023 the State's proportion was 0.4874 percent, which is a decrease of 0.04 percent from the prior year.

#### **Deferred Inflows and Outflows of Resources**

For the year ended June 30, 2024 the State recognized pension expense of \$249,593. At June 30, 2024 the State reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Primary G	Government	Discrete Component Units		
	Deferred Deferred Outflows of Inflows of Resources Resources		Deferred Outflows of Resources	Deferred Inflows of Resources	
Differences between expected and actual experience	\$ 25,488	\$ (363,090)	\$ —	\$ —	
Changes of assumptions	108,240	_	_	_	
Net difference between projected and actual earnings on pension plan investments	417,498	_	_	_	
Changes in proportion and differences between employer contributions and proportionate share of contributions	907,722	(2,335,140)	_	_	
Employer contributions subsequent to the measurement date	642,873	_	_	_	
Total	\$ 2,101,821	\$ (2,698,230)	\$ —	\$ —	

\$642,873 reported as deferred outflows of resources related to pensions resulting from State contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

	Primary	Primary Government		nt Units
2025	\$	(290,298)	\$	_
2026		(405,717)		_
2027		164,582		_
2028		(214,122)		_
2029		(213,496)		_
Thereafter		(280,231)		_
Total	\$	(1,239,282)	\$	_

#### Sensitivity of the State's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the State's proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the State's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)		Current Discount Rate (7.25%)		1% Increase (8.25%)	
State's proportionate share of the net	-					
pension liability	\$	9,456,105	\$	6,840,431	\$	4,580,877

#### F. PENSION SUMMARY

The following is a summary of the pension related items for all plans of the State as of and for the year ended June 30, 2024.

Pension Plan	Net Pension Asset	Deferred Outflows of Resources Pension	Net Pension Liability	Deferred Inflows of Resources Pension	Pension Expense
Job Service ND	\$ (11,346,765)	\$ 5,014,798	<u> </u>	\$ —	\$ 5,740,755
ND Highway Patrolmen's Retirement System	_	49,452,414	75,874,610	31,072,205	14,491,129
ND Public Employees' Retirement System	_	677,157,616	945,203,448	780,902,105	77,417,838
ND Teachers' Fund for Retirement		2,101,821	6,840,431	2,698,230	249,593
Total	\$ (11,346,765)	\$ 733,726,649	\$1,027,918,489	\$ 814,672,540	\$ 97,899,315

#### G. DEFINED CONTRIBUTION PLAN

The North Dakota Defined Contribution Retirement Plan was established on January 1, 2000, and is administered in accordance with chapter 54-52.6 of the North Dakota Century Code. The Defined Contribution Plan was available to state employees who are in positions not classified by the Human Resource Management Services division of the State of North Dakota, and as of January 1, 2025 will be the retirement plan offered to new public employees who are not peace officers, judges, or Highway Patrol. The Defined Contribution Plan had 86 participants as of June 30, 2024.

The administrative costs of the Defined Contribution Plan are funded by forfeitures of non-vested employee contributions and administrative fees charged to individual participant accounts.

#### **Benefits**

Benefits are set by statute. Members are entitled to their vested account balance. A participating member is immediately 100% vested in the employee's contributions. A participating member vests in the employer contributions made on the member's behalf as follows:

Upon completion of two years of service	50 %
Upon completion of three years of service	75 %
Upon completion of four years of service	100 %

Members may elect to receive their account balance in a lump sum, lump sum direct rollover, or periodic distribution.

#### **Death and Disability Benefits**

Death and disability benefits are set by statute. Upon the death of a participating member or former participating member, the vested account balance of that deceased participant is available to the participant's designated beneficiary(ies). A member who becomes totally and permanently disabled while employed by the State is eligible to receive a distribution of the vested account balance. To qualify under this section, the member must meet the criteria established by the System for being totally disabled.

#### **Contributions**

Contributions are set by state statute and are a percentage of covered compensation. The State is paying 4% of the member contribution. The member contribution rate is 7.00% and the employer rate is 7.12% for members first enrolled prior to January 1, 2020. For members first enrolled after January 1, 2020 the member contribution rate is 7.00% and the employer rate is 8.26%. Pension expense totaled \$656,832 for the year ended June 30, 2024.

The defined contribution plan will become the primary retirement plan for new hires after January 1, 2025 for new hires that would currently be eligible for the Main plan. These mandatory contribution rates will be 4% from the employee and 5.26% from the employer. Members will have a one-time lifetime election to increase their contributions an additional 1%, 2%, or 3%, with the employer matching those incremental elections.

#### H. TEACHERS' INSURANCE ANNUITY ASSOCIATION

The Teachers' Insurance and Annuity Association (TIAA-CREF), a privately-administered defined contribution retirement plan, provides individual retirement fund contracts for eligible employees as defined by the Board of Higher Education in its approved TIAA-CREF retirement resolution. Further information can be obtained by writing to North Dakota University System, 600 E. Blvd, Bismarck, North Dakota 58505.

All benefits vest immediately to the participant. The plan requires mandatory enrollment for permanent employees based upon their employment classification. Employee and employer contributions are set based upon years of service as per the following schedule.

<b>Employment Class</b>	Years Of Service	By The Participant	By The Institution	Total
I and III	0 thru 10	4.50%	12.50%	17.00%
I and iii	over 10	5.00%	13.00%	18.00%
	0 thru 2	3.50%	7.50%	11.00%
II	3 thru 10	4.50%	12.50%	17.00%
	over 10	5.00%	13.00%	18.00%
IV	Closed to new participants	4.00%	12.00%	16.00%
President/Chancellor	less than 3	0.00%	0.00%	0.00%
(additional employer	3 to less than 6	0.00%	4.00%	4.00%
contribution)	6 and over	0.00%	8.00%	8.00%

Plan contributions are made on a tax-deferred basis in accordance with section 414(h)(2) of the Internal Revenue Code. All contributions are applied as premiums to retirement annuity contracts owned by the participant. The State has no further liability once annual contributions are made. The State contributed \$50.1 million to TIAA-CREF during the fiscal year ending June 30, 2024.

### **NOTE 7 - POST-RETIREMENT**

#### A. RETIREE HEALTH INSURANCE CREDIT – PLAN INFORMATION

The Retiree Health Insurance Credit Fund, a cost-sharing multiple-employer other post-employment plan, is administered by the North Dakota Retirement Board (the Board) to provide members that were first enrolled in the plan prior to January 1, 2020 and are receiving retirement benefits from the Public Employees Retirement System, the Highway Patrolmen's Retirement System and judges retired under Chapter 27-17 of the North Dakota Century Code a credit toward their monthly health insurance premium under the state health plan based upon the member's years of credited service. Effective July 1, 2015, the credit will also be available to apply towards monthly premiums under the state dental, vision and long term care plan and any other health insurance. Effective August 1, 2019, the credit is expanded to also include any dental, vision, and long term care plan. The Retiree Health Insurance Credit Fund is advance-funded on an actuarially determined basis. PERS issues a publicly available financial report that may be obtained by writing to North Dakota Public Employees Retirement System, 1600 E. Century Ave., Suite 2, Bismarck, North Dakota 58503.

Regular employees hired under the Retirement Plan for Employees of Job Service North Dakota prior to October 1, 1980 are eligible to participate in the Retiree Health Insurance Credit Fund, a cost-sharing multiple-employer plan, as administered by the Public Employees Retirement Board. The retired employee is provided a credit toward their monthly health insurance premium under a qualifying plan based upon their years of credited service. In accordance with NDCC 54-52.1-03.2, Job Service North Dakota reimburses the Retiree Health Insurance Credit Fund monthly for credit received by members of the retirement plan established by Job Service North Dakota.

Responsibility for administration of the NDPERS defined benefit OPEB plan is assigned to a Board comprised of nine members. The Board consists of a Chairman, who is appointed by the Governor; one member appointed by the Attorney General; one member appointed by the State Health Officer; three members elected by the active membership of the NDPERS system, one member elected by the retired public employees and two members of the legislative assembly appointed by the chairman of the legislative management.

Employee membership is as follows:

Retirees receiving benefit	15,599
Active participants	16,283
Total Membership	31,882

#### **OPEB Contributions**

The employer contribution for the PERS, the HPRS and the Defined Contribution Plan is set by statute at 1.14% of covered compensation. Employees participating in the retirement plan as part-time/temporary members are required to contribute 1.14% of their covered compensation to the Retiree Health Insurance Credit Fund. Employees purchasing previous service credit are also required to make an employee contribution to the Fund. The benefit amount applied each year is shown as "prefunded credit applied" on the Statement of Changes in Plan Net Position for the OPEB trust funds.

#### **OPEB Benefits**

Retiree health insurance credit benefits and death and disability benefits are set by state statute. There are no provisions or policies with respect to automatic and ad hoc post-retirement benefit increases. Employees who are receiving monthly retirement benefits from the Public Employees Retirement System, the Highway Patrolmen's Retirement System, or the Defined Contribution Retirement Plan, the Chapter 27-17 judges or an employee receiving disability benefits, or the spouse of a deceased annuitant receiving the surviving spouse benefit of if the member selected a joint and survivor option are eligible to receive credit toward their monthly health insurance premium under the state health plan.

The benefits are equal to \$5.00 for each of the employee's, or deceased employee's years of credited service not to exceed the premium in effect for selected coverage. The retiree health benefit is also available for early retirement with reduced benefits.

#### Net OPEB Liability of the Plan

The components of the net OPEB liability of the plan at June 30, 2024 is as follows (expressed in thousands):

	RHIC
Total OPEB liability	\$ 272,982
Plan fiduciary net position	(186,576)
Net OPEB liability (asset)	\$ 86,406
RHIC fiduciary net position as a percentage of the total OPEB liability	 68.35 %

#### **Actuarial Assumptions**

Actuarial Cost Method: Entry Age Normal

Asset Valuation Method: Plan Fiduciary Net Position (Market value of assets, no asset smoothing)

RHIC Inflation: 2.25%

Salary Increase: Not applicable

Investment Rate of Return: 5.75%.

Mortality Rates: Pub-2010 Health Retiree Mortality table (for General Employees), sex-distinct, with rates multiplied by 103% for males and 101% for females. Pub-2010 Disabled Retiree Mortality table (for General Employees), sex-distinct, with rates multiplied by 117% for males and 112% for females. Pub-2010 Employee Mortality table (for General Employees), sex-distinct, with rates multiplied by 92% for both males and females. Mortality rates are projected from 2010 using the MP-2019 scale.

Other Notes: RHIC is for the most part a closed plan. There were no benefit changes during the year. The investment return assumption was decreased from 6.50% to 5.75% beginning with the actuarial valuation as of July 1, 2022. All other actuarial assumptions were adopted by the Board based on an experience study covering the period July 1, 2015, through June 30, 2019. The employer rate to the System is the statutory contribution rate of 1.14% of payroll.

#### Investment Rate of Return

The long-term expected investment rate of return assumption for the RHIC fund was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of RHIC investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Estimates of arithmetic real rates of return, for each major asset class included in the RHIC's target asset allocation as of July 1, 2024 is summarized in the following table:

Expected Real Rate of Return
4.00 %
6.00 %
7.00 %
3.29 %

#### **Discount Rate**

For the purpose of this valuation, the expected rate of return on OPEB plan investments is 5.75%; the municipal bond rate is 3.97%; and the resulting Single Discount Rate is 5.75%. The projection of cash flows used to determine the discount rate assumed plan member and statutory/Board approved employer contributions will be made at rates equal to those based on the July 1, 2024 PERS actuarial valuation reports. For this purpose, only employer contributions that are intended to fund benefits of current RHIC members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries are not included. Based on those assumptions, the RHIC fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members. Therefore, the long

term expected rate of return on RHIC investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

#### Sensitivity of Net OPEB Liability

The following presents the net OPEB liability of the Plan as of June 30, 2024, calculated using the single discount rate of 5.75%, as well as what the RHIC net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate (expressed in thousands):

			Ci	irrent Discount		
Net OPEB Liability (Asset)	1% Decrease		Rate		1% Increase	
As of June 30, 2024		(4.75%)		(5.75%)		(6.75%)
RHIC	\$	118,095	\$	86,406	\$	59,715

The benefit provided by the North Dakota Retiree Health Insurance Credit Fund is a fixed dollar subsidy and is not affected by healthcare cost trend. Therefore, a healthcare trend rate was not performed.

#### B. RETIREE HEALTH INSURANCE CREDIT - STATE'S SHARE

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

#### **Proportionate Share of Net OPEB Liability**

At June 30, 2024, the State reported a liability of \$49,393,376 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The State's proportion of the net OPEB liability was based on the State's share of covered payroll in the OPEB plan relative to the covered payroll of all participating OPEB employers. At June 30, 2023, the State's proportion was 50.41 percent, which is an increase of 0.006 percent from the prior year.

#### **Deferred Inflows and Outflows of Resources**

For the year ended June 30, 2024 the State recognized OPEB expense of \$9.3 million. At June 30, 2024, the State reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Primary Government				Discrete Component Units			ent Units
	Deferred Outflows of Resources			Deferred Inflows of Resources	Deferred Outflows of Resources			Deferred Inflows of Resources
Differences between expected and actual experience	\$	930,011	\$	(565,099)	\$	_	\$	_
Changes of assumptions		10,534,651		(4,088,001)		_		_
Net difference between projected and actual earnings on OPEB plan investments		3,567,222		_		_		_
Changes in proportion and differences between employer contributions and proportionate share of contributions		1,599,661		(1,979,434)		_		_
Employer contributions subsequent to the measurement date		6,060,973		_				_
Total	\$	22,692,518	\$	(6,632,534)	\$		\$	

\$6,060,973 reported as deferred outflows of resources related to OPEB resulting from State contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEBs will be recognized in OPEB expense as follows:

Year ended June 30:

	Prima	Primary Government		Component Units
2025	\$	2,850,055	\$	
2026		2,557,306		_
2027		2,824,631		_
2028		1,767,019		_
2029		_		_
Total	\$	9,999,011	\$	

#### Sensitivity of the State's Proportionate Share of the OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Plans as of June 30, 2024, calculated using the discount rate of 5.75%, as well as what the RHIC net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.75 percent) or 1-percentage-point higher (6.75 percent) than the current rate:

	1% Decrease (4.75%)	Cu	Current Discount Rate (5.75%)		1% Increase (6.75%)	
State's proportionate share of the net OPEB liability	\$ 63,534,264	\$	49,293,376	\$	37,512,391	

#### C. JOB SERVICE NORTH DAKOTA – MET LIFE INSURANCE BENEFIT

#### MET LIFE INSURANCE BENEFIT

Job Service North Dakota engaged an actuary to determine the Agency's liability for post-employment benefits other than pensions as of July 1, 2023. The actuary determined the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense the Agency has to record as of June 30, 2024. This plan document, as amended, is authorized by the Plan Administrator, who is the Executive Director of the agency. JSND issues a publicly available financial report that may be obtained by writing to Job Service North Dakota, PO Box 5507, Bismarck, North Dakota 58506-5507.

#### **Plan Description**

Job Service North Dakota employees who had a Met Life Insurance policy in effect on December 1, 1999, when the Met Life Insurance benefit plan, a single-employer plan, was discontinued for new employees, receive the following benefits: Job Service North Dakota pays 33% of the monthly Basic Met Life Insurance premium of current employees with a Met Life Insurance policy and upon retirement the employees Basic Met Life Insurance premiums are covered 100% by Job Service North Dakota. The Basic Life Insurance Benefits are equal to the employees' annual salary rounded up to the nearest thousand plus two thousand up to a maximum of \$45,000 and are decreased at a rate of 2% per month at age 65 until the benefit is 25% of the original amount but no less than \$10,000. The actuary report of the Met Life Insurance Benefit is the only financial report produced for this benefit and is available as indicated above. Job Service North Dakota has authority to change the funding and benefit policy of this plan.

Membership of the Other Post Retirement Benefit plan consisted of the following at July 1, 2023, the date of the latest actuarial valuation:

Retirees and beneficiaries currently receiving benefits	129
Terminated employees entitled to benefits but not yet receiving them	_
Current vested employees	4
Total	133

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The Employer reported a liability of \$966,281 at June 30, 2024 for its net OPEB liability. The net OPEB liability was measured as of July 1, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

For the year ended June 30, 2024, the Employer recognized OPEB expense of \$99,150. The Employer reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following:

	Ou	eferred tflows of sources	lr	Deferred offlows of esources
Differences between expected and actual experience	\$	_	\$	_
Changes of assumptions		_		_
Net difference between projected and actual earnings on OPEB plan investments		_		_
Changes in proportion and differences between employer contributions and proportionate share of contributions		_		_
Total	\$	_	\$	_

#### **Actuarial Assumptions**

The total OPEB liability in the actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	July 1, 2023
Inflation	none
Salary increases	5%
Discount rate	4.21% per annum

Mortality rates were based on the RP-2014 Total Dataset Mortality Table adjusted to based year 2006, projected with Scale MP-2019.

#### Sensitivity of the State's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Plans as of June 30, 2024, calculated using the discount rate of 4.21%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.21 percent) or 1-percentage-point higher (5.21 percent) than the current rate (expressed in thousands):

		C	Current Discount	
Net OPEB Liability	1% Decrease		Rate	1% Increase
As of June 30, 2024	(3.21%)		(4.21%)	(5.21%)
Met Life	\$ 1,052	\$	966	\$ 892

#### Schedule of Changes in Net OPEB Liability

	Increase (Decrease)				
	Total OPEB Liability	Plan Net Position	Net OPEB Liability		
	(a)	(b)	(a) - (b)		
Balances at 7/1/23	\$ 952,996	\$ —	\$ 952,996		
Changes for the Year:					
Service cost	304	_	304		
Interest	35,478	_	35,478		
Benefit changes	_	_	_		
Experience losses (gains)	72,989	_	72,989		
Changes of assumptions	(9,621)	_	(9,621)		
Contributions - Employer		85,865	85,865		
Benefits paid	(85,865)	(85,865)	(171,730)		
Administrative expenses					
Net changes	13,285		13,285		
Balances at 6/30/24	\$ 966,281	\$ —	\$ 966,281		

The plan provisions used in the measurement of the net OPEB liability are the same as those used in the Actuarial Valuation as of July 1, 2023.

#### D. OPEB SUMMARY

The following is a summary of the OPEB related items for all plans of the State as of and for the year ended June 30, 2024.

OPEB Plan	Deferred Outflows of Resources - OPEB		Net OPEB Liability	I	Deferred Inflows of Resources - OPEB		OPEB Expense	
ND Public Employees' Retirement System	\$	22,692,518	\$ 49,393,376	\$	6,632,534	\$	9,300,201	
JSND Met Life Insurance Benefit		_	966,281		_		99,150	
Total	\$	22,692,518	\$ 50,359,657	\$	6,632,534	\$	9,399,351	

#### **NOTE 8 - DEFERRED COMPENSATION PLAN**

The ND Public Employees Retirement System was given authority by Chapter 54-52.2 to administer an employee deferred compensation plan in accordance with Internal Revenue Code Section 457. The plan allows employees of the State of North Dakota or any of its political subdivisions, institutions, departments, or agencies to participate, providing that the employee has signed a participation agreement, which permits them to defer a portion of their current salary until future years. Each participant may defer the lesser of \$23,000 or 100% of gross annual compensation for calendar year 2024. Participation in the plan is optional. The deferred compensation is not available to the employees until termination, retirement, death or unforeseeable emergency.

All compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights, are held in trust for the exclusive use of the employee or their beneficiary.

The minimum monthly member contribution to the deferred compensation plan is \$25 and the maximum vesting in the employer contributions ranges from 1% to 4% of the monthly salary, or \$25, depending the employees months of service.

The deferred compensation plan had 16,997 active participants as of June 30, 2024.

The related assets of the plan, held in trust, are reported at fair value as follows (expressed in thousands):

Total Value	\$ 220.072	100 %
Other Jurisdictions	15.607	7 %
State of North Dakota	\$ 204,465	93 %
Plan Participation By:		

#### **NOTE 9 - PERS UNIFORM GROUP INSURANCE PROGRAM**

The Uniform Group Insurance Program, a proprietary fund, contracted with Sanford Health Plan to provide health care insurance to the employees of the State of North Dakota, or any of its political subdivisions, institutions, departments or agencies. The contract for the 2019-2021 biennium provides for an accounting of premiums paid and claims incurred during the biennium. The final gain or loss is determined two years after the end of the biennium, which for the 2019-2021 biennium will occur in 2023 with an initial settlement occurring in 2022. In the event of a loss, the system does not have any risk. For this period, premiums exceeded claims, therefore, a gain of \$26.1 million was returned to the System as an initial settlement in 2022. The final settlement resulted in a decrease to the initial settlement, and resulted in an accrued payable to Sanford Health Plan of \$625,846 for 2023. A final payment of \$547,984 was made in 2024 to close out the 2019-2021 contract.

The System again entered into a similar contract with Sanford Health Plan for the 2021-2023 biennium. The contract for the 2021-2023 biennium provides for an accounting of premiums paid and claims incurred during the biennium. The final gain or loss is determined two years after the end of the biennium, which for the 2021-2023 biennium will occur in 2025 with an initial settlement occurring in 2024. In the event of a loss, the system does not have any risk. For this period, claims exceeded premiums, resulting in no settlement in 2024. No other insurance contracts have a gain sharing provision.

#### **NOTE 10 - SEGMENT INFORMATION**

North Dakota Housing Finance Agency maintains two separate funds which account for general agency operations and provide loans to finance construction of rental residential housing and single-family ownership. The two funds are accounted for in a single fund, but investors in home ownership bonds rely solely on the revenue generated by the mortgage loans and assets acquired for repayment. Segment information for the year ended June 30, 2024, was as follows (expressed in thousands):

	Home-0	Ownership Bond Funds
Condensed Statement of Net Position		
Current assets – other	\$	303,394
Noncurrent assets – other		1,905,321
Total Assets		2,208,715
Current liabilities – other		100,658
Noncurrent liabilities – other		1,851,839
Total Liabilities		1,952,497
Deferred infow of resources		20,762
Net position – restricted		235,456
Total Net Position	\$	235,456
Condensed Statement of Revenues, Expenses and Change in Fund Net Position		
Operating revenues	\$	84,835
Operating expenses		(67,190)
Operating income		17,645
Change in net position		17,645
Total net position, beginning of year		217,892
Equity transfer out		(81)
Total net position, end of year	\$	235,456

	Home-Ownership Bond Funds		
Condensed Statement of Cash Flows			
Net cash provided by operating activities	\$	(252,053)	
Net cash used for noncapital financing activities		304,411	
Net cash used for investing activities		5,843	
Net change in cash and cash equivalents		58,201	
Cash and cash equivalents, beginning of year		193,456	
Cash and cash equivalents, end of year	\$	251,657	

#### **NOTE 11 - MAJOR COMPONENT UNIT TRANSACTIONS**

#### BISMARCK STATE COLLEGE AND BISMARCK STATE COLLEGE FOUNDATION

On October 19, 2007, BSC and BSC Foundation entered into a 25-year lease agreement to facilitate the construction of the National Energy Center of Excellence building. Under the agreement, BSC is responsible for payment of all rent, maintenance, and repair of the facility, maintenance of all insurance required under the lease, and restrictions of use of the facility as set forth in the lease. The amount of the rent is tied to the \$5.0 million debt service retirement. Upon payment of all the bonds, BSC will have the option to purchase the premises for \$100.

BSC Foundation's financial statements include these transactions as a receivable from BSC and a long-term liability. BSC's financial statements include the capitalized asset and a long-term liability due to BSC Foundation.

On September 26, 2014, BSC and Student Housing, LLC (a wholly owned subsidiary of BSC Foundation) entered into a 30-year Ground Lease to facilitate the construction and development of a student apartment housing complex on approximately 4.67 acres of land owned by BSC. Under the agreement, BSC would enter into a separate operating and lease agreement with LLC for the constructed student housing apartment complex for use as a College student housing facility. There are no separate rent payments to be paid by LLC during the term of the Ground Lease agreement in exchange for use of the land.

On August 13, 2015, BSC and Student Housing, LLC entered into a five-year lease agreement to operate student housing services in the two newly constructed housing units (Ritchie Hall and Gate City Bank Hall). On August 28, 2020, an agreement was signed to extend the lease term until August 12, 2025. Under the agreement, BSC is responsible for payment of all rent, maintenance, and daily repair/maintenance of the facility, and restrictions of use of the facility as set forth in the lease. Student Housing, LLC is responsible for major repairs/maintenance and property and liability insurance on the facilities. The lease is classified as a lease on BSC financial statements and Student Housing, LLC financial statements includes the capitalized asset.

#### UNIVERSITY AND NDSU RESEARCH AND TECHNOLOGY PARK, INC.

On December 30, 1999, North Dakota State University (NDSU), through the State of North Dakota and North Dakota State Board of Higher Education, entered into a ground lease, whereby the NDSU Research and Technology Park (RTP), Inc. (component unit) leases 40 acres of land for \$1 per year for the next seventy-five years.

On July 1, 2002, NDSU and the RTP entered into an agreement for cooperation and assistance between entities. The agreement is an annual agreement, which automatically extends for one-year periods unless cancelled by either party to the agreement.

During fiscal year 2017, NDSU and NDSU RTP entered into renewed agreements, whereby NDSU leases the Research Buildings I and II through May 1, 2022 and May 2032. On May 1, 2022, NDSU and NDSU RTP entered into an annual service agreement for Research Building I to continue the services provided as the bonds related to Research Building I have been paid in full and NDSU exercised its option to terminate the Research Building I Lease and purchase Research Building I. During fiscal year 2024, total annual rent of \$402,000 was paid by NDSU for these two buildings, in addition to the \$1.28 million of principal and interest paid by NDSU directly to the bond trustee. The annual rent will be re-adjusted by mutual agreement every two years. These agreements are subject to funding and legislative appropriations.

#### NDSU FOUNDATION

#### Renaissance Hall

The former Northern School Supply building was donated to the Foundation by NDSU alum in December of 2001. During fiscal year 2003 and 2004, the Foundation renovated the building with the intent to lease the facility to NDSU beginning fall 2004. The Foundation transferred nearly the entire ownership of the building to 650 NP Avenue, LLC and Kilbourne Design Group, LLC, for a five-year period in order to achieve tax credits that would ultimately reduce the cost of the building to NDSU. During the five-year

tax credit period, NDSU leased the building from the two LLCs, with the lease payments composed of interest and fees. With the five-year tax credit period ending December 31, 2010 (as extended), and the ownership was transferred back to the Foundation, permanent financing was put in place on December 17, 2010, with the issuance of \$5.65 million of 20-year University Facilities Lease Revenue Bonds, Series 2010 (Renaissance Hall Project). The financing structure involving the five-year temporary ownership transfer resulted in achieving tax credits of \$4.9 million which directly lowered the leasing cost to NDSU.

Under this refinanced debt issuance and lease agreement, as approved by the SBHE on December 16, 2010, the property is leased to NDSU for rent equal to the semi-annual principal and interest on the bonds, plus all costs incurred by the Foundation incident to ownership of the property. Ownership of the property will transfer to NDSU when the bonds are repaid in full. NDSU paid the Foundation \$419,000 in fiscal year 2024 for debt service under this agreement. As of June 30, 2024, the outstanding balance on the bonds are reflected as "Due to Component Units" by NDSU, is \$2.4 million.

#### Barry Hall Business Building and Klai Hall Architecture Building

Effective November 28, 2007, NDSU and the Foundation entered into lease agreements for two buildings in downtown Fargo, formerly known as the "Pioneer Mutual Building" and "Lincoln Mutual building". The Foundation financed the construction of the Barry Hall business building and Klai Hall architecture building projects through the sale of \$18.52 million of 20-year University Facilities Revenue Bonds issue by the City of Fargo, North Dakota. The City has loaned the bond proceeds to the Foundation for payments equal to the sum of the semi-annual interest payments and installments of varying principal amounts on the variable rate bonds and the semi-annual principal and interest payments on the fixed-rate bonds. The principal payments on the variable rate bonds will be funded from payments on donor pledges restricted for the project. Under the terms of the loan, the Foundation is responsible for the real estate taxes, insurance, repairs and maintenance, and other costs incident to ownership of the property. The property is included with property in the financial statements and the bonds have been recorded as a direct obligation of the Foundation. Ownership of the property will transfer to NDSU when the bonds are repaid in full. The bonds are guaranteed by the Foundation. This property is leased to NDSU for rental equal to the sum of the semi-annual interest only payments on the variable term bonds plus the semi- annual principal and interest payments on the fixed-rate bonds for the term of the bonds, plus all the costs incurred by the Foundation incident to ownership of the property.

In May 2012, the Foundation refinanced the original bonds issued in November 2007. As a result, new leases were executed. Under the terms of the new leases, NDSU pays and recognizes a liability for the entire amount of the previously issued bonds. During fiscal year 2024, NDSU paid \$620,000 to the bond trustee on-behalf of the Foundation under the new leases for debt service on Barry Hall & Klai Hall. NDSU has an option to acquire the property upon full payment of the bonds. As of June 30, 2024, the outstanding balance on the bonds, reflected as "Due to Component Units" by NDSU, is \$6.5 million.

#### Other Transactions

The Foundation provides meeting space rental and database support service to NDSU for an annually negotiated fee. NDSU paid the foundation \$999,000 for the fiscal year ending December 31, 2023.

In addition to the debt service payments on the Fargodome, Renaissance, Barry and Klai Halls, NDSU reimburses the Foundation for other operating expenses related to those buildings, such as property insurance, flood insurance, boiler inspection fees, real estate taxes and bond administrative fees. Those costs totaled \$169,000 during the fiscal year ending December 31, 2023.

The Foundation's fiscal year end is December 31, NDSU year end is June 30. Timing differences in amounts may occur between entity financial statements, due to different year end dates.

#### UNIVERSITY OF NORTH DAKOTA AND UND AEROSPACE FOUNDATION

The UND Aerospace Foundation (UND AF) recorded expenses reimbursed to UND for salaries, building rent, aircraft rental, and goods and services under an operating agreement aggregating \$4.5 million in fiscal year 2024. This operating agreement has no specific term and is intended to memorialize various operating agreements, rate structures, duties, and obligations each party has to the other. Expenses reimbursed to UND represent actual costs incurred and are included in training expenses in the consolidated statements of activities.

The UND AF recorded revenue for service and hangar, CRJ, 360-degree tower, and aircraft rental to UND of \$2.1 million in fiscal year 2024, which is included in program and event revenue in the Statement of Revenue, Expenses and Changes in Fund Net Assets for Component Units (FASB Basis) – University System Foundation.

As of June 30, 2024, the UND AF had recorded accounts payable to UND of \$1.2 million for reimbursable costs and services. As of June 30, 2024, the UND AF had recorded accounts receivable from UND of approximately \$607,000, which are included in accounts receivable in the statement of net assets for component units (FASB Basis) – University System Foundation.

The UND AF entered into a sublease with UND to lease the aircraft storage hangar/ground support equipment facility. The lease term is for 20 years, commencing on July 7, 2003, until July 6, 2023. The lease was extended in October 2023 for an additional five-year term. For the first fifteen years of the sublease, UND will pay the Foundation's monthly minimum payment of \$12,672, beginning on October 1, 2003, subject to actual cost adjustments. At the end of the 15 years of the sublease, rent will be adjusted based upon the interest rate adjustments of the debt incurred by the Foundation in the construction of the hangar.

#### UNIVERSITY OF NORTH DAKOTA AND RE ARENA, INC.

RE Arena Inc. and UND, enter into an annual operating agreement from July 1, 2020 to September 30, 2030 The operating agreement sets forth the facility usage, fees and services, ticket administration and revenue allocation, sponsorship sales administration and revenue allocation, and net income disposition. In accordance with this agreement: (i) RE Arena Inc. collects all ticket revenue from ticketed UND athletic events (hockey, football, men's and women's basketball, and volleyball), RE Arena, Inc. retains 52 percent of such ticket revenue and remits 48 percent to the UND, and (ii) RE Arena Inc. collects all sponsorship sales revenue from the UND athletic events at the arena, RE Arena, Inc. retains 50 percent of such sponsorship revenue, net of direct costs, and remits 50 percent to the UND net of direct costs. In addition, UND and RE Arena, Inc. jointly utilize the UND and RE Arena Inc. marketing staff to market and promote the UND athletic events.

RE Arena, Inc. may contract with UND for materials and personnel in service, utility and other areas and will reimburse UND based on separate agreements. Revenue and expense arrangements for all other UND events held at the arena will be negotiated on an event-by-event basis.

In fiscal year 2024, gross tickets sales were \$5.9 million of which RE Arena, Inc. recognized revenue of \$3.1 million, with a net paid to UND of \$2.8 million

Gross tickets sales for the next athletic season year are recorded in deferred revenue at gross by REA for a total of \$3.7 million.

REA recognized net sponsorship (advertising) revenue of \$1.1 million and net paid to UND in sponsorship (advertising) income of \$1.1 million. REA allocated \$500,000 of net income to UND athletic department for the year ended May 31, 2024. REA expensed \$1.1 million to UND for utilities, maintenance staff, phone service and other.

At the end of the fiscal year REA owed UND \$179,000 for monthly services.

Amounts are reported on the accrual basis of accounting, which may or may not be the same as that used by UND. REA fiscal year end is May 31 and UND's fiscal year end is June 30. Amounts may differ between entity financial statements because of timing differences due to different year ends

#### UNIVERSITY OF NORTH DAKOTA AND UNIVERSITY OF NORTH DAKOTA FOUNDATION

UND is leasing space in the Gorecki Alumni Center in the amount of \$75,000 per year. Additional rental payments consisting of UND's share of the operating and maintenance costs for space used in the Gorecki Alumni Center are calculated annually.

During the year ended June 30, 2024, UND provided approximately \$2.0 million of institutional support for event and database support, annual giving campaign, career development center and shared positions. The UND Alumni Association and Foundation (Foundation) manages UND's endowment investments and charged them \$267,000 in investment management fees during the year ended June 30, 2024.

During the year ended June 30, 2024, the Organization paid \$12.0 million to the University of North Dakota for building projects.

On July 24, 2002, the UND Foundation issued \$8.6 million of tax-exempt lease revenue bonds to finance the construction of an office building and the renovation of an existing building for the EERC of UND. The UND Foundation recorded a receivable from UND of \$8.6 million due under the direct-financing lease arrangement. On October 18, 2012, the UND Foundation issued Taxable Refunding Lease Revenue Bonds, Series 2012 in the amount of \$6.4 million to refund its outstanding Lease Revenue Bonds, Series 2002.

The UND Foundation also amended the related lease agreement with UND. Interest accrues on the bonds at rates from 0.75 percent to 4.20 percent depending upon maturity. Annual principal and semiannual interest payments are due through fiscal year 2027 and as of June 30, 2024 were \$1.6 million. The bonds are secured by a lease with UND.

On March 23, 2021, the UND Foundation financed the build of the College of Business and Public Administration building in part with First International Bank & Trust, in an amount up to \$30 million. On July 23, 2023 the UND Foundation modified the University Facilities Bonds, Series 2021 (College of Business and Public Administration Building) to allocate \$13 million of the \$30

million to finance the building of the Frederick "Fritz" Pollard, Jr. Athletic Center. The bonds are now secured by pledged receivables for both building projects. As of June 30, 2024, the outstanding balance on the bonds is \$24.9 million and the bonds mature on March 5, 2032. UND is not legally obligated for the payment of these bonds..

On April 26, 2024, The University of North Dakota Foundation entered into a loan agreement with the City of Grand Forks in an amount of \$2.0 million to assist in the construction of a UND Softball Complex. The interest rate is variable between 2 percent – 4 percent. Annual payments on the loan begin in 2025 and are required through 2034. UND is not legally obligated for the payment of the loan.

#### NOTE 12 - FINANCIAL INSTRUMENTS WITH OFF-BALANCE-SHEET RISK

#### BANK OF NORTH DAKOTA

The State, through the Bank of North Dakota, is a party to credit related financial instruments with off-balance-sheet risk in the normal course of business to meet the financing needs of its customers. These financial instruments include commitments to extend credit, financial standby letters of credit and guarantees related to loan programs. Those instruments involve varying degrees, elements of credit and interest rate risk in excess of the amount recognized in the statement of net position. The contract amounts of those instruments reflect the extent of involvement the State has in particular classes of off-balance-sheet financial instruments.

The State's exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to extend credit and financial standby letters of credit is represented by the contractual amount of those instruments. The State uses the same credit policies in making commitments and conditional obligations as it does for on- balance-sheet instruments.

	Contract Amount (in thousands)
Commitments to extend credit	\$ 2,073,963
Financial standby letters of credit	871,330
Guarantees provided	7,253

Commitments to extend credit are agreements to lend as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since many of the commitments may expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. The amount of collateral obtained by the State upon extension of credit is based on management's credit evaluation of the customer. Collateral held may include accounts receivable, inventory, property, plant and equipment, and income-producing commercial properties.

Financial standby letters of credit are conditional commitments issued by the Bank to guarantee the performance of a customer to a third party. Those letters of credit are primarily issued to support public borrowing arrangements. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loan facilities to customers. The Bank has segmented this category into three components: (1) letters of credit, (2) confirming letters of credit, and (3) letters of credit pledged for public deposits to North Dakota financial institutions.

Letters of credit are conditional commitments issued by the Bank to guarantee the performance of a customer to a third party which require this type of facility. The maturities for these letters range from one month to ten years, and the likelihood of funding any of these letters of credit is considered to be remote. The Bank holds collateral supporting those commitments. The Bank also has letters of credit with the North Dakota Public Finance Authority with maturities ranging from five to twenty-three years. If the letters issued to Public Finance Authority were ever drawn upon, Public Finance Authority is legally obligated to reimburse the Bank from funds legally available, or from any appropriation made available to the Legislative Assembly after certification by the Industrial Commission. The likelihood of funding any of these letters of credit is also considered to be remote. Outstanding issued letters of credit as of December 31, 2023 were \$27.3 million.

Confirming letters of credit are issued to North Dakota financial institutions to support letters of credit they have issued but are still in need of backing from an institution with a long-term, high quality bond rating. In the event these letters were to be drawn upon, based on the terms of the agreement, the Bank would immediately withdraw funds from the institution's correspondent bank account held at the Bank to cover the amount drawn. These agreements generally have terms of 12 months or less. The likelihood of funding any of these confirming letters of credit is also considered to be remote. Outstanding issued confirming letters of credit as of December 31, 2023 were \$5.6 million.

Letters of credit pledged for public deposit to North Dakota financial institutions are issued to support public borrowing arrangements. These letters are fully collateralized by a pool of loans pledged to the Bank. These agreement generally have terms of 12 months or less. Financial standby letters for public deposits by North Dakota banks totaled \$573 million at December 31, 2023. The likelihood of funding any of these letters of credit is also considered to be remote. These letters of credit are authorized form of collateral for public deposits per North Dakota Century Code 21-04-09.

The Bank has not recorded a contingent liability related to off-balance sheet activity as of December 31, 2023.

#### SCHOOL CONSTRUCTION ASSISTANCE REVOLVING LOAN FUND

As of June 30, 2024, the Fund had two outstanding commitments for \$24 million.

#### LEGACY INVESTMENT FOR TECHNOLOGY FUND

As of June 30, 2024, the Fund had four outstanding commitments for \$1.7 million.

#### AGRICULTURE PACE FUND

As of June 30, 2024, the Fund had sixteen outstanding commitments for \$2.5 million.

#### INFRASTRUCTURE REVOLVING LOAN PROGRAM

As of June 30, 2024, the Fund had eleven outstanding commitments for \$33.4 million.

#### CLEAN SUSTAINABLE ENERGY AUTHORITY

As of June 30, 2024, the Fund had eight outstanding commitments for \$390.5 million.

#### WATER INFRASTRUCTURE REVOLVING LOAN FUND

As of June 30, 2024, the Fund had two outstanding commitments for \$11.4 million.

#### MEDICAL FACILITY INFRASTRUCTURE LOAN FUND

As of June 30, 2024, the Fund had two outstanding commitments for \$8.2 million

#### NORTH DAKOTA HOUSING FINANCE AGENCY

In the normal course of business, the Agency makes various commitments that are not reflected in the financial statements. These include commitments to extend credit and the debt reduction required when related loan acquisition funds are not drawn down within prescribed time frames set by the specific bond resolution.

Commitments to extend credit are agreements to fund loans as long as there is no violation of any condition established in the contracts. Commitments require the payment of a reservation fee and generally have a fixed expiration date. Commitments to extend credit total \$155.5 million at June 30, 2024.

The bond resolutions require that the funds in the loan acquisition accounts be expended within 42 months of the related bond delivery date. Any remaining funds must be used for debt reduction. The loan acquisition funds totaled \$69.1 million at June 30, 2024.

#### **PUBLIC FINANCE AUTHORITY**

In the normal course of business, the Finance Authority (a component unit) makes various commitments that are not reflected in the financial statements. These commitments include commitments to extend credit of \$226.9 million at December 31, 2023.

#### **NOTE 13 - INTEREST RATE SWAP**

#### BANK OF NORTH DAKOTA

The Bank has outstanding interest rate swap agreements with a notional amount \$500 million to convert variable rate federal funds and variable LIBOR- indexed deposits into fixed-rate instruments over the term of the contract. The following table summarizes the terms of the interest rate swap contracts:

Trade Date	Maturity Date	Notional Amount	Pay Fixed	Receive Variable
June 5, 2014	June 1, 2029	\$50,000,000	2.86%	Fed Funds
April 14, 2015	May 1, 2030	\$50,000,000	1.92%	Fed Funds
August 11, 2016	September 1, 2031	\$50,000,000	1.48%	1 Month SOFR Fallback
April 5, 2017	May 1, 2032	\$50,000,000	2.39%	1 Month SOFR Fallback
June 15, 2017	July 1, 2032	\$50,000,000	1.99%	Fed Funds
March 27, 2018	April 1, 2033	\$50,000,000	2.47%	Fed Funds
June 28, 2018	July 1, 2033	\$50,000,000	2.52%	Fed Funds
April 25, 2019	May 1, 2034	\$50,000,000	2.36%	Fed Funds
September 3, 2019	October 1, 2034	\$50,000,000	1.15%	Fed Funds
October 2, 2019	November 1, 2034	\$50,000,000	1.38%	Fed Funds

Either the Bank or its counterparties may terminate the interest rate swap if the other party fails to perform under the terms of the contract. Termination could result in the Bank being required to make a payment of the fair value of the swap to counterparty.

The following table summarizes the derivative financial instrument utilized at December 31, 2023:

		_	Fair	Value		Changes in	n Fair ∖	/alue
Swap	National Swap Amount		Classification		Amount	Classification		Amount
June 2014	\$	50,000,000	Other assets	\$	1,347,000	Deferred inflow	\$	(754,000)
April 2015		50,000,000	Other assets		4,175,000	Deferred inflow		(1,114,000)
August 2016		50,000,000	Other assets		6,878,000	Deferred inflow		(1,066,000)
April 2017		50,000,000	Other assets		4,126,000	Deferred inflow		(726,000)
June 2017		50,000,000	Other assets		5,095,000	Deferred inflow		(1,050,000)
March 2018		50,000,000	Other assets		3,562,000	Deferred inflow		(878,000)
June 2018		50,000,000	Other assets		3,453,000	Deferred inflow		(860,000)
April 2019		50,000,000	Other assets		4,390,000	Deferred inflow		(894,000)
Sept 2019		50,000,000	Other assets		10,053,000	Deferred inflow		(1,258,000)
Oct 2019		50,000,000	Other assets		9,046,000	Deferred inflow		(1,182,000)

At December 31, 2023, the Bank was not exposed to material credit risk because each counterparty is required to fully collateralize the fair value of the swaps within \$250 of daily mark-to-market valuations by depositing funds with the other counterparty.

The Bank is exposed to interest rate risk on its swap agreements. On its pay-fixed, receive variable interest rate swaps, the Bank's net payment increases as the USD-FEDERAL FUNDS-H.15 and USD-1 MONTH SOFR interest rates decrease.

Using rates as of December 31, 2023, the interest expense of the variable rate federal funds, variable rate 1 month SOFR Fallback and the net swap payments are as follows. As rates vary, the federal fund and 1 month SOFR interest expense and the net swap payments will vary.

		Pay Fixed		Receive				
Year Ended December 31:	Co	ntract Interest	F	ederal Fund Interest	Month SOFR lback Interest	Interest Rate Swap, net		
2024	\$	10,259,000	\$	21,320,000	\$ 5,460,000	\$	(16,521,000)	
2025		10,259,000		21,320,000	5,460,000		(16,521,000)	
2026		10,259,000		21,320,000	5,460,000		(16,521,000)	
2027		10,259,000		21,320,000	5,460,000		(16,521,000)	
2028		10,259,000		21,320,000	5,460,000		(16,521,000)	
2029-2033		34,451,000		77,285,000	16,380,000		(59,214,000)	
2034-2036		1,400,000		5,108,000	_		(3,708,000)	
	\$	87,146,000	\$	188,993,000	\$ 43,680,000	\$	(145,527,000)	

#### NORTH DAKOTA HOUSING FINANCE AGENCY

As a means to lower its borrowing costs, when compared against fixed-rate bonds at the time of issuance, the Agency entered into several cash flow hedges or swaps in connection with various variable-rate housing bond series. The Agency cash flow hedges are pay-fixed. All Agency cash flow hedges are pay-fixed. The intention of these swaps was to effectively change the Agency's interest rate on the bonds to a fixed rate. The Agency also has cash flow hedges that were entered into in connection with variable-rate housing bond series that no longer have bonds outstanding as those bonds have been called. The cash flow hedges that are not connected to a specific bond series hedge the risk related to the Agency's other variable-rate housing bonds that are unhedged.

The bonds and the related swap agreements have a stated issuance and maturity date. Some of the swaps have optional termination dates. Under the swaps, the Agency pays the counterparty a fixed payment and receives a variable payment computed as a percent of the London Interbank Offered Rate (LIBOR) or Secured Overnight Financing Rate (SOFR) plus a fixed percentage on the swap notional amount. On the other hand, the bond's variable-rate coupons are determined by the remarketing agent. If for any reason the remarketing agent fails to act, the rate shall be the lesser of (i) the TBMA Index plus 0.25% or (ii) the Maximum Rate as defined within the applicable series resolution.

As of June 30, 2024, the Agency had eleven swaps with a positive fair value totaling \$20.8 million. Of the swaps with negative fair value, the Agency is not exposed to credit risk. However, the swap exposes the Agency to basis risk should the relationship between LIBOR/SOFR and TBMA converge, changing the synthetic rate on bonds. The swap counterparty has guaranteed all payments and is rated AAa/AA+/AAA by Moody's Investor Services, Standard & Poor's, and Fitch, respectively. To mitigate potential credit risk, the counterparty has entered into Credit Support Agreements with Royal Bank of Canada and Wells Fargo as a credit enhancement.

The Agency has entered into netting arrangements whenever it has entered into more than one derivative instrument transaction with a counterparty. Under the terms of these arrangements netting provisions permit each party to net the transactions' fair values so that a single sum will be owed by, or owed to, the other party. At June 30, 2024, the Agency owed the swap providers a fixed rate on the notional amount of the swaps of \$5.96 million and the swap providers owed the Agency a variable rate on the notional amounts of \$9.93 million making the net payment that the Agency owed from the swap providers \$3.97 million.

Due to the difference in the variable rate indices, the swaps had a net positive fair value of \$20.8 million as of June 30, 2024. Accordingly, the financial derivative instrument is reported as a liability and the accumulated changes in fair value of the swaps are reported as a deferred inflow at June 30, 2024. The coupon on the government's variable-rate bonds adjust to changing interest rates, the bonds do not have a corresponding fair value increase. All valuations are as of the valuation date indicated. Mid-Market or indicative unwind valuations may be derived from broker quotations or from proprietary models that take into consideration estimates about relevant present and future market conditions as well as the size and liquidity of the position and any related actual or potential hedging transactions. Valuations based on other models or different assumptions may yield different results.

The swap exposes the Agency to basis risk should the relationship between LIBOR/SOFR and the actual variable rates converge, changing the synthetic rate on the bonds. The effect of this difference in basis is indicated by the difference between the intended synthetic rate and the synthetic rate as of June 30, 2024. If a change occurs that results in the rates' moving to convergence, the expected cost savings may not be realized.

The derivative contract uses the International Swap Dealers Association Master Agreement, which includes standard termination events, such as failure to pay and bankruptcy. The Schedule to the Master Agreement includes an "additional termination event." That is, the swap may be terminated if counterparty's credit quality rating falls below "A3" as issued by Moody's Investors Service or "A-" as issued by Fitch Ratings or Standard & Poor's. The swap may be terminated at any time by the Agency or the counterparty with 30 days written notice up to limits specified in the swap agreement. If the swap or swaps were terminated, the variable-rate bonds would no longer carry a synthetic interest rate. Also, if at the time of termination the swap has a negative fair value, the Agency would be liable to the counterparty for payment equal to the swap's fair value, but in the event the fair value is positive, the counterparty would be liable to the Agency.

The Agency is exposed to rollover risk on hedging derivative instruments that are hedges of debt that mature or may be terminated prior to maturity of the hedged debt. When these hedging derivative instruments terminate, or in the case of a termination option, if the counterparty exercises its option, the Agency will be re-exposed to the risks being hedged by the hedging derivative instrument. The Agency also is exposed to rollover risk on the swaps that mature and the Agency does not call the related variable rate debt.

The terms of the interest rate swaps at June 30, 2024 are as follows:

<ol> <li>Bond Series</li> <li>Issuance Date</li> <li>Maturity Date</li> <li>Notional Amount</li> <li>Variable-rate Bonds</li> <li>Fixed Rate</li> <li>LIBOR Percentage</li> <li>Additional Percentage</li> <li>Bonds Variable-rate</li> <li>Fair Value</li> <li>Percentage of LIBOR</li> </ol>	2015 C 6/23/2015 1/1/2046 \$ 11,745,000 \$ \$ 11,745,000 \$ 2.486 % 66.20 % 0.10 % 0.91000 % \$ 896,000 \$ 3.70703 %	2015 E 5/1/2016 7/1/2036 18,840,000 \$ 18,840,000 \$ 2.257 % 66.40 % 0.22 % 0.91000 % 1,082,000 \$ 3,83792 %	2015 F 2017 C 12/8/2015 5/10/2017 1/1/2047 7/1/2047 12,830,000 \$ 20,545,000 12,830,000 \$ 20,545,000 2.320 % 2.783 % 100.00 % 100.00 % 0.00 % 0.00 % 1.65000 % 2.73904 % 1,626,000 \$ 2,226,000 5.44868 % 5,44868 %
12. Synthetic Rate 13. Actual Synthetic Rate 14. Change in Fair Value 15. Optional Termination Date	(31.10300)% 3.00534 % \$ 194,000 \$ N/A	(67.09200)% 1.87677 % 64,000 \$ N/A	(1.47868)% 7.28600 % 2.28415 % 2.73484 % 46,000 \$ 233,000 1/1/2025 7/1/2027
<ol> <li>Bond Series</li> <li>Issuance Date</li> <li>Maturity Date</li> <li>Notional Amount</li> <li>Variable-rate Bonds</li> <li>Fixed Rate</li> <li>LIBOR Percentage</li> <li>Additional Percentage</li> <li>Bonds Variable-rate</li> <li>Fair Value</li> <li>Percentage of LIBOR</li> <li>Synthetic Rate</li> <li>Actual Synthetic Rate</li> <li>Change in Fair Value</li> <li>Optional Termination Date</li> </ol>	2017 H 12/21/2017 7/1/2039 \$ 28,250,000 \$ \$ 28,250,000 \$ 2.266 % 66.40 % 0.09 % 0.90000 % \$ 2,153,000 \$ 3.70792 % (0.54192)% 2.17791 % \$ 324,000 \$ N/A	2018 C 6/14/2018 1/1/2049 9,355,000 \$ 9,355,000 \$ 3.515 % 100.00 % 0.00 % 1.60000 % 832,000 \$ 5.44868 % (0.33368)% 3.47119 % 210,000 \$ 7/1/2027	2019 B 2019E 2/13/2019 6/25/2019 1/1/2043 1/1/2050 25,000,000 \$12,265,000 25,000,000 \$12,265,000 2.693 % 3.171 % 70.00 % 100.00 % 0.00 % 0.00 % 1.11000 % 1.60000 % 1,636,000 \$2,236,000 3.81408 % 5.44868 % (0.01158)% (0.67768)% 2.95053 % 3.14039 % 362,000 \$ 571,000 N/A 7/1/2028

1. Bond Series	20	22C	2022E	Ξ	2023C
2. Issuance Date	4/28/2	.022	6/14/2022	2	2/16/2023
3. Maturity Date	7/1/2	052	1/1/2053	3	7/1/2047
4. Notional Amount	\$ 30,000,00	00 \$	25,000,000	\$	1,330,000
5. Variable-rate Bonds	\$ 30,000,00	00 \$	25,000,000	\$	1,330,000
6. Fixed Rate	2.64	4 %	3.808 %	6	4.493 %
7. LIBOR Percentage	100.0	0 %	100.00 %	6	100.00 %
8. Additional Percentage	0.0	)5 %	0.05 %	6	0.15 %
9. Bonds Variable-rate	1.6000	0 %	1.60000 %	6	1.60000 %
10.Fair Value	\$ 4,328,00	00 \$	3,016,000	\$	731,000
11.Percentage of LIBOR	5.4986	i8 %	5.49868 %	6	5.59868 %
12. Synthetic Rate	(1.2546	i8)%	(0.90680)%	6	0.49432 %
13. Actual Synthetic Rate	2.5668	4 %	3.72103 %	6	4.26228 %
14. Change in Fair Value	\$ 816,00	00 \$	1,439,000	\$	567,000
15. Optional Termination Date	1/1/2	032	1/1/2032	2	7/1/2028

Using rates as of June 30, 2024, debt service requirements of the variable-rate debt and net swap payments are as follows. Interest calculations were based on rates as of June 30, 2024. As rates vary, variable-rate bond interest payments and net swap payments will vary. (Expressed in thousands.)

	Variable-Ra	ate Bo	nd		
Fiscal Year Ending June 30	 Principal		nterest	 erest Rate wap, Net	Total
2025	\$ 1,700	\$	3,004	\$ (3,941)	\$ 763
2026	3,175		2,929	(3,848)	2,256
2027	4,860		2,846	(3,740)	3,966
2028	4,575		2,766	(3,633)	3,708
2029	4,875		2,687	(3,526)	4,036
2030 - 2034	45,460		11,477	(14,691)	42,246
2035 - 2039	53,605		8,144	(9,714)	52,035
2040 - 2044	41,810		5,022	(5,692)	41,140
2045 - 2049	28,485		2,587	(2,897)	28,175
2050 - 2054	18,615		452	(492)	18,575
	\$ 207,160	\$	41,914	\$ (52,174)	\$ 196,900

#### NOTE 14 - SIGNIFICANT CONCENTRATIONS OF CREDIT RISK

Most of the State's business is with customers within the state. Concentrations of credit are present in the construction and operation of community water facilities, loans to medical facilities for health care construction, loans to students for post-secondary education, loans to owners of homes damaged in the 2011 floods in Barnes, Benson, Burleigh, McHenry, Morton, Ramsey, Renville, Richland and Ward counties, loans to political subdivisions in the state for infrastructure, single- family and multifamily mortgage loans, loans to assist local financial institutions in providing loans to assist very small businesses in their recovery from the impacts caused by the COVID-19 pandemic, loans to provide financing for commercialization of intellectual technology within the State and the agricultural industry. Due to the pervasive nature of agriculture in the economy of the state, all loans, regardless of type, are impacted by agriculture.

#### **NOTE 15 - RISK MANAGEMENT**

Several funds accumulate assets to cover risks that the State may incur. Specifically, the State assumes a portion or substantially all risks associated with the following:

#### THE STATE FIRE AND TORNADO FUND

The State Fire and Tornado Fund, an Enterprise Fund, is financed by premiums charged to the participating funds of the State. All monies collected must be paid into the fund for use only for the purpose outlined in NDCC 26.1-22.02.

All losses occasioned by the hazards provided for in the North Dakota Century Code must be paid out of the fund, with the fund being reimbursed by a third-party insurance carrier for all losses in excess of \$2,000,000 per occurrence.

#### STATE BONDING FUND

The State Bonding Fund, an Enterprise Fund, is financed by premiums charged to each State agency for the bonding of public employees and public officials.

#### **FLEET SERVICES**

Fleet Services, an Internal Service Fund, represents the State's fleet of automobiles and is administered by the Department of Transportation. The State is self-insured for substantially all automobile insurance (e.g., comprehensive, collision), with the exception of liability, which is provided by the State's Risk Management Fund (RMF). State agencies are charged premiums to cover Fleet Service's RMF assessment and to pay for those losses that are not covered by RMF. These premium charges are factored into the fees agencies are charged when renting the cars.

#### WORKFORCE SAFETY & INSURANCE

Workforce Safety & Insurance (WSI), an Enterprise Fund, is a State insurance fund and a "no fault" insurance system, covering the State's employers and employees. WSI is financed by premiums assessed to employers. The rate of such premiums is periodically adjusted to assure the solvency of WSI. The premiums are available primarily for the payment of claims to employees injured in the course of employment. During fiscal year 2024, a total of \$88,114,195 in claims was recognized. The liability of \$917,681,000 is the present value of the unpaid claim liability discounted at 4% as determined by the actuarial.

#### **RISK MANAGEMENT FUND**

Due to the loss of sovereign immunity, the 1995 Legislature established the Risk Management Fund (RMF) to pay money damages for tort claims for which the State is liable. The statutory liability of the State is limited to a total of \$250,000 per person and \$1,000,000 per occurrence. The State purchases commercial insurance for claims in excess of coverage provided by the Fund and continues to transfer liabilities for medical malpractice and aviation to private insurance carriers. Settlements have not exceeded insurance coverage in any of the past three fiscal years.

Revenues to the RMF are generated from contributions required from state agencies, boards and commissions, and the University System. The need for and amount of funding is determined using a projected cost allocation approach. The premise of this plan is that the agencies with greater expected loss costs should contribute more to the funding of the RMF than those agencies with lessor costs. The underlying logic is that contributions should roughly equal loss costs plus the expenses of administering the program over the long term.

The RMF liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Unpaid claim liabilities are based on an actuarial study of the outstanding loss reserve need for the fund and a forecast of ultimate loss and loss expense. These liabilities were determined on an undiscounted expected level of ultimate loss. Because actual claims liabilities are affected by complex factors including inflation, changes in legal doctrines, and unanticipated damage awards, the process used in computing claims liabilities does not necessarily result in exact amounts. Claims liabilities will be re-evaluated periodically to take in consideration settled claims, the frequency of claims, and other economic and social factors.

The following table presents the changes in claims liabilities balance for the fiscal years ending June 30, 2024 and 2023:

 Fiscal Year	Beginning Balance	Changes In Estimates	Claims Payments	Ending Balance
2024	\$ 3,866,520	\$ 723,442	\$ (416,790)	\$ 4,173,172
2023	3,850,994	140,983	(125,457)	3,866,520

The Risk Management Workers Compensation Program (WCP) was established to consolidate all state entities under one workers compensation account, allowing for transitional duty between entities. The statutory liability of the fund is limited to \$100,000 per claim with Workforce Safety & Insurance, providing excess insurance for claims that exceed the \$100,000 cap. WCP pays separately for this coverage. Since the inception of WCP on July 1, 2001, fifty-four claims exceeded coverage by \$8.12 million.

Revenues to WCP are generated from contributions required from state agencies, boards, commissions, and the University System. The amount contributed from each agency is actuarially determined by Workforce Safety & Insurance and based upon the number of employees, the type of work done, and claims history of each entity. Each entity also pays a deductible of \$250 per claim.

The WCP liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Because actual claims liabilities are affected by complex factors including inflation, changes in legal doctrine, and unanticipated damage awards, the process used in computing claims liabilities does not necessarily result in exact amounts. Claims liabilities will be re-evaluated periodically to take into consideration settled claims, the frequency of claims, and other economic and social factors. An actual study was performed for Workforce Safety & Insurance. The liability estimates are based on that study.

The following table presents the changes in claims liabilities balance for the fiscal years ending June 30, 2024 and 2023:

Fiscal Year	 Beginning Current Year Claims and Changes In Estimates		Current Year Claims and Changes In Estimates Claims Payments		Ending Balance		
2024	\$ 4,056,820	\$	2,894,983	\$	(3,927,120)	\$	3,024,683
2023	2,030,107		5,293,473		(3,266,760)		4,056,820

#### **NOTE 16 - PUBLIC ENTITY RISK POOLS**

#### A. GENERAL

#### FIRE AND TORNADO AND BONDING FUND

The Fire and Tornado Fund provides property insurance to state agencies, political subdivisions, the International Peace Garden and the Winter Show. The Fire and Tornado Fund has issued 1,229 policies to participating entities for a total building and content coverage of \$23.2 billion. The Bonding Fund is used to provide fidelity bonding of public employees and officials. The Fund has issued 1,645 policies to participating entities. The total coverage for the Bonding Fund is \$850.5 million. If the assets of these funds were exhausted, fund participants would not be responsible for the funds' liabilities.

The Fire and Tornado and Bonding Fund are accounted for on the accrual basis. The Fire and Tornado Fund establishes claim liabilities based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims incurred but not reported. The Bonding Fund establishes claim liabilities based on actual judgments obtained against the fund but not paid prior to fiscal year end. Liabilities for incurred but not reported losses have not been established based on prior year activity. Neither fund incurred any acquisition costs, which should have been capitalized, nor were any liabilities recognized that were discounted. Investment income was not considered in determining the existence of premium deficiencies.

The Fire and Tornado Fund uses reinsurance agreements to reduce its on covered losses in excess of \$2.0 million. Reinsurance permits recovery of a portion of losses from reinsurers, although it does not discharge the primary liability of the Fund as direct insurer of the risks that are reinsured. The Fire and Tornado Fund does not report reinsured risks as liabilities unless it is probable that those risks will not be covered by reinsurers. There were no pending losses at June 30, 2024 that would reduce the fund's liability.

#### **WORKFORCE SAFETY & INSURANCE**

Workforce Safety & Insurance (WSI), an Enterprise Fund, is a state insurance fund and a "no fault" insurance system covering the State's employers and employees. At June 30, 2024, coverage extended to the following employers:

Annual Premium	
\$250 - \$5,000	22,219
\$5,001 - \$50,000	4,278
\$50,001 - \$100,000	351
Over \$100,000	311
Total Employers	27,159

WSI is financed by premiums assessed to the employers doing business in North Dakota. The premiums are available primarily for the payment of claims to employees injured in the course of employment.

The operations of WSI are accounted for on the accrual basis. Liability for incurred loss and loss adjustment expense (LAE) is estimated by WSI's actuary. The estimate is developed by WSI's actuary, taking into consideration past experience of WSI in paying claims, and general conditions of the environment in which WSI operates. The liability is based on the estimated ultimate costs to settle both reported and incurred but not report (IBNR) losses and LAE, and includes the effects of inflation and other societal and economic factors. The actuarial computations also include a 4% discount to report this liability at its present value.

Management believes the estimated liability for losses and loss adjustment expense is sufficient to cover the ultimate net cost of incurred losses, but such loss reserves are necessarily based on estimates and the ultimate liability may be greater or less than the amounts estimated. As adjustments to this estimated liability become necessary, such adjustments are reflected in current operations.

For the year ended June 30, 2024, the consulting actuaries presented an estimate in the form of a range to emphasize the uncertainty for a "long-tailed" liability insurer such as workers' compensation. These ranges are as follows (expressed in thousands):

	Low			entral Value	High		
Full value basis, undiscounted	\$	1,252,397	\$	1,363,790	\$	1,451,955	
Present value basis, discounted at 4%		845.852		917.681		971.691	

WSI has adjusted the estimated liability for unpaid loss and loss adjustment expense to the actuary's 4 percent discounted expected value of \$917,681,000 at June 30, 2024.

While management has recorded amounts that fall within the ranges of estimated liabilities as computed under actuarial assumptions, the high level of uncertainty indicates that actual losses and expenses could be materially higher than the recorded estimated liability.

WSI has entered into a contract with an intermediary for reinsurance coverage for catastrophic coverage. Historically, WSI has had up to four coverage levels, with varying retention limits of \$3 million, \$5 million, \$10 million and \$20 million. Terms, limits and pricing are re-evaluated annually. WSI's current 2024 calendar year has two coverage levels, with retention limits of \$10 million and \$20 million. For the year ended June 30, 2024 WSI recorded ceded losses of \$5,611,974 and ceded premiums of \$990,701.

#### B. RECONCILIATION OF CLAIMS LIABILITIES

The following is a reconciliation of total claims liabilities, including an analysis of changes in aggregate liabilities for claims and claim adjustment expenses for the current fiscal year and the prior year (expressed in thousands):

		Fire And Tornado			Bonding				Workforce Safety &			ety & Ins
	2024			2023		2024		2023		2024	2023	
Unpaid claims and claims adjustment expenses at the beginning of the year	\$	2,933	\$	1,694	\$	134	\$	134	\$	950,231	\$	998,771
Incurred claims and claims adjustment expenses:												
Provision for current fiscal year		2,659		2,933		8		_		159,053		154,234
Change in provision for prior fiscal year		2,208		2,017		_		_		(93,478)		(115,213)
Payments and claims and adjustment expenses attributable to:												
Current fiscal year insured events		(5,141)		(3,711)		(126)		(134)		(53,137)		(42,783)
Prior fiscal years' insured events						118		134		(67,527)		(79,030)
Total Payments		(5,141)		(3,711)		(8)				(120,664)		(121,813)
Change in provision for discount										22,539		34,252
Total unpaid claims and claims adjustment expenses at the end of the year	\$	2,659	\$	2,933	\$	134	\$	134	\$	917,681	\$	950,231

#### **NOTE 17 - BANK OF NORTH DAKOTA**

GASB Statement No. 34 requires assets and liabilities of enterprise funds be presented in a classified format to distinguish between current and long-term assets and liabilities. The Bank of North Dakota is the only government-owned bank in the United States. Banks do not present a classified statement of net position because current assets are not matched with current liabilities. Presentation of a classified statement of net position would give the false impression that there is a liquidity problem at the bank. Presentation of a classified statement of net position for the Bank of North Dakota would be misleading to the extent that the financial statements may be materially misstated. Therefore, the statement of net position of the Bank of North Dakota presents assets and liabilities in order of their relative liquidity, rather than in a classified format.

#### **NOTE 18 - COMMITMENTS AND CONTINGENCIES**

#### A. LONG-TERM COMMITMENTS

#### INDUSTRIAL COMMISSION

The Industrial Commission has entered into various contracts with third parties for the following programs regarding lignite research, oil and gas research, renewable energy and for the outdoor heritage program. As of June 30, 2024, the total outstanding balance on these contracts was \$98 million.

#### JUDICIARY SYSTEM

As of June 30, 2024, the System had outstanding commitments on contracts totaling \$3.3 million.

#### MILL AND ELEVATOR

As of June 30, 2024, the Mill had commitments to purchase 5,312,881 bushels of spring wheat and 1,148,896 bushels of durum.

#### JOB SERVICE NORTH DAKOTA

As of June 30, 2024, the Agency has commitments to pay \$348,306 for purchase orders and contracts awarded for goods, services, software licenses and software support to be provided in future periods, all of which are federally funded.

#### **HOUSING INCENTIVE FUND**

The Fund makes various commitments relating to construction projects to meet unmet housing needs across North Dakota. The Fund had \$4,022,159 of signed commitments for construction projects as of June 30, 2024. The Fund had \$16,822,371 of HIF funds awarded for construction projects as of June 30, 2024. The total paid on these commitments as of June 30, 2024 was \$9.800.212.

#### DEPARTMENT OF HUMAN SERVICES

As of June 30, 2024, the Department of Human Services had significant commitments for the purchase of various types of services totaling \$620.7 million.

#### **NORTH DAKOTA LOTTERY**

The Lottery contracts with a third party to provide an online gaming system and related services through September 27, 2025. Total payment for these services during the year ended June 30, 2024 were \$4.73 million based on 9.573% of ticket sales. The Lottery's future obligation through June 30, 2024 is based on 9.573% of ticket sales. Additionally, the Lottery pays an annual minimum fee of \$325,000 to provide the Player's Club Points for Prizes program.

#### NORTH DAKOTA DEPARTMENT OF TRANSPORTATION

At June 30, 2024, the North Dakota Department of Transportation (Special Revenue Fund) had non-construction contract commitments of approximately \$160 million and construction contract commitments of \$159 million, of which \$339 million represents federal programs which are cost reimbursable.

#### NORTH DAKOTA DEVELOPMENT FUND

The board of directors has approved equity investments, loans, grants, and guaranty of collections at June 30, 2024, for which funds have not been disbursed or written agreements entered into in the amount of \$17.5 million.

#### NORTH DAKOTA SOYBEAN COUNCIL

As of June 30, 2024, the North Dakota Soybean Council had significant commitments of approximately \$4.5 million. This amount mainly consists of grants for the research and development of soybeans.

#### STATE WATER COMMISSION

As of June 30, 2024, the State Water Commission had long-term commitments of \$580.1 million for various water projects.

#### **UNIVERSITY SYSTEMS**

Contracts for the construction of various projects on behalf of the University System have been let as follows (expressed in thousands):

	Orig	inal Issue	Pa	id To Date	Amount To Be Paid			
BSC	\$	47,094	\$	29,688	\$	17,406		
DCB		12,098		9,299		2,799		
DSU		27,919		8,036		19,883		
LRSC		1,057		140		917		
MaSU		4,445		615		3,830		
MiSU		25,739		24,381		1,358		
NDSCS		17,797		861		16,936		
NDSU		200,545		96,374		104,171		
UND		110,247		67,413		42,834		
VCSU		13,214		930		12,284		
WSC		41,400		2,053		39,347		
Total	\$	501,555	\$	239,790	\$	261,765		

#### OTHER CONSTRUCTION COMMITMENTS

That State has entered into construction commitments. As of June 30, 2024, the following commitment exists on other construction contracts, in thousands:

Office of Management and Budget	\$ 12,016
Secretary of State	1,532
Information Technology	59,667
Attorney General	222
Legislative Assembly	2,209
School for Deaf	85
Veteran's Home	2,085
Environmental Quality	731
Department of Human Services	200,999
Highway Patrol	94
Corrections and Rehab	133,009
Adjutant General	27,308
State Historical Society	74,582
Game and Fish	2,731
Parks and Recreation	19,150
Water Commission	18
Department of Transportation	274,576
Mill and Elevator	28,173

#### **B. QUESTIONED COSTS**

The State receives federal financial assistance which is subject to review and audit by the Office of the State Auditor and the federal government. This assistance is generally conditioned upon compliance with certain laws and regulations. Disallowed and questioned costs relating to federal assistance could become a liability to the State. The State estimates that the ultimate disallowances pertaining to federal assistance, if any, will be immaterial to its overall financial condition. The single audit of the State of North Dakota for the two-year period ending June 30, 2022, was completed and issued in March of 2023. As a result of this audit, approximately \$1.2 million of identifiable questioned costs were noted. Also, there were several findings which had potentially significant, unknown, questioned costs. The State is cooperating with the federal government to resolve the findings and is optimistic these findings will not have a material impact on the State.

#### **NOTE 19 - TOBACCO SETTLEMENT**

In November 1998, the North Dakota Attorney General joined forty-five other states and five territories in a settlement agreement against the nation's largest tobacco manufacturer. The settlement money is intended to compensate the State for costs it has incurred in providing health and other services to its citizens that were necessitated by the use of tobacco products. The Master Settlement Agreement includes base payments to states totaling \$220.6 billion for the next 25 years, and continues in perpetuity. The State has received total payments of \$610.1 million as of June 30, 2024. The State recognized revenue of \$22.1 million of tobacco settlement revenue during the year ended June 30, 2024. The amount of the annual payment is subject to a number of modifications, including adjustments for inflation and usage volumes. Some of the adjustments may result in increases in the payments (inflation, for example), or other adjustments will likely cause decreases in the payments (e.g., volume adjustments). The net effect of these adjustments on future payments is unclear.

#### **NOTE 20 - SUBSEQUENT EVENTS**

#### HOUSING FINANCE AUTHORITY

The Agency issued Series 2024C Homeownership Revenue Bonds totaling \$200 million in July 2024. The bonds have an interest rate ranging from 3.40% to 6.25% and mature between July 1, 2025 and January 1, 2055.

The Agency issued Series 2024D Homeownership Revenue Bonds totaling \$195 million in December 2024. The bonds have an interest rate ranging from 3.20% to 6.00% and mature between January 1, 2026 and July 1, 2055.

#### **UNIVERSITY SYSTEMS**

On August 7, 2024, BSC issued \$30.0 million in bonds to finance the construction of an athletic center. Bond payments will be made from student fees. The bonds mature on May 1, 2054 with a net interest cost of 4.66 percent.

The UND Alumni Association and Foundation(UNDAAF) issued lease revenue bonds of \$24.5 million (Series 2024A, non-taxable) and \$5.3 million (Series 2024B, taxable) at an interest rate of 5.00 percent on August 13, 2024. The UNDAAF issued the bonds to demolish specific existing structures used by the Energy and Environmental Research Center of the University of North Dakota (EERC), construct a new multi-story building for the EERC, containing 28,750 square feet of research demonstration plans, fuels processing plans, offices, locker rooms, and support space, renovate an existing building occupied by EERC to include the upgrades to allow for the continued operation of systems located within the building being demolished.

UNDAAF will lease property to the UND per a lease agreement dated August 1, 2024. The bonds are a limited obligation of the UNDAAF and the Bank of North Dakota (BND). The principal and interest are not a debt, pledge of faith, credit, or general obligation of the Foundation.

In fiscal year 2025, UNDAAF is changing its fiscal year from June 30th to December 31st.

#### **SOYBEAN COUNCIL**

On April 29, 2023, North Dakota House Bill 1501 was signed into law by the governor. House Bill 1501 amended subsection 1 of NDCC 4.1-11-01 changing the North Dakota Soybean Council to a nongovernmental entity rather than a state agency. This structural change in organizational set up is effective July 1, 2024. There were other amendments made to NDCC 4.1 due to House Bill 1501 which will change how NDSC adheres to North Dakota laws, one in particular is the amendment to NDCC 4.1-44-03 removing the North Dakota State Treasurer's responsibility to invest all available moneys in the Soybean Fund, effective July 1, 2024.

Effective July 1, 2024, the North Dakota Soybean Council has terminated all state-mandated insurance policies in conjunction with a structural reorganization.

Starting July 1, 2024, the North Dakota Soybean Council has switched to an unlimited paid time off policy for full-time employees, effective after three months of employment, subject to work completion and coverage requirements. PTO is not accrued or carried over, and no payout is provided upon termination. Part-time employees may take unpaid leave, with prior approval required for paid leave. This policy supports employee well-being by encouraging rest and managing personal affairs.

#### PUBLIC FINANCE AUTHORITY

The Agency issued Series 2024A State Revolving Fund Program Bonds totaling \$200.9 million in October 2024. The bonds have an interest rate ranging of 5.00% and mature between October 1, 2025 and October 1, 2044.

#### **NOTE 21 - NEW PRONOUNCEMENTS**

The State implemented the following new pronouncement for fiscal year 2024:

GASB Statement No. 99, Omnibus 2022, provides guidance on the following accounting matters:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.
- The requirements related to leases, PPPs, and SBITA are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

GASB Statement No. 100, Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62, enhances the accounting and financial reporting requirements for accounting changes and error corrections. The standard is effective for fiscal years beginning after June 15, 2023.

The State will implement the following new pronouncements for fiscal years ending after 2024. Management has not yet determined the effect these Statements will have on the State's financial statements.

GASB Statement No. 101, *Compensated Absences*, updates the recognition and measurement guidance for compensated absences through aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The standard is effective for fiscal years beginning after December 15, 2023.

GASB Statement No. 102, Certain Risk Disclosures, requires entities to disclose critical information about their exposure to risks due to certain concentrations or limitations that could lead to financial distress or operational challenges. This statement is effective for fiscal years beginning after June 15, 2024.

GASB Statement No. 103, *Financial Reporting Model Improvements*, revises the requirements for management's discussion and analysis with the goal of making it more readable and understandable, requires unusual or infrequent items to be presented separately, defines operating and nonoperating revenues, includes a new section for noncapital subsidies for proprietary funds' statement of revenues, expenses and changes in net position, removes the option to disclose major component information in the notes and requires them to be shown individually or in combine financial statements following the fund financial statements and requires budgetary comparisons to be presented as RSI with new columns for variances between original-to-final budget and final budget-to-actual results. This statement is effective for fiscal years beginning after June 15, 2025.GASB Statement No. 103, *Financial Reporting Model Improvements*, revises the requirements for management's discussion and analysis with the goal of making it more readable and understandable, requires unusual or infrequent items to be presented separately, defines operating and nonoperating revenues, includes a new section for noncapital subsidies for proprietary funds' statement of revenues, expenses and changes in net position, removes the option to disclose major component information in the notes and requires them to be shown individually or in combine financial statements following the fund financial statements and requires budgetary comparisons to be presented as RSI with new columns for variances between original-to-final budget and final budget-to-actual results. This statement is effective for fiscal years beginning after June 15, 2025.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*, establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note. These items include disclosing separately lease assets, intangible right-to-use assets, subscription assets and intangible assets. In addition, additional disclosures will be required for capital assets held for sale. This statement is effective for fiscal years beginning after June 15, 2025. Earlier application is encouraged.

## **Required Supplementary Information**



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Required Supplemental Information Budgetary Comparison Schedule General Fund For the Fiscal Year Ended June 30, 2024

For the Fiscal Year Ended June 30, 2024	Approved Budget 2023-2025 Biennium	Appropriation Adjustments 2023-2025 Biennium	Adjusted Budget 2023-2025 Biennium	Actual Biennium To Date Thru 6-30-24	Difference Uncollected/ Unspent Thru 6-30-24
Budgetary Fund Balance, July 1	\$ 1,198,158,717 \$	— \$	1,198,158,717 \$	2,444,531,315 \$	1,246,372,598
Resources (Inflows):					
Sales and Use Tax	2,207,194,250	_	2,207,194,250	1,200,161,377	(1,007,032,873)
Income Tax	1,256,702,796		1,256,702,796	631,659,249	(625,043,547)
Oil And Gas Production Tax	230,000,000	2,371,000	232,371,000	290,957,514	58,586,514
Oil Extraction Tax	230,000,000	(2,371,000)	227,629,000	169,042,486	(58,586,514)
Insurance Premium Tax	139,052,009 42,575,517	_	139,052,009	60,755,918	(78,296,091)
Cigarette, Cigar and Tobacco Tax Wholesale Liquor Tax	19,919,584	_	42,575,517 19,919,584	20,628,558 10,728,632	(21,946,959) (9,190,952)
Gaming Tax	36,463,000	_	36,463,000	294.225	(36,168,775)
Lottery	12,200,000		12,200,000	8,600,000	(3,600,000)
Department Fees and Collections	71.158.844	_	71,158,844	46,198,674	(24,960,170)
Mineral Leasing Fees	60,000,000	_	60,000,000	43,542,169	(16,457,831)
Motor Vehicle Excise Tax	171,407,500	_	171,407,500	87,459,601	(83,947,899)
Interest on Public Funds	1,639,872	28,360,128	30,000,000	148,259,920	118,259,920
Gas Tax Administration	1,844,424	_	1,844,424	_	(1,844,424)
Transfers In	489,407,504	(28,360,128)	461,047,376	294,226,461	(166,820,915)
Total Revenue Inflows	4,969,565,300		4,969,565,300	3,012,514,784	(1,957,050,516)
Amounts Available for Appropriation	6,167,724,017	_	6,167,724,017	5,457,046,099	(710,677,918)
Charges to Appropriations (Outflows):					,
General Government:					
Governor's Office	5,324,075	559,668	5,883,743	2,752,590	3,131,153
Secretary of State	6,770,789	41,586	6,812,375	3,472,923	3,339,452
Secretary of State Public Printing	271,335	_	271,335	215,226	56,109
Office of Management and Budget	137,320,538	(75,251,793)	62,068,745	20,493,220	41,575,525
Information Technology	43,360,845	4,619,871	47,980,716	22,582,540	25,398,176
State Auditor	10,033,672	538,142	10,571,814	4,794,113	5,777,701
State Treasurer	1,986,869	204,886	2,191,755	987,213	1,204,542
Attorney General	55,406,910	7,146,486	62,553,396	29,627,966	32,925,430
Tax Department	228,189,404	711,118	228,900,522	45,614,697	183,285,825
Legislative Assembly	23,716,396	3,171,249	26,887,645	8,840,088	18,047,557
Legislative Council	19,655,209	5,597,673	25,252,882	7,989,463	17,263,419
Supreme Court	129,410,704	_	129,410,704	60,342,646	69,068,058
Legal Counsel for Indigents	20,608,898	528,188	21,137,086	10,414,243	10,722,843
Ethics Commission	1,138,242	17,055	1,155,297	520,103	635,194
Education:	4 700 040 444	707.075	4 700 007 540	202 202 202	0.40.000.500
Public Instruction	1,728,240,444	787,075	1,729,027,519	886,803,999	842,223,520
Center for Distance Education	6,797,980	662,771	7,460,751	4,605,490	2,855,261
State Library	6,822,098	259,085	7,081,183	3,204,934	3,876,249
School for the Deaf	8,099,844	569,390	8,669,234	4,203,227	4,466,007
School for the Blind	5,059,580	181,411	5,240,991	2,681,451	2,559,540
Vocational Education Health & Human Services:	53,200,708	331,643	53,532,351	21,908,461	31,623,890
Dept. of Environmental Quality	15,822,024	1,121,735	16,943,759	6.899.286	10,044,473
Veteran's Home	6,009,999	368,711	6,378,710	1,572,217	4,806,493
Indian Affairs Commission	1,200,967	15,654	1,216,621	498,947	717,674
Veteran's Affairs	1,842,420	282,256	2,124,676	990,954	1,133,722
Dept. of Human Services-Management	90,221,804	15,153,275	105,375,079	59,990,057	45,385,022
Dept. of Human Services-Program and Policy	1,653,715,940	4,307,890	1,658,023,830	738,621,635	919,402,195
Dept. of Human Services-Centers	144,040,147	8,726,453	152,766,600	64,850,816	87,915,784
Dept. of Human Services-Institutions	111,825,063	993,439	112,818,502	63,968,314	48,850,188
Dept. of Human Services-County Social Service	1,749,547	(335,587)	1,413,960	11,589	1,402,371
Dept. of Human Services-Public Health	41,852,418	3,910,168	45,762,586	19,422,276	26,340,310
Protection and Advocacy	3,323,370	111,923	3,435,293	1,489,447	1,945,846
Job Service	6,578,847	533,124	7,111,971	2,999,488	4,112,483
Regulatory:			•	•	
Industrial Commission	4,424,856	635	4,425,491	1,456,064	2,969,427
Labor Commission	2,654,148	126,983	2,781,131	938,748	1,842,383
Public Service Commission	7,537,710	590,921	8,128,631	3,692,967	4,435,664
Dept. of Mineral Resources	32,444,371	1,787,993	34,232,364	14,991,254	19,241,110
Public Safety and Corrections:					
Highway Patrol	49,438,826	1,051,078	50,489,904	25,457,175	25,032,729
Corrections & Rehab	255,467,963	16,705,633	272,173,596	134,154,141	138,019,455
Adjutant General	26,285,648	3,917,204	30,202,852	13,191,976	17,010,876
Agriculture & Commerce:					
Department of Commerce	67,157,530	3,020,209	70,177,739	26,851,026	43,326,713
Department of Agriculture	47,519,573	511,767	48,031,340	38,893,515	9,137,825
State Fair	642,833	_	642,833	321,417	321,416
Racing Commission	475,006	3,943	478,949	224,126	254,823
Natural Resources: Historical Society	22,038,910	1,709,340	23,748,250	10,589,762	13,158,488
Council on the Arts	2,597,019	30,029	2,627,048	989,792	1,637,256
Parks and Recreation	14,264,880	762,617	15,027,497	7,125,015	7,902,482
Transportation:	,204,000	. 52,011	.0,02.,707	.,.25,010	.,502,402
Aeronautics Commission	475,000	_	475,000	352,004	122,996
Department of Transportation	10,375,000	58,243	10,433,243	1,237,607	9,195,636
Transfers Out	982,797,181	55,239,211	1,038,036,392	515,755,888	522,280,504
Total Charges to Appropriations	6,096,193,540	71,380,351	6,167,573,891	2,899,592,096	3,267,981,795
Ending Budgetary Fund Balance	\$ 71,530,477 \$	(71,380,351) \$	150,126 \$	2,557,454,003 \$	2,557,303,877
Ending Duagotaly I und Dalatice	Ψ /1,550,41/ Φ	(71,000,001) \$	130,120 \$	۷,001,404,000 \$	2,001,000,011

Required Supplemental Information Budgetary Comparison Schedule Budget to GAAP Reconciliation General Fund For the Fiscal Year Ended June 30, 2024

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and for the General Fund Expenditures

#### Sources/Inflows of resources

Actual Amounts (budgetary basis) "total revenue inflows" from the budgetary comparison schedule	3,012,514,784
Differences-Budget to GAAP:	
The period of availability for revenue recognition for budget purposes differs from the GAAP basis.	(383,935,274)
Funds considered General funds for GAAP but not for Budget	2,284,692,085
Certain due from other funds are recorded under GAAP, but not Budget	(2,383,924)
Reimbursement activity between state agencies is eliminated only for GAAP	(132,464)
Proceeds are recorded for new leases and SBITAs on GAAP, but not for Budget	19,469,834
Repayment received on loan receivable are revenue for Budget to GAAP	(121,615)
Total revenues, lease & SBITA acquisitions, and transfers as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds	\$ 4,930,103,426
Uses/Outflows of resources	
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	2,899,592,096
Differences-Budget to GAAP:	
Estimated liabilities are recorded as expenditures for GAAP but not for Budget	19,794,130
Funds considered General funds for GAAP but not for Budget	439,084,291
New leases and SBITAs are recorded as expenditures for GAAP, but not for Budget	19,475,590
Certain due to other funds are recorded under GAAP, but not for Budget	(29,758,447)
Total expenditures, sale of capital assets, and transfers as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds	\$ 3,348,187,660

Required Supplemental Information Budgetary Comparison Schedule Federal Fund

For the Fiscal Year Ended June 30, 2024

For the Fiscal Teal Ended Julie 30, 2024	Approved Budget 2023-2025 Biennium	Appropriation Adjustments 2023-2025 Biennium	Adjusted Budget 2023-2025 Biennium	Actual Biennium To Date Thru 6-30-24	Difference Uncollected/ Unspent Thru 6-30-24
Budgetary Fund Balance, July 1	\$ —				
Resources (Inflows): Other Budgeted Income	6,220,785,421	766,880,352	6,987,665,773	2,768,280,790	(4,219,384,983)
Total Revenue Inflows	6,220,785,421	766,880,352	6,987,665,773	2,768,280,790	(4,219,384,983)
Amounts Available for Appropriation	6,220,785,421	766,880,352	6,987,665,773	2,768,280,790	4,219,384,983
Charges to Appropriations (Outflows):		· · · · · · · · · · · · · · · · · · ·			
General Government:					
Secretary of State	11,183,559	1,778,781	12,962,340	1,545,904	11,416,436
Office of Management and Budget	3,659,555	5,305,039	8,964,594	7,988,878	975,716
Information Technology	232,840,126	(33,590,837)	199,249,289	13,348,990	185,900,299
State Auditor	1,431,452	84,128	1,515,580	718,922	796,658
Attorney General	16,216,849	1,821,136	18,037,985	5,732,126	12,305,859
Tax Department	125,000		125,000	11,201	113,799
Administrative Hearings		17,200	17,200		17,200
Supreme Court Education:	1,294,767	1,396,343	2,691,110	1,919,311	771,799
Public Instruction	417,762,220	100,546,087	518,308,307	302,024,057	216,284,250
State Library	2,405,223	39,418	2,444,641	1,153,914	1,290,727
School for the Deaf	100,674	39,410	100,674	58,447	42,227
Vocational Education	110,589,874	32,969,888	143,559,762	57,487,097	86,072,665
Health & Human Services:	110,000,014	02,000,000	140,000,702	07,407,007	00,072,000
Dept. of Environmental Quality	79,102,859	488,133	79,590,992	13,630,980	65,960,012
Veteran's Home	- 0,102,000	478,930	478,930	188,646	290,284
Veteran's Affairs	2,331,447	640,998	2,972,445	746,575	2.225.870
Dept. of Human Services-Management	157,420,913	45,119,722	202,540,635	64,894,813	137,645,822
Dept. of Human Services-Program and Policy	2,759,510,140	131,315,566	2,890,825,706	1,347,545,295	1,543,280,411
Dept. of Human Services-Centers	32,320,127	(478,812)	31,841,315	11,827,595	20,013,720
Dept. of Human Services-Institutions	36,201,129	1,786,306	37,987,435	14,790,546	23,196,889
Dept. of Human Services-County Social Service	1,608,509	(409,173)	1,199,336	100,000	1,099,336
Dept. of Human Services-Public Health	263,146,841	18,688,534	281,835,375	92,750,075	189,085,300
Protection and Advocacy	4,266,541	92,876	4,359,417	2,115,666	2,243,751
Job Service	112,982,592	674,198	113,656,790	25,183,417	88,473,373
Regulatory:					
Insurance Department	607,916	_	607,916	340,735	267,181
Industrial Commission	7,499,037	15,236,071	22,735,108	3,163,362	19,571,746
Labor Commission	503,398	19,900	523,298	301,361	221,937
Public Service Commission	11,424,803	283,709	11,708,512	2,857,854	8,850,658
Mineral Resources	2,568,000	5,606,827	8,174,827	300,588	7,874,239
Public Safety and Corrections:					
Highway Patrol	8,660,335	3,788,557	12,448,892	6,902,686	5,546,206
Corrections & Rehab	20,468,404	8,305,934	28,774,338	12,302,181	16,472,157
Adjutant General	321,813,183	72,202,495	394,015,678	92,297,117	301,718,561
Agriculture & Commerce:					
Department of Commerce	184,050,129	70,913,108	254,963,237	36,572,993	218,390,244
Department of Agriculture	14,725,087	5,245,249	19,970,336	7,927,715	12,042,621
Natural Resources:	0.570.407	4 004 000	F FF0 200	4 000 400	4 000 004
Historical Society	3,570,427	1,981,962	5,552,389	1,266,168	4,286,221
Council on the Arts Game and Fish	1,870,000	1 706 160	1,870,000	936,264 21,829,598	933,736
Game and Fish Parks and Recreation	74,732,875	1,796,166	76,529,041	, ,	54,699,443
	9,508,601	25,609,205	35,117,806	10,319,200	24,798,606
Water Commission Transportation:	89,040,384	10,980,139	100,020,523	17,884,009	82,136,514
Aeronautics Commission	2 040 000	886,067	4,826,067	40E 167	4 220 000
Department of Transportation	3,940,000 1,219,302,445	235,260,502	4,826,067 1,454,562,947	495,167 586,821,337	4,330,900 867,741,610
·					
Total Charges to Appropriations	6,220,785,421	766,880,352	6,987,665,773	2,768,280,790	4,219,384,983
Ending Budgetary Fund Balance	<u> </u>	\$ - 9	<u> </u>	\$	\$

Required Supplemental Information Budgetary Comparison Schedule Budget to GAAP Reconciliation Federal Fund For the Fiscal Year Ended June 30, 2024

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and for the Federal Fund Expenditures

#### Sources/Inflows of resources

Actual Amounts (budgetary basis) "total revenue inflows" from the budgetary comparison schedule	2,768,280,790
Differences-Budget to GAAP:	
The period of availability for revenue recognition for budget purposes differs from the GAAP basis.	6,608,056
Total revenues, lease & SBITA acquisitions, and transfers as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds	\$ 2,774,888,846
Uses/Outflows of resources	
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	2,768,280,790
Differences-Budget to GAAP:	
Estimated liabilities are recorded as expenditures for GAAP but not for Budget	201,420,375
New Loans issued are expenditures for Budget but not for GAAP	18,327,016
GAAP, but not Budget expenditures are reduced by year end inventory balances	24,634,435
Intrafund activity eliminated for GAAP	(232,496,847)
Certain due to other funds are recorded under GAAP, but not for Budget	10,010,430
Total expenditures, sale of capital assets, and transfers as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds	\$ 2,790,176,199

#### Required Supplemental Information Budgetary Comparison Schedule State Fund

For the Fiscal Year Ended June 30, 2024

roi tile ristai fear Ended Julie 30, 2024	Approved Budget 2023-25 Biennium	Appropriation Adjustments 2023-25 Biennium	Adjusted Budget 2023-25 Biennium	Actual Biennium To Date Thru 6-30-24	Difference Uncollected/ Unspent Thru 6-30-24
Budgetary Fund Balance, July 1	\$ —	\$ - \$	_ \$	- 5	<u> </u>
Resources (Inflows):					
Other Budgeted Income	4,173,664,781	597,844,765	4,771,509,546	1,439,505,587	(3,332,003,959)
Total Revenue Inflows	4,173,664,781	597,844,765	4,771,509,546	1,439,505,587	(3,332,003,959)
Amounts Available for Appropriation	4,173,664,781	597,844,765	4,771,509,546	1,439,505,587	(3,332,003,959)
Charges to Appropriations (Outflows):					_
General Government:					
Governor's Office	_	227,119	227,119	224,997	2,122
Secretary of State	6,648,516	200,000	6,848,516	1,073,528	5,774,988
Office of Management & Budget	142,344,469	(54,468,327)	87,876,142	8,175,410	79,700,732
Information Technology	280,097,253	49,203,833	329,301,086	159,311,391	169,989,695
State Auditor	4,912,700	95,541	5,008,241	1,629,599	3,378,642
Attorney General	31,379,258	2,542,550	33,921,808	14,062,873	19,858,935
Administrative Hearings	3,000,409	28,673	3,029,082	986,571	2,042,511
Legislative Council	88,000	_	88,000	32,669	55,331
Supreme Court	533,661	_	533,661	234,878	298,783
Legal Counsel for Indigents	2,011,222	11,845	2,023,067	853,407	1,169,660
Education:					
Public Instruction	709,657,276	9,729,451	719,386,727	275,570,299	443,816,428
Center for Distance Education	4,550,000		4,550,000	1,926,139	2,623,861
Land Department	14,342,415	1,300,056	15,642,471	4,978,029	10,664,442
State Library	66,820		66,820	14,890	51,930
School for the Deaf	3,565,017	574,601	4,139,618	1,391,282	2,748,336
School for the Blind	1,660,711	10,994	1,671,705	650,131	1,021,574
Vocational Education	154,974	27,012,500	27,167,474	15,198,148	11,969,326
Health & Human Services:					
Dept. of Environmental Quality	22,834,027	446,472	23,280,499	9,538,349	13,742,150
Veteran's Home	22,972,974	300,182	23,273,156	11,743,344	11,529,812
Dept. of Human Services-Management	32,621,009	3,421,786	36,042,795	3,128,650	32,914,145
Dept. of Human Services-Program and Policy	111,514,125	21,900,000	133,414,125	53,956,513	79,457,612
Dept. of Human Services-Centers	16,850,554	_	16,850,554	7,005,323	9,845,231
Dept. of Human Services-Institutions	26,032,541	_	26,032,541	6,767,555	19,264,986
Dept. of Human Services-County Social Service	228,254,116	207.442	228,254,116	106,101,075	122,153,041
Dept. of Human Services-Public Health  Job Service	39,132,048 611,460	397,413	39,529,461 611,460	14,727,899 43,612	24,801,562 567,848
Regulatory:	011,400	_	011,400	43,012	307,040
Insurance Department	15,245,463	2,209,152	17,454,615	6,660,675	10,793,940
Industrial Commission	20,256,806	321,607	20,578,413	10,334,277	10,744,136
Public Service Commission	2,299,318	2,888	2,302,206	634,366	1,667,840
Financial Institutions	10,081,379	1,180,586	11,261,965	4,821,164	6,440,801
Securities Commission	3,258,732	60,461	3,319,193	1,358,579	1,960,614
Mineral Resources	0,200,702	349,590	349,590	6,804	342,786
Public Safety and Corrections:		040,000	040,000	0,004	042,700
Highway Patrol	13,090,027	119,386	13,209,413	6,390,775	6,818,638
Corrections & Rehab	169,848,720	5,266,705	175,115,425	16,056,418	159,059,007
Adjutant General	22,690,890	6,744,407	29,435,297	6,449,251	22,986,046
Agriculture & Commerce:	,,	-, , -	.,,	-, -, -	,,.
Department of Commerce	77,507,303	3,873,983	81,381,286	33,025,773	48,355,513
Department of Agriculture	17,729,531	1,910,456	19,639,987	7,247,336	12,392,651
Racing Commission	172,098	159	172,257	58,331	113,926
Natural Resources:					
Historical Society	23,768,756	656,577	24,425,333	1,185,778	23,239,555
Council of Arts	80,000	264,500	344,500	75,197	269,303
Game and Fish	60,028,591	4,546,429	64,575,020	27,033,555	37,541,465
Parks and Recreation	115,808,114	1,023,295	116,831,409	8,527,282	108,304,127
Water Commission	805,316,883	325,653,870	1,130,970,753	188,461,438	942,509,315
Transportation:					
Aeronautics Commission	34,229,667	6,939,481	41,169,148	11,568,992	29,600,156
Department of Transportation	1,076,416,948	173,786,544	1,250,203,492	410,283,035	839,920,457
Total Charges to Appropriations	4,173,664,781	597,844,765	4,771,509,546	1,439,505,587	3,332,003,959
Ending Budgetary Fund Balance	\$	\$ - \$			
Ending Daugotary I und Dalanoc		<u> </u>			

Required Supplemental Information Budgetary Comparison Schedule Budget to GAAP Reconciliation State Fund For the Fiscal Year Ended June 30, 2024

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and for the State Fund Expenditures

#### Sources/Inflows of resources

Actual Amounts (budgetary basis) "total revenue inflows" from the budgetary comparison schedule	1,439,505,587
Differences-Budget to GAAP:	
The period of availability for revenue recognition for budget purposes differs from the GAAP basis.	2,699,190,613
Total revenues, lease & SBITA acquisitions, and transfers as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds	\$ 4,138,696,200
Uses/Outflows of resources	
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	1,439,505,587
Differences-Budget to GAAP:	
Estimated liabilities are recorded as expenditures for GAAP but not for Budget	2,540,914,198
New Loans issued are expenditures for Budget but not for GAAP	(2,817,128)
GAAP, but not Budget expenditures are reduced by year end inventory balances	(4,852,861)
Intrafund activity eliminated for GAAP	(1,032,725,476)
Certain due to other funds are recorded under GAAP, but not for Budget	(11,912,557)
Total expenditures, sale of capital assets, and transfers as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds	\$ 2,928,111,763

Note To Required Supplemental Information -Budgetary Reporting For the Fiscal Year Ended June 30, 2024

The Budgetary Comparison Schedules present comparisons of the original and revised legally adopted budgets with actual data on a budgetary basis for major funds. The only major fund with a legally adopted budget is the General Fund. All other funds are budgeted together as "Other Budgeted Funds." A budgetary schedule has been done for these other funds because they include budgeted amounts for the Federal Fund and State Funds, which are major special revenue funds. These amounts are reported on the schedules entitled "Federal Funds" and "State Funds".

North Dakota's Appropriation Acts include a dual legal level of budgetary control - one at the General Fund versus Other Budget Income level for each agency and one at the line item level for each agency. Line items are not separate between General Fund and Other Budgeted Income so that control is not presented in our budgetary comparison schedule for major funds. The legal level of control for all agencies is reported in a publication titled "State of North Dakota 2023-2025 Biennium Budget and Actual Detail (Budgetary Basis) For the Fiscal Year Ended June 30, 2024." This budget information is available through the Office of Management and Budget, 600 East Boulevard Ave Dept. 110, Bismarck, ND 58505. For the 2023-2025 biennium there were general, federal, and special fund supplemental appropriations of \$1,436,105,468.

The Budgetary Comparison Schedule reports expenditures on a budgetary basis. The accounting principles applied for purposes of developing data on a budgetary basis differ from those used to present the financial statements in accordance with GAAP. Reconciliations of the three for the Fiscal Year ended June 30, 2024, for the General Fund, Federal Fund, and State Fund is on the previous pages.

The Budget to Actual Detail Report is also available at our OMB Fiscal Management website: <a href="https://www.omb.nd.gov/financial-transparency/annual-comprehensive-financial-reports-acfr">https://www.omb.nd.gov/financial-transparency/annual-comprehensive-financial-reports-acfr</a>

Required Supplementary Information Schedule of State's Share of Net Pension Liability North Dakota Public Employee Retirement System Last 10 Fiscal Years\*

(Dollars in thousands)

` _	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability (asset)	Employer's covered payroll	Plan fiduciary net position	Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2024	47.64 % \$	945,203	\$ 660,002	\$ 1,831,133	143.21 %	65.96 %
2023	48.28 %	1,434,839	633,498	1,755,477	226.49 %	55.03 %
2022	48.52 %	505,713	619,117	1,916,364	81.68 %	79.13 %
2021	49.78 %	1,566,155	589,042	1,570,261	265.88 %	49.44 %
2020	48.64 %	570,358	569,875	1,506,252	100.08 %	72.53 %
2019	50.38 %	859,160	569,979	1,496,340	150.74 %	63.53 %
2018	51.88 %	833,182	588,960	1,415,199	141.47 %	62.65 %
2017	53.42 %	520,338	566,915	1,290,070	91.78 %	71.10 %
2016	54.82 %	365,845	494,732	1,300,271	73.95 %	77.70 %
2015	55.15 %	348,760	477,406	1,258,398	73.05 %	78.17 %

<sup>\*</sup>Amounts presented for each fiscal year have a measurement date of the previous fiscal year end.

Required Supplementary Information Schedule of State's Contributions North Dakota Public Employee Retirement System Last 10 Fiscal Years\* (Dollars in thousands)

	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percentage of covered payroll
2024	\$ 53,737	\$ (53,672)	\$ 65	\$ 732,964	7.33 %
2023	44,608	(44,601)	7	660,002	6.76 %
2022	43,631	(43,632)	(1)	633,498	6.89 %
2021	42,920	(42,906)	14	619,117	6.93 %
2020	40,941	(41,030)	(89)	589,042	6.95 %
2019	40,036	(40,022)	14	569,875	7.02 %
2018	39,824	(39,815)	9	569,979	6.99 %
2017	41,089	(41,034)	55	588,960	6.98 %
2016	39,895	(40,330)	(435)	566,915	7.11 %
2015	37,076	(37,571)	(495)	494,732	7.59 %

Required Supplementary Information Schedule of State's Share of Net Pension Liability North Dakota Highway Patrolmen's Retirement System Last 10 Fiscal Years\*

(Dollars in thousands)

	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability (asset)	Employer's covered payroll	Plan fiduciary net position	Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2024	100.00 % \$	75,875	\$ 12,562	\$ 98,035	632.76 %	56.37 %
2023	100.00 %	78,339	12,402	92,325	638.60 %	54.10 %
2022	100.00 %	23,295	11,637	100,076	202.28 %	81.12 %
2021	100.00 %	96,045	11,038	82,184	841.78 %	46.11 %
2020	100.00 %	24,900	10,608	81,416	240.48 %	76.58 %
2019	100.00 %	19,457	10,929	78,929	181.21 %	80.22 %
2018	100.00 %	20,711	10,934	73,336	189.42 %	77.98 %
2017	100.00 %	22,111	10,527	65,811	210.04 %	74.85 %
2016	100.00 %	13,436	10,146	66,676	132.43 %	83.23 %
2015	100.00 %	9,766	9,348	65,667	104.47 %	87.05 %

<sup>\*</sup>Amounts presented for each fiscal year have a measurement date of the previous fiscal year end.

Required Supplementary Information Schedule of State's Contributions North Dakota Highway Patrolmen's Retirement System Last 10 Fiscal Years\* (Dollars in thousands)

	rily required tribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)		Employer's covered payroll	Contributions as a percentage of covered payroll
2024	\$ 2,999	\$ (2,999) \$	3	— \$	14,258	21.03 %
2023	2,569	(2,569)		_	12,562	20.45 %
2022	2,479	(2,479)		_	12,402	19.99 %
2021	2,293	(2,293)		_	11,637	19.70 %
2020	2,175	(2,175)		_	11,038	19.70 %
2019	2,091	(2,091)		_	10,608	19.71 %
2018	2,153	(2,153)		_	10,929	19.70 %
2017	2,154	(2,154)		_	10,934	19.70 %
2016	2,127	(2,127)		_	10,527	20.21 %
2015	2,002	(2,002)		_	10,146	19.73 %

Required Supplementary Information Schedule of State's Share of Net Pension Liability Retirement Plan for the Employees of Job Service North Dakota Last 10 Fiscal Years\*

(Dollars in thousands)

_	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability (asset)	Employer's covered payroll	Plan fiduciary net position	proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2024	100.00 % \$	(11,347) \$	61	\$ 83,485	(18478.87)%	115.73 %
2023	100.00 %	(15,685)	133	86,177	(25573.44)%	122.25 %
2022	100.00 %	(31,760)	200	96,604	(18130.18)%	148.98 %
2021	100.00 %	(31,122)	386	95,251	(9892.34)%	148.53 %
2020	100.00 %	(31,006)	417	97,203	(7443.56)%	146.84 %
2019	100.00 %	(27,459)	471	95,588	(6590.37)%	140.30 %
2018	100.00 %	(33,636)	563	97,265	(5974.42)%	152.86 %
2017	100.00 %	(35,329)	565	96,534	(6252.92)%	157.72 %
2016	100.00 %	(32,893)	674	96,283	(4880.27)%	151.89 %
2015	100.00 %	(32,650)	753	97,697	(4335.99)%	150.20 %

Employor's

## Required Supplementary Information Schedule of State's Contributions Retirement Plan for the Employees of Job Service North Dakota Last 10 Fiscal Years\* (Dollars in thousands)

,50	onare in thousands,												
		Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)		Employer's covered payroll	Contributions as a percentage of covered payroll						
2024	\$	_	\$	\$	— \$	66	— %						
2023		_	_		_	61	— %						
2022		_	_		_	133	— %						
2021		_	_		_	200	— %						
2020		_	_		_	386	— %						
2019		_	_		_	417	— %						
2018		_	_		_	471	— %						
2017		_	_		_	563	— %						
2016		_	_		_	565	— %						
2015		_	_		_	674	— %						

<sup>\*</sup>Complete data for this schedule is not available prior to 2015.

<sup>\*</sup>Amounts presented for each fiscal year have a measurement date of the previous fiscal year end.

Required Supplementary Information Schedule of State's Share of Net Pension Liability North Dakota Teachers' Fund for Retirement Last 10 Fiscal Years\* (Dollars in thousands)

	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability (asset)	Employer's covered payroll	Plan fiduciary net position	Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2024	0.49 % \$	6,840	\$ 3,827	\$ 15,471	178.73 %	69.34 %
2023	0.53 %	7,684	4,053	15,977	189.59 %	67.50 %
2022	0.57 %	6,001	4,260	18,696	140.87 %	75.70 %
2021	0.59 %	9,065	4,196	15,698	216.04 %	63.40 %
2020	0.63 %	8,631	4,252	16,395	202.99 %	65.50 %
2019	0.67 %	8,874	4,397	16,849	201.82 %	65.50 %
2018	0.65 %	8,968	4,294	15,413	208.85 %	63.20 %
2017	0.67 %	9,762	4,329	14,155	225.50 %	59.20 %
2016	0.68 %	8,873	4,173	14,531	212.63 %	62.10 %
2015	0.62 %	6,460	3,576	12,891	180.65 %	66.60 %

<sup>\*</sup>Amounts presented for each fiscal year have a measurement date of the previous fiscal year end.

Required Supplementary Information Schedule of State's Contributions North Dakota Teachers' Fund for Retirement Last 10 Fiscal Years\* (Dollars in thousands)

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	Statutorily required contribution	Contributions in relation to the statutorily required contribution		Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percentage of covered payroll			
2024	\$ 643	\$ (6	643) \$	_	\$ 4,871	13.20 %			
2023	488	(4	188)	_	3,827	12.75 %			
2022	517	(5	517)	_	4,053	12.75 %			
2021	543	(5	543)	_	4,260	12.75 %			
2020	535	(5	535)	_	4,196	12.75 %			
2019	542	(5	542)	_	4,252	12.75 %			
2018	561	(5	561)	_	4,397	12.75 %			
2017	547	(5	547)	_	4,294	12.75 %			
2016	528	(5	528)	_	4,329	12.75 %			
2015	532	(5	532)	_	4,173	12.75 %			

Required Supplementary Information Schedule of State's Share of OPEB Liability Retiree Health Insurance Credit Last 10 Fiscal Years\* (Dollars in thousands)

	Employer's proportion of the net OPEB (asset)	Employer's proportionate share of the net OPEB liability (asset)	Employer's covered payroll	Plan fiduciary net position	Employer's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2024	50.41 % \$	49,393	\$ 547,608	\$ 84,842	9.02 %	62.74 %
2023	50.40 %	59,295	553,794	778,589	10.71 %	56.28 %
2022	35.11 %	27,401	571,568	64,027	4.79 %	76.63 %
2021	51.92 %	40,900	571,617	75,610	7.16 %	63.38 %
2020	49.78 %	39,178	561,580	68,451	6.98 %	63.13 %
2019	50.73 %	39,954	563,479	64,888	7.09 %	61.89 %
2018	51.55 %	40,877	574,972	60,615	7.11 %	59.78 %

<sup>\*</sup>Complete data for this schedule is not available prior to 2018. Amounts presented for each fiscal year have a measurement date of the previous fiscal year end.

Required Supplementary Information Schedule of State's Contributions Retiree Health Insurance Credit Last 10 Fiscal Years\* (Dollars in thousands)

	rily required tribution	Contributions in relation to the statutorily required contribution		Em	ployer's covered payroll	Contributions as a percentage of covered payroll
2024	\$ 6,189	\$ (6,17	(9) \$	10 \$	580,701	1.07 %
2023	6,003	(6,00	)4)	(1)	547,608	1.10 %
2022	6,257	(6,25	53)	4	553,794	1.13 %
2021	6,563	(6,54	19)	14	571,568	1.15 %
2020	6,631	(6,62	26)	5	571,617	1.16 %
2019	6,425	(6,41	3)	12	561,580	1.14 %
2018	6,434	(6,42	24)	10	563,479	1.14 %

<sup>\*</sup>Complete data for this schedule is not available prior to 2018.

#### Required Supplementary Information Schedule of Changes in Net Pension Liability and Related Ratios North Dakota Public Employee Retirement System Last 10 Fiscal Years\*

		2024	 2023	 2022	2021
Total pension liability (asset)					
Service cost	\$	169,457	\$ 224,785	\$ 143,197	\$ 242,751
Interest		374,971	335,804	345,662	296,285
Change of benefit terms		(1,788)	(9,139)	_	_
Difference between expected and actual experience		138,250	72,723	3,714	47,336
Changes of assumptions		_	(1,132,003)	1,375,419	(1,743,329)
Benefit payments, including refund of employee contributions		(290,047)	(271,514)	(252,066)	(231,300)
Net change in total pension liability (asset)		390,843	(779,344)	1,615,926	(1,388,257)
Total pension liability (asset) - beginning		5,828,125	6,607,469	4,991,543	6,379,800
Total pension liability (asset) - ending (a)	\$	6,218,968	\$ 5,828,125	\$ 6,607,469	\$ 4,991,543
Plan fiduciary net position					
Contributions - employer	\$	123,001	\$ 101,933	\$ 96,631	\$ 91,266
Contributions - employee		102,074	93,408	89,634	85,915
Contributions - service credit repurchase		6,540	5,151	10,249	7,129
Contributions - other		_	_	_	_
Net investment income		347,742	281,850	(256,072)	844,933
Transfers from other plans		135,023	10	14	(2)
Benefit payments, including refund of employee contributions		(290,047)	(271,514)	(252,066)	(231,300)
Administrative expense		(2,986)	(2,670)	(2,341)	(2,569)
Net change in plan fiduciary net position		421,347	208,168	(313,951)	795,372
Plan fiduciary net position - beginning	_	3,843,940	3,635,772	3,949,723	3,154,351
Plan fiduciary net position - ending (b)	\$	4,265,287	\$ 3,843,940	\$ 3,635,772	\$ 3,949,723
Net pension liability (asset) - ending (a) - (b)	\$	1,953,681	\$ 1,984,185	\$ 2,971,697	\$ 1,041,820
Plan fiduciary net position as a percentage of the total pension liability (asset)		68.59 %	65.96 %	55.03 %	79.13 %
Covered payroll	\$	1,454,922	\$ 1,318,276	\$ 1,248,308	\$ 1,213,676
Plan net pension liability (asset) as a percentage of covered payroll		134.28 %	150.51 %	85.84 %	85.84 %

 2020	_	2019	_	2018		2017	2016			2015
\$ 135,139 317,129 — 213,457	\$	172,184 294,701 — (210,896)	\$	164,018 279,835 — (65,346)	\$	113,148 269,771 — (3,612)	\$	126,444 243,285 — 15,915	\$	104,158 236,420 2 4,396
1,663,289		(464,473)		125,225		741,492		108,139		(76,152)
(218,554)		(197,758)		(182,522)		(162,992)		(149,664)		(134,930)
2,110,460		(406,242)		321,210		957,807		344,119		133,894
 4,269,340		4,675,582	_	4,354,372	_	3,396,565	_	3,052,446	_	2,918,552
\$ 6,379,800	\$	4,269,340	\$	4,675,582	\$	4,354,372	\$	3,396,565	\$	3,052,446
\$ 85,504	\$	81,588	\$	80,727	\$	78,934	\$	77,080	\$	70,842
81,478		78,213		77,486		76,007		74,219		68,392
10,819		7,220		19,985		11,805		9,179		6,652
_		_		_		_		_		_
101,106		159,824		249,165		311,761		11,334		81,537
(3)		(5)		(24)		32		23,575		_
(218,554)		(197,758)		(182,522)		(162,992)		(149,664)		(134,930)
 (2,730)		(2,531)		(2,473)		(2,607)	_	(2,538)		(2,365)
57,620		126,551		242,344		312,940		43,185		90,128
 3,096,731		2,970,180		2,727,836		2,414,896		2,371,711		2,281,583
\$ 3,154,351	\$	3,096,731	\$	2,970,180	\$	2,727,836	\$	2,414,896	\$	2,371,711
\$ 3,225,449	\$	1,172,609	\$	1,705,402	\$	1,626,536	\$	981,669	\$	680,735
49.44 %		72.53 %		63.53 %		62.65 %		77.70 %		77.70 %
\$ 1,167,768	\$	1,098,416	\$	1,075,958	\$	1,063,372	\$	973,536	\$	973,536
276.21 %		106.75 %		158.50 %		152.96 %		69.92 %		69.92 %

#### Required Supplementary Information Schedule of Changes in Net Pension Liability and Related Ratios North Dakota Highway Patrolmen's Retirement System Last 10 Fiscal Years\*

(Dollars III tilousarius)		2024	024 2023		2022			2021
Total pension liability (asset)								
Service cost	\$	5,351	\$	5,681	\$	3,281	\$	6,693
Interest	·	9,044	·	8,550	·	8,548	·	7,305
Change of benefit terms		· —		· —		· —		(135)
Difference between expected and actual experience		4,061		417		1,844		(2,197)
Changes of assumptions		(4,365)		(5,010)		39,467		(60,572)
Benefit payments, including refund of employee contributions		(6,688)		(6,391)		(5,848)		(5,952)
Net change in total pension liability (asset)		7,403		3,247		47,292		(54,858)
Total pension liability (asset) - beginning		173,910		170,663		123,371		178,229
Total pension liability (asset) - ending (a)	\$	181,313	\$	173,910	\$	170,663	\$	123,371
Plan fiduciary net position								
Contributions - employer	\$	2,516	\$	2,573	\$	2,687	\$	2,294
Contributions - employee		1,747		1,770		1,826		1,548
Contributions - service credit repurchase		31		593		160		401
Contributions - Transfer from General Fund		3,000		_		_		_
Net investment income		8,621		7,195		(6,510)		19,638
Benefit payments, including refund of employee contributions		(6,688)		(6,391)		(5,848)		(5,952)
Administrative expense		(40)		(30)		(66)		(37)
Net change in plan fiduciary net position		9,187		5,710		(7,751)		17,892
Plan fiduciary net position - beginning		98,035		92,325		100,076		82,184
Plan fiduciary net position - ending (b)	\$	107,222	\$	98,035	\$	92,325	\$	100,076
Net pension liability (asset) - ending (a) - (b)	\$	74,091	\$	75,875	\$	78,338	\$	23,295
Plan fiduciary net position as a percentage of the total pension liability (asset)		59.14 %		56.37 %		54.10 %		81.12 %
Covered payroll	\$	14,820	\$	11,991	\$	12,267	\$	11,516
Plan net pension liability (asset) as a percentage of covered payroll		499.94 %		632.76 %		638.60 %		202.28 %

 2020	2019	 2018	 2017		2016	 2015	
\$ 2,878 7,869	\$ 2,818 7,527	\$ 2,738 7,203	\$ 2,701 6,951	\$	2,226 6,311	\$ 2,038 6,008	
7,009	1,521	7,203	0,951		0,511	0,000	
729	(68)	(621)	22		40	984	
66,142	3,043	(021)	1,257		3,946	395	
•	•	(4.004)					
 (5,704)	 (5,391)	 (4,981)	 (4,806)		(4,713)	 (4,746)	
71,914	7,929	4,339	6,125		7,810	4,679	
106,315	98,386	94,047	87,922		80,112	75,433	
\$ 178,229	\$ 106,315	\$ 98,386	\$ 94,047	\$	87,922	\$ 80,112	
\$ 2,177	\$ 2,091	\$ 2,153	\$ 2,156	\$	2,127	\$ 2,002	
1,470	1,412	1,453	1,456		1,436	1,352	
205	168	282	249		_	97	
_	_	_	_		_	_	
2,667	4,251	6,716	8,500		317	2,335	
(5,705)	(5,391)	(4,981)	(4,806)		(4,713)	(4,746)	
(46)	(44)	(30)	(30)		(32)	(31)	
768	2,487	5,593	7,525		(865)	 1,009	
81,416	78,929	73,336	65,811		66,676	65,667	
\$ 82,184	\$ 81,416	\$ 78,929	\$ 73,336	\$	65,811	\$ 66,676	
\$ 96,045	\$ 24,899	\$ 19,457	\$ 20,711	\$	22,111	\$ 13,436	
46.11 %	76.58 %	80.22 %	77.98 %		74.85 %	83.23 %	
\$ 11,410	\$ 10,354	\$ 10,737	\$ 10,629	\$	10,527	\$ 10,146	
841.78 %	240.48 %	181.21 %	194.84 %		210.04 %	132.44 %	

#### Required Supplementary Information Schedule of Changes in Net Pension Liability and Related Ratios Retirement Plan for the Employees of Job Service North Dakota Last 10 Fiscal Years\*

		2024		2023		2022		2021
Total pension liability (asset)								
Service cost	\$	15	\$	15	\$	42	\$	58
Interest		2,086		2,038		2,342		2,629
Change of benefit terms		_		_		_		_
Difference between expected and actual experience		1,319		4,761		3,413		(201)
Changes of assumptions		_		_		4,717		2,899
Benefit payments, including refund of employee contributions		(5,283)		(5,169)		(4,865)		(4,669)
Net change in total pension liability (asset)		(1,863)		1,645		5,649		716
Total pension liability (asset) - beginning		72,138		70,493		64,844		64,128
Total pension liability (asset) - ending (a)	\$	70,275	\$	72,138	\$	70,493	\$	64,844
Plan fiduciary net position								
Contributions - employer	\$	_	\$	_	\$	_	\$	_
Contributions - employee		4		4		9		14
Contributions - service credit repurchase		_		_		_		_
Contributions - other		_		_		_		_
Net investment income		4,612		2,487		(5,551)		6,025
Benefit payments, including refund of employee contributions		(5,283)		(5,168)		(4,866)		(4,669)
Administrative expense		(15)		(15)		(18)		(17)
Net change in plan fiduciary net position		(682)		(2,692)		(10,426)		1,353
Plan fiduciary net position - beginning		83,485		86,177		96,603		95,250
Plan fiduciary net position - ending (b)	\$	82,803	\$	83,485	\$	86,177	\$	96,603
Net pension liability (asset) - ending (a) - (b)	\$	(12,528)	\$	(11,347)	\$	(15,684)	\$	(31,759)
Plan fiduciary net position as a percentage of the total pension liability (asset)		117.83 %		115.73 %		122.25 %		148.98 %
Covered payroll	\$	65	\$	61	\$	175	\$	175
Plan net pension liability (asset) as a percentage of covered payroll	(	19,248.60)%	(	18,478.87)%	(2	25,573.44)%	(	18,130.18)%

	2020		2019		2018		2017		2016		2015
\$	57	\$	70	\$	80	\$	56	\$	71	\$	128
	3,038		3,130		3,501		4,130		4,281		5,026
	_		_		_		_		_		_
	(1,122)		(505)		(310)		(1,648)		(2,007)		(1,806)
	540		_		5,812		4,421		70		(310)
	(4,582)		(4,627)		(4,583)		(4,534)		(4,601)		(4,694)
	(2,069)		(1,932)		4,500		2,425		(2,186)		(1,656)
	66,197		68,129		63,629		61,204		63,390		65,046
\$	64,128	\$	66,197	\$	68,129	\$	63,629	\$	61,204	\$	63,390
\$	_	\$	_	\$	_	\$	_	\$	_	\$	_
Ψ	27	Ψ	29	Ψ	33	Ψ	39	Ψ	44	Ψ	50
			_		_		_		<u> </u>		_
	_		_		_		_		_		_
	2,621		6,230		2,919		5,239		4,840		3,260
	(4,582)		(4,627)		(4,583)		(4,534)		(4,601)		(4,694)
	(19)		(17)		(46)		(13)		(32)		(30)
	(1,953)		1,615		(1,677)		731		251		(1,414)
	97,203		95,588		97,265		96,534		96,283		97,697
\$	95,250	\$	97,203	\$	95,588	\$	97,265	\$	96,534	\$	96,283
\$	(31,122)	\$	(31,006)	\$	(27,459)	\$	(33,636)	\$	(35,330)	\$	(32,893)
	148.53 %		146.84 %		140.30 %		152.86 %		157.72 %		151.89 %
\$	315	\$	417	\$	417	\$	499	\$	567	\$	791
	(9,892.34)%		(7,443.56)%		(6,590.37)%		(6,746.56)%		(6,256.45)%		(4,160.24)%

# Required Supplementary Information Schedule of Changes in Net Pension Liability and Related Ratios North Dakota Teachers' Fund for Retirement Last 10 Fiscal Years\* (Dollars in thousands)

		2024		2023		2022		2021	
Total pension liability (asset)									
Service cost	\$	100,869	\$	96,101	\$	92,336	\$	87,088	
Interest		325,552		318,879		311,929		300,698	
Change of benefit terms		_		_		_		_	
Difference between expected and actual experience		32,437		(55,451)		(8,505)		8,366	
Changes of assumptions		_		_		_		_	
Benefit payments, including refund of employee contributions		(277,661)		(262,282)		(251,847)		(241,128)	
Net change in total pension liability (asset)		181,197		97,247		143,913		155,024	
Total pension liability (asset) - beginning		4,577,221		4,479,973		4,336,060		4,181,036	
Total pension liability (asset) - ending (a)	\$	4,758,418	\$	4,577,220	\$	4,479,973	\$	4,336,060	
Plan fiduciary net position									
Contributions - employer	\$	108,088	\$	102,308	\$	100,331	\$	98,264	
Contributions - employee		99,610		94,284		92,462		90,557	
Contributions - service credit repurchase		1,196		1,109		2,017		2,559	
Contributions - other		88		(10)		25		126	
Net investment income		249,092		217,471		(198,881)		684,173	
Benefit payments, including refund of employee contributions		(277,661)		(262,282)		(251,847)		(241,128)	
Administrative expense		(3,313)		(2,891)		(2,592)		(2,678)	
Net change in plan fiduciary net position		177,100		149,989		(258,485)		631,873	
Plan fiduciary net position - beginning		3,173,909		3,023,920		3,282,405		2,650,532	
Plan fiduciary net position - ending (b)	\$	3,351,009	\$	3,173,909	\$	3,023,920	\$	3,282,405	
Net pension liability (asset) - ending (a) - (b)	\$	1,407,409	\$	1,403,311	\$	1,456,053	\$	1,053,655	
Plan fiduciary net position as a percentage of the total pension liability (asset)		70.40 %		69.30 %		67.50 %		75.70 %	
Covered payroll	\$	847,923	\$	802,413	\$	786,912	\$	770,700	
Plan net pension liability (asset) as a percentage of covered payroll	Ψ	166.00 %	Ψ	174.90 %	Ψ	185.00 %	Ψ	136.70 %	
i lait het pension liability (asset) as a percentage of covered paytoli		100.00 70		174.50 70		100.00 70		130.70 70	

<sup>\*</sup>Restated in 2015 due to GASB 68 implementation.

2020		2019		2018			2017		2016	2015		
\$	80,591	\$	77,756	\$	78,041	\$	75,476	\$	68,239	\$	60,618	
*	306,791	,	296,876	*	287,375	•	276,412	,	265,440	*	249,064	
	_								_			
	(20,732)		(23,495)		(27,939)		(10,749)		(8,093)		2,209	
	51,813		_		_		_		_		171,325	
	(230,851)		(221,228)		(207,979)		(196,516)		(185,969)		(172,239)	
	187,612		129,909		129,498		144,623		139,617		310,977	
	3,993,424		3,863,515		3,734,017		3,589,394		3,449,777		3,138,800	
\$	4,181,036	\$	3,993,424	\$	3,863,515	\$	3,734,017	\$	3,589,394	\$	3,449,777	
\$	93,032	\$	89,445	\$	86,676	\$	86,059	\$	82,840	\$	78,422	
·	85,735	·	82,429		79,878	·	79,309	·	76,343		72,268	
	2,175		1,917		2,181		2,553		2,768		1,601	
	159		159		194		236		45		172	
	86,206		135,043		211,345		266,688		8,239		73,205	
	(230,851)		(221,228)		(207,979)		(196,516)		(185,969)		(172,239)	
	(2,095)		(2,251)		(2,129)		(2,173)		(1,852)		(1,923)	
	34,361		85,514		170,166		236,156		(17,586)		51,506	
	2,616,171		2,530,657		2,360,491		2,124,335		2,141,921		2,090,415	
\$	2,650,532	\$	2,616,171	\$	2,530,657	\$	2,360,491	\$	2,124,335	\$	2,141,921	
\$	1,530,504	\$	1,377,253	\$	1,332,858	\$	1,373,526	\$	1,465,059	\$	1,307,856	
Ψ	1,000,004	Ψ	1,077,200	<u> </u>	1,002,000	<u>Ψ</u>	1,070,020	Ψ	1,400,000	<u>Ψ</u>	1,007,000	
	63.40 %		65.50 %		65.50 %		63.20 %		59.20 %		62.10 %	
\$	729,661	\$	701,528	\$	679,809	\$	674,971	\$	649,725	\$	615,105	
	209.80 %		196.10 %		196.10 %		203.50 %		225.50 %		212.60 %	

#### Required Supplementary Information Schedule of Changes in Net Other Post Employment Benefit Liability and Related Ratios Retiree Health Insurance Credit Fund Last 10 Fiscal Years\*

	2024		2023		2022		2021	
Total OPEB liability (asset)								
Service cost	\$ 4,160	\$	4,866	\$	4,004	\$	4,273	
Interest	15,125		14,548		15,155		14,658	
Change of benefit terms	_		_		_		_	
Difference between expected and actual experience	197		(777)		616		2,165	
Changes of assumptions	_		(10,643)		30,533		_	
Benefit payments, including refund of employee contributions	(14,794)		(14,215)		(13,746)		(12,885)	
Net change in total OPEB liability (asset)	 4,688		(6,221)		36,562		8,211	
Total OPEB liability (asset) - beginning	 268,293		274,514		237,952		229,741	
Total OPEB liability (asset) - ending (a)	\$ 272,981	\$	268,293	\$	274,514	\$	237,952	
Plan fiduciary net position								
Contributions - employer	\$ 12,328	\$	12,138	\$	12,566	\$	13,111	
Contributions - employee	8		11		12		16	
Contributions - service credit repurchase	282		282		457		375	
Net investment income	20,804		15,975		(26,757)		36,527	
Benefit payments, including refund of employee contributions	(14,794)		(14,215)		(13,746)		(12,885)	
Administrative expense	(371)		(356)		(383)		(431)	
Other	1							
Net change in plan fiduciary net position	18,258		13,835		(27,851)		36,713	
Plan fiduciary net position - beginning	168,318		154,483		182,334		145,621	
Plan fiduciary net position - ending (b)	\$ 186,576	\$	168,318	\$	154,483	\$	182,334	
Net OPEB liability (asset) - ending (a) - (b)	\$ 86,405	\$	99,975	\$	120,031	\$	55,618	
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	68.35 %		62.74 %		56.28 %		76.63 %	
Covered payroll	\$ 1,036,707	\$	1,005,183	\$	1,032,405	\$	1,090,258	
Plan net OPEB liability (asset) as a percentage of covered employee payroll	8.33 %		9.95 %		11.63 %		5.10 %	

<sup>\*</sup>Complete data for this schedule is not available prior to 2017.

	2020		2019		2018		2017
\$	4,042	\$	3,828	\$	3,767	\$	3,430
	15,498		15,217		14,485		14,327
	_		_		_		_
	315		(1,374)		2,732		(2,231)
	4,372		5,002		_		8,861
	(12,317)		(11,505)		(11,016)		(10,014)
	11,910		11,168		9,968		14,373
	217,831		206,663		196,695		182,322
\$	229,741	\$	217,831	\$	206,663	\$	196,695
\$	13,392	\$	12,977	\$	12,834	\$	12,576
	16		16		16		16
	557		377		747		464
	6,905		8,178		8,211		12,074
	(12,317)		(11,505)		(11,016)		(10,014)
	(454)		(437)		(480)		(443)
	10						10
	8,109		9,606		10,312		14,683
	137,512		127,906		117,594		102,921
\$	145,621	\$	137,512	\$	127,906	\$	117,604
\$	84,120	\$	80,319	\$	78,757	\$	79,091
	63.38 %		63.13 %		61.89 %		59.78 %
\$	1,139,971	\$	1,115,858	\$	1,094,217	\$	1,081,841
φ	1,135,571	φ	1,110,000	φ	1,034,211	φ	1,001,041
	7.38 %		7.20 %		7.20 %		7.31 %

<sup>\*</sup>Complete data for this schedule is not available prior to 2017.

# Required Supplementary Information Schedule of Changes in Net Other Post Employment Benefit Liability and Related Ratios Met Life Insurance Plan Last 10 Fiscal Years\* (Dollars in thousands)

2024 2023 2022 2021 Total OPEB liability (asset) Service cost \$ \$ \$ \$ Interest 36 38 30 32 Change of benefit terms Difference between expected and actual experience 73 (17)Changes of assumptions (10)(138)Benefit payments, including refund of employee contributions (86)(86) (89)(83)Net change in total OPEB liability (asset) 13 (48) (214)(51) Total OPEB liability (asset) - beginning 953 1,001 1,215 1,266 Total OPEB liability (asset) - ending (a) 966 953 \$ 1,001 1,215 Plan fiduciary net position Contributions - employer \$ 86 \$ 86 \$ 89 \$ 83 Contributions - employee Contributions - service credit repurchase Contributions - other Net investment income Benefit payments, including refund of employee contributions (86)(86)(89)(83)Administrative expense Net change in plan fiduciary net position Plan fiduciary net position - beginning Plan fiduciary net position - ending (b) Net OPEB liability (asset) - ending (a) - (b) 966 953 1,001 1,266 \$ Plan fiduciary net position as a percentage of the total OPEB 0.00 % 0.00 % 0.00 % 0.00 % Covered payroll n/a n/a n/a n/a

n/a

n/a

n/a

n/a

Plan net OPEB liability (asset) as a percentage of covered payroll

<sup>\*</sup>Complete data for this schedule is not available prior to 2018.

 2020	2019	2018
\$ _	\$ 4	\$ 4
37	42	43
_	_	_
(192)	_	_
46	_	_
(78)	(84)	(80)
(187)	(38)	(33)
1,453	 1,491	1,524
\$ 1,266	\$ 1,453	\$ 1,491
\$ 78	\$ 84	\$ 80
_	_	_
_	_	_
_	_	_
_	_	_
(78)	(84)	(80)
_	_	_
\$ 	\$ 	\$ 
\$ 1,266	\$ 1,453	\$ 1,491
0.00 %	0.00 %	0.00 %
n/a	n/a	n/a
n/a	n/a	n/a

<sup>\*</sup>Complete data for this schedule is not available prior to 2018.

## Required Supplementary Information Schedule of Employer Contributions Last 10 Fiscal Years\* (Dollars in thousands)

ND Public Employee	s Retireme	ent System								
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$204,475	\$191,274	\$157,390	\$157,543	\$140,537	\$127,129	\$125,714	\$116,564	\$124,336	\$107,514
Contribution in relation to the actuarially determined										
contribution	258,001	101,933	96,631	91,266	85,504	81,588	80,727	78,934	77,081	70,843
Contribution deficiency (excess)	\$(53,526)	\$89,341	\$60,759	\$66,277	\$55,033	\$45,541	\$44,987	\$37,630	\$47,255	\$36,671
Covered payroll Contributions as a	1,454,922	1,318,276	1,248,308	1,213,676	1,167,768	1,098,416	1,075,958	1,063,372	1,048,548	973,536
percentage of covered payroll	17.73%	7.73%	7.74%	7.52%	7.32%	7.43%	7.50%	7.42%	7.35%	7.28%
Highway Patrolmen's	s Retireme	nt Svstem								
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$5,211	\$5,107	\$3,921	\$4,081	\$3,256	\$2,936	\$2,949	\$3,060	\$2,307	\$2,201
Contribution in relation to the actuarially determined	l									
contribution	5,516	2,574	2,687	2,293	2,177	2,091	2,153	2,156	2,127	2,002
Contribution deficiency (excess)	\$(305)	\$2,533	\$1,234	\$1,788	\$1,079	\$845	\$796	\$904	\$180	\$199
Covered payroll	14,820	11,991	12,267	11,516	11,410	10,354	10,737	10,629	10,527	10,146
Contributions as a percentage of covered payroll	37.22%	21.47%	21.90%	19.91%	19.08%	20.20%	20.05%	20.28%	20.21%	19.73%
Job Service North Da	akota									
_	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$—	\$—	\$—	\$—	\$—	\$—	\$—	\$—	\$—	\$—
Contribution in relation to the actuarially										
determined contribution							<u> </u>			
Contribution deficiency (excess)	\$—	\$—	\$—	\$—	\$—	\$—	\$—	\$—	\$—	\$—
Covered payroll	66	61	133	200	386	417	417	499	565	674
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

#### Required Supplementary Information Schedule of Employer Contributions Last 10 Fiscal Years\* (Dollars in thousands)

#### ND Teachers' Fund for Retirement

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$105,990	\$97,252	\$97,341	\$101,655	\$93,688	\$90,778	\$88,307	\$89,231	\$84,724	\$71,168
Contribution in relation to the actuarially determined contribution	108,088	102,308	100,331	98,264	93,032	89,445	86,676	86,059	82,840	78,422
Contribution	#(2,000)	Φ/F 0F0\	#(2,000)	#2 204	ФС <u>Г</u> С	£4.222	¢4.004	ro 470	£4.004	Φ/7.0F4)
deficiency (excess)	\$(2,098)	\$(5,056)	\$(2,990)	\$3,391	\$656	\$1,333	\$1,631	\$3,172	\$1,884	\$(7,254)
Covered payroll	847,923	802,413	786,912	770,700	729,661	701,528	679,809	674,971	649,725	615,105
Contributions as a percentage of covered payroll	12.75 %	12.75 %	12.75 %	12.75 %	12.75 %	12.75 %	12.75 %	12.75 %	12.75 %	12.75 %
Retiree Health Insura	ance Credit	<u>Plan</u>								
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$14,676	\$14,766	\$12,414	\$13,340	\$12,145	\$12,707	\$12,252	\$11,696	\$7,544	\$6,439
Contribution in relation to the actuarially determined contribution	12,328	12,138	12,566	13,111	13,392	12,977	12.835	12,575	12,350	11,479
	12,320	12,130	12,300	13,111	13,392	12,977	12,033	12,373	12,330	11,479
Contribution deficiency (excess)	\$2,348	\$2,628	\$(152)	\$229	\$(1,247)	\$(270)	\$(583)	\$(879)	\$(4,806)	\$(5,040)
Covered payroll	1,036,707	1,005,183	1,032,405	1,090,258	1,139,971	1,115,858	1,094,217	1,081,841	1,142,375	1,052,657
Contributions as a percentage of covered payroll	1.19 %	1.21 %	1.22 %	1.20 %	1.17 %	1.16 %	1.17 %	1.16 %	1.08 %	1.09 %

#### Required Supplementary Information Information About the State's Pension and Other Post Employment Benefit Plans For the Fiscal Year Ended June 30, 2024

#### ND Public Employees Retirement System

**Benefit Changes** 

Effective January 1, 2025, the Main System is closed to new members. Employees newly enrolled into the system on January 1, 2025 and later will participate in a new Defined Contribution Plan.

State employees participating in the Main System on January 1, 2025 who are at least age 18 with 5 years or less of participation will be eligible to irrevocably elect to transfer to the existing DC Plan during a three-month election period ending March 31, 2025. For members who elect to transfer to the existing DC Plan, NDPERS will transfer a lump sum from the Main System to the DC Plan based on the actuarial present value of the accrued benefit as of January 1, 2025, plus interest from January 1, 2025 to the date of transfer. The state employer of an employee who elects to transfer to the existing DC Plan shall contribute an additional amount of \$3,333 annually for up to three years, provided the employee continues employment.

Member and/or employer contribution rates were changed for all plans except the Judges Plan.

For BCI members who retire on or after August 1, 2023, the multiplier is 3.00% for the first twenty years and 1.75% for additional years. For BCI members hired on or after August 1, 2023, the vesting requirement is changed from 3 years to 10 years.

Peace Officers employed by the State who were Main System participants transferred to the Public Safety with prior Main System service effective August 1, 2023.

Changes of Assumptions

There were no assumption changes made since the prior valuation.

#### Highway Patrolmen's Retirement System

Benefit Changes There were no changes made in the plan provisions since the prior valuation.

Changes of Assumptions There were no assumption changes made since the prior valuation.

Job Service North Dakota

Benefit Changes There were no changes made in the plan provisions since the prior valuation.

Changes of Assumptions There were no assumption changes made since the prior valuation.

#### Retiree Health Insurance Credit Plan

Benefit Changes There were no changes made in the plan provisions since the prior valuation.

Changes of Assumptions There were no assumption changes made since the prior valuation.

#### Required Supplementary Information Information About the State's Pension and Other Post Employment Benefit Plans For the Fiscal Year Ended June 30, 2024

Schedule of Employer Contributions

PERS:

Valuation Date July 1, 2024

Level Percentage of Payroll, Open Period

Amortization Method Assumed annual payroll growth of 3.50% (3.00% for Judges)

Remaining Amortization

Period 20 Years

Asset Valuation Method 5-Year smoothed marked

Inflation 2.25%

Salary Increases 3.50% to 17.75% including inflation

Investment Rate of

Return

6.5%

Retirement Age Age-based table of rates that are specific to the type of eligibility condition

Mortality Sex-distinct Pub-2010 tables for General Employees, with scaling based on actual experience.

Respective corresponding tables were used for healthy retirees, disabled retirees, and active

members. Mortality rates are projected from 2010 using the MP-2019 scale.

Other Notes The benefit accrual rate for members first enrolled on or after January 1, 2020 in the Main and Public

Safety Systems is 1.75% (compared to 2.00% for members enrolled before January 1, 2020).

The investment return assumption was updated from 7.00% to 6.50% beginning with the actuarial valuation as of July 1, 2022. All other actuarial assumptions used in the actuarial valuation as of July 1, 2022 were based on an experience review for the period from July 1, 2014 to July 1, 2019, and

were adopted for first use commencing with the actuarial valuation as of July 1, 2020.

The employer rates to the System are the statutory/Board approved contribution rates of 8.12% of payroll for the Main System (9.26% for members enrolled on or after January 1, 2020), 17.52% for the Judges System, 11.40% for Public Safety with prior Main System Service System, 22.26% for BCI, 14.34% for State Public Safety, and 9.16% for Public Safety without prior Main System Service System. In 2023, House Bill 1040 was passed, which closes the Main System to employees newly enrolled into the system on January 1, 2025 and later. The state employer contribution for 2026 and later was changed to be the amount sufficient to fund the Main System on actuarial basis, with the amortization of the unfunded liability determined on a level percent of payroll basis over a closed period beginning on January 1, 2026 and ending June 30, 2056.

Legislation was passed relating to the Public Safety with Prior Service System. The Public Safety with Prior Service System was expanded to allow peace officers employed by the State to participate. The provisions are similar to the Public Safety with Prior Service System, but with a 6.00 percent employee contribution rate. The benefit multiplier and the vesting requirements for the Bureau of Criminal Investigation group were changed.

#### Required Supplementary Information Information About the State's Pension and Other Post Employment Benefit Plans For the Fiscal Year Ended June 30, 2024

#### HPRS:

Valuation Date July 1, 2024

Amortization Method Level Percentage of Payroll, Open Period

Assumed annual payroll growth of 3.50%

Remaining Amortization

Period

20 Years

Asset Valuation Method 5-Year smoothed marked

Inflation 2.25%

Salary Increases Service-based table for members with less than five years of service and age-based table for

members with more than five years of service.

Investment Rate of

Return

6.5%

Retirement Age Age-based table of rates that are specific to the type of eligibility condition

Mortality Pub-2010 Healthy Retiree Mortality table (for General Employees), sex-distinct, with rates multiplied by

103% for males and 101% for females. Pub-2010 Disabled Retiree Mortality table (for General Employees), sex-distinct, with rates multiplied by 117% for males and 112% for females. Pub-2010 Employee Mortality table (for General Employees), sex-distinct, with rates multiplied by 92% for both

males and females. Mortality rates are projected from 2010 using the MP-2019 scale.

Other Notes There were no benefit changes during the year.

The assumptions were updated beginning with the actuarial valuation as of July 1, 2020 based on an experience study covering the period July 1, 2014 through July 1, 2019. The investment return assumption was decreased from 7.00% to 6.50% beginning with the actuarial valuation as of July 1,

2022.

The employer rate to the System is the statutory contribution rate of 20.70% of payroll. The statutory employer and employee contributions will each increase by 0.5% of pay every year from January 1,

2024 to January 1, 2025 ultimately increasing both by 1.0% of pay.

#### **Required Supplementary Information** Information About the State's Pension and Other Post Employment Benefit Plans For the Fiscal Year Ended June 30, 2024

#### JSND:

Valuation Date July 1, 2024

**Actuarial Cost Method** Frozen Initial Liability (Aggregate since no initial Liability remains)

Amortization Method Not Applicable

Asset Valuation Method 5-Year smoothed marked

Inflation 2.25%

**COLA** 2.25%

Salary Increases 3.50%

Investment Rate of

Return

3.00%

Retirement Age Age-based table of rates that are specific to the type of eligibility condition

Mortality

Pub-2010 Healthy Retiree Mortality table (for General Employees), sex distinct, with rates multiplied by 103% for males and 101% for females. Pub-2010 Disabled Retiree Mortality table (for General Employees), sex-distinct, with rates multiplied by 117% for males and 112% for females. Pub-2010 Employee Mortality table (for General Employees), sex-distinct, with rates multiplied by 92% for both males and females. Mortality rates are projected from 2010 using the MP-2019 scale.

Other Notes There were no benefit changes during the year.

> The assumptions were updated beginning with the actuarial valuation as of July 1, 2020 based on an experience study covering the period July 1, 2014 through July 1, 2019. The Board approved lowering the investment return assumption from 3.75 percent to 3.00 percent, first effective July 1, 2022.

> The System has assets in excess of the present value of future benefits. Therefore, no employer

contributions are being made.

**Required Supplementary Information** Information About the State's Pension and Other Post Employment Benefit Plans For the Fiscal Year Ended June 30, 2024

TFFR:

Actuarial cost method Entry age

Level percentage of payroll, closed Amortization method

Remaining amortization 20 years

Period

Asset valuation method 5-year smoothed market

Inflation 2%

Salary increases Composed of 3.80% wage inflation, plus step-rate promotional increases for members with less than

30 years of service.

of 7.25% Investment rate

Retirement age Experience-based tables of rates based on age and gender

Post-retirement Non-Disabled: 104% of the Pub T-2010 Retiree Table and 95% of the Pub T-2010 Mortality

Contingent Survivor Table with generational mortality improvement using Scale MP-2019. Disabled:

Pub NS-2010 Retiree Table with generational mortality improvement using Scale MP-2019.

#### Required Supplementary Information Information About the State's Pension and Other Post Employment Benefit Plans For the Fiscal Year Ended June 30, 2024

#### RHIC:

Valuation Date July 1, 2024

Actuarial Cost Method Entry Age Normal Method

Amortization Method N/A

Asset Valuation Method 5-Year smoothed marked

Inflation 2.25%

Salary Increases Not Applicable

Investment Rate of

Return

5.75%

Retirement Age Age-based table of rates that are specific to the type of eligibility condition

Mortality

Pub-2010 Healthy Retiree Mortality table (for General Employees), sex distinct, with rates multiplied by 103% for males and 101% for females. Pub-2010 Disabled Retiree Mortality table (for General Employees), sex-distinct, with rates multiplied by 117% for males and 112% for females. Pub-2010 Employee Mortality table (for General Employees), sex-distinct, with rates multiplied by 92% for both males and females. Mortality rates are projected from 2010 using the MP-2019 scale.

Other Notes

Beginning January 1, 2020, members first enrolled in the NDPERS Main System and the Defined Contribution Plan on or after that date will not be eligible to participate in RHIC. Therefore, RHIC will become for the most part a closed plan. There were no other benefit changes during the year.

The investment return assumption was decreased from 6.50% to 5.75% beginning with the actuarial valuation as of July 1, 2022. All other actuarial assumptions were adopted by the Board based on an experience study covering the period July 1, 2015, through June 30, 2019.

The determination of the actuarial rate was changed effective July 1, 2019 to equal the rate needed to pay off the unfunded liability and future NC contributions at the end of 20 years as a level percent of closed group (decreasing) payroll.

The employer rate to the System is the statutory contribution rate of 1.14% of payroll.

#### Schedule of Investment Returns

	Public Employees Retirement	Highway Patrolmen's	Job Service	Teachers' Fund	Retiree Health Insurance Credit
	System	Retirement System	North Dakota	for Retirement	Fund
2024	8.13 %	7.86 %	3.30 %	8.02 %	10.82 %
2023	8.13 %	7.86 %	3.30 %	7.35 %	10.82 %
2022	(6.32)%	(6.50)%	(5.55)%	(6.17)%	(14.48)%
2021	27.43 %	23.90 %	6.81 %	26.36 %	25.58 %
2020	3.57 %	3.28 %	3.09 %	3.37 %	5.37 %
2019	5.69 %	5.39 %	7.00 %	5.46 %	6.75 %
2018	9.21 %	9.16 %	3.32 %	9.15 %	7.01 %
2017	13.01 %	12.93 %	5.85 %	12.81 %	11.75 %
2016	0.49 %	0.48 %	5.14 %	0.39 %	0.83 %
2015	3.61 %	3.66 %	3.41 %	3.56 %	0.00 %

**Required Supplementary Information** Information About the State's Pension and Other Post Employment Benefit Plans For the Fiscal Year Ended June 30, 2024

#### Met Life Insurance Plan:

**Actuarial Cost Method** Entry age normal actuarial cost method was used in the valuation.

Changes of Assumptions The following changes were made to the actuarial assumptions and methods effecting July 1, 2024:

The discount rate is 4.21 percent based on the S&P Municipal Bond 20 Year High Grade Rate Index as of June 30, 2024, compared to the prior discount rate of 4.09%.



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## **Combining Financial Statements**

## **Nonmajor Governmental Funds**

#### **Permanent Fund**

A permanent fund is used to report resources that are legally restricted to the extent than only earnings, and not principal, may be used to for the benefit of the government or its citizens.

#### 956-Coal Development Permanent Fund

The Coal Development Fund reports resources that are constitutionally committed for distribution to other state funds and for making loans to energy impacted entities and school districts.

#### 410-Veterans' Postwar Trust Fund

The Veterans' Postwar Trust Fund reports resources that are constitutionally committed to be utilized for programs which must be of benefit and service to veterans, who are defined by legislative enactment, or their dependents.

#### **Capital Projects Fund**

A capital projects fund is used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

#### 960-Building Authority

Account for the acquisition or construction of buildings primarily for use by the State and making any improvements connected to those buildings.

#### **Debt Service Funds**

A debt service fund is used to account for accumulation for resources for, and the payment of, principal and interest on long-term debt.

#### 919-Building Authority Debt Service Fund

Account for accumulation of resources for, and the payment of, principal and interest on bonds issued by the North Dakota Building Authority.

#### 935-Legacy Bond Program

Legacy Bond Program through the Bank of North Dakota to be used for infrastructure projects and programs.

#### Combining Balance Sheet Nonmajor Governmental Funds June 30, 2024

Julie 30, 2024	P	erm Trust Fund		 De	ebt Service Fund	ds	Capital Proj. Fund	
	Coal Development Trust Fund	Veteran's Postwar Trust Fund	Total	uilding uthority	Legacy Bond Program	Total	Building Authority	Total Nonmajor Governmental Funds
ASSETS								
Cash Deposits at the Bank of ND	\$ 3,083,123	\$ 188,752	\$ 3,271,875	\$ 64,000	\$ 8,382,000	\$ 8,446,000	\$ —	\$ 11,717,875
Cash and Cash Equivalents	_	144,821	144,821	_	_	_	_	144,821
Investments at the Bank of ND	_	_	_	235,000	367,421,000	367,656,000	_	367,656,000
Investments	44,369,530	8,553,281	52,922,811	_	_	_	_	52,922,811
Accounts Receivable - Net	_	106	106	_	_	_	_	106
Taxes Receivable - Net	114,989	476	115,465	_	_	_	_	115,465
Interest Receivable - Net	361,509	23,370	384,879	_	193,000	193,000	_	577,879
Due from Other Funds	_	50	50	_	_	_	_	50
Loans and Notes Receivable - Net	38,679,592	_	38,679,592	_	_	_	_	38,679,592
Other Assets	1,799	_	1,799	_	_	_	_	1,799
Total Assets	86,610,542	8,910,856	95,521,398	299,000	375,996,000	376,295,000		471,816,398
DEFERRED OUTFLOWS OF RESOURCES								
Total Deferred Outflows of Resources				_				
Total Assets and Deferred Outflows of Resources	\$ 86,610,542	\$ 8,910,856	\$ 95,521,398	\$ 299,000	\$ 375,996,000	\$ 376,295,000	\$	\$ 471,816,398
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts Payable	1,770	7,166	8,936	6,000	_	6,000	_	14,936
Securities Lending Collateral	12,181,248	_	12,181,248	_	_	_	_	12,181,248
Due to Other Funds	151,031	_	151,031	_	_	_	_	151,031
Total Liabilities	12,334,049	7,166	12,341,215	6,000	_	6,000		12,347,215
DEFERRED INFLOWS OF RESOURCES								
Total Deferred Inflows of Resources		_		_	_			
Fund Balances:								
Nonspendable	73,623,582	8,063,307	81,686,889	_	_	_	_	81,686,889
Restricted			_	293,000	375,996,000	376,289,000	_	376,289,000
Committed	652,911	840,383	1,493,294	_		_	_	1,493,294
Total Fund Balances	74,276,493	8,903,690	83,180,183	293,000	375,996,000	376,289,000		459,469,183
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 86,610,542	\$ 8,910,856	\$ 95,521,398	\$ 299,000	\$ 375,996,000	\$ 376,295,000	<u> </u>	\$ 471,816,398

Combining Statement of Revenues, Expenditures and Changes in Fund Balance Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2024

	P	erm Trust Fund			D	ebt Service Fund	s	Capital Proj. Fund	
REVENUES	Coal Development Trust Fund	Veteran's Postwar Trust Fund	Total		Building authority	Legacy Bond Program	Total	Building Authority	Total Nonmajor Governmental Funds
Individual and Corporate Income Taxes	\$ —	\$ 28,504 \$	28,504	\$		\$ —	\$ —	\$ —	\$ 28,504
Oil, Gas, and Coal Taxes	1,366,661	φ 20,304 φ —	1,366,661	φ	_	φ —	φ <u> </u>	<b>э</b> —	1,366,661
Licenses, Permits and Fees		22,041	22,041						22,041
Sales and Services		5,565	5,565						5,565
Interest and Investment Income	3,750,461	834,491	4,584,952		5,000	21,547,000	21,552,000	6,000	26,142,952
Miscellaneous	3,730,401	71,275			3,000	21,547,000	21,332,000	0,000	71,275
Miscellarieous	_	71,275	71,275		_	_	_	_	71,275
Total Revenues	5,117,122	961,876	6,078,998		5,000	21,547,000	21,552,000	6,000	27,636,998
EXPENDITURES									
Current:									
General Government	469,432	63,387	532,819		_	_	_	_	532,819
Health and Human Services	_	235,733	235,733		_	_	_	_	235,733
Regulatory	_	_	_		_	114,606,000	114,606,000	_	114,606,000
Debt Service:									
Principal	_	_	_		5,000,000	28,460,000	33,460,000	_	33,460,000
Interest and Other Charges	_	_	_		3,121,125	23,111,000	26,232,125	_	26,232,125
Total Expenditures	469,432	299,120	768,552		8,121,125	166,177,000	174,298,125		175,066,677
Revenues over (under) Expenditures	4,647,690	662,756	5,310,446		(8,116,125)	(144,630,000)	(152,746,125)	6,000	(147,429,679)
OTHER FINANCING SOURCES (USES)									
Transfers In	_	_	_		8,147,125	102,620,000	110,767,125	_	110,767,125
Transfers Out	(2,193,831)	_	(2,193,831)			(102,730,000)	(102,730,000)	(429,000)	(105,352,831)
Total Other Financing Sources (Uses)	(2,193,831)	_	(2,193,831)	_	8,147,125	(110,000)	8,037,125	(429,000)	5,414,294
Net Change in Fund Balances	2,453,859	662,756	3,116,615		31,000	(144,740,000)	(144,709,000)	(423,000)	(142,015,385)
Fund Balances - Beginning of Year	71,822,634	8,240,934	80,063,568		262,000	520,736,000	520,998,000	423,000	601,484,568
Fund Balances - End of Year	\$ 74,276,493	\$ 8,903,690 \$	83,180,183	\$	293,000	\$ 375,996,000	\$ 376,289,000	\$	\$ 459,469,183

#### Nonmajor Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises—where the intent of the State is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the State has decided that periodic determination of net income is appropriate for accountability purposes.

#### **BANK OF NORTH DAKOTA**

#### 907 - School Construction Assistance Revolving Loan Fund

Fund used to provide low-interest school construction loans.

#### 459 (914) - Innovation Technology Loan Fund (LIFT)

Fund used to provide loans for commercialization of intellectual property within the State of North Dakota. Industries eligible for loans include advanced computing and data management, agriculture technology, autonomous and unmanned vehicles and related technology, energy, health care, value- added agriculture, value added energy, and any other industry or area identified by the committee that will contribute to the diversification of the state's economy.

#### 934 - Infrastructure Revolving Loan Fund

Fund used to provide loans to political subdivisions for essential infrastructure projects.

#### 945 – Bulk Propane Storage Tank

Fund used to provide loans to propane retailers to purchase and install storage containers to be used for the bulk storage of propane.

#### 954 - Addiction Counselor Internship Loan Program

Fund used to provide loans to qualified individuals participating in a paid or unpaid internship at a licensed substance abuse treatment facility in North Dakota in order to obtain licensure as an addiction counselor.

#### 972 - Legacy Infrastructure Loan Fund

Fund used to provide loans to political subdivisions, the Garrison Diversion Conservancy District and the Lake Agassiz water authority for eligible infrastructure projects.

#### 984 - Medical Facility Infrastructure Loan Program

Fund used to make loans to medical facilities to conduct construction that improves the health care infrastructure in the state or improves access to existing nonprofit health care providers in the state.

#### 985 - Rebuilders Permanent Loan Fund

Fund used to make loans to North Dakota 2011 flood-damaged homeowners to provide financial assistance needed to repair their home.

#### 961 - Clean Sustainable Energy Loan Fund

Fund used to enhance the production of clean sustainable energy, to make the state a world leader in the productions of clean sustainable energy, and to diversity and grow the state's economy.

#### 900 - Agriculture Diversification and Development Fund

Fund used for loan disbursements, grants, and administrative costs.

#### **BONDING**

#### 210 (924) - State Bonding Fund

Fund used to maintain the bonding of public employees and officials of the state, county, city or other unit of local government.

#### **COMMUNITY WATER FACILITY LOAN**

#### 974 - Water Infrastructure Revolving Loan Fund

Accounts for supplementary financing in conjunction with federal moneys available to improve adequate water supplies.

#### **FIRE AND TORNADO**

211 (923) - State Fire and Tornado Fund

Accounts for state agencies and political subdivisions to insure against loss to the public buildings, fixtures and permanent contents therein, through fire, lightning, windstorm, etc.

#### **GUARANTEED STUDENT LOAN**

969 - North Dakota Guaranteed Student Loan

Accounts for the revenues and expenses associated with the administration, development and operation of the guaranteed loan program.

#### HIT PLANNING LOAN FUND

987 - HIT Planning Loan Fund

Fund to provide low-interest loans to health care entities to improve health information technology infrastructure.

#### INFORMATION TECHNOLOGY DEPARTMENT

408 (903) - Edutech Fund

Fund used for professional development sessions and presentations by the Information and Technology Department.

#### 476 (908) - SW Interoperable Radio Network Fund

Fund used for a radio broadcasting system for the state that enables seamless interoperable communications from local, state, and federal levels.

#### MILL AND ELEVATOR

970 - Mill and Elevator

Accounts for revenues and expenditures associated with the operation of the Mill and Elevator.

#### PERS UNIFORM GROUP INSURANCE

980 - Public Employees Retirement System Group Insurance

Accounts for the administrative revenues and expenses associated with this insurance purchasing pool.

#### **ROUGHRIDER INDUSTRIES**

926 - Roughrider Industries

Accounts for the revenues and expenses associated with the operation, manufacture and sale of products made by the prison inmates.

#### **STATE FAIR**

601 (977) - State Fair

Accounts for revenues and expenditures associated with the operation of the State Fair.

#### STATE LOTTERY FUND

966 (292) - State Lottery Fund

Accounts for operations of the North Dakota lottery.

#### STUDENT LOAN

975 - North Dakota Student Loan Trust

Accounts for loans to students in post secondary education. The trust acquires eligible loans guaranteed or insured by the United States government or the North Dakota Guaranteed Student Loan Program.

#### **UNEMPLOYMENT COMPENSATION FUND**

967 - Job Service-Expendable Trust Fund

Accounts for State unemployment taxes collected from employers for the purpose of paying unemployment benefits.

## Combining Statement of Net Position Nonmajor Enterprise Funds June 30, 2024

Julie 30, 2024		Addiction Counselor Internship Loan	Div	griculture ersification velopment Fund	Bonding	Bulk Propane Storage Tank	Clean Sustainable Energy Loan Fund	Edutech	Fire and Tornado	Guaranteed Student Loan
ASSETS										
Current Assets:										
Cash Deposits at the Bank of ND	\$	121,602	\$	11,247,000 \$	521,443	\$ 4,341,000	\$ 1,271,000	\$ 327,358 \$		\$ 49,650,952
Cash and Cash Equivalents		_		_	1,315,126	_	_	_	1,240,502	_
Investments at the Bank of ND		_		_	- 400 540	_	_	_		_
Investments		_		_	2,123,510	_	_	_	14,844,458	_
Accounts Receivable - Net Interest Receivable - Net		1,753		_	150,571 29,976	1,000	103,000	_	152,690	_
Intergovernmental Receivable - Net		1,755		_	29,970	1,000	103,000		132,090	
Due from Other Funds		_		_	_	_	_	_	_	_
Prepaid Items		_		838,000	_	_	_	_	550,938	_
Inventory		_		_	_	_	_	_	_	_
Lease Receivable - Net		_		_	_	_	_	_	_	_
Loans and Notes Receivable - Net		8,442		_	_	57,000	7,159,000	_	_	_
Other Assets		_		_	_	_	_	_	_	78,729
Restricted Cash at the Bank of ND		_		_	_	_	_	_	_	_
Restricted Cash and Cash Equivalents		_		_	_	_	_	_	_	_
Restricted Investments at the Bank of ND		_		_	_	_	_	_	_	_
Restricted Loans Receivable - Net		_		_	_	_	_	_	_	
Total Current Assets		131,797		12,085,000	4,140,626	4,399,000	8,533,000	327,358	17,670,314	49,729,681
Noncurrent Assets:										
Lease Receivable		_		_	_	_	_	_	_	_
Loans and Notes Receivable - Net		53,539		_	_	619,000	35,341,000	_	_	_
Other Noncurrent Assets		_		2,458,000	_	_	_	_	_	_
Capital Assets:										
Nondepreciable		_		_	_	_	_	_	_	_
Depreciable, Net		_		_	_	_		_	_	
Total Noncurrent Assets		53,539		2,458,000		619,000	35,341,000	_		
Total Assets		185,336		14,543,000	4,140,626	5,018,000	43,874,000	327,358	17,670,314	49,729,681
								·		
DEFERRED OUTFLOWS OF RESOURCES										
Decrease in Fair Value of Hedging Derivatives		_		_	_	_	_	_	_	_
Derived from Pensions		_		_	_	_	_	_	_	_
Derived from OPEB		_		_	_	_	_	_	_	
Total Deferred Outflows of Resources					_					
LIABILITIES										
Current Liabilities:										
Accounts Payable		_		_	1,760	_	_	18,924	13,278	433,846
Accrued Payroll		_		_	_	_	_	_	_	_
Securities Lending Collateral		_		_	28,756	_	_	_	167,628	_
Interest Payable		_		_	_	_	2,614,000	_	_	_
Intergovernmental Payable		_		_	_	_	_	_	_	_
Due to Other Funds		_		_	_	1,000	15,037,000	12,931	_	5,000
Claims/Judgments Payable		_		_	134,068	_	_	_	2,658,571	_
Compensated Absences Payable		_		_	_	_	_	_	_	_
Leases/SBITAs Payable		_		_	_	_	_	_	_	_
Bonds Payable		_		_	_	_	_	_	_	_
Financial Derivative Instrument		_		_	_	_	_	_	_	_
Unearned Revenue Other Current Liabilities		_		_	_	_	_	_	_	_
Total Current Liabilities					164,584	1,000	17,651,000	31,855	2,839,477	438,846
					104,504	1,000	17,001,000	31,000	2,000,477	+30,040
Noncurrent Liabilities:										
Compensated Absences Payable		_		_	_	_	_	_	_	_
Leases/SBITAs Payable		_		_	_	_	_	_	_	_
Bonds Payable		_		_	_	_	_	_	_	_
Net Pension Liability		_		_	_	_	_	_	_	_
Net Pension OPEB Other Noncurrent Liabilities		_		_	_	_	_	_	_	27,717,909
Total Noncurrent Liabilities										27,717,909
Total Liabilities					164,584	1,000	17,651,000	31,855	2,839,477	28,156,755
DEFERRED INFLOWS OF RESOURCES										
Right-to-Use Leases		_		_	_	_	_	_	_	_
Derived from Pensions		_		_	_	_	_	_	_	_
Derived from OPEB		_		_	_	_	_	_	_	_
Total Deferred Inflows of Resources										
								<u></u>		
Net Position Net Investment in Capital Assets		_		_	_	_	_	_	_	_
Restricted for: Debt Service										
		_		_	_	_	_	_	_	_
Loan Purposes		_		_	_	_	_	_	_	_
Unemployment Compensation Other		_		_	_	_	_	_	_	_
Unrestricted		185,336		14,543,000	3,976,042	5,017,000	26,223,000	295,503	14,830,837	21,572,926
Total Net Position	\$	185,336	\$	14,543,000 \$	3,976,042					
	<u> </u>	.00,000	T.	, ισ,σσσ ψ	-,0.0,072	, 0,017,000	,	, 200,000 ψ	,000,007	, , , , , , , , , , , , , , , , , ,

T Planning oan Fund	Infrastructure Revolving Loan Fund	Interoperable Radio Network Fund	Innovation Loan Fund	Legacy Infrastructure Loan Fund	Medical Facility Infrastructure Loan Fund	Mill and Elevator	PERS Uniform Group Insurance	Rebuilders Permanent Loan Program	Roughrider Industries
\$ _	\$ 60,591,000 —	\$ 44,897,351 —	_	\$ 2,175,000 —	\$ 11,678,000 S	_	\$ 2,295,905 2,260,600	\$ 13,544,000 S	500
_	_	_	_	_	_	_	56,158,352	_	_
_	_	390,731	_	_	_	78,287,566	465,470	_	728,764
267	689,000	_	24,000	324,000	24,000	_	_	31,000	_
_	_	942,054	_	_	_	_	_	_	304,274
_	_	6,643	_	_	_	2,168,604	_	_	40,896
_	_	_	_	_	_	36,762,897	_	_	3,023,664
205,330	13,899,000	_	5,002,000	2,402,000	 2,082,000	2,117,647	_	 4,183,000	_
	- 15,055,000	_	5,002,000			2,117,047	340,601	-,105,000	_
3,148,082	_	_	_	_	_	_	_	_	_
_	_	_	_	_	_	_	_	_	_
_	_	_	_	_	_	_	_	_	_
3,353,679	75,179,000	46,236,779	15,714,000	4,901,000	13,784,000	119,336,939	61,520,928	17,758,000	16,335,846
_	_	_	_	_	_	_	_	_	_
63,343	159,009,000	_	18,392,000	44,564,000	37,380,000	4,235,294	_	22,794,000	_
_	_	_	_	_	_	986,030	_	_	_
_	_	2,161,790	_	_		41,080,779	_	_	_
_	_	18,211,527	_	_	_	159,351,801	72,011	_	1,369,684
63,343	159,009,000	20,373,317	18,392,000	44,564,000	37,380,000	205,653,904	72,011	22,794,000	1,369,684
 3,417,022	234,188,000	66,610,096	34,106,000	49,465,000	51,164,000	324,990,843	61,592,939	40,552,000	17,705,530
_	_	_	_	_	_	2,636,375	_	_	_
_	_	_	_	_	_	10,964,652	_	_	1,707,682
						392,279			66,086
 						13,993,306			1,773,768
733	_	455,864	_	_	_	23,032,416	425,653	5,000	370,524
_	_	12,600	_	_	_	489,327	115,249 —	_	189,479 —
_	_	52,739	_	_	_	_	_	_	_
_				_					_
_	217,000	880,259 —	34,000	128,000	51,000 —	112,922,467	10,561	11,562,000	19,289 —
_	_	_	_	_	_	112,957	7,991	_	_
_	_	88,320	_	_	_	7,666,395	_	_	_
_	_	_	_	_	_	2,636,375	_	_	_
_	_	_	_	_	_		_	_	_
 	- 017.000					2,493,651			991
 733	217,000	1,489,782	34,000	128,000	51,000	149,353,588	559,454	11,567,000	580,283
_	_	_	_	_	_	1,159,084	82,001	_	_
_	_	14,793,087	_	_	_	25,003,906		_	_
_	_	_	_	_	_	15 560 005	_	_	
_	_	_	_	_	_	15,569,905 744,614	_	_	2,491,861 140,543
_			_			_			
 		14,793,087				42,477,509	82,001		2,632,404
 733	217,000	16,282,869	34,000	128,000	51,000	191,831,097	641,455	11,567,000	3,212,687
_	_	_	_	_	_	12,290,634	_	_	2,048,219
_	_		_	_		71,063		_	17,396
 						12,361,697	_	_	2,065,615
_	_	5,491,910	_	_	_	134,075,746	72,011	_	1,369,684
_	_	_	_	_	_	_	_	_	_
3,148,082	_	_	_	_	_	_	_	_	_
_	_	_	_	_	_	_	_	_	_
268,207	233,971,000	44,835,317	34,072,000	49,337,000	51,113,000	715,609	60,879,473	28,985,000	12,831,312
\$ 3,416,289	\$ 233,971,000	\$ 50,327,227	\$ 34,072,000	\$ 49,337,000	\$ 51,113,000	\$ 134,791,355	\$ 60,951,484	\$ 28,985,000	14,200,996

## Combining Statement of Net Position Nonmajor Enterprise Funds (Continued) June 30, 2024

June 30, 2024							
	School Construction Assistance Loan Fund	State Fair	State Lottery Fund	Student Loan	Unemployment Compensation	Water Infrastructure Revolving Loan Fund	Total
ASSETS	Loan Fund	Fall	ruiu	LUAII	Compensation	Fullu	IOIAI
Current Assets:							
Cash Deposits at the Bank of ND	\$ 78,716,000 \$	9,055,010 \$	11,003,053 \$	_ :	\$ 58,311	\$ 17,875,000	\$ 343,176,684
Cash and Cash Equivalents	_	58,675	781,338	_	328,842,987	_	334,499,728
Investments at the Bank of ND	_	4,000,000	_	_	_	_	4,000,000
Investments	_	_	_	_	_	_	73,126,320
Accounts Receivable - Net		37,968	334,966		31,472,234		111,868,270
Interest Receivable - Net	2,108,000	_	_	2,000	2,267,120	274,000	6,031,806
Intergovernmental Receivable - Net Due from Other Funds	_	_	_	5,000	719,116	_	719,116 1,251,328
Prepaid Items	_	56,534	12,500	5,000	_	_	3,674,115
Inventory	_			_	_	_	39,786,561
Lease Receivable - Net	_	184,858	_	_	_	_	184,858
Loans and Notes Receivable - Net	32,321,000	_	_	_	_	2,840,000	72,276,419
Other Assets	_	_	_	_	_	_	419,330
Restricted Cash at the Bank of ND	_	_	_	_	_	_	3,148,082
Restricted Cash and Cash Equivalents	_	_	_	743,000	_	_	743,000
Restricted Investments at the Bank of ND	_	_	_	1,000,000	_	_	1,000,000
Restricted Loans Receivable - Net Total Current Assets	113,145,000	13.393.045	12.131.857	53,000 1,803,000	363,359,768	20.989.000	53,000 995,958,617
	113,143,000	13,393,043	12,131,037	1,603,000	303,339,700	20,969,000	990,900,017
Noncurrent Assets:							
Lease Receivable		176,729	_		_		176,729
Loans and Notes Receivable - Net Other Noncurrent Assets	279,777,000	_	 1,544,811	388,000	_	44,349,000	646,965,176 4,988,841
Capital Assets:	_	_	1,344,611	_	_	_	4,900,041
Nondepreciable	_	922,056	_	_	_	_	44,164,625
Depreciable, Net	_	20,113,362	241,608	_	_	_	199,359,993
Total Noncurrent Assets	279,777,000	21,212,147	1,786,419	388,000	_	44,349,000	895,655,364
Total Associa	200 000 000	04.005.400	40.040.070	0.404.000	000 050 700	05 000 000	4 004 040 004
Total Assets	392,922,000	34,605,192	13,918,276	2,191,000	363,359,768	65,338,000	1,891,613,981
DEFERRED OUTFLOWS OF RESOURCES							
Decrease in Fair Value of Hedging Derivatives	_			_	_	_	2,636,375
Derived from Pensions	_	1,371,704	756,691	_	_	_	14,800,729
Derived from OPEB	_	30,651	32,906	_	_	_	521,922
Total Deferred Outflows of Resources		1,402,355	789,597		_	_	17,959,026
		1,402,000	100,001				17,333,020
LIABILITIES Current Liabilities:							
Accounts Payable	_	56,299	720,606	_	9,829,966	_	35,364,869
Accrued Payroll	_	204,240	98,269	_	3,023,300	_	1,109,164
Securities Lending Collateral	_			_	_	_	196,384
Interest Payable	_	_	_	_	_	_	2,666,739
Intergovernmental Payable	_	166,307	_	_	1,548,690	_	1,714,997
Due to Other Funds	395,000	_	8,638,020	6,000	32,104	57,000	150,008,631
Claims/Judgments Payable	_	_	_	_	_	_	2,792,639
Compensated Absences Payable	_	70,000	<del>.</del>	_	_	_	190,948
Leases/SBITAs Payable	_		28,338	_	_	_	7,783,053
Bonds Payable Financial Derivative Instrument	_	152,260	_			_	152,260
Unearned Revenue	_	_	— 315,552	_	_	_	2,636,375 315,552
Other Current Liabilities	_	_	313,332	_	_	_	2,494,642
Total Current Liabilities	395,000	649,106	9,800,785	6,000	11,410,760	57,000	207,426,253
Noncurrent Liabilities:							
Compensated Absences Payable	_	14,791	78,903	_	_	_	1,334,779
Leases/SBITAs Payable	_	_	208,847	_	_	_	40,005,840
Bonds Payable	_	843,234	_	1,000,000	_	_	1,843,234
Net Pension Liability	_	1,902,954	1,124,634	_	_	_	21,089,354
Net Pension OPEB	_	80,066	70,937	_	_	_	1,036,160
Other Noncurrent Liabilities		_					27,717,909
Total Noncurrent Liabilities		2,841,045	1,483,321	1,000,000			93,027,276
Total Liabilities	395,000	3,490,151	11,284,106	1,006,000	11,410,760	57,000	300,453,529
DEFERRED INFLOWS OF RESOURCES							
Right-to-Use Leases	_	335,869	_	_	_	_	335,869
Derived from Pensions	_	1,505,149	965,623	_	_	_	16,809,625
Derived from OPEB	_	13,702	9,008	_	_	_	111,169
Total Deferred Inflows of Resources		1,854,720	974,631	_	_	_	17,256,663
Net Position							
Net Investment in Capital Assets	_	20,039,926	4,423	_	_	_	161,053,700
Restricted for:		,,	,				. ,
Debt Service	_	_	_	796,000	_	_	796,000
Loan Purposes	_	_	_	_	_	_	3,148,082
Unemployment Compensation	_	_		_	351,949,008	_	351,949,008
Other		40,000,750	1,544,811		_	-	1,544,811
Unrestricted Total Net Position	392,527,000 \$ 392,527,000 \$	10,622,750 30,662,676 \$	899,902 2,449,136 \$	389,000 1,185,000	\$ 351,949,008	\$ 65,281,000 \$ 65,281,000	1,073,371,214 \$ 1,591,862,815
TOTAL MOLE CONTOUR	Ψ υσε,υει,υυυ φ	50,002,070 \$	د, <del>۱۱۲</del> ۵,۱۵۷ ֆ	1, 100,000	ψ JJ 1,548,000	Ψ 03,201,000	ψ 1,002,002,013



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Combining Statement of Revenues, Expenses and Changes in Fund Net Position Nonmajor Enterprise Funds For the Fiscal Year Ended June 30, 2024

	Addiction Counselor Internship Loan	Agriculture Diversification Development Fund	Bonding	Bulk Propane Storage Tank	Clean Sustainable Energy Loan Fund	Edutech	Fire and Tornado	Guaranteed Student Loan
OPERATING REVENUES				-				
Sales and Services	\$	\$ - \$	_	\$	\$ - \$	319,298 \$	2,710,856 \$	1,584,786
Royalties and Rents	_	_	_	_	_	_	_	_
Interest and Investment Income	4,152	_	_	8,000	781,000	_	_	_
Miscellaneous	_	_	_	_	_	_	_	_
Total Operating Revenues	4,152	_	_	8,000	781,000	319,298	2,710,856	1,584,786
OPERATING EXPENSES								
Cost of Sales and Services	_	_	_	_	_	_	_	_
Salaries and Benefits	_	_	_	_	_	8,022	_	_
Operating	6,026	450,163	_	18,000	630,000	551,369	1,047,575	742,645
Claims	_	_	_	_	_	_	4,595,146	_
Interest	_	611,000	_	_	1,105,000	_	_	_
Depreciation	_	_	_	_	_	_	_	_
Miscellaneous	_	_	8,641	_	_	_	133,614	_
Total Operating Expenses	6,026	1,061,163	8,641	18,000	1,735,000	559,391	5,776,335	742,645
Operating Income (Loss)	(1,874)	(1,061,163)	(8,641)	(10,000)	(954,000)	(240,093)	(3,065,479)	842,141
NONOPERATING REVENUES (EXPENSES)								
Grants and Contracts	_	_	_	_	_	_	_	_
Interest and Investment Income	699	_	181,096	27,000	4,000	_	1,627,602	281,018
Interest Expense	_	_	(3,956)	_	_	_	(31,733)	_
Loss on Sale of Capital Assets	_	_	_	_	_	_	_	_
Other	_	_	_	_	_	_	_	_
Total Nonoperating Revenues (Expenses)	699	_	177,140	27,000	4,000	_	1,595,869	281,018
Income (Loss) Before Contributions and Transfers	(1,175)	(1,061,163)	168,499	17,000	(950,000)	(240,093)	(1,469,610)	1,123,159
Transfers In	_	7,500,000	_	5,000,000	30,000,000	_	_	_
Transfer Out	_	_	_	_	_	_	_	_
Change in Net Position	(1,175)	6,438,837	168,499	5,017,000	29,050,000	(240,093)	(1,469,610)	1,123,159
Total Net Position - Beginning of Year	186,511	8,104,163	3,807,543		(2,827,000)	535,596	16,300,447	20,449,767
Total Net Position - End of Year	\$ 185,336	\$ 14,543,000 \$	3,976,042	\$ 5,017,000	\$ 26,223,000 \$	295,503 \$	14,830,837 \$	21,572,926

-	HIT Planning Loan Fund	Infrastructure Revolving Loan Fund	Interoperable Radio Network Fund	Innovation Loan Fund	Legacy Infrastructure Loan Fund	Medical Facility Infrastructure Loan Fund	Mill and Elevator	PERS Uniform Group Insurance	Rebuilders Permanent Loan Program	Roughrider Industries
\$	_	s	\$ 6,989,271	<b>.</b>	\$ —	s —	\$ 410,323,096	\$ 402,986,734	\$ —	\$ 10,238,916
Ψ	_	Ψ — —	— 0,303,271	_	Ψ — —	— —	— T10,323,030	Ψ 402,300,734 —	Ψ — —	143,783
	25,244	3,247,000	_	180,000	888,000	416,000	_	_	324,000	_
	_	_	_	_	_	_	_	6,408	422,568	177,565
	25,244	3,247,000	6,989,271	180,000	888,000	416,000	410,323,096	402,993,142	746,568	10,560,264
	_	_	_	_	_	_	340,116,043	_	_	6,127,936
	_	_	101,303	_	_	_	25,188,009	1,399,041	_	2,730,835
	3,465	1,389,000	3,881,704	2,324,000	722,000	44,000	11,472,057	404,287,861	246,000	999,170
	_	_	_	_	_	_	_	_	_	_
	_	_	_	_	_	_	_	_	_	_
	_	_	2,544,633	_	_	_	8,136,823	24,915	_	217,016
	_	_	_	_	_	_	_	_	_	_
	3,465	1,389,000	6,527,640	2,324,000	722,000	44,000	384,912,932	405,711,817	246,000	10,074,957
	21,779	1,858,000	461,631	(2,144,000)	166,000	372,000	25,410,164	(2,718,675)	500,568	485,307
	_	_	_	_	_	_	_	_	_	_
	_	245,000	94,160	55,000	2,000	63,000	514,044	4,411,178	71,000	_
	_	_	(643,615)	_	_	_	(5,211,483)	_	_	_
	_	_	_	_	_ _		(32,118) 114,560	(360,000)	_ 	_
	_	245,000	(549,455)	55,000	2,000	63,000	(4,614,997)	4,051,178	71,000	_
	21,779	2,103,000	(87,824)	(2,089,000)	168,000	435,000	20,795,167	1,332,503	571,568	485,307
	_	75,258,000	20,000,000	10,000,000	49,169,000	_	_	_	_	_
	_	_	_	_	_	_	(11,037,463)	_	_	_
	21,779	77,361,000	19,912,176	7,911,000	49,337,000	435,000	9,757,704	1,332,503	571,568	485,307
	3,394,510	156,610,000	30,415,051	26,161,000	_	50,678,000	125,033,651	59,618,981	28,413,432	13,715,689
\$	3,416,289	\$ 233,971,000	\$ 50,327,227	\$ 34,072,000	\$ 49,337,000	\$ 51,113,000	\$ 134,791,355	\$ 60,951,484	\$ 28,985,000	\$ 14,200,996

Combining Statement of Revenues, Expenses and Changes in Fund Net Position Nonmajor Enterprise Funds (Continued) For the Fiscal Year Ended June 30, 2024

	School Construction Assistance Loan Fund	State Fair	State Lottery Fund	Student Loan	Unemployment Compensation	Water Infrastructure Revolving Loan Fund	Total
OPERATING REVENUES							
Sales and Services	\$ - \$	11,050,534 \$	40,455,491 \$	_ :	\$ 102,283,932	\$ _	\$ 988,942,914
Royalties and Rents	_	_	_	_	_	_	143,783
Interest and Investment Income	5,608,000	_	_	27,000	_	1,009,000	12,517,396
Miscellaneous	_	_	_	_	_	_	606,541
Total Operating Revenues	5,608,000	11,050,534	40,455,491	27,000	102,283,932	1,009,000	1,002,210,634
OPERATING EXPENSES							
Cost of Sales and Services	_	_	_	_	_	_	346,243,979
Salaries and Benefits	_	2,219,760	1,259,709	_	_	_	32,906,679
Operating	1,910,000	6,561,901	28,633,824	14,000	_	175,000	466,109,760
Claims	_	_	_	_	89,041,785	_	93,636,931
Interest	_	_	10,710	61,000	_	_	1,787,710
Depreciation	_	1,195,074	29,083	_	_	_	12,147,544
Miscellaneous	_	_	_	_	_	_	142,255
Total Operating Expenses	1,910,000	9,976,735	29,933,326	75,000	89,041,785	175,000	952,974,858
Operating Income (Loss)	3,698,000	1,073,799	10,522,165	(48,000)	13,242,147	834,000	49,235,776
NONOPERATING REVENUES (EXPENSES)							
Grants and Contracts	_	543,923	_	_	_	_	543,923
Interest and Investment Income	508,000	57,159	24,377	25,000	8,840,370	_	17,031,703
Interest Expense	_	(45,275)	_	_	_	_	(5,936,062)
Loss on Sale of Capital Assets	_	_	_	_	_	_	(32,118)
Other	_	(4,810)	_	_	_	_	(250,250)
Total Nonoperating Revenues (Expenses)	508,000	550,997	24,377	25,000	8,840,370	_	11,357,196
Income (Loss) Before Contributions and Transfers	4,206,000	1,624,796	10,546,542	(23,000)	22,082,517	834,000	60,592,972
Transfers In	75,000,000	321,417	_	_	_	_	272,248,417
Transfer Out	_	_	(9,920,000)	_	_	_	(20,957,463)
Change in Net Position	79,206,000	1,946,213	626,542	(23,000)	22,082,517	834,000	311,883,926
Total Net Position - Beginning of Year	313,321,000	28,716,463	1,822,594	1,208,000	329,866,491	64,447,000	1,279,978,889
Total Net Position - End of Year	\$ 392,527,000 \$	30,662,676 \$	2,449,136 \$	1,185,000	\$ 351,949,008	\$ 65,281,000	\$ 1,591,862,815



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## Combining Statement of Cash Flows Nonmajor Enterprise Funds For the Fiscal Year Ended June 30, 2024

	Addiction Counselor Internship Loan	Agriculture Diversification Development Fund	Bonding	Bulk Propane Storage	Clean Sustainable Energy Loan Fund	Edutech	Fire and Tornado	Guaranteed Student Loan
Cash Flows from Operating Activities:								
Receipts from Customers and Users	\$ —	\$	\$ 5,751	\$ —	\$ —	\$ 402,559	\$ 2,771,715	\$ 1,626,040
Interest Income on Loans	_	_	_	_	_	_	_	_
Receipts from Loan Principal Repayments	_	_	_	_	_	_	_	1,688,076
Receipts from Others	_	_	_	_	_	_		_
Payments to Other Funds	_	_	_	_	_	_	(7,799)	(0.044.000)
Payments for Loan Funds	_	_	(6.019)	_	_	(664,241)	(1.024.512)	(3,311,330)
Payments to Suppliers  Payments to Employees			(6,918) (1,928)		_	(14,194)	(1,034,513) (15,451)	(821,374)
Claim Payments	_	_	(1,320)	_	_	(14,154)	(5,003,544)	_
Payments to Others	(6,365)	(2,350,000)	_	_	(129,000)	_	(=,===,==,=	_
Other	· -		_	_		_	_	_
Net Cash Provided by (Used for) Operating Activities	(6,365)	(2,350,000)	(3,095)	_	(129,000)	(275,876)	(3,289,592)	(818,588)
Cash Flows from Noncapital Financing Activities:								
Proceeds from Sale of Notes and Other Borrowings	_	_	_	_	_	_	_	_
Principal Payments - Notes and Other Borrowings	_	_	_	_	_	_	_	_
Interest Payments - Bonds	_	_	_	_	_	_	_	_
Interest Payments - Notes and Other Borrowings	_	_	_	_	_	_	_	_
Transfers In	_	7,500,000	_	5,000,000	_	_	_	_
Transfers Out	_	_	_	_	_	_	_	_
Principal Payments on Due To Other Funds Grants Received	_	_	_	_	_	_	_	_
Grants Received	_	_	_	_	_	_	_	_
Net Cash Provided by (Used for) Noncapital Financing Activities		7,500,000	_	5,000,000	_	_	_	
Cash Flows from Capital and Related Financing Activities:								
Acquisition and Construction of Capital Assets	_	_	_	_	_	_	_	_
Loan proceeds from other funds	_	_	_	_	_	_	_	_
Proceeds from Bonds	_	_	_	_	_	_	_	_
Proceeds from Sale of Notes and Other Borrowings	_	_	_	_	10,000,000	_	_	_
Principal Payments - Bonds	_	_	_	_	_	_	_	_
Interest Payments - Bonds Payment of Bond Issue Costs	_	_	_	_	_	_	_	_
Principal Payments on Lease/SBITA Payable	_	_	_	_	_	_	_	_
Interest Paid on Lease/SBITA Payable	_	_	_	_	_	_	_	_
Net Cash Provided by (Used for) Capital and Related Financing Activities					10,000,000			
					10,000,000			
Cash Flows from Investing Activities:								
Proceeds from Sale and Maturities of Investment Securities	_	_	_	_	_	_	_	_
Purchase of Investment Securities  Net Increase (Decrease) In Investments	_	_	(70,281)	_	_	_	1,673,985	_
Interest and Dividends on Investments	699		173,752	27,000	4,000		1,585,828	281,018
Net Decrease In Loans	_	_			(10,223,000)	_		_
Disbursements for Loans and Loan Purchases	(7,500)	_	_	(730,000)		_	_	_
Receipt of Loan Principal Repayments	_	_	_	_	_	_	_	_
Proceeds from Collection of Loans and Notes Receivable	14,637	_	_	37,000	498,000	_	_	_
Loan Income Received	3,311	_	_	7,000	757,000	_	_	_
Net Cash Provided by (Used for) Investing Activities	11,147	_	103,471	(659,000)	(8,964,000)	_	3,259,813	281,018
Net Change in Cash:								
Net Increase (Decrease) in Cash and Cash Equivalents	4,782	5,150,000	100,376	4,341,000	907,000	(275,876)	(29,779)	(537,570)
Cash and Cash Equivalents at June 30, 2023	116,820	6,097,000	1,736,193		364,000	603,234	2,152,007	50,188,522
Cash and Cash Equivalents at June 30, 2024	\$ 121,602	\$ 11,247,000	\$ 1,836,569	\$ 4,341,000	\$ 1,271,000	\$ 327,358	\$ 2,122,228	\$ 49,650,952
Reconciliation:								
Current:	101.0==	44.047.005	F01 1/2	4044000	4.074.000	007.050	004 705	40.050.055
Cash Deposits at the Bank of North Dakota	121,602	11,247,000	521,443	4,341,000	1,271,000	327,358	881,726	49,650,952
Cash and Cash Equivalents  Restricted Cash Deposits at the Bank of North Dakota	_	_	1,315,126	_	_	_	1,240,502	_
Restricted Cash and Cash Equivalents	_	_	_	_	_	_	_	_
Cash and Cash Equivalents	\$ 121,602	\$ 11,247,000	\$ 1,836,569	\$ 4,341,000	\$ 1,271,000	\$ 327,358	\$ 2,122,228	\$ 49,650,952
Sauri and Sauri Equitaionis	ψ 121,002	Ψ 11,2 <del>1</del> 1,000	¥ 1,000,000	ψ <del>1,01</del> 1,000	Ψ 1,211,000	φ 0 <u>2</u> 7,000 (	γ <u> </u>	÷ -10,000,002

	Γ Planning oan Fund	Infrastructure Revolving Loan Fund	Interoperable Radio Network Fund	Innovation Loan Fund	Legacy Infrastructure Loan Fund	Medical Facility Infrastructure Loan Fund	Mill and Elevator	PERS Uniform Group Insurance	Rebuilders Permanent Loan Program	Roughrider Industries
\$	_	\$ —	\$ 9,061,920	\$ —	\$ _	\$ —	\$ 509,581,858	\$ 402,641,022	\$ - \$	10,776,284
	25,411	_	_	_	_	_	_	_	_	_
	291,187	_	_	_	_	_	_	_	_	_
	_	_	_	_	_	_	_	_	(167,000)	(81,544)
	_	_	_	_	_	_	_	_	_	_
	(3,853)	_	(3,769,109)	_	_	_	(435,690,847)		_	(6,803,060)
	_	_	(141,600)	_	_	_	(24,143,893)	(1,388,205)	_	(2,637,183)
	_	(860,000)		(229,000)	_	(216,000)			(82,000)	
	_	(555,555)	_	(220,000)	_	(2.0,000)	_	(44,768)	(02,000)	_
	312,745	(860,000)	5,151,211	(229,000)	_	(216,000)	49,747,118	(3,527,293)	(249,000)	1,254,497
	_	_	_	_	_	_	234,929,522	_	_	_
	_	_	_	_	_	_	(253,251,830)	_	_	_
	_	_	_	_	_	_	(4 505 792)	_	_	_
	_	75,258,000	20,000,000	10,000,000	49,169,000	_	(4,505,783)	_	_	_
	_				-	_	(9,170,088)	(360,000)	_	_
	_	_	_	_	_	_		· -	(2,185,000)	_
	_	_	_	_	_	_	_	_	_	_
	_	75,258,000	20,000,000	10,000,000	49,169,000	_	(31,998,179)	(360,000)	(2,185,000)	_
	_	_	(79,395)	_	_	_	(25,871,730)	_	_	(160,917)
	_	_	(40,000,000)	_	_	_	_	_	_	_
	_	_	_	_	_	_	18,788,756	_	_	_
	_	_	_	_	_	_	_	_	_	_
	_	_	_	_	_	_	_	_	_	_
	_	_	_	_	_	_	_	_	_	_
	_	_	(70,258)	_	_	_	(8,887,731)		_	_
	_	_	(633,956)		_		(1,780,746)			
			(40,783,609)				(17,751,451)			(160,917)
	_	_	_	_	_	_	_	183,717,900	_	_
	_	_	_	_	_	_	_	(184,200,000)	_	_
	_	_	_	_	_	_	_	4,411,178	_	_
	_	245,000	94,160	219,000	2,000	63,000	2,512	_	71,000	_
	_	(06 409 000)	_	(6.272.000)	_	_	_	_	_	_
	_	(96,408,000)	_	(6,273,000)	_	_	_	_	_	_
	_	9,140,000	_	_	1,609,000	2,093,000	_	_	5,278,000	_
	_	3,400,000	_	_	564,000	416,000	_	_	322,000	_
	_	(34,454,000)	94,160	(6,054,000)	(46,994,000)	2,572,000	2,512	3,929,078	5,671,000	
	312,745	39,944,000	(15,538,238)	3,717,000	2,175,000	2,356,000	_	41,785	3,237,000	1,093,580
	2,835,337	20,647,000	60,427,873	6,971,000	_	9,322,000	225	4,514,720	10,307,000	11,144,668
\$	3,148,082	\$ 60,591,000	\$ 44,889,635	\$ 10,688,000	\$ 2,175,000	\$ 11,678,000	\$ 225	\$ 4,556,505	\$ 13,544,000 \$	12,238,248
	_	60,591,000	44,889,635	10,688,000	2,175,000	11,678,000	_	1,583,916	13,544,000	12,237,748
	2 140 000	_	_	_	_	_	225	2,972,589	_	500
	3,148,082	_	_	_	_	_	_	_	_	
\$	3,148,082	\$ 60,591,000	\$ 44,889,635	\$ 10,688,000	\$ 2,175,000	\$ 11,678,000		\$ 4,556,505	\$ 13,544,000 \$	12,238,248
φ	5, 140,002	ψ 00,381,000	ψ <del>11</del> ,008,035	ψ 10,000,000	ψ 2,170,000	ψ 11,070,000	ψ 225	ψ 4,000,005	ψ 13,3 <del>44</del> ,000 \$	12,230,240

## Combining Statement of Cash Flows Nonmajor Enterprise Funds (Continued) For the Fiscal Year Ended June 30, 2024

	School Construction Assistance Loan Fund	State Fair	State Lottery Fund	Student Loan	Unemployment Compensation	Water Infrastructure Revolving Loan Fund	Total
Cash Flows from Operating Activities:							
Receipts from Customers and Users	\$ —	\$11,049,260 \$	30,266,698	\$ 75,000	\$ 96,091,691	\$ —	\$ 1,074,349,798
Interest Income on Loans	_	_	_	_	_	_	25,411
Receipts from Loan Principal Repayments	_	_	_	_	_	_	1,979,263
Receipts from Others	_	_	_	_	1,123,877	_	1,123,877
Payments to Other Funds	_	_	_	_	_	_	(256,343)
Payments for Loan Funds	(4.470.000)	(6.334.008)	(40.247.042)	(45,000)	(7.050.004)	(248,000)	(3,311,330)
Payments to Suppliers  Payments to Employees	(1,479,000)	(6,321,998) (2,112,706)	(18,347,812) (1,166,630)	(15,000)	(7,058,901) (6,417,615)	, ,	(886,969,968) (38,039,405)
Claim Payments		(2,112,700)	(1,100,030)	_	(73,267,578)		(78,271,122)
Payments to Others	_	_	(32,974)	_	(418,466)		(4,323,805)
Other	_	_	_	_	_	_	(44,768)
Net Cash Provided by (Used for) Operating Activities	(1,479,000)	2,614,556	10,719,282	60,000	10,053,008	(218,000)	66,261,608
Cash Flows from Noncapital Financing Activities:							
Proceeds from Sale of Notes and Other Borrowings						_	234,929,522
Principal Payments - Notes and Other Borrowings		_		_	_	_	(253,251,830)
Interest Payments - Bonds	_	_	_	(61,000)	_	_	(61,000)
Interest Payments - Notes and Other Borrowings	_	_	_	_	_	_	(4,505,783)
Transfers In	75,000,000	_	_	_	_	_	241,927,000
Transfers Out	_	_	(8,720,000)	_	_	_	(18,250,088)
Principal Payments on Due To Other Funds	_	_	_	_	_	_	(2,185,000)
Grants Received	_	865,340	_	_	_	_	865,340
Net Cash Provided by (Used for) Noncapital Financing Activities	75,000,000	865,340	(8,720,000)	(61,000)	_		199,468,161
Cash Flows from Capital and Related Financing Activities:			, , , , , , , , , , , , , , , , , , , ,	,			
Acquisition and Construction of Capital Assets	_	(1,262,797)	_	_	_	_	(27,374,839)
Loan proceeds from other funds	_	(1,202,707)	_	_	_	_	(40,000,000)
Proceeds from Bonds	_	_	_	_	_	_	18,788,756
Proceeds from Sale of Notes and Other Borrowings	_	_	_	_	_	_	10,000,000
Principal Payments - Bonds	_	(135,000)	_	_	_	_	(135,000)
Interest Payments - Bonds	_	(45,275)	_	_	_	_	(45,275)
Payment of Bond Issue Costs	_	(17,070)	_	_	_	_	(17,070)
Principal Payments on Lease/SBITA Payable	_	_	_	_	_	_	(8,957,989)
Interest Paid on Lease/SBITA Payable	_	_	_	_	_	_	(2,414,702)
Net Cash Provided by (Used for) Capital and Related Financing Activities		(1,460,142)	_	_	_	_	(50,156,119)
Cash Flows from Investing Activities:							
Proceeds from Sale and Maturities of Investment Securities	_	_	_	2,000,000	_	_	185,717,900
Purchase of Investment Securities	_	(2,000,000)	_	(2,000,000)	_	_	(188,200,000)
Net Increase (Decrease) In Investments	_	_	_	_	_	_	6,014,882
Interest and Dividends on Investments	508,000	57,159	17,079	25,000	8,083,060	133,000	11,592,267
Net Decrease In Loans	_	_	_	_	_	_	(10,223,000)
Disbursements for Loans and Loan Purchases	(61,113,000)	_	_	_	_	(10,388,000)	(174,919,500)
Receipt of Loan Principal Repayments	22,632,000	_	_	_	_	2,625,000	25,257,000
Proceeds from Collection of Loans and Notes Receivable		_	_	6,000	_		18,675,637
Loan Income Received	5,064,000	_	_	_	_	839,000	11,372,311
Net Cash Provided by (Used for) Investing Activities	(32,909,000)	(1,942,841)	17,079	31,000	8,083,060	(6,791,000)	(114,712,503)
Net Change in Cash:							
Net Increase (Decrease) in Cash and Cash Equivalents	40,612,000	76,913	2,016,361	30,000	18,136,068	(7,009,000)	100,861,147
Cash and Cash Equivalents at June 30, 2023	38,104,000	9,036,772	9,768,030	713,000	310,765,230	24,884,000	580,698,631
Cash and Cash Equivalents at June 30, 2024	\$ 78,716,000	\$ 9,113,685 \$	11,784,391	\$ 743,000	\$ 328,901,298	\$ 17,875,000	\$ 681,559,778
Reconciliation:							
Current:	70 746 000	0 112 695	11 002 052		E0 044	17 075 000	242 545 400
Cash Deposits at the Bank of North Dakota	78,716,000	9,113,685	11,003,053	_	58,311 328,842,987	17,875,000	342,515,429
Cash and Cash Equivalents  Restricted Cash Deposits at the Bank of North Dakota	_	_	781,338	_	320,042,987	_	335,153,267 3,148,082
Restricted Cash and Cash Equivalents	_	_	_	743,000	_	_	743,000
·	A 70 740 000	₾ 0.440.00E ↑	11 704 004		Ф 200 004 000	¢ 47.075.000	·
Cash and Cash Equivalents	\$ 78,716,000	\$ 9,113,685 \$	11,784,391	\$ 743,000	\$ 328,901,298	\$ 17,875,000	\$ 681,559,778

#### Combining Statement of Cash Flows Nonmajor Enterprise Funds (Continued) For the Fiscal Year Ended June 30, 2024

	Addiction Counselor Internship Loan	Agriculture Diversification Development Fund	Bonding	Bulk Propane Storage Tank	Clean Sustainable Energy Loan Fund	Edutech	Fire and Tornado
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used for) Operating Activities:				•			
Operating Income (Loss)	\$ (1,874	) \$ (1,061,000) \$	(8,641)	\$ (10,000)	\$ (954,000) \$	(240,092) \$	(3,065,479)
Adjustments to Reconcile Operating							
Income to Net Cash Provided by Operating Activities:							
Depreciation	_	_	_	_	_	_	_
Amortization\Accretion	_	_	_	_	_	_	_
Reclassification of Interest Revenue\Expense	_	_	_	_	_	_	_
Loss On Sale of Real Estate	_	_	_	_	_	_	_
Interest Expense Paid on Lease Activities	_	_	_	_	_	_	_
Interest Received on Program Loans	_	_	_	(8,000)	(781,000)	_	_
Receipt of Loan Principal Repayments	_	_	_	_	_	_	_
Provision for Losses	(339	) —	_	17,000	486,000	_	_
Other	_	_	_	_	_	_	_
Deferred Outflows	_	_	(111)	_	_	_	_
Deferred Inflows	_	_	187	_	_	_	_
Change in Assets and Liabilities:							
(Increase) Decrease in Accounts Receivable	_	_	5,751	_	_	27,950	60,859
(Increase) Decrease in Interest Receivable	(4,152	) —	_	_	_	_	_
(Increase) Decrease in Due From	_	_	_	1,000	_	55,311	_
Increase in Intergovernmental Receivable	_	_	_	_	_	_	_
Decrease in Notes Receivable	_	_	_	_	_	_	_
Increase in Prepaid Items	_	(1,289,000)	_	_	_	_	_
Decrease in Inventories	_	_	_	_	_	_	_
Increase in Other Assets	_	_	_	_	_	_	_
Increase (Decrease) in Accounts Payable	_	_	1,723	_	_	(125,265)	13,062
Decrease in Claims\Judgments Payable	_	_	_	_	_	_	(274,784)
Increase (Decrease) in Intergovernmental Payable	_	_	_	_	1,120,000	_	(7,799)
Increase (Decrease) in Accrued Payroll	_	_	(2,004)	_	_	(6,171)	(15,451)
Increase (Decrease) in Compensated Absences	_	_	_	_	_	_	_
Increase (Decrease) in Due To	_	_	_	_	_	12,391	_
Increase (Decrease) in Net Pension Liability	_	_	_	_	_	_	_
Decrease in Net OPEB Liability	_	_	_	_	_	_	_
Increase (Decrease) in Other Liabilities	_	_	_	_	_	_	_
Total Adjustments	(4,491	) (1,289,000)	5,546	10,000	825,000	(35,784)	(224,113)
Net Cash Provided by (Used for) Operating Activities	\$ (6,365	) \$ (2,350,000) \$	(3,095)	\$	\$ (129,000) \$	(275,876) \$	(3,289,592)
Noncash Transactions:							
Net Change in Fair Value of Investments	\$ —	s — \$	16,534	s —	\$ - \$	_ \$	541,069
Reduction in pension and OPEB liability	<b>*</b> –	Ψ — Ψ —	10,004	_	Ψ – Ψ	—	(371,383)
Interest Revenue on Prize Reserves		_				_	(57 1,505)
Assets Acquired Through Lease		_				_	_
Abboto Acquired Through Leade	_	_		_			- <del>-</del>
Total Noncash Transactions	\$ —	\$ - \$	16,534	\$ —	\$ - \$	<b>- \$</b>	169,686

#### Combining Statement of Cash Flows Nonmajor Enterprise Funds (Continued) For the Fiscal Year Ended June 30, 2024

	Guaranteed Student Loan	HIT Planning Loan Fund	Infrastructure Revolving Loan Fund	Interoperable Radio Network Fund	Innovation Loan Fund	Legacy Infrastructure Loan Fund	Medical Facility Infrastructure Loan Fund
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used for) Operating Activities:							
Operating Income (Loss)	\$ 842,14	1 \$ 21,780	\$ 1,858,000	\$ 458,766	(2,144,000)	\$ 166,000	\$ 372,000
Adjustments to Reconcile Operating							
Income to Net Cash Provided by Operating Activities:							
Depreciation	_		-	2,544,633	_	_	_
Amortization\Accretion	_		-	_	_	_	_
Reclassification of Interest Revenue\Expense	_		-	_	(180,000)	_	(416,000)
Interest Expense Paid on Lease Activities	_		-	_	_	_	_
Interest Received on Program Loans	_		(3,247,000)	_	_	(888,000)	_
Receipt of Loan Principal Repayments	_		_	_	_	_	_
Provision for Losses	(1,658,255	5) —	477,000	_	2,089,000	594,000	(170,000)
Other	_		_	_	_	_	
Deferred Outflows	_		_	_	_	_	_
Deferred Inflows	_		_	_	_	_	_
Change in Assets and Liabilities:							
(Increase) Decrease in Accounts Receivable	43,097	<b>–</b>	_	(84,256)	_	_	_
(Increase) Decrease in Interest Receivable	_	- 166	_		_	_	_
(Increase) Decrease in Due From	_		52,000	3,008,044	_	128,000	(2,000)
Increase in Intergovernmental Receivable	_		_	_	_	_	_
Decrease in Notes Receivable	_	- 291,187	_	_	_	_	_
Increase in Prepaid Items	_		_	(6,643)	_	_	_
Decrease in Inventories	_		_	_	_	_	_
Increase in Other Assets	_		_	_	_	_	_
Increase (Decrease) in Accounts Payable	(43,728	3) (388	_	(761,019)	_	_	_
Decrease in Claims\Judgments Payable	` -	· _	. <u> </u>	· -	_	_	_
Increase (Decrease) in Intergovernmental Payable	_		_	_	_	_	_
Increase (Decrease) in Accrued Payroll	_		_	(12,610)	_	_	_
Increase (Decrease) in Compensated Absences Payable	_		_	(27,688)	_	_	_
Increase (Decrease) in Due To	_		_	31,984	6,000	_	_
Increase (Decrease) in Net Pension Liability	_		_	_	_	_	_
Decrease in Net OPEB Liability	_	_	_	_	_	_	_
Increase (Decrease) in Other Liabilities	(1,843	3) —	_	_	_	_	_
Total Adjustments	(1,660,729	9) 290,965	(2,718,000)	4,692,445	1,915,000	(166,000)	(588,000)
Net Cash Provided by (Used for) Operating Activities	\$ (818,588	3) \$ 312,745	\$ (860,000)	\$ 5,151,211	(229,000)	\$	\$ (216,000)
Noncash Transactions:							
Net Change in Fair Value of Investments	\$ -	- \$ —	* \$ —	\$ - \$	· —	\$ —	\$ —
Reduction in pension and OPEB liability	-		_	_	_	_	_
Interest Revenue on Prize Reserves	_		-	_	_	_	_
Assets Acquired Through Lease	_	- –	-	2,485,799	_	_	_
Total Noncash Transactions	\$ -	- \$ —	- \$ —	\$ 2,485,799	;	\$ —	\$ —

\$		Group Insurance	Permanent Loan Program	Roughrider Industries	Construction Assistance Loan Fund	State Fair	State Lottery Fund	Student Loan	Unemployment Compensation	Water Infrastructure Revolving Loan Fund	Total
	25,410,164	\$ (2,718,675)	\$ 501,000	\$ 485,307 \$	3,698,000 \$	1,073,802 \$	10,522,164 \$	(48,000)	\$ 13,242,147	\$ 701,000	\$ 49,100,510
	8,136,823 9,140,383	24,915 —	_ _	217,016	_ _	1,195,074 —	29,083	_ _	_	_ _	12,147,544 9,140,383
	1,074,234	_	(324,000)	_	(5,608,000)	_	_	61,000	_ _	(876,000) —	(7,343,000) 1,074,234
		_	_	_	_	_	_	— 46,000	_		(4,924,000) 46,000
	— 643,964		(423,000)		385,000	_	_	_	_	(51,000)	1,745,406 643,964
	(1,189,059) —	_	_ _	1,050,751 501,980	_	531,684 488,234	408,033 255,322	_	_	_	801,298 1,245,723
	2,404,569	(165,131)	_	216,020	_	24,444	39,947	_	(3,174,013)	_	(600,763)
	_	_	_	(80.650)	_	_	_	(1,000)		_	(4,986)
	_	_	_	(80,650)	_	_	_	2,000	830 (80,151)	_	3,164,535 (80,151)
	2,117,647						_		(60,131)	_	2,408,834
	(145,501)	_	_	(6,390)	_	(3,365)	_	_	_	_	(1,450,899)
	9,273,828	_	_	277,313	_	(5,555)	_	_	_	_	9,551,141
	(22,559)	(231,757)	_	_	_	(164,208)	(22,263)	_	_	_	(440,787)
	(9,396,504)	(449,137)	(3,000)	49,944	_	43,545	70,712	_	39,629	_	(10,560,426)
	_	_	_	_	_	_	_	_	_	_	(274,784)
	_	1,656	_	_	_	166,307	_	_	87,805	_	1,367,969
	561,943	6,008	_	21,052	_	37,647	5,369	_	_	_	595,783
	93,914	4,828	_	_	_	(14,853)	7,434	_	_	_	63,635
	_	_	_	893	46,000	_	25,370	_	(63,239)	8,000	67,399
	1,577,319	_	_	(1,445,968)	_	(788,873)	(574,398)	_	_	_	(1,231,920)
	65,953	_	_	(34,163) 1,392		(8,295) —	(8,681) (38,810)	_	_	_	(51,139) 26,692
	24,336,954	(808,618)	(750,000)	769,190	(5,177,000)	1,540,754	197,118	108,000	(3,189,139)	(919,000)	17,161,098
\$	49,747,118	\$ (3,527,293)	\$ (249,000)	\$ 1,254,497 \$	(1,479,000) \$	2,614,556 \$	10,719,282 \$	60,000	\$ 10,053,008	\$ (218,000)	\$ 66,261,608
\$	_ \$	•	\$ —	\$ — \$	·	_ \$	— \$		\$ —	\$ —	\$ 557,603
φ	_ ;	<b>–</b>	Ψ <u></u>	ψ — \$ —	_ <b>\$</b>	_ \$	— \$ —	_	Ψ <u> </u>	Ψ —	(371,383)
	_	_	_	_	_	_	7,364	_	_	_	7,364
	13,702,215	_	_	_	_	_	157,855	_	_	_	16,345,869
\$	13,702,215	<u> </u>	\$ —	\$ - \$	— \$	<b>— \$</b>	165,219 \$	_	\$ —	\$ —	\$ 16,539,453

#### Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the State and to other government units, on a cost reimbursement basis.

#### 790 (927) - Central Services

Accounts for the revenues and expenditures associated with central printing and office supply services to state agencies and the Legislative Assembly; a surplus property program for the acquisition, distribution, and disposition of federal and state surplus property and procurement services for all state agencies not exempt by statute.

#### 700 (918) - Fleet Services

Accounts for costs of operating and maintaining State-owned vehicles. Costs are billed to user agencies and include depreciation on equipment.

#### 780 (929) - Information Technology Department

Accounts used for the procurement and maintenance of data processing equipment and supplies and telecommunications equipment and supplies to provide data processing and telecommunications services to state departments and agencies.

#### 288\275 (912) - Risk Management Fund

Fund provides insurance coverage and loss prevention to all state agencies and the University System for tort liability and employee injury claims. Coverage is provided using an optional combination of self-insurance and private excess insurance.

# Combining Statement of Net Position Internal Service Funds June 30, 2024

	Cer Serv		Fleet Services	Information Technology Department	Risk Management	Total
ASSETS						
Current Assets:	Φ.	1 000 00E A	00 000 400	¢ 5,007,704	¢ 4.577.447	ф 24.000 AE0
Cash Deposits at the Bank of ND Cash and Cash Equivalents	\$	1,069,085 \$ 300	26,332,492	\$ 5,687,764	\$ 1,577,117 278,340	\$ 34,666,458 278,640
Investments		300	_	_	6,282,845	6,282,845
Accounts Receivable - Net		8,216	104,797	71,234	0,202,043	184,247
Interest Receivable - Net		-	-	- 1,201	62,557	62,557
Intergovernmental Receivable - Net		31.055	_	910,983		942,038
Due from Other Funds		200,878	3,118,505	9,388,426	84,641	12,792,450
Prepaid Items		3,130	153,695	4,911,133	_	5,067,958
Inventory		122,730	_	_	_	122,730
Total Current Assets		1,435,394	29,709,489	20,969,540	8,285,500	60,399,923
Noncurrent Assets:						
Capital Assets:						
Depreciable, Net		1,050,535	102,596,300	23,539,591	203,863	127,390,289
Total Noncurrent Assets		1,050,535	102,596,300	23,539,591	203,863	127,390,289
Total Assets		2,485,929	132,305,789	44,509,131	8,489,363	187,790,212
DEFERRED OUTFLOWS OF RESOURCES						
Derived from Pensions		846,576	2,051,196	36,818,186	381,727	40,097,685
Derived from OPEB		29,712	67,148	1,294,290	16,442	1,407,592
Total Deferred Outflow of Resources		876,288	2,118,344	38,112,476	398,169	41,505,277
LIABILITIES						
Current Liabilities:						
Accounts Payable		73,130	1,293,336	1,176,370	33,810	2,576,646
Accrued Payroll		80,163	239,729	4,189,764	42,489	4,552,145
Securities Lending Collateral			_		80,820	80,820
Interest Payable		4,756	_	755,634	12,040	772,430
Due to Other Funds		94,200	358,662	19,178	115,609	587,649
Claims/Judgments Payable		— 4,178	6,829	— 355,811	873,759 6,250	873,759 373,068
Compensated Absences Payable Notes Payable		4,170	0,029	453,894	0,230	453,894
Leases/SBITAs Payable		152,581	_	12,022,279	146,320	12,321,180
Total Current Liabilities		409,008	1,898,556	18,972,930	1,311,097	22,591,591
Noncurrent Liabilities:						
Claims/Judgments Payable		_	_	_	6,324,096	6,324,096
Compensated Absences Payable		47,279	77,270	3,900,296	60,952	4,085,797
Notes Payable		_	_	452,713	_	452,713
Leases/SBITAs Payable	•	1,228,124	_	9,662,229	_	10,890,353
Net Pension Liability		1,172,985	3,037,414	48,139,637	561,194	52,911,230
Net OPEB Liability		63,636	149,199	2,549,680	35,398	2,797,913
Total Noncurrent Liabilities		2,512,024	3,263,883	64,704,555	6,981,640	77,462,102
Total Liabilities		2,921,032	5,162,439	83,677,485	8,292,737	100,053,693
DEFERRED INFLOWS OF RESOURCES						
Derived from Pensions		980,089	2,383,565	36,836,152	457,029	40,656,835
Derived from OPEB		11,157	17,765	262,951	4,333	296,206
Total Deferred Inflow of Resources		991,246	2,401,330	37,099,103	461,362	40,953,041
NET POSITION						
Net Investment in Capital Assets		(330,170)	102,596,300	948,476	57,543	103,272,149
Unrestricted		(219,891)	24,264,064	(39,103,457)	75,890	(14,983,394)
Total Net Position	\$	(550,061) \$	126,860,364	\$ (38,154,981)	\$ 133,433	\$ 88,288,755

## Combining Statement of Revenues, Expenses and Changes in Fund Net Position Internal Service Funds

For the Fiscal Year Ended June 30, 2024

OPERATING REVENUES           Sales and Services         \$ 2,352,304 \$ 35,708,290 \$ 98,956,063 \$ 4,453,195 \$ 14	11,469,852 218,385 11,688,237
Sales and Services \$ 2.352.304 \$ .35.708.290 \$ .98.956.063 \$ .4.453.195 \$ .14	218,385
Miscellaneous — 218,385 — — — —	1,688,237
Total Operating Revenues 2,352,304 35,926,675 98,956,063 4,453,195 14	
OPERATING EXPENSES	
Cost of Sales and Services 799,671 — — —	799,671
	7,568,242
	31,579,842
Claims — — 3,618,425	3,618,425
Interest — — 644,516 —	644,516
Depreciation       340,847       10,123,778       12,378,876       187,199       2         Miscellaneous       —       333,359       —       —	23,030,700 333,359
Total Operating Expenses 2,635,392 34,037,085 105,995,510 4,906,768 14	7,574,755
Operating Income (Loss) (283,088) 1,889,590 (7,039,447) (453,573)	(5,886,518)
NONOPERATING REVENUES	
Interest and Investment Income — — 373,429	373,429
Interest Expense (60,321) — — (18,061)	(78,382)
Gain (Loss) on Sale of Capital Assets (2,434) 1,275,858 7,200 —	1,280,624
Total Nonoperating Revenues (Expenses) (62,755) 1,275,858 7,200 355,368	1,575,671
Income (Loss) Before Contributions and Transfers (345,843) 3,165,448 (7,032,247) (98,205)	(4,310,847)
Transfers In — 4,780,703 —	4,780,703
Changes in Net Position (345,843) 3,165,448 (2,251,544) (98,205)	469,856
Total Net Position - Beginning of Year, as Previously Reported (204,218) 123,694,916 (39,271,476) 231,638 8	34,450,860
Restatement for Correction of Error         —         —         3,368,039         —	3,368,039
Total Net Position - End of Year \$ (550,061) \$ 126,860,364 \$ (38,154,981) \$ 133,433 \$ 8	88,288,755

# STATE OF NORTH DAKOTA

Combining Statement of Cash Flows Internal Service Funds For the Fiscal Year Ended June 30, 2024

For the Fiscal Year Ended June 30, 2024						
		Central Services	Fleet Services	Information Technology	Risk Management	Total
Cash Flows from Operating Activities:		00111003	00111003	rediniology	management	i otai
Receipts from Customers and Users	\$	499,431 \$	284,447 \$	2,620,361 \$	— \$	3,404,239
Receipts from Other Funds		1,901,038	37,288,026	95,636,624	4,453,195	139,278,883
Payments to Other Funds		_	_	· · · · · · · · · · · · · · · · · · ·	(3,708,846)	(3,708,846)
Payments to Suppliers		(1,394,290)	(20,741,168)	(41,060,774)	(712,187)	(63,908,419)
Payments to Employees		(810,461)	(3,444,951)	(49,542,600)	(505,690)	(54,303,702)
Claim Payments					(239,661)	(239,661)
Net Cash Provided by (Used for) Operating Activities		195,718	13,386,354	7,653,611	(713,189)	20,522,494
Cash Flows from Noncapital Financing Activities:						
Transfers In		_	_	4,780,703	_	4,780,703
Net Cash Provided by (Used for) Noncapital Financing Activities		_	_	4,780,703	_	4,780,703
Cash Flows from Capital and Related Financing Activities:						
Acquisition and Construction of Capital Assets		_	(21,695,549)	(698,742)	_	(22,394,291)
Proceeds from Sale of Capital Assets			4,810,217	7,200	_	4,817,417
Principal Payments - Notes and Other Borrowings			4,010,217	(443,585)		(443,585)
Interest Payments - Notes and Other Borrowings		_	_	(9,076)	_	(9,076)
Principal Payments on Lease/SBITA Payable		(148,835)		(13,226,522)		(13,375,357)
Interest Paid on Lease/SBITA Payable		(60,919)		(13,220,322)		(60,919)
•						
Net Cash Provided by (Used for) Capital and Related Financing Activities		(209,754)	(16,885,332)	(14,370,725)		(31,465,811)
Cash Flows from Investing Activities:						
Proceeds from Sale and Maturities of Investment Securities		_	_	_	(8,832)	(8,832)
Interest and Dividends on Investments					289,154	289,154
Net Cash Provided by Investing Activities			_	_	280,322	280,322
Net Change in Cash:						
Net Decrease in Cash and Cash Equivalents		(14,036)	(3,498,978)	(1,936,411)	(432,867)	(5,882,292)
Cash and Cash Equivalents at June 30, 2023		1,083,421	29,831,470	7,624,175	2,288,324	40,827,390
Cash and Cash Equivalents at June 30, 2024	\$	1,069,385 \$	26,332,492 \$	5,687,764 \$	1,855,457 \$	34,945,098
Reconciliation:						
Cash Deposits at the Bank of North Dakota	\$	1,069,085 \$	26,332,492 \$	5,687,764 \$	1,577,117 \$	34,666,458
Cash and Cash Equivalents	·	300	_	_	278,340	278,640
Cash and Cash Equivalents	\$	1,069,385 \$	26,332,492 \$	5,687,764 \$	1,855,457 \$	34,945,098
Reconciliation of Operating Income (Loss) to Net Cash						
Provided by (Used for) Operating Activities:						
Operating Income (Loss)	\$	(283,088) \$	1,889,591 \$	(7,039,446) \$	(453,573) \$	(5,886,516)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:						
Depreciation		340,847	10,123,778	12,378,876	187,199	23,030,700
Reclassification of Interest Revenue\Expense		-	-	644.516	-	644,516
Deferred Outflows		343,630	1,008,713	17,814,301	216,356	19,383,000
Deferred Inflows		178,419	508,869	8,874,621	114,541	9,676,450
Change in Assets and Liabilities:						
(Increase) Decrease in Accounts Receivable		(5,785)	1,073,302	2,017	_	1,069,534
Decrease in Due From		179,403	495,437	612,594	47,964	1,335,398
(Increase) Decrease in Intergovernmental Receivable		(23,638)	39,933	(1,313,689)		(1,297,394)
(Increase) Decrease in Prepaid Items		37,890	(99,932)	(249,407)	61,523	(249,926)
Decrease in Inventories		27,041	(455,000)	_	20.222	27,041
Increase (Decrease) in Accounts Payable Increase (Decrease) in Interest Payable		(64,117)	(155,980)	(497,634)	30,332 6,219	(189,765)
Decrease in Claims/Judgments Payable		_		(497,034)	(725,485)	(491,415) (725,485)
Decrease in Intergovernmental Payable		_	(1,750)	_	(120,100)	(1,750)
Increase (Decrease) in Accrued Payroll		(27,379)	(10,570)	243,913	2,736	208,700
Increase (Decrease) in Compensated Absences Payable		(24,590)	(11,894)	276,388	5,072	244,976
Increase (Decrease) in Due To		75,918	38,876	(10,840)	99,810	203,764
Decrease In Net OPEB Liability		(12,709)	(25,572)	(465,177)	(5,000)	(508,458)
Decrease In Net Pension Liability		(546,124)	(1,486,447)	(23,617,422)	(300,883)	(25,950,876)
Total Adjustments		478,806	11,496,763	14,693,057	(259,616)	26,409,010
Net Cash Provided by (Used for) Operating Activities	\$	195,718 \$	13,386,354 \$	7,653,611 \$	(713,189) \$	20,522,494
Noncash Transactions:					<b>50.655</b>	
Net Change in Fair Value of Investments		_	_	_	58,020	58,020
Decrease in Securities Lending Collateral				_	43,234	43,234
Assets Acquired Through Long Torm Software Recod IT Arrangements		66,801	141,383	2 222 222	204 440	208,184
Assets Acquired Through Long-Term Software Based IT Arrangements	_			3,333,332	294,416	3,627,748
Total Noncash Transactions	\$	66,801 \$	141,383 \$	3,333,332 \$	395,670 \$	3,937,186

# Fiduciary Funds

Fiduciary funds account for assets held by the State in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental organizations.

### Pension and Other Employee-Related Benefit Trust Funds

#### **DEFERRED COMPENSATION**

981 - Deferred Compensation Fund

Accounts for the activity of the deferred compensation plan adopted under the provisions of Internal Revenue Service Code, Section 457, for State employees.

#### PERS FLEXCOMP

932 - Flex Program

Accounts for pre-tax premium conversions, a medical spending account and a dependent care spending account according to Section 125 of the Internal Revenue Code.

#### HIGHWAY PATROLMEN'S RETIREMENT

982 - Highway Patrolmen's Retirement Fund

A single employer defined benefit pension plan covering officers of the State Highway Patrol.

#### JOB SERVICE RETIREMENT

920 - Job Service Retirement Fund

A single employer defined benefit pension plan for Job Service employees. Participation in this plan is limited to employees participating in the program as of September 30, 1980.

#### PREFUNDED RETIREE HEALTH PROGRAM

933 - Prefunded Retiree Health Program

Members receiving retirement benefits from NDPERS receive a credit toward their monthly eligible insurance premium.

#### PUBLIC EMPLOYEES' RETIREMENT

470 (983) - Public Employees Retirement System

Accounts for the financial resources associated with the Public Employees Retirement System.

#### DEFINED CONTRIBUTION RETIREMENT

930 - Defined Contribution Retirement Plan

Accounts for the financial resources of the Defined Contribution Retirement Plan. Participation in this plan is limited to state employees who are in positions not classified by the Central Personnel Division and who are not employees of the judicial branch or board of higher education.

#### **TEACHERS' RETIREMENT**

964 - North Dakota Teachers' Fund For Retirement

Accounts for the financial resources of the Teachers' Retirement Fund.

#### **Investment Trust Funds**

#### 911 - ND Association of Counties RIO Investments

Account for the investment assets held by the State Investment Board in a trustee capacity as an agent for the North Dakota Association of Counties.

#### 913 - City of Bismarck RIO Investments

Account for the investment assets held by the State Investment Board in a trustee capacity as an agent for the City of Bismarck.

#### 936 - City of Grand Forks RIO Investments

Account for the investment assets held by the State Investment Board in a trustee capacity as an agent for the City of Grand Forks.

#### 950 - City of Fargo RIO Investments

Account for the investment assets held by the State Investment Board in a trustee capacity as an agent for the City of Fargo.

### **Private Purpose Trust Funds**

#### STUDENT AND CULTURAL DONATIONS

#### 928 - Indian Cultural Education Trust Fund

Trust accounts for donations provided for the purpose of generating income to benefit Indian Culture.

#### **COLLEGE SAVE**

#### 940 - College SAVE

Program established by the State of North Dakota to encourage the investment of funds to be used for qualified higher education expenses at institutions of higher education.

#### MANDAN REMEDIATION TRUST

#### 943 - Mandan Remediation Trust

Accounts for the funds obtained from a lawsuit settlement for the remediation efforts of the North Dakota Health Department and the City of Mandan.

#### **Custodial Funds**

#### CHILD SUPPORT

#### 463 - Child Support Disbursement Unit Fund

Accounts for all child support payments received by the state disbursement unit.

#### STUDENT AND OTHER

#### 946 - District Court Collection Fund

Accounts for collections for third parties.

#### 986 - Developmental Center Residents' Funds

Accounts for funds belonging to patients of the State Developmental Center.

#### 990 - Veteran's Home-Custodial

Accounts for resident's personal funds.

#### 991 - State Hospital Patients

Accounts for patient's personal funds.

#### STUDENT AND OTHER cont.

#### 992 - Prisoner Accounts

Accounts for prisoner's personal fund.

#### 993 - Youth Correctional Center Student Accounts

Account for the student's personal funds.

#### 994 - School for the Deaf Students

Account for the students personal funds.

#### 995 - NDUS Fiduciary Fund

Account for the student organization funds.

#### TAX COLLECTION

### 434 - Local Option Lodging Tax Suspense

Accounts for city and county lodging tax collected by the State Tax Commissioner.

#### 435 - Local Option Sales Tax Suspense

Accounts for city and county sales and use tax collected by the State Tax Commissioner.

#### 437 - City Motor Vehicle Rental Tax

Accounts for city motor vehicle rental tax collected by the State Tax Commissioner.

#### 438 - Local Option Restaurant and Lodging Tax Suspense

A city or county tax, at a rate not to exceed one percent, upon the gross receipts of retailers on the leasing or renting of hotel, motel, or tourist court accommodations within the city or county and gross receipts of a restaurant from any sales of prepared food or beverages, not including alcoholic beverages for consumption off the premises where purchased is collected by the State Tax Commissioner. Proceeds, net of a 3% administrative fee which is deposited into the general fund, are remitted quarterly to each city or county collecting the tax.



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## Combining Statement of Fiduciary Net Position Pension and Other Employee Benefit Trust Funds June 30, 2024

	Pension and Other Employee Benefit Trust Funds						
	Deferred Compensation	Defined Contribution Retirement	Highway Patrolmen's Retirement	Job Service Retirement	PERS Flexcomp	Prefunded Retiree Health Program	
ASSETS							
Cash Deposits at the Bank of ND	\$ 513,932	\$ 190,245	\$ 114,613	\$ 101,129	\$ 186,007	\$ 1,583,500	
Cash and Cash Equivalents	_	_	_	_	_	_	
Receivables:							
Contributions Receivable	1,358,625	95,215	730,305	759	565,906	862,111	
Interest Receivable - Net	_	_	220,640	430	_	1,202	
Due from Other Funds	_	_	_	_	_	183	
Due from Fiduciary Funds		_	_	_	_	_	
Total Receivables	1,358,625	95,215	950,945	1,189	565,906	863,496	
Investments, at Fair Value:							
Equities	_	_	_	_	_	_	
Equity Pool	_	_	63,366,258	16,452,057	_	120,260,279	
Fixed Income Pool	7,989,660	1,772,155	25,097,923	66,270,484	_	63,927,579	
Cash and Cash Pool	5,009,937	680,639	571,592	49,324	_	57,181	
Real Estate Pool	_	_	17,118,709	_	_	_	
Mutual Funds	207,072,484	20,745,279	_	_	_	_	
Total Investments	220,072,081	23,198,073	106,154,482	82,771,865	_	184,245,039	
Invested Securities Lending Collateral		_	1,537,979	_	_		
Capital Assets (Net of Depreciation)	44,835	287	1,146	366	14,491	49,456	
Total Assets	221,989,473	23,483,820	108,759,165	82,874,549	766,404	186,741,491	
DEFERRED OUTFLOWS OF RESOURCES							
Derived from Pensions		_	_	_	_	_	
Total Deferred Outflows of Resources							
LIABILITIES							
Accounts Payable	82,722	4,163	_	70,908	14,415	165,491	
Accrued Payroll	170,948	3,927	_	_	25,689	_	
Securities Lending Collateral	_	_	1,537,705	_	_	_	
Due to Other Funds	5,124	402	_	_	2,715	_	
Amounts Held in Custody for Others	8,405	_	_	_	_	_	
Compensated Absences Payable	30,339	_	_	_	17,351	_	
Total Liabilities	297,538	8,492	1,537,705	70,908	60,170	165,491	
DEFERRED INFLOWS OF RESOURCES							
Derived from Pensions							
Total Deferred Inflows of Resources							
NET POSITION							
Net Position Restricted for:							
Pension Benefits	221,691,935	23,475,328	107,221,460	82,803,641	_	186,576,000	
Other Employee Benefits					706,234		
Total Net Position Restricted for Pension Benefits and Other Purposes	\$ 221,691,935	\$ 23,475,328	\$ 107,221,460	\$ 82,803,641	\$ 706,234	\$ 186,576,000	

	Pension and C	Other Em	ployee Bene	fit Tru	ust Funds
	Public Employees Retirement		eachers tirement		Total
\$	23,826,896	\$	37,571,493	\$	64,087,815
	340,988		_		340,988
	12,944,304		26,012,291		42,569,516
	8,978,952		11,667,607		20,868,831
	_		_		183
	_		743		743
	21,923,256		37,680,641		63,439,273
	_	1	,842,466,840		1,842,466,840
	2,521,012,609		_		2,721,091,203
	998,515,326		877,328,837		2,040,901,964
	22,740,679		36,508,020		65,617,372
	681,064,060		519,442,836		1,217,625,605
	_		_		227,817,763
	4,223,332,674	3	,275,746,533		8,115,520,747
	62,523,660		45,978,717		110,040,356
	106,452		5,005,816		5,222,849
_	4,332,053,926	3	,401,983,200		8,358,652,028
	_		2,041,484		2,041,484
	_		2,041,484		2,041,484
	3,952,995		5,487,592		9,778,286
	170,948		_		371,512
	62,523,934		45,978,717		110,040,356
	14,668		38,561		61,470
	_		_		8,405
	104,032				151,722
	66,766,577		51,504,870		120,411,751
	_		1,511,973		1,511,973
	_		1,511,973		1,511,973
	4,265,287,349	3	,351,007,841		8,238,063,554
					706,234
\$	4,265,287,349	\$ 3	,351,007,841	\$	8,238,769,788

# **Combining Statement of Changes in Fiduciary Net Position** Pension and Other Employee Benefit Trust Funds For the Fiscal Year Ended June 30, 2024

		Pensi	on and Other Employ	ee Benefit Trust Fun	ds	
	Deferred Compensation	Defined Contribution Retirement	Highway Patrolmen's Retirement	Job Service Retirement	PERS Flexcomp	Prefunded Retiree Health Program
ADDITIONS						
Contributions:						
Employer	_	656,832	2,515,772	_	_	12,328,091
Employee	18,730,883	621,701	1,747,354	4,936	5,702,303	7,894
Transfers from Other Funds	_	_	3,000,000	_	_	_
Transfers from Other Plans	710,000	45,482	_	_	_	_
Miscellaneous	720,860	_	_	_	_	_
Total Contributions	20,161,743	1,324,015	7,263,126	4,936	5,702,303	12,335,985
Investment Income:						
Net Change in Fair Value of Investments	26,705,831	1,769,305	7,282,942	1,160,091	_	16,039,784
Interest and Dividends	125,313	1,038,755	1,565,371	3,728,489	1,548	5,306,731
Less Investment Expense		26,000	233,216	276,920	_	542,564
Net Investment Income	26,831,144	2,782,060	8,615,097	4,611,660	1,548	20,803,951
Securities Lending Activity:						
Securities Lending Income	_	_	5,606	_	_	_
Less Securities Lending Expense	_	_	_	_	_	_
Net Securities Lending Income		_	5,606	_	_	_
Repurchase Service Credit	_	_	30,861	_	_	282,386
Miscellaneous Income	362,861	3,579	142		904,911	596
Total Additions	47,355,748	4,109,654	15,914,832	4,616,596	6,608,762	33,422,918
DEDUCTIONS						
Benefits Paid to Participants	19,276,921	581,952	6,649,852	5,283,299	5,640,538	_
Refunds	_	_	38,248	_	_	11,197
Prefunded Credit Applied	_	_	_	_	_	14,783,098
Transfer to Other Plans	_	_	_	_	350,000	_
Administrative Expenses	1,105,954	46,347	40,394	14,976	561,898	370,675
Total Deductions	20,382,875	628,299	6,728,494	5,298,275	6,552,436	15,164,970
Redemption of Units at \$1.00 Per Unit		_	_	_	_	_
Net Increase (Decrease) in Fiduciary Net	26,972,873	3,481,355	9,186,338	(681,679)	56,326	18,257,948
Position Net Position - Beginning of Year	194,719,062	19,993,973	98,035,122	83,485,320	649,908	168,318,052
Net Position - End of Year	\$ 221,691,935	\$ 23,475,328	107,221,460	82,803,641 \$	706,234	\$ 186,576,000

		unu	Othici	Linbioyee	Demont	· · · · · ·	unus
ıh	lic						

Public Employees Retirement	Teachers Retirement	Total
123,000,618	108,087,909	246,589,222
102,073,900	99,610,414	228,499,385
135,000,000	_	138,000,000
_	_	755,482
_	_	720,860
360,074,518	207,698,323	614,564,949
293,802,907	203,124,840	549,885,700
63,246,960	52,075,126	127,088,293
03,240,300	32,073,120	127,000,293
9,533,328	6,293,751	16,905,779
347,516,539	248,906,215	660,068,214
225,528	265,638	496,772
_	53,091	53,091
225,528	212,547	443,681
6,539,922	1,195,665	8,048,834
22,897	87,985	1,382,971
22,091	07,903	1,302,971
714,379,404	458,100,735	1,284,508,649
269,179,193	265,434,894	572,046,649
20,462,340	12,225,640	32,737,425
_	_	14,783,098
405,482	_	755,482
2,985,782	3,312,773	8,438,799
293,032,797	280,973,307	628,761,453
230,002,131	200,813,301	020,701,403
	(28,042)	(28,042)
421,346,607	177,099,386	655,719,154
3,843,940,742	3,173,908,455	7,583,050,634
-		· · · · · · · · · · · · · · · · · · ·
\$ 4,265,287,349 \$	3,351,007,841 \$	8,238,769,788

# Combining Statement of Fiduciary Net Position Investment Trust Funds

June 30, 2024

		Inv	estment Trust Funds		
	City of Bismarck	ND Association of Counties	City of Grand Forks	City of Fargo	Total
ASSETS					
Cash Deposits at the Bank of ND	\$ 113,200	\$ 55,765	\$ 132,573 \$	102,861 \$	404,399
Receivables:					
Interest Receivable - Net	 400,051	9,515	134,636	51,774	595,976
Total Receivables	 400,051	9,515	134,636	51,774	595,976
Investments, at Fair Value:					
Equities	90,019,711	2,778,941	51,846,754	22,119,806	166,765,212
Fixed Income Pool	61,367,964	4,842,572	21,050,272	16,904,078	104,164,886
Cash and Cash Pool	569,113	177,122	663,371	329,747	1,739,353
Real Estate Pool	32,672,214	_	12,451,462	4,341,112	49,464,788
Total Investments	184,629,002	7,798,635	86,011,859	43,694,743	322,134,239
Invested Securities Lending Collateral	 2,626,343	84,548	1,347,429	454,544	4,512,864
Total Assets	187,768,596	7,948,463	87,626,497	44,303,922	327,647,478
DEFERRED OUTFLOWS OF RESOURCES					
Total Deferred Outflows of Resources	_	_	_	_	_
LIABILITIES					
Accounts Payable	111,816	4,614	47,972	33,722	198,124
Securities Lending Collateral	2,626,343	84,548	1,347,429	454,544	4,512,864
Total Liabilities	2,738,159	89,162	1,395,401	488,266	4,710,988
DEFERRED INFLOWS OF RESOURCES					
Total Deferred Inflows of Resources	_	_	_	_	_
NET POSITION					
Net Position Restricted for:					
External Investment Pool Participants	185,030,437	7,859,301	86,231,096	43,815,656	322,936,490
Total Net Position Restricted for Pension Benefits and Other Purposes	\$ 185,030,437	\$ 7,859,301	\$ 86,231,096 \$	43,815,656 \$	322,936,490

# Combining Statement of Changes in Fiduciary Net Position Investment Trust Funds

For the Fiscal Year Ended June 30, 2024

		Inv	estment Trust Funds		
	City of Bismarck	ND Association of Counties	City of Grand Forks	City of Fargo	Total
ADDITIONS					
Contributions:					
Total Contributions		_	_	_	
Investment Income:					
Net Change in Fair Value of Investments	11,304,514	459,944	6,849,163	3,176,981	21,790,602
Interest and Dividends	3,143,351	194,141	1,326,415	868,958	5,532,865
Less Investment Expense	417,069	13,562	186,223	104,293	721,147
Net Investment Income	14,030,796	640,523	7,989,355	3,941,646	26,602,320
Securities Lending Activity:					
Securities Lending Income	11,163	910	6,820	5,505	24,398
Less Securities Lending Expense	2,231	180	1,364	1,097	4,872
Net Securities Lending Income	8,932	730	5,456	4,408	19,526
Total Additions	14,039,728	641,253	7,994,811	3,946,054	26,621,846
DEDUCTIONS					
Total Deductions		_	_		
Redemption of Units at \$1.00 Per Unit	(4,000,000)	_	(5,368,904)	(2,750,000)	(12,118,904)
Net Increase (Decrease) in Fiduciary Net	10,039,728	641,253	2,625,907	1,196,054	14,502,942
Position Net Position - Beginning of Year	174,990,709	7,218,048	83,605,189	42,619,602	308,433,548
Net Position - End of Year	\$ 185,030,437	\$ 7,859,301	\$ 86,231,096 \$	43,815,656 \$	322,936,490

# Combining Statement of Fiduciary Net Position Private Purpose Trust Funds

June 30, 2024

			Priva	ite Pi	urpose Trust Fund	ls		
	nsolvency t Fund	Cu	ent and Itural ations		Mandan Remediation Trust	Colle SA		Total
ASSETS								
Cash Deposits at the Bank of ND	\$ _	\$	4,319	\$	5,892,332	\$	— \$	5,896,651
Cash and Cash Equivalents	_		_		_		795,752	795,752
Receivables:								
Accounts Receivable - Net	_		_		_		309,403	309,403
Interest Receivable - Net	_		877		_		_	877
Total Receivables	_		877		_		309,403	310,280
Investments, at Fair Value:								
Fixed Income Pool	_		1,477,919		_		_	1,477,919
Mutual Funds	_		_		_	60	2,505,906	602,505,906
Total Investments			1,477,919		_	60	2,505,906	603,983,825
Invested Securities Lending Collateral	 		2,459					2,459
Total Assets	_		1,485,574		5,892,332	60	3,611,061	610,988,967
DEFERRED OUTFLOWS OF RESOURCES								
Total Deferred Outflows of Resources	_				_		_	
LIABILITIES								
Accounts Payable	_		89		6,375		1,309,381	1,315,845
Securities Lending Collateral	 _		2,459		_		_	2,459
Total Liabilities	_		2,548		6,375		1,309,381	1,318,304
DEFERRED INFLOWS OF RESOURCES								
Total Deferred Inflows of Resources	_		_		_		_	
NET POSITION								
Net Position Restricted for:								
Other Purposes	_		1,483,026		5,885,957	60	2,301,680	609,670,663
Total Net Position Restricted for Pension Benefits and Other Purposes	\$ _	\$	1,483,026	\$	5,885,957	\$ 60	2,301,680 \$	609,670,663

# Combining Statement of Changes in Fiduciary Net Position Private Purpose Trust Funds For the Fiscal Year Ended June 30, 2024

		Priva	te Purpose Trust Fun	ds	
	Grain Insolvency Trust Fund	Student and Cultural Donations	Mandan Remediation Trust	College SAVE	Total
ADDITIONS					
Contributions:					
From Participants		_	_	45,631,896	45,631,896
Total Contributions				45,631,896	45,631,896
Investment Income:					
Net Change in Fair Value of Investments	_	136,401	_	60,168,864	60,305,265
Interest and Dividends	3,193	25,329	291,181	16,048,137	16,367,840
Less Investment Expense		3,838			3,838
Net Investment Income	3,193	157,892	291,181	76,217,001	76,669,267
Securities Lending Activity:					
Net Securities Lending Income				_	
Miscellaneous Income		2,649			2,649
Total Additions	3,193	160,541	291,181	121,848,897	122,303,812
DEDUCTIONS					
Payments in Accordance with Trust Agreements	721,136	49,104	38,501	57,357,966	58,166,707
Administrative Expenses		1,041	10,553	3,509,489	3,521,083
Total Deductions	721,136	50,145	49,054	60,867,455	61,687,790
Net Increase (Decrease) in Fiduciary Net	(717,943)	110,396	242,127	60,981,442	60,616,022
Position Net Position - Beginning of Year	717,943	1,372,630	5,643,830	541,320,238	549,054,641
Net Position - End of Year	<u> </u>	\$ 1,483,026	\$ 5,885,957 \$	602,301,680 \$	609,670,663

# **Combining Statement of Fiduciary Net Position Custodial Funds**

June 30, 2024

DEFERRED OUTFLOWS OF RESOURCES		Custodial Funds							
Cash Deposits at the Bank of ND Cash and Cash Equivalents         4,708,716 \$ 4,077,409 \$ 22,388,610 \$ 31,174,735 Cash and Cash Equivalents         364,678 327,258 \$ — 6691,936           Receivables:		Chil	d Support	Stud	ent and Other	1	ax Collection	Total	
Cash and Cash Equivalents         364,678         327,258         —         691,936           Receivables:         Accounts Receivable - Net         —         14,882         —         14,882           Taxes Receivable - Net         —         59,580,977         59,580,977         59,580,977           Interest Receivable - Net         —         549         —         549           Total Receivables         —         15,431         59,580,977         59,580,977           Investments, at Fair Value:         —         50,000         —         50,000           Investments at the Bank of ND         —         50,000         —         50,000           Invested Securities Lending Collateral         —         —         —         —           Capital Assets (Net of Depreciation)         —         —         —         —           Total Deferred Outflows of Resources         5,073,394         4,470,098         81,969,587         91,513,079           DEFERRED OUTFLOWS OF RESOURCES           Total Deferred Outflows of Resources         —         —         —         —           Accounts Payable         4,711,019         1,210         —         4,712,229           Due to Local Governments         —         —	ASSETS								
Receivables:   Accounts Receivable - Net	Cash Deposits at the Bank of ND	\$	4,708,716	\$	4,077,409	\$	22,388,610 \$	31,174,735	
Accounts Receivable - Net	Cash and Cash Equivalents		364,678		327,258		_	691,936	
Taxes Receivable for Other Governments - Net Interest Receivable - Net         —         549         —         549           Total Receivables         —         15.431         59,580,977         59,596,408           Investments, at Fair Value:         Investments, at Fair Value:           Investments at the Bank of ND         —         50,000         —         50,000           Total Investments         —         50,000         —         50,000           Invested Securities Lending Collateral         —         —         —         —           Capital Assets (Net of Depreciation)         —         —         —         —         —           Total Assets         5,073,394         4,470,098         81,969,587         91,513,079           DEFERRED OUTFLOWS OF RESOURCES           Total Deferred Outflows of Resources         —         —         —         —           LIABILITIES           Accounts Payable         4,711,019         1,210         —         4,712,229           Due to Local Governments         —         —         76,901,398         76,901,398         76,901,398         76,901,398         76,901,398         76,901,398         76,901,398         76,901,398         76,901,398         76,901,398	Receivables:								
Interest Receivable - Net	Accounts Receivable - Net		_		14,882		_	14,882	
Total Receivables	Taxes Receivable for Other Governments - Net		_		_		59,580,977	59,580,977	
Investments, at Fair Value: Investments at the Bank of ND	Interest Receivable - Net		_		549		_	549	
Investments at the Bank of ND	Total Receivables		_		15,431		59,580,977	59,596,408	
Total Investments	Investments, at Fair Value:								
Invested Securities Lending Collateral	Investments at the Bank of ND		_		50,000		_	50,000	
Capital Assets (Net of Depreciation)         —	Total Investments		_		50,000		_	50,000	
Total Assets   5,073,394   4,470,098   81,969,587   91,513,079	Invested Securities Lending Collateral		_				_		
DEFERRED OUTFLOWS OF RESOURCES           Total Deferred Outflows of Resources         —         4,712,229         Due to Local Governments         —         —         —         76,901,398	Capital Assets (Net of Depreciation)		_		_		_	_	
Total Deferred Outflows of Resources	Total Assets		5,073,394		4,470,098		81,969,587	91,513,079	
Accounts Payable	DEFERRED OUTFLOWS OF RESOURCES								
Accounts Payable	Total Deferred Outflows of Resources							_	
Due to Local Governments         —         —         76,901,398         76,901,398           Tax Refunds Payable         —         —         —         1,404         1,404           Due to Other Funds         362,375         —         —         362,375           Other Liabilities         —         26,801         —         26,801           Total Liabilities         5,073,394         28,011         76,902,802         82,004,207           DEFERRED INFLOWS OF RESOURCES           Unavailable Revenue         —         —         5,066,782         5,066,782           Total Deferred Inflows of Resources         —         —         5,066,782         5,066,782           NET POSITION         Net Position Restricted for:         —         4,442,087         —         4,442,087           Other Purposes         —         —         4,442,087         —         4,442,087           Total Net Position Restricted for Pension Benefits         —         —         —         3         3	LIABILITIES								
Tax Refunds Payable         —         —         1,404         1,404           Due to Other Funds         362,375         —         —         362,375           Other Liabilities         —         26,801         —         26,801           Total Liabilities         5,073,394         28,011         76,902,802         82,004,207           DEFERRED INFLOWS OF RESOURCES           Unavailable Revenue         —         —         5,066,782         5,066,782           Total Deferred Inflows of Resources         —         —         5,066,782         5,066,782           NET POSITION         Net Position Restricted for:         Individuals, Organizations, and Other Governments         —         4,442,087         —         4,442,087           Other Purposes         —         —         —         3         3           Total Net Position Restricted for Pension Benefits         —         —         —         3         3	Accounts Payable		4,711,019		1,210		_	4,712,229	
Due to Other Funds         362,375         —         —         362,375           Other Liabilities         —         26,801         —         26,801           Total Liabilities         5,073,394         28,011         76,902,802         82,004,207           DEFERRED INFLOWS OF RESOURCES           Unavailable Revenue         —         —         5,066,782         5,066,782           Total Deferred Inflows of Resources         —         —         5,066,782         5,066,782           NET POSITION         Net Position Restricted for:         Individuals, Organizations, and Other Governments         —         4,442,087         —         4,442,087           Other Purposes         —         —         4,442,087         —         4,442,087           Total Net Position Restricted for Pension Benefits         —         —         —         3         3	Due to Local Governments		_		_		76,901,398	76,901,398	
Other Liabilities         —         26,801         —         26,801           Total Liabilities         5,073,394         28,011         76,902,802         82,004,207           DEFERRED INFLOWS OF RESOURCES           Unavailable Revenue         —         —         —         5,066,782         5,066,782           Total Deferred Inflows of Resources         —         —         5,066,782         5,066,782           NET POSITION         Net Position Restricted for: Individuals, Organizations, and Other Governments         —         4,442,087         —         4,442,087           Other Purposes         —         —         4,442,087         —         4,442,087           Total Net Position Restricted for Pension Benefits         —         —         —         3         3	Tax Refunds Payable		_		_		1,404	1,404	
Total Liabilities   5,073,394   28,011   76,902,802   82,004,207	Due to Other Funds		362,375		_		_	362,375	
DEFERRED INFLOWS OF RESOURCES   Unavailable Revenue	Other Liabilities		_		26,801		_	26,801	
Unavailable Revenue         —         —         5,066,782         5,066,782           Total Deferred Inflows of Resources         —         —         5,066,782         5,066,782           NET POSITION           Net Position Restricted for: Individuals, Organizations, and Other Governments         —         4,442,087         —         4,442,087           Other Purposes         —         —         —         3         3           Total Net Position Restricted for Pension Benefits	Total Liabilities		5,073,394		28,011		76,902,802	82,004,207	
Total Deferred Inflows of Resources	DEFERRED INFLOWS OF RESOURCES								
NET POSITION           Net Position Restricted for:           Individuals, Organizations, and Other           Governments         –         4,442,087         –         4,442,087           Other Purposes         –         –         3         3           Total Net Position Restricted for Pension Benefits	Unavailable Revenue		_		_		5,066,782	5,066,782	
Net Position Restricted for:           Individuals, Organizations, and Other           Governments         —         4,442,087         —         4,442,087           Other Purposes         —         —         —         3         3           Total Net Position Restricted for Pension Benefits	Total Deferred Inflows of Resources		_		_		5,066,782	5,066,782	
Individuals, Organizations, and Other   Governments	NET POSITION								
Governments         —         4,442,087         —         4,442,087           Other Purposes         —         —         —         3         3           Total Net Position Restricted for Pension Benefits	Net Position Restricted for:								
Total Net Position Restricted for Pension Benefits			_		4,442,087		_	4,442,087	
	Other Purposes		_		_		3	3	
and Onion diposes 9 — 9 4,442,007 9 5 5 6 4.442,090	Total Net Position Restricted for Pension Benefits and Other Purposes	\$	_	\$	4,442,087	\$	3 \$	4,442,090	

# Combining Statement of Changes in Fiduciary Net Position Custodial Funds

For the Fiscal Year Ended June 30, 2024

		Custodial	Funds	
	Child Support	Students and Other	Tax Collection	Total
ADDITIONS				
Contributions:				
Child Support Collections	\$ 136,561,287 \$	— \$	- \$	136,561,287
Collections for District Courts	_	2,571,109	_	2,571,109
Student, Patient, and Inmate Accounts	_	5,775,987	_	5,775,987
Tax Collections for Local Governments			390,124,014	390,124,014
Total Contributions	136,561,287	8,347,096	390,124,014	535,032,397
Investment Income:				
Interest and Dividends		548		548
Less Investment Expense				
Net Investment Income		548	_	548
Securities Lending Activity:				
Net Securities Lending Income		_	_	_
Miscellaneous Income				
Total Additions	136,561,287	8,347,644	390,124,014	535,032,945
DEDUCTIONS				
Child Support Distributions	136,561,287	_	_	136,561,287
Distributions to District Courts	_	2,448,616	_	2,448,616
Distributions of Taxes to Local Governments	_	_	388,573,316	388,573,316
Student, Patient, and Inmate Accounts	_	5,670,860	_	5,670,860
Refunds	_	_	23,748	23,748
Administrative Expenses		1,316,310	1,526,950	2,843,260
Total Deductions	136,561,287	9,435,786	390,124,014	536,121,087
Net Increase (Decrease) in Fiduciary Net	_	(1,088,142)	_	(1,088,142)
Position Net Position - Beginning of Year		5,530,229	3	5,530,232
Net Position - End of Year	\$ - \$	4,442,087 \$	3 \$	4,442,090

# **Statistical Information**

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# Schedule 1 -- Net Position by Component Last Ten Fiscal Years

(accrual basis of accounting)

(accidal basis of accounting)				
	2015	2016	2017	2018
Governmental Activities				
Net Investment in Capital Assets	\$ 3,622,722,021	\$ 4,299,696,899	\$ 4,759,286,304	\$ 4,988,838,700
Restricted	6,254,673,532	6,246,873,312	6,224,908,099	6,355,103,413
Unrestricted	6,812,545,677	5,781,826,861	5,989,501,438	7,172,275,944
Total Governmental Activities Net Position	\$ 16,689,941,230	\$ 16,328,397,072	\$ 16,973,695,841	\$ 18,516,218,057
Business-Type Activities				
Net Investment in Capital Assets	1,023,384,933	1,155,758,401	1,223,438,996	1,214,133,386
Restricted	485,012,106	533,664,273	888,080,253	924,610,477
Unrestricted	1,439,859,232	1,528,847,402	1,633,421,219	1,779,197,611
Total Business-Type Activities Net Position	\$ 2,948,256,271	\$ 3,218,270,076	\$ 3,744,940,468	\$ 3,917,941,474
Primary Government				
Net Investment in Capital Assets	4,646,106,954	5,455,455,300	5,982,725,300	6,202,972,086
Restricted	6,739,685,638	6,780,537,585	7,112,988,352	7,279,713,890
Unrestricted	8,252,404,909	7,310,674,263	7,622,922,657	8,951,473,555
Total Primary Government Net Position	\$ 19,638,197,501	\$ 19,546,667,148	\$ 20,718,636,309	\$ 22,434,159,531

2019	2020	2021	2022	2023	2024
\$ 5,185,682,467 6,639,785,616	\$ 5,427,964,743 6,543,041,908	\$ 5,558,196,905 7,676,068,973	\$ 5,673,770,741 8,029,841,388	\$ 5,794,753,920 8,895,773,769	\$ 6,025,171,278 9,912,512,944
8,786,695,069	9,578,050,070	11,474,698,414	11,480,822,257	13,582,081,892	15,300,989,672
\$ 20,612,163,152	\$ 21,549,056,721	\$ 24,708,964,292	\$ 25,184,434,386	\$ 28,272,609,581	\$ 31,238,673,894
1,246,740,894	1,243,098,375	1,339,862,982	1,419,736,052	1,475,621,076	1,622,973,864
972,887,591	1,374,338,655	1,670,769,520	1,538,720,043	684,412,102	1,529,675,713
1,904,500,531	1,952,266,055	1,905,177,868	1,986,232,970	2,921,112,813	2,711,144,256
\$ 4,124,129,016	\$ 4,569,703,085	\$ 4,915,810,370	\$ 4,944,689,065	\$ 5,081,145,991	\$ 5,863,793,833
6,432,423,361	6,671,063,118	6,898,059,887	7,093,506,793	7,270,374,996	7,648,145,142
7,612,673,207	7,917,380,563	9,346,838,493	9,568,561,431	9,580,185,871	11,442,188,657
10,691,195,600	11,530,316,125	13,379,876,282	13,467,055,227	16,503,194,705	18,012,133,928
\$ 24,736,292,168	\$ 26,118,759,806	\$ 29,624,774,662	\$ 30,129,123,451	\$ 33,353,755,572	\$ 37,102,467,727

Change in Net Position **Governmental Activities** 

**Business-Type Activities** 

**Total Primary Government** 

Schedule 2 -- Changes in Net Position Last Ten Fiscal Years (accrual basis of accounting) 2015 2016 2017 2018 **Expenses** Governmental Activities: 1,034,864,058 General Governmental 1,171,207,640 1,055,377,601 955,118,609 1,214,358,440 1,415,255,393 1,175,550,087 1,208,513,849 Education 1,851,801,955 1,930,264,975 Health and Human Services 1.706.333.172 1.776.822.167 66.743.817 69.084.070 76.261.665 60,781,953 Regulatory 249,290,966 Public Safety and Corrections 227,617,802 238.515.283 241.143.887 Agriculture and Commerce 106,455,113 106,845,611 100,774,792 95,411,926 Natural Resources 236,079,321 321,992,458 286,546,075 230,194,737 Transportation 603,812,692 679,070,102 529,532,248 444,530,511 Interest on Long Term Debt 7.154.580 1.334.285 2.677.665 2.502.540 5.413.694.183 Total Governmental Activities Expenses 5.562.332.694 5.255.586.732 5.248.208.436 Business-Type Activities: 71.053.171 85.822.027 86.073.174 Bank of North Dakota 88.791.813 Housing Finance 37,510,475 40,245,934 40,997,193 46,083,037 Loan Programs 11,366,158 17,322,830 13,172,549 13,320,203 State Lottery 20,359,788 26,038,434 20,637,595 23,214,880 Unemployment Compensation University System 144,920,974 225,358,209 156,930,938 115,486,597 1,170,159,474 1,211,438,892 1,204,936,394 1,178,669,412 Workers Compensation 377,926,363 366,662,703 254,467,332 270,197,345 Other 571.077.157 632.911.836 549.799.020 569.432.422 2.542.321.451 Total Business-Type Activities Expenses 2.351.010.971 2.365.956.484 2.383.095.423 7.945.428.117 7.956.015.634 **Total Primary Government Expenses** 7,606,597,703 7,614,164,920 **Program Revenues** Governmental Activities: Charges for Services: General Governmental 37,107,914 36,278,126 33,728,302 33,504,205 6,806,001 7,071,212 7.530,807 6.987,309 Education Health and Human Services 64,507,593 42,982,802 43,283,756 48,201,500 25,862,700 52,583,727 29,390,590 31,489,459 Regulatory Public Safety and Corrections 30.428.332 24,446,658 23,272,409 30,370,076 Agriculture and Commerce 38,222,183 40.756.601 31.198.196 35.559.194 Natural Resources 33.895.342 35.142.635 35.392.128 33.128.741 Transportation 132,160,558 122,699,922 124,378,227 120,482,453 Operating Grants and Contributions 1,888,797,868 1,755,539,596 2,221,211,526 2,156,381,884 Capital Grants and Contributions 94,772 1.388.033 3.416.338 1.205.837 Total Governmental Activities Program Revenues 2.252.152.537 2.118.383.199 2.554.952.776 2.501.397.000 **Business-Type Activities:** Charges for Services: 175.117.000 207.836.000 223,476,000 221.210.000 Bank of North Dakota 36.286.659 39.821.469 Housing Finance 34.386.013 37.984.271 Loan Programs 10,365,115 12,212,352 11,530,798 7,391,511 State Lottery 27,212,010 35,736,460 27,744,572 31,520,906 **Unemployment Compensation** 127,328,232 147,802,377 193,118,386 162,161,260 University System 517,570,660 537,645,053 546,737,253 549,206,645 Workers Compensation 339,806,696 308,682,776 244,720,318 239,542,884 Other 554.752.747 573,829,155 577.288.875 639,883,523 Operating Grants and Contributions 312.136.231 298.603.154 380.842.641 363,266,299 Capital Grants and Contributions 36.923.275 29.609.083 32.025.992 4.769.350 Total Business-Type Activities Program Revenues 2.135.597.979 2.188.243.069 2.275.469.106 2.258.773.847 **Total Primary Government Program Revenues** 4,387,750,516 4,306,626,268 4,830,421,882 4,760,170,847 Net (Expense)/Revenue Governmental Activities (3.310,180,157)(3.295,310,984)(2.700,633,956)(2,746,811,436) **Business-Type Activities** (247.497.444) (354.078.382) (75.541.865) (107.182.637) (3,649,389,366) (2,776,175,821)(2,853,994,073)**Total Primary Government Net Expense** (3,557,677,601)General Revenues and Other Changes in Net Position Governmental Activities: Taxes: Individual and Corporate Income Taxes 732,975,064 414,964,865 418,040,178 452,792,812 1,804,380,378 1,348,342,960 1,236,701,340 1,326,248,557 Sales and Use Taxes 1.457.361.212 1.490.398.754 2.196.877.038 Oil. Gas and Coal Taxes 2.734.507.198 100,127,079 **Business and Other Taxes** 92.936.834 99.295.506 98.374.118 Unrestricted Investment Earnings 117,643,232 64,347,477 489,070,430 380,164,919 Tobacco Settlement 21,789,723 22,776,760 21,599,800 55,305,183 161,725,312 119,134,899 163,996,339 Miscellaneous 119,545,563 Contributions to Permanent Fund Principal 16,382,336 15,637,987 11,895,026 4,393,122 Special Items (4.948.596)Extraordinary Item (38,379,966)(603,556,908) (542.713.254)(503.278.766)(367.497.321)Transfers **Total Governmental Activities** 5.139.626.823 2.933,766,826 3.343.555.813 4.312.407.728 Business-Type Activities: Miscellaneous 9,562,071 93,003 4,846,618 2,921,705 535.979.992 611.332.622 598.094.515 285.002.133 Transfers Total Business-Type Activities 545.542.063 611.425.625 602.941.133 287.923.838 **Total Primary Government** 5,685,168,886 3,545,192,451 3,946,496,946 4,600,331,566

(361,544,158)

257.347.243

(104,196,915)

642,921,857

527.399.268

1,170,321,125

1,565,596,292

180.741.201

1,746,337,493

1,829,446,666

298.044.619

127,491,285

2019	2020	2021	2022	2023	2024
\$ 1,183,233,944 1,238,988,634 1,947,263,363 61,213,248 230,666,579 99,247,117 261,307,506 443,629,333 1,952,361	\$ 1,034,052,808 1,288,935,269 2,077,950,367 78,441,824 249,751,212 107,574,065 217,545,757 429,801,053 1,691,314	\$ 1,214,720,174 1,440,183,047 2,429,626,253 262,054,990 303,434,122 235,626,424 292,875,625 518,412,351 4,267,910	\$ 1,511,677,383 1,537,651,374 2,527,706,456 153,118,491 259,572,771 138,348,393 326,713,061 546,264,425 4,973,283	\$ 1,640,333,057 1,579,569,829 2,753,186,043 232,362,836 326,906,314 175,559,082 306,630,292 679,592,179 24,213,233	\$ 1,427,905,308 1,692,041,966 2,666,060,312 250,017,939 321,352,280 185,615,694 265,513,767 654,864,608 31,244,429
5,467,502,085	5,485,743,669	6,701,200,896	7,006,025,637	7,718,352,865	7,494,616,303
98,931,503 52,714,991 12,665,669 26,174,686 84,205,911 1,198,989,180 297,497,091 594,491,102 2,365,670,133	103,391,326 56,536,682 16,395,752 18,929,003 611,219,223 1,227,857,663 220,279,394 616,265,019 2,870,874,062	93,811,024 60,546,134 11,287,518 23,631,524 731,052,695 1,349,698,370 208,717,011 652,042,298 3,130,786,574	67,629,011 56,986,319 8,811,142 21,962,144 75,427,408 1,350,756,645 213,028,340 771,218,508 2,565,819,517	76,924,292 74,380,121 12,579,456 28,204,785 68,868,118 1,427,038,459 196,649,154 818,848,351 2,703,492,736	176,250,146 91,153,893 10,451,299 29,933,326 89,041,785 1,509,752,564 210,480,904 829,926,432 2,946,990,349
\$ 7,833,172,218	\$ 8,356,617,731	\$ 9,831,987,470	\$ 9,571,845,154	\$ 10,421,845,601	\$ 10,441,606,652
37,185,115 7,147,934 80,627,617 29,490,252 32,002,961 32,809,364 38,390,527 120,377,945 2,121,702,987 106,834 2,499,841,536	31,944,485 10,566,897 47,748,086 37,130,755 20,811,638 38,228,838 44,662,134 116,062,224 2,028,277,553 1,939 2,375,434,549	39,724,160 11,240,158 40,135,912 43,663,963 18,539,074 37,917,725 41,529,095 121,945,135 4,178,131,574 4,532,826,796	34,801,028 38,841,000 42,907,917 45,108,826 23,597,161 42,576,324 43,343,120 115,516,012 2,869,390,395 4,090,669 3,260,172,452	42,833,545 28,783,948 24,376,640 50,903,881 23,700,287 43,441,972 45,924,091 115,690,263 3,789,645,123 3,045,978 4,168,345,728	46,790,978 12,566,411 31,501,392 56,000,926 32,635,253 46,183,609 43,823,893 121,156,801 3,647,964,987 54,472,121 4,093,096,371
251,626,000 49,362,786 13,095,470 35,511,058 114,657,558 540,691,218 249,787,742 600,125,017 410,790,831 19,925,817 2,285,573,497 4,785,415,033	279,302,000 58,096,789 17,114,318 24,505,932 452,421,028 528,517,702 230,442,756 623,799,925 596,060,095 17,501,749 2,827,762,294 \$5,203,196,843	248,655,000 49,989,561 15,543,719 30,501,286 549,743,788 546,245,171 185,328,576 655,012,904 855,176,187 17,610,105 3,153,806,297 \$ 7,686,633,093	205,560,000 44,366,000 13,284,979 29,329,209 82,240,700 586,903,796 169,374,325 805,400,331 135,133,591 5,126,194,046 \$5,386,366,498	288,783,000 65,371,000 11,985,500 39,507,316 91,932,860 604,037,145 190,575,569 829,737,785 202,540,217 31,018,883 2,355,489,275 \$ 6,523,835,003	481,017,000 89,451,000 14,193,461 40,455,491 102,283,932 618,170,001 185,758,905 845,072,493 562,286,168 42,512,985 2,981,201,436 \$7,074,297,807
	(3,110,309,120)	(2.168.374.100)			(3,401,519,932)
(2,967,660,549) (80,096,636) \$ (3,047,757,185)	(3,110,309,120) (43,111,768) \$ (3,153,420,888)	23,019,723 \$ (2,145,354,377)	(3,745,853,185) (439,625,471) \$ (4,185,478,656)	(3,550,007,137) (348,003,461) \$ (3,898,010,598)	34,211,087 \$ (3,367,308,845)
604,088,632 1,435,129,762 2,586,569,876 110,714,853 360,264,138 20,752,400 231,745,021 11,014,244	513,419,336 1,364,664,641 1,949,036,077 107,173,491 333,528,092 21,159,397 190,047,481 9,515,851	581,766,062 1,327,568,100 1,746,983,327 128,552,656 1,676,824,486 22,586,170 185,658,136 11,162,710	646,802,135 1,459,331,771 3,027,333,528 137,741,934 (905,927,220) 23,205,519 316,225,687 4,870,341	812,953,433 1,725,168,258 2,967,166,869 146,852,833 787,382,703 24,844,863 400,722,677 9,148,366	638,143,776 1,737,541,874 3,112,312,361 134,809,258 1,276,314,177 22,079,919 486,936,774 6,341,407
(290,718,287) 5,069,560,639	(440,249,767) 4,048,294,599	(365,978,579) 5,315,123,068		(254,142,416) 6,620,097,586	(1,046,895,301) 6,367,584,245
5,162,713 277,018,465 282,181,178 \$ 5,351,741,817	3,576,763 485,109,074 488,685,837 \$ 4,536,980,436	336,679 334,080,678 334,417,357 \$ 5,649,540,425	2,723,709 454,006,736 456,730,445 \$ 4,683,019,944	3,217,757 448,310,037 451,527,794 \$ 7,071,625,380	1,546,725 746,890,030 748,436,755 \$ 7,116,021,000
2,101,900,090 202,084,542 \$ 2,303,984,632	937,985,479 445,574,069 \$ 1,383,559,548	3,146,748,968 357,437,080 \$ 3,504,186,048	480,436,314 17,104,974 \$ 497,541,288	3,070,090,449 103,524,333 \$ 3,173,614,782	2,966,064,313 782,647,842 \$ 3,748,712,155

# Schedule 3 -- Fund Balances, Governmental Funds Last Ten Fiscal Years

(modified accrual basis of accounting)

,				
	2015	2016	2017	2018
General Fund				
Nonspendable	\$ 3,465,933,483	\$ 3,908,797,255	\$ 4,761,588,134	\$ 5,551,216
Restricted	_	_	_	8,990,891
Committed	1,332,805,458	997,494,805	364,544,853	411,711,769
Unassigned	1,061,519,282	421,702,619	353,772,107	6,242,855,378
Total General Fund	5,860,258,223	5,327,994,679	5,479,905,094	6,669,109,254
All Other Governmental Funds				
Nonspendable	179,976,824	197,452,648	208,038,662	216,171,493
Restricted	6,037,108,398	6,000,049,002	5,996,248,585	6,124,510,110
Committed	1,230,446,562	617,111,539	480,910,925	398,555,411
Assigned	_	79,512,397	228,964,056	381,732,051
Unassigned	(8,477,525)	(3,376,686)	(3,146,889)	_
Total All Other Governmental Funds	7,439,054,259	6,890,748,900	6,911,015,339	7,120,969,065
Total Fund Balances, Governmental Funds	\$ 13,299,312,482	\$ 12,218,743,579	\$ 12,390,920,433	\$ 13,790,078,319

	2019	2020	_	2021	_	2022 2023		_	2024	
\$	6,638,440	\$ 6,194,850	\$	7,560,989	\$	7,983,403	\$	7,356,933	\$	7,569,502
	279,367 348,222,819	396 1,066,688,590		1,189,782 1,020,424,743		567,263 1,136,436,411		 1,532,804,951		1,448,036,912
	7,231,354,796	7,655,894,378		9,708,645,637		9,795,178,076		11,199,264,744		12,865,735,980
-	7,586,495,422	8,728,778,214	-	10,737,821,151		10,940,165,153	-	12,739,426,628		14,321,342,394
	101,738,203	103,260,391		136,551,832		134,831,158		127,402,160		133,465,003
	6,488,554,439	6,410,963,955		7,514,294,011		7,876,626,867		8,759,261,125		9,730,009,482
	1,187,965,245	840,247,407		953,335,924		1,319,832,396		1,939,645,375		1,966,534,108
	374,609,779	419,726,973		386,292,467		265,429,426		301,458,315		357,304,625
	(1,642,214)	(4,821,080)		(9,019,900)		_		_		(6,264,544)
	8,151,225,452	7,769,377,646		8,981,454,334		9,596,719,847		11,127,766,975		12,181,048,674
\$	15,737,720,874	\$ 16,498,155,860	\$	19,719,275,485	\$	20,536,885,000	\$	23,867,193,603	\$	26,502,391,068

# Schedule 4 -- Changes in Fund Balances, Governmental Funds Last Ten Fiscal Years

(modified accrual basis of accounting)

(modified accrual basis of accounting)				
	2015	2016	2017	2018
Revenues		<b>*</b> 404 000 750		
Individual and Corporate Income Taxes	\$ 714,657,090	\$ 424,229,756	\$ 397,563,377	\$ 459,742,512
Sales and Use Taxes	1,790,646,715	1,353,955,780	1,227,777,645	1,308,380,507
Oil, Gas, and Coal Taxes Business and Other Taxes	2,734,607,036	1,457,086,135	1,489,177,632	2,198,245,617 100,050,115
Licenses, Permits and Fees	93,445,691	99,743,017	99,358,473	, ,
•	215,706,207	207,163,123	201,347,912	209,425,979
Intergovernmental Sales and Services	1,626,610,762 81,988,980	1,643,431,832 57,382,857	1,718,291,215 56,713,042	1,666,435,743 59,147,530
Royalties and Rents	398,048,916	237,379,524	256,351,062	358,554,090
Fines and Forfeits	26,167,673	22,979,377	25,792,953	27,794,757
Interest and Investment Income	149,053,816	63,615,120	863,607,155	668,469,231
Tobacco Settlement	30,512,364	31,872,848	25,677,716	55,305,183
Commodity Assessments	23,662,092	25,007,037	27,771,103	25,879,090
Miscellaneous	17,176,577	43,591,538	19,059,502	32,577,808
Total Revenues	7,902,283,919	5,667,437,944	6,408,488,787	7,170,008,162
iotal Revenues	7,902,263,919	5,007,437,944	0,400,400,707	7,170,000,102
Expenditures				
Current:				
General Government	690,034,696	363,410,801	375,462,221	196,145,504
Education	1,116,260,493	1,174,928,314	1,212,413,715	1,205,816,564
Health and Human Services	1,707,702,397	1,774,061,712	1,830,146,819	1,895,273,724
Regulatory	58,625,606	60,161,098	66,319,143	50,990,125
Public Safety and Corrections	237,542,738	216,354,458	221,427,867	217,079,519
Agriculture and Commerce	106,304,742	106,791,473	100,053,823	93,502,803
Natural Resources	185,712,117	307,669,526	270,375,075	210,225,132
Transportation	550,382,661	613,815,927	446,115,824	369,478,453
Intergovernmental - Revenue Sharing	811,392,745	693,793,125	574,300,791	826,616,477
Capital Outlay	648,582,253	770,056,268	585,432,696	339,847,100
Debt Service:				
Principal	35,744,666	63,766,311	11,576,381	16,169,612
Interest and Other Charges	7,915,666	4,544,267	2,809,155	2,532,662
Bond and Note Cost of Issuance				
Total Expenditures	6,156,200,780	6,149,353,280	5,696,433,510	5,423,677,675
Revenue over (under) Expenditures	1,746,083,139	(481,915,336)	712,055,277	1,746,330,487
Other Financing Sources (Uses)				
Bonds and Notes Issued	_	_	_	42,812,909
Payment of Refunded Bonds	_	_	_	(20,347,000)
Lease Acquisitions	244,493	149,891	1,728,159	175,968
Sale of Capital Assets	49,910	5,712,951	27,150	19,343
Other	_	_	_	_
Transfers In	1,176,200,047	838,882,833	346,374,625	291,318,581
Transfers Out	(1,718,913,302)	(1,443,399,242)	(849,628,391)	(658,815,902)
Total Other Financing Sources (Uses)	(542,418,852)	(598,653,567)	(501,498,457)	(344,836,101)
Extraordinary Item			(38,379,966)	
Net Changes in Fund Balances	\$ 1,203,664,287	\$ (1,080,568,903)	\$ 172,176,854	\$ 1,401,494,386
Debt Service as a Percentage of Noncapital Expenditures	<1%	1.27%	<1%	<1%

2019	2020	2021	2022	2023	2024
\$ 594,902,271	\$ 514,474,130	\$ 580,658,626	\$ 664,895,947	\$ 806,747,080	\$ 626,714,948
1,447,039,166	1,382,950,275	1,326,013,473	1,461,872,541	1,722,350,685	1,727,758,851
2,586,461,875	1,949,413,720	1,746,635,471	3,016,379,426	2,978,251,411	3,112,132,311
113,491,911	107,904,881	125,055,742	138,985,340	149,088,825	142,338,807
208,629,095	205,881,199	205,204,816	197,636,285	198,612,574	219,209,786
1,722,371,509	1,935,418,579	2,954,711,047	2,894,663,210	3,115,793,060	2,707,209,595
87,945,566	63,647,829	61,109,068	61,158,343	63,823,059	59,570,428
428,518,481	350,303,312	353,401,250	617,606,229	680,664,152	684,000,661
31,643,952	28,740,584	36,954,902	24,960,386	39,725,547	42,774,534
568,502,158	267,822,601	2,736,264,540	(1,183,555,882)	1,187,959,595	1,968,118,755
20,752,400	21,159,397	22,586,170	23,205,519	24,844,863	22,079,919
24,055,725	23,180,351	27,911,971	27,563,462	32,367,127	30,611,067
26,261,882	32,010,373	27,671,984	24,438,015	40,751,317	145,269,966
7,860,575,991	6,882,907,231	10,204,179,060	7,969,808,821	11,040,979,295	11,487,789,628
212,878,777	221,601,805	421,622,553	411,498,194	551,474,755	446,499,947
1,236,434,495	1,286,565,575	1,417,944,095	1,519,738,946	1,577,259,003	1,596,929,344
1,901,317,937	2,036,979,868	2,346,331,566	2,485,114,631	2,661,241,445	2,618,626,033
44,017,306	66,636,947	238,371,129	137,003,570	202,896,412	232,609,566
206,073,620	228,482,829	248,403,023	235,852,853	287,859,738	290,996,342
97,290,753	106,261,515	230,631,647	137,476,833	172,097,075	184,376,499
240,134,308	196,940,075	264,426,811	306,294,713	272,864,649	242,851,360
359,256,938	330,326,337	380,064,758	397,269,719	508,032,541	484,954,191
964,483,838	805,934,582	761,332,025	1,115,020,869	1,067,904,006	1,063,882,848
341,357,479	383,713,350	401,825,733	296,216,316	426,673,396	591,429,380
10,839,024	20,566,373	6,434,015	17,247,882	23,077,580	53,345,601
2,073,539	1,800,116	4,027,874	6,418,386	20,432,118	29,837,971
_	_	_	1,886,000	1,523,000	_
5,616,158,014	5,685,809,372	6,721,415,229	7,067,038,912	7,773,335,718	7,836,339,082
2,244,417,977	1,197,097,859	3,482,763,831	904,655,909	3,267,643,577	3,651,450,546
_	3,344,100	89,728,267	389,962,280	319,038,000	_
184,258	— 145,827	1,310,560	14,086,369	4,306,452	30,579,019
1,141,039	269,769	191,812	644	84,718	63,200
-		——————————————————————————————————————	—	-	-
285,737,190	563,143,071	742,667,620	444,562,760	537,885,413	463,660,748
(576,455,477)	(1,003,565,640)	(1,108,701,068)	(927,860,759)	(792,371,894)	(1,510,556,048)
(289,392,990)	(436,662,873)	(274,802,809)	(79,248,706)	68,942,689	(1,016,253,081)
\$ 1,955,024,987	\$ 760,434,986	\$ 3,207,961,022	\$ 823,521,203	\$ 3,336,586,266	\$ 2,635,197,465
<1%	<1%	<1%	<1%	<1%	1.15%

# Schedule 5 Taxable Sales by Industry Last Ten Calendar Years

Calendar Year 2014 2015 2016 2017 Mining and Oil Extraction \$5,194,104,870 \$1,270,571,326 \$1,933,586,774 \$3,195,799,670 Construction 965,197,436 788,360,652 572,742,527 893,628,575 Manufacturing 1,527,873,493 1,256,620,179 955,191,364 940,433,285 Transportation, Communications, And Public Utilities 566,226,446 359,835,574 630,444,105 325,778,272 Wholesale 7,391,400,913 5,339,698,317 3,564,195,615 3,971,599,479 Retail 6,900,590,520 6,634,790,900 6,137,317,234 6,039,261,375 Services 3,684,213,017 3,176,227,835 2,547,155,903 2,411,082,485 Accommodation and Food Service 1,928,607,097 1,839,842,915 1,705,940,154 1,706,215,062 Miscellaneous Total \$28,222,431,451 \$22,902,834,837 \$17,328,567,822 \$17,900,699,259 Effective Tax Rate 5.00 % 5.35 % 5.42 % 5.06 %

Source: ND State Tax Department

Schedule 6
Sales Tax Revenue Payers by Industry
Calendar Years 2014 and 2023

(Dollars are in Millions)

Calendar	Year	2014
----------	------	------

	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
Retail Trade	11,292	32.2 %	\$ 373	22.0 %
Wholesale Trade	5,259	15.0 %	\$ 333	19.6 %
Services	8,338	23.8 %	\$ 574	33.9 %
Transportation, Communications,				
And Public Utilities	4,577	13.1 %	\$ 32	1.9 %
Manufacturing	2,446	7.0 %	\$ 75	4.4 %
Construction	2,485	7.1 %	\$ 48	2.9 %
Miscellaneous				
Mining and Oil Extraction	625	1.8 %	\$ 260	15.3 %
Total	35,022	100.0 %	\$ 1,694	100.0 %

Source: ND State Tax Department

#### Calendar Year

		Outcha	ui i cui		
2018	2019	2020	2021	2022	2023
\$ 2,798,102,134	\$ 3,099,269,900	\$ 1,670,338,769	\$ 1,550,152,783	\$ 2,214,642,058	\$ 2,768,243,116
581,608,306	618,279,202	552,912,062	572,799,245	725,447,618	720,443,339
1,073,576,742	1,167,694,348	199,376,511	1,138,536,628	1,404,869,602	1,408,289,550
520,830,231	607,973,352	309,734,767	542,253,695	438,619,126	522,046,533
4,849,827,096	4,972,679,709	3,840,938,987	4,239,430,757	5,843,206,893	6,630,778,930
6,253,114,138	6,686,103,548	7,175,885,046	8,117,420,573	8,536,747,803	8,279,411,498
2,420,785,043	2,537,470,588	3,361,463,017	2,328,226,383	2,818,238,152	4,777,065,702
1,765,283,726	1,834,041,363	1,476,480,919	1,853,920,237	2,020,329,248	1,720,463,478
\$ 20,263,127,416	\$ 21,523,512,010	\$ 18,587,130,078	\$ 20,342,740,301	\$ 24,002,100,500	\$ 26,826,742,146
5.12 %	5.11 %	5.13 %	5.13 %	4.96 %	4.99 %

### Calendar Year 2023

Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
15,998	32.5 %	\$ 419.11	31.3 %
7,048	14.3 %	319.92	23.9 %
16,389	33.3 %	328.96	24.6 %
607.00	1.2 %	26.04	1.9 %
5,285	10.7 %	70.48	5.3 %
3,185	6.5 %	35.99	2.7 %
751	1.5 %	138.41	10.3 %
49,263	100.0 %	\$ 1,338.91	100.0 %

## Schedule 7 Ratios of Outstanding Debt by Type Last Ten Fiscal Years

(dollars in thousands)

	Fiscal Year										
		2015		2016		2017		2018			
Governmental Activities											
Revenue Bonds	\$	129,345	\$	64,049	\$	54,105	\$	40,429			
Leases Payable		600		467		1,695		1,415			
SBITA Payable		_		_		_		_			
Notes Payable		4,412		3,891		2,181		22,248			
Total Governmental Activities		134,357		68,407		57,981		64,092			
Business-type Activities											
Revenue Bonds		884,086		1,040,019		1,019,125		1,242,368			
Certificates of Participation		_		_		_		_			
Leases Payable		41,224		38,533		41,425		40,058			
SBITA Payable		_		_		_		_			
Notes Payable		665,792		747,186		1,299,860		1,289,686			
Total Business-Type Activities		1,591,102		1,825,738		2,360,410		2,572,112			
Total Primary Government	\$	1,725,459	\$	1,894,145	\$	2,418,391	\$	2,636,204			
Debt as a Percentage of Personal Income 1		4.3 %		4.4 %		5.8 %		6.4 %			
Amount of Debt per Capita 1	\$	2,383	\$	2,560	\$	3,195	\$	3,478			

Details regarding the state's debt can be found in Note 3-L of the financial statements.

<sup>&</sup>lt;sup>1</sup> These ratios are calculated using personal income and population for the prior calendar year. See Schedule 10 for personal income and population data.

		1 V	
П	ISCa	I Yea	Г

2019	 2020	 2021		2022		2023	_	2024
\$ 29,950	\$ 19,730	\$ 112,488	\$	491,725	\$	787,130	\$	754,697
1,118	834	3,301		40,409		41,400		40,388
_	_	_		_		46,668		54,791
21,897	14,817	16,406		17,157		15,835		14,257
52,965	35,381	132,195		549,291		891,033		864,133
1,525,285	1,666,599	1,692,518		1,795,064		1,902,601		2,226,968
96,843	104,120	104,123		262,217		260,727		251,166
54,359	51,662	49,950		67,495		77,923		80,878
_	_	_		_		22,336		16,862
1,120,787	648,266	198,740		135,353		698,447		44,013
2,797,274	 2,470,647	2,045,331		2,260,130		2,962,034		2,619,887
\$ 2,850,239	\$ 2,506,028	\$ 2,177,526	\$	2,809,421	\$	3,853,068	\$	3,484,020
6.9 %	6.1 %	4.8 %		5.5 %		7.5 %		6.2 %
\$ 3,760	\$ 3,306	\$ 2,845	\$	3,625	\$	4,945	\$	4,444

# Schedule 8 Pledged-Revenue Coverage Last Ten Fiscal Years

								Debt Service	Requ	irements	
Fiscal Year	Gro	ss Revenues		s: Operating expenses		Net Available Revenues		Principal		Interest	Coverage
	BUIL	DING AUTHO	RITY B	ONDS							
2015	\$	8,163,000	\$	_	\$	8,163,000	\$	6,130,000	\$	2,080,000	0.99
2016		9,868,000		_		9,868,000		6,375,000		1,896,000	1.19
2017		5,300,000		_		5,300,000		5,315,000		1,680,000	0.76
2018		32,500,000		_		32,500,000		31,110,000		1,485,000	1.00
2019		6,343,000		_		6,343,000		5,200,000		1,092,000	1.01
2020		5,312,000		_		5,312,000		4,400,000		879,000	1.01
2021		5,363,000		_		5,363,000		4,620,000		3,307,000	0.68
2022		12,008,000		_		12,008,000		7,185,000		4,838,000	1.00
2023		10,050,000		_		10,050,000		5,955,000		4,526,000	0.96
2024		10,093,000		_		10,093,000		5,795,000		4,233,000	1.01
	Pled	ged revenues i	nclude i	interest and le	ase p	payments.					
	WAT	ER COMMISS	ION BO	ONDS							
2015	\$	8,783,565	\$	_	\$	8,783,565	\$	13,343,592	\$	3,318,972	0.53
2016		45,840,868		_		45,840,868		52,525,000		1,309,125	0.85
	Pled	ged revenues i	nclude i	user fees, inte	rest,	and Tobacco Se	ttleme	ent funds.			
	DEP	ARTMENT OF	TRANS	SPORTATION	ВОІ	NDS					
2015	\$	5,318,070	\$	_	\$	5,318,070	\$	4,015,000	\$	1,303,070	1.00
2016		5,317,250		_		5,317,250		4,165,000		1,150,500	1.00
2017		5,315,500		_		5,315,500		4,375,000		942,250	1.00
2018		5,314,000		_		5,314,000		4,590,000		723,500	1.00
2019		5,313,500		_		5,313,500		4,820,000		494,000	1.00
2020		5,313,000		_		5,313,000		5,060,000		253,000	1.00
		ged revenues in opriations, and					ntal re	evenues and tra	nsfers	from fund 002), h	ighway fund
	LEG	ACY BONDS									
2022	\$	389,848,000	\$	1,886,000	\$	387,962,000	\$	_	\$	_	_
2023		323,886,000		78,277,539		245,608,461		_		13,821,000	17.77
2024		21,547,000		73,000		21,474,000		28,460,000		23,111,000	0.42
	Pled	ged revenues i	nclude i	user fees.							

								Debt Service	Requ	uirements	
Fiscal Year	Gro	oss Revenues	_L	ess: Operating Expenses		Net Available Revenues		Principal		Interest	Coverage
	STU	IDENT LOAN T	RUS	<b>Э</b> Т							
2015	\$	732,000	\$	487,000	\$	245,000	\$	_	\$	9,000	27.22
2016		639,000		402,000		237,000		_		10,000	23.70
2017		543,000		361,000		182,000		_		14,000	13.00
2018		237,000		57,000		180,000		_		22,000	8.18
2019		84,000		38,000		46,000		_		31,000	1.48
2020		70,000		26,000		44,000		_		23,000	1.91
2021		47,000		17,000		30,000		_		8,000	3.75
2022		36,000		15,000		21,000		_		10,000	2.10
2023		37,000		14,000		23,000		_		46,000	0.50
2024		52,000		14,000		38,000		_		61,000	0.62
	Plea	lged revenues i	nclu	de federal revenu	ies,	and loan and inve	stme	ent interest.			
	ноц	JSING FINANC	ΕA	GENCY							
2015	\$	46,104,013	\$	25,535,000	\$	20,569,013	\$	136,385,000	\$	18,303,000	0.13
2016		48,479,659		27,986,000		20,493,659		102,480,000		17,801,000	0.17
2017		50,851,271		28,185,000		22,666,271		249,400,000		17,985,000	0.08
2018		54,771,000		29,905,000		24,866,000		126,620,000		18,900,000	0.17
2019		64,712,000		37,843,000		26,869,000		89,660,000		23,474,000	0.24
2020		72,051,000		43,041,000		29,010,000		109,720,000		30,104,000	0.21
2021		66,753,000		44,296,000		22,457,000		233,210,000		33,530,000	0.08
2022		59,012,000		41,917,000		17,095,000		266,540,000		28,989,000	0.06
2023		87,644,000		52,234,000		35,410,000		123,540,000		33,300,000	0.23
2024		114,345,752		70,503,000		43,842,752		126,840,000		45,897,000	0.25
	Plea	lged revenues i	nclu	de income and pr	осе	eds from mortgag	e loa	n activity.			
	UNI	VERSITY SYST	ЕМ								
2015	\$	758,127,326	\$	1,090,845,378	\$	(332,718,052)	\$	45,904,456	\$	13,702,718	(5.58)
2016		838,245,926		1,200,399,795		(362,153,869)		60,435,257		12,328,344	(4.98)
2017		794,108,239		1,186,452,340		(392,344,101)		46,330,594		12,539,581	(6.66)
2018		795,593,560		1,160,802,712		(365,209,152)		44,073,161		12,241,613	(6.49)
2019		814,825,704		1,179,695,430		(364,869,726)		20,538,565		11,627,313	(11.34)
2020		802,320,682		1,192,083,445		(389,762,763)		19,508,893		13,753,146	(11.72)
2021		967,486,213		1,308,671,037		(341,184,824)		26,018,512		20,177,507	(7.39)
2022		939,531,681		1,233,808,828		(294,277,147)		44,274,373		25,014,172	(4.25)
2023		975,769,896		1,299,337,474		(323,567,578)		35,301,656		23,661,813	(5.49)
2024		1,055,588,850		1,359,676,179		(304,087,329)		41,335,834		22,413,782	(4.77)

 $Pledged\ revenues\ include\ student\ fees,\ auxiliary\ revenues,\ sales,\ tax\ revenue,\ investment\ income\ and\ debt\ service\ grants.$ 

NOTE: Gross revenues include nonoperating interest income. Operating expenses do not include bond interest or depreciation expenses.

Schedule 9 Legal Debt Limit Fiscal Year Ending June 30, 2024

The state may issue or guarantee the payment of bonds, provided that all bonds in excess of two million dollars shall be secured by first mortgage upon real estate in amounts not to exceed sixty-five percent of its value; or upon real and personal property of state-owned utilities, enterprises, or industries, in amounts not exceeding its value, and provided further, that the state shall not issue or guarantee bonds upon property of state-owned utilities, enterprises, or industries in excess of ten million dollars.

No further indebtedness shall be incurred by the state unless evidenced by a bond issue, which shall be authorized by law for certain purposes, to be clearly defined. Every law authorizing a bond issue shall provide for levying an annual tax, or make other provision, sufficient to pay the interest semiannually, and the principal within thirty years from the date of the issue of such bonds and shall specially appropriate the proceeds of such tax, or of such other provisions to the payment of said principal and interest, and such appropriation shall not be repealed nor the tax or other provisions discontinued until such debt, both principal and interest, shall have been paid. No debt in excess of the limit named herein shall be incurred except for the purpose of repelling invasion, suppressing insurrection, defending the state in time of war or to provide for the public defense in case of threatened hostilities.

The State is in compliance with the Legal Debt Margin.

Source: North Dakota Constitution, Art. X, Section 13.

The State of North Dakota has had no General Obligation Bonded Debt since Fiscal Year 1998. No Schedule of Ratios of General Bonded Debt is being presented.

## Schedule 10 **Demographic and Economic Indicators** Last Ten Calendar Years

Year	Population (a)	Total Personal Income (b) (000's)	Per Capita Personal Income (b)	ND Unemployment Rate (c)	Annual Average UI Covered Employment (d)
2014	738,736	\$41,526,200	\$56,314	2.7 %	444,658
2015	755,537	\$40,600,600	\$53,842	2.8 %	437,078
2016	754,434	\$39,104,000	\$52,519	3.1 %	417,150
2017	754,942	\$39,812,900	\$52,686	2.7 %	414,039
2018	758,080	\$42,291,900	\$55,598	2.6 %	417,578
2019	762,062	\$43,614,400	\$57,501	2.4 %	422,826
2020	765,309	\$45,450,200	\$59,388	5.1 %	395,988
2021	774,948	\$50,793,100	\$65,544	3.7 %	400,472
2022	779,261	\$51,574,500	\$66,184	2.1 %	411,308
2023	783,926	\$56,475,100	\$72,041	1.9 %	421,639

#### Source:

- (a) Census Bureau
- (b) Bureau of Economic Analysis
  (c) Local Area Unemployment Statistics program (SA)
- (d) Quarterly Census of Employment and Wages program

## Schedule 11 Principal Employers

North Dakota Century Code 52-01-02 and 52-01-03 prohibits Job Service North Dakota from disclosing information provided to them by employers, including the employer name and number of employees, unless authorized by the employer. Sufficient permission has not been received to allow for presentation of this schedule.

The following schedule is being presented as an alternative to the principal employer schedule:

Schedule 12 Employment by Industry Current Calendar Year and Ten Years Ago

		2023			2014	
Industry	Number of Employees	Rank	Percent of Total Nonagricultural Wage and Salary Employment	Number of Employees	Rank	Percent of Total Nonagricultural Wage and Salary Employment
Government	82,600	1	18.88 %	80,600	1	17.46 %
Educational and Health Services	67,700	2	15.47 %	59,400	2	12.87 %
Retail Trade	45,200	3	10.33 %	50,700	3	10.98 %
Leisure and Hospitality	39,900	4	9.12 %	40,700	4	8.82 %
Professional and Business Services	34,900	5	7.98 %	36,200	5	7.84 %
Manufacturing	28,400	6	6.49 %	26,100	10	5.65 %
Construction	27,700	7	6.33 %	34,900	6	7.56 %
Financial Activities	25,100	8	5.74 %	24,000	11	5.20 %
Wholesale Trade	23,900	9	5.46 %	27,400	9	5.94 %
Transportation, Warehousing and Utilities	23,100	10	5.28 %	28,100	8	6.09 %
Logging and Mining	18,100	11	4.14 %	29,800	7	6.46 %
Other Services	15,300	12	3.50 %	16,900	12	3.66 %
Information	5,600	13	1.28 %	6,800	13	1.47 %
Total	437,500		100 %	461,600		100 %

Source: Job Service North Dakota: Current Employment Statistics Program.

## **STATE OF NORTH DAKOTA**

# Schedule 13 Education Enrollment Last Ten Academic Years

#### **Public School Enrollment**

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Kindergarten	8,925	8,841	9,271	9,324	9,620	8,992	9,524	9,235	8,636	8,763
Grades 1-3	26,585	26,320	26,316	26,663	27,208	26,812	27,034	27,696	27,888	29,232
Grades 4-6	24,513	25,244	26,076	26,580	26,622	25,880	26,246	26,759	27,268	27,480
Grades 7-8	15,642	16,115	16,511	16,845	17,561	17,742	17,707	17,603	17,419	17,895
Grades 9-12	30,405	30,343	30,771	31,430	31,847	32,619	33,347	34,092	34,556	34,816
Total Enrollment	106,070	106,863	108,945	110,842	112,858	112,045	113,858	115,385	115,767	116,598
Special Education Students	13,988	14,429	15,175	15,902	16,459	16,485	17,054	17,686	18,206	_

Source: Department of Public Instruction

University System Full-Time Equivalent Student Enrollment

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Bismarck State College	2,912	2,860	2,646	2,611	2,598	2,558	2,390	2,466	2,599	2,812
Dakota College at Bottineau	459	490	527	590	596	552	615	550	576	590
Dickinson State University	1,070	1,114	1,128	1,090	1,093	1,147	1,154	1,155	1,118	1,120
Lake Region State College	981	971	995	1,005	974	867	791	797	858	906
Mayville State University	796	782	784	817	801	801	815	784	734	794
Minot State University	2,570	2,591	2,467	2,483	2,399	2,273	2,242	2,167	2,135	2,125
ND State College Of Science	2,305	2,298	2,253	2,126	2,076	2,020	2,029	2,064	2,124	2,305
North Dakota State University	12,834	12,782	12,784	12,394	11,704	11,252	10,861	10,701	10,552	10,442
University of North Dakota	12,455	12,180	11,964	11,585	11,164	10,933	10,842	10,760	10,955	11,731
Valley City State University	1,031	1,044	1,086	1,096	1,164	1,160	1,090	1,073	1,112	1,184
Williston State College	738	756	763	806	783	703	668	646	658	771
Total	38,151	37,870	37,398	36,603	35,352	34,268	33,497	33,164	33,421	34,780

Note: Full-Time Equivalent Enrollment is based upon student credit hours.

Source: North Dakota University System

Schedule 14 State Employees by State Agency Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
EXECUTIVE BRANCH										
Adjutant General	170	155	155	155	155	151	154	203	205	218
Aeronautics Commission	6	7	7	7	7	7	7	6	6	6
Bank of North Dakota	180	182	183	190	190	190	174	182	165	195
Barley Council	5	5	5	5	1	1	1	1	1	1
Beef Commission	2	2	3	3	3	4	4	4	2	3
Career and Technical Education	29	27	27	25	25	55	55	47	49	23
Center for Distance Education	0	0	0	0	0	0	0	0	0	29
Corn Council	6	6	6	6	3	3	3	2	3	3
Council on the Arts	5	5	5	5	5	5	5	6	5	6
Department of Agriculture	77	77	77	73	74	78	78	78	78	78
Department of Commerce	69	69	69	54	66	62	61	53	58	60
Department of Corrections and Rehabilitation	834	838	845	845	895	899	906	829	835	879
Department of Environmental Quality	0	0	0	0	2	158	163	148	152	154
Department of Financial Institutions	29	30	31	30	30	31	31	28	31	34
Department of Health and Human Services	0	0	0	0	0	0	0	0	0	2,347
Department of Human Services	2,215	2,216	2,218	2,163	2,140	2,223	2,273	1,973	2,008	0
Department of Mineral Resources	0	0	0	0	0	0	0	0	0	98
Department of Public Instruction	100	100	92	92	94	89	87	78	78	82
Department of Transportation	1,082	1,081	1,081	1,047	1,008	985	985	941	937	962
Department of Trust Lands	34	34	33	30	30	29	30	28	30	32
Ethics Commission	0	0	0	0	0	2	2	1	1	3
Game and Fish Department	164	163	163	163	164	166	165	164	164	169
Highway Patrol	215	215	204	204	204	204	202	184	179	202
Historical Society	73	80	80	77	78	77	81	79	81	83
Indian Affairs Commission	5	5	5	5	4	4	4	3	4	4
Industrial Commission	114	113	114	106	108	108	108	93	99	4
Information Technology Department	354	350	352	346	447	400	455	435	450	469
Job Service North Dakota	238	182	182	182	182	173	159	143	144	150
Milk Marketing Board	6	6	6	6	4	4	4	1	1	2
ND Department of Health	365	366	368	360	365	205	213	203	204	0
ND Horse Racing Commission	2	2	2	2	2	2	2	2	2	2
ND Housing Finance Agency	40	41	41	41	42	43	43	49	48	50
ND Mill and Elevator Association	135	142	147	153	151	150	153	155	149	155
ND Vision Services/School for the Blind	33	32	32	30	30	29	29	27	28	28
North Dakota University System	8,028	8,012	7,532	7,290	7,207	7,192	7,165	7,222	7,295	7,439
Office of Administrative Hearings	5	5	5	5	5	5	5	5	5	5

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
EXECUTIVE BRANCH, Continued										
Office of Management and Budget	132	124	123	117	118	114	109	100	101	100
Office of the Attorney General	248	253	253	240	249	246	249	236	230	237
Office of the Governor	18	18	19	17	17	17	17	16	16	19
Office of the Insurance Commissioner	49	49	49	46	46	41	41	33	33	44
Office of the Labor Commissioner	15	15	15	14	14	14	15	9	10	10
Office of the State Auditor	61	62	62	57	57	59	59	53	51	55
Office of the State Tax Commissioner	134	135	135	132	132	123	123	106	108	109
Office of the State Treasurer	8	8	8	7	7	7	7	7	7	7
Oilseed Council	2	1	1	1	1	1	1	1	1	1
Parks and Recreation Department	65	66	65	63	62	62	58	56	57	61
Protection and Advocacy	28	28	28	28	29	29	23	27	29	28
Public Employees Retirement System	33	35	35	35	35	35	36	36	35	40
Public Service Commission	46	46	47	47	47	44	44	42	41	45
Retirement and Investment Office	19	19	19	19	20	20	18	17	25	27
School for the Deaf	51	51	51	51	51	51	50	44	43	46
Secretary of State	34	34	34	32	32	32	33	28	29	31
Securities Department	9	9	9	10	9	9	11	8	8	7
Seed Department	30	30	31	31	30	30	30	23	23	22
Soybean Council	8	8	8	7	6	6	6	6	4	6
State Fair Association	27	27	26	27	28	26	26	19	21	19
State Library	31	30	30	29	29	28	28	24	26	26
Veteran's Affairs Department	8	9	9	9	7	7	8	8	8	9
Veterans Home	120	116	118	120	119	118	119	94	93	97
Water Commission	95	96	96	93	93	93	93	81	91	87
Wheat Commission	8	8	8	8	6	6	6	5	5	5
Workforce Safety and Insurance	266	265	265	265	267	265	264	234	241	247
LEGISLATIVE BRANCH										
Legislative Council	36	37	36	36	36	36	36	37	39	38
JUDICIAL BRANCH										
Judiciary Branch	364	392	392	355	363	363	362	351	353	372
Total State Employees	16,639	16,598	16,121	15,675	15,707	15,679	15,747	15,139	15,289	15,770

NOTE: Fulltime employees are reported as of fiscal year end. ND University System employees based on annual budgets. Certain agencies have been reorganized, eliminated or created over the fiscal years resulting in fluctuations. Agencies are being displayed based on the organizational structure of the State.

Sources: Office of Management and Budget, ND University System, Bank of North Dakota, Mill and Elevator, Housing Finance Agency

Schedule 15
Operating Indicators by Function
Last Ten Fiscal Years

Last Ten Fiscal Years										
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government										
Office of the Tax Commissioner										
Number of returns filed electronically 1	412,559	428,347	391,234	460,464	447,690	417,060	463,418	446,023	436,694	440,751
Education										
Department of Public Instruction										
Public School Enrollment 2	106,070	106,863	108,945	110,842	112,858	112,045	113,858	115,385	115,767	116,598
North Dakota University System	100,010	100,000	100,040	110,042	112,000	112,040	110,000	110,000	110,707	110,000
Full Tme Equivalent Student Enrollment 3	38,151	37,870	37,398	36,603	35,352	34,268	33,497	33,164	33,421	34,780
	,	,	,	,	,	,	,	,	,	,
Health and Human Services										
North Dakota Department of Health										
Number of Autopsies Performed in ND 4	258	244	234	239	176	111	200	213	201	NA
North Dakota Department of Environmental Quality										
Air Quality - Percent of Facilities in Compliance 4	100	100	100	99	99	99	98	99	99	NA
Public Water Systems - Percent of Facilities in Compliance 4	96	98	99	98	99	100	100	99	99	NA
Department of Human Services	0.545	0.007	0.040	0.000	4 000	4.004	0.005	4.740	4 000	4.000
Number of TANF Caseloads	2,515	2,367	2,313	2,206	1,968	1,981	2,035	1,712	1,223	1,289
Number of Medicaid Recipients	114,364	122,374	123,766	124,371	122,304	119,763	121,527	141,051	149,775	157,096
Regulatory										
Office of the Insurance Commissioner										
Licensed Insurance Agents 4	65,671	66,882	75,769	73,304	83,193	94,289	106,243	112,489	130,075	124,144
Public Service Commission										
Weighing and Measuring Devices Inspected	5,446	6,136	5,172	5,183	4,653	3,526	5,191	5,155	4,091	4,695
Weights and Measures Quality Assurance Inspections	249	216	207	160	79	180	302	269	379	322
Gas Pipeline Safety Inspections	72	81	82	78	42	49	106	42	73	62
Gas Pipeline Safety Inspection-Person Days	124	134	150	191	122	153	236	155	209	152
Dublic Orfoto and Commentions										
Public Safety and Corrections										
Department of Corrections and Rehabilitation Average Daily Adult Prison Population 4	1 767	4 704	4 042	1,709	1 700	1 400	1 150	1 602	1 710	NIA
	1,767	1,794	1,813	1,709	1,766	1,492	1,459	1,603	1,719	NA
Office of the Attorney General-Bureau of Investigations	449	558	514	339	427	407	355	381	472	NA
Criminal Cases Opened 4 Drug Cases Opened 3	387	536 544	446	278	402	338	325	281	210	NA NA
Office of the Attorney General-Crime Laboratory	301	344	440	210	402	330	323	201	210	INA
Toxicology Alcohol Blood and Breath Analyses 4	6,472	5,472	5,201	4,298	4,007	3,080	3,712	4,386	4,479	NA
Methamphetamine/Amphetamine Samples Processed 4	4,527	4,669	3,932	4,290	3,284	2,782	1,686	1,647	1,764	NA
Office of the Adjutant General	7,021	4,000	0,002	4,011	0,204	2,102	1,000	1,041	1,704	1471
Assigned National Guard 5	4,006	3,980	4,032	4,002	4,094	4,155	4,223	4,111	4,089	4,095
v										
Agriculture and Commerce										
Department of Agriculture										
Pounds of Pesticide Waste Collected	384,857	137,297	180,692	340,074	521,584	114,597	258,115	186,108	302,773	255,325
Job Service North Dakota (JSND)	(7.000)	(40,000)	(0.500)	0.700	4.500	00.000	4.000	40.000	0.000	
Net Job Growth from Nonfarm Employment 4	(7,600)	(19,200)	(2,500)	3,700	4,500	-29,300	4,300	10,200	9,300	NA
Source: Current Employment Statistics, BLS - JSND New Private Sector Businesses 4	382	(67)	(201)	(172)	336	115	542	1,502	1,424	NA
Source: Quarterly Census of Employment & Wages, BLS - JSND	302	(67)	(281)	(172)	330	113	342	1,502	1,424	INA
Source. Quarterly Census of Employment & Wages, BLS - JSND										
Game and Fish Department										
Registered Boats 4	61,328	67,026	57,220	60,660	62,672	60,123	63,523	79,391	58,392	NA
Hunting and Fishing Licenses Issued	354,728	356,548	351,704	343,709	343,530	342,272	377,378	357,154	343,101	NA
Department of Parks and Recreation										
Park Visitations 4	1,211,150	1,182,628	1,196,868	1,211,744	1,214,226	1,296,509	1,292,896	1,135,530	1,236,527	NA
Camping Nights 4	71,075	73,316	71,555	72,831	72,979	94,079	97,241	88,625	95,181	NA
Snowmobile Registrations 4	8,958	2,779	8,767	2,762	7,478	10,316	7,261	10,046	7,141	NA
OHV Registrations 4	12,753	25,316	13,673	27,148	13,115	42,509	39,289	46,485	42,725	NA
Transportation										
Department of Transportation Registered Vehicles 4	1,168,252	1,160,042	1,159,040	1,184,472	1,188,053	1,182,587	1,097,305	1,203,810	1,222,595	NA
Licensed Drivers	545,027	555,935	561,667	561,333	566,015	557,164	559,778	563,161	585,817	565,031
Liouridea Directo	J+3,U4/	333,333	301,007	001,000	500,013	557,104	555,110	500, 101	000,017	300,001
Unemployment Compensation										
Job Service North Dakota										
Number of Covered Workers 4	437,078	417,150	414,039	417,578	422,826	395,988	400,472	411,308	421,639	NA
W 16 06 11										
Workforce Safety and Insurance	04	01.00-	00.0:-	40.000	40.010	40.010	470:-	47 /	40.400	47.0:-
Number of Claims Filed	24,798	21,227	20,045	19,830	19,913	18,813	17,845	17,477	18,128	17,042
Number of Covered Workers	435,993	427,899	408,107	405,367	409,559	414,371	386,414	391,512	402,018	412,536

NA-Not Available

Sources: The State agencies listed above provided the statistics for their agency

NA-Not Available

1 Calendar Year Received
2 Academic Year End Enrollment
3 Academic Year Enrollment
4 Statistics on a Calendar Year Basis
5 National Guard member count is at September 30 of each year

Schedule 16 Capital Assets by Function Last Ten Fiscal Years

Last Ten Fiscal Years										
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government										
Office of Management and Budget										
Capitol Complex Buildings	7	7	7	7	7	7	7	7	7	7
Education										
Department of Land										
Common Schools Trust										
Land Acreage	632,039	631,794	631,806	631,806	631,806	631,761	631,629	631,629	631,480	631,480
ND University System										
Buildings	528	534	534	516	516	470	475	449	450	444
*Buildings Square Footage	15,852,457	16,299,100	16,299,100	16,571,905	16,571,905	16,682,484	16,543,663	16,174,990	N/A	N/A
Health and Human Services										
Dept. of Human Services										
Buildings	63	63	63	63	63	60	60	60	60	54
Public Safety and Corrections										
Department of Corrections										
and Rehabilitation	71	71	70	70	70	70	70	70	70	70
Buildings										
Office of the Adjutant General										
Headquarters, Camp and Armory Buildings	298	298	302	330	327	319	319	319	327	321
Natural Resources										
Game and Fish Department										
Wildlife Management Areas	201	200	201	201	201	202	203	201	202	203
Boats, ATV's, Snowmobiles, Tractors, Other	460	472	491	493	498	506	520	536	558	577
Dept. of Parks and Recreation										
Park/Recreational Sites	15	15	15	15	15	15	15	14	14	14
Park Maintanenace Vehicles/Equipment	305	363	392	364	409	420	430	384	392	406
Transportation										
Department of Transportation										
Roadway Miles Maintained	8,563	8,614	8,614	8,614	8,622	8,624	8,624	8,624	8,624	8,637
Fleet Vehicles	3,664	3,726	3,740	3,541	3,406	3,386	3,291	3,291	3,345	3,542
Heavy Equipment	448	441	445	479	480	489	489	489	495	520
Buildings	158	159	162	164	165	167	169	169	171	171

Sources: The State agencies listed above provided the data for their agency \*Buildings Square Footage no longer recorded

The following tables illustrate how the individual funds' earned revenues and investment income compare to related costs of loss and other expenses assumed by the funds as of the end of each of the last ten years. The rows of the tables are defined as follows: (1) This line shows the total of each fiscal year's earned contribution revenues and investment revenues. (2) This line shows each fiscal year's other operation costs of the fund including overhead and claims expense not allocable to individual claims. (3) This line shows the funds' incurred claims and allocated claim adjustment expense (both paid and accrued) as originally reported at the end of the first year in which the event that triggered coverage under the contract occurred (called policy year). (4) This section of 10 columns shows the cumulative amounts paid as of the end of successive years for each policy year. (5) This section of 10 columns shows how each policy year's incurred claims increased or decreased as of the end of successive years. This annual re-estimation results from new information received regarding unknown claims, reevaluation of existing information on known claims, as well as emergence of new claims not previously known. (6) This line compares the latest re-estimated incurred claims amount to the amount originally established (line 3) and shows whether this latest estimate of claims cost is greater or less than originally thought. As data for individual policy years mature, the correlation between original estimates and re-estimated amounts is commonly used to evaluate the accuracy of incurred claims currently recognized in less mature policy years. The columns of the tables show data for successive policy years (expressed in thousands).

(Expressed In Thousands)

Bonding Fund

	2	015	2	2016	2	2017	2	2018	 2019	 2020	 2021	 2022	 2023	 2024
Net Earned Required Contribution and Investment Revenues	\$	70	\$	173	\$	101	\$	42	\$ 204	\$ 183	\$ 68	\$ (185)	\$ 77	\$ 181
2 Unallocated Expenses		36		67		26		21	25	8	(16)	9	4	4
3 Estimated Incurred Claims and Expense,End of Policy Year		94		26		21		87	39	(1)	59	3	_	8
4 Paid (Cumulative) as of:														
End of Policy Year		(35)		(77)		(86)		(19)	(106)	(136)	(193)	(131)	134	134
One Year Later		(35)		(77)		(86)		(19)	(106)	(136)	(193)	(131)	134	
Two Years Later		(35)		(77)		(86)		(19)	(106)	(136)	(193)	(131)		
Three Years Later		(35)		(77)		(86)		(19)	(106)	(136)	(193)			
Four Years Later		(35)		(77)		(86)		(19)	(106)	(136)				
Five Years Later		(35)		(77)		(86)		(19)	(106)					
Six Years Later		(35)		(77)		(86)		(19)						
Seven Years Later		(35)		(77)		(86)								
Eight Years Later		(35)		(77)										
Nine Years Later		(35)												
5 Re-estimated Incurred														
Claims and Expenses:														
End of Policy Year		94		26		(21)		87	39	(1)	59	3	_	8
One Year Later		94		26		(21)		87	39	(1)	59	3	_	
Two Years Later		94		26		(21)		87	39	(1)	59	3		
Three Years Later		94		26		(21)		87	39	(1)	59			
Four Years Later		94		26		(21)		87	39	(1)				
Five Years Later		94		26		(21)		87	39					
Six Years Later		94		26		(21)		87						
Seven Years Later		94		26		(21)								
Eight Years Later		94		26										
Nine Years Later		94												
6 Increase in Estimated Incurred Claims and Expense From End of Policy Year		_		_		_		_	_	_	_	_	_	_

(Expressed In Thousands)

Fire and Tornado Fund

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net Earned Required Contribution and Investment Revenues	\$ (2,124)	\$ 2,908	\$ 4,765	\$ 3,567	\$ 3,845	\$ 2,704	\$ 4,989	\$ 54	\$ 4,000	\$ 4,600
2 Unallocated Expenses	800	912	1,348	1,118	874	541	705	635	795	1,079
3 Estimated Incurred Claims and Expense, End of Policy Year	1,141	3,039	4,750	2,352	2,953	2,576	3,511	1,674	2,933	2,658
4 Paid (Cumulative) as of:										
End of Policy Year	9,378	8,890	3,805	8,318	3,218	2,253	3,705	2,939	3,711	5,141
One Year Later	1,553	3,117	4,466	1,158	3,218	2,253	3,705	2,939	3,711	,
Two Years Later	1,564	3,119	4,466	1,158	3,218	2,253	3,705	2,939		
Three Years Later	1,564	3,119	4,466	1,158	3,218	2,253	3,705	,		
Four Years Later	1,564	3,119	4,466	1,158	3,218	2,253	,			
Five Years Later	1,564	3,119	4,466	1,158	3,218					
Six Years Later	1,564	3,119	4,466	1,158						
Seven Years Later	1,564	3,119	4,466							
Eight Years Later	1,564	3,119								
Nine Years Later	1,564									
5 Re-estimated Incurred Claims and Expenses:										
End of Policy Year	1,516	3,039	4,750	2,352	3,040	2,953	3,511	1,674	2,933	2,658
One Year Later	1,725	3,292	4,692	3,153	3,040	2,953	3,511	1,674	2,933	
Two Years Later	1,723	3,229	4,634	3,153	3,040	2,953	3,511	1,674		
Three Years Later	1,723	3,226	4,634	3,153	3,040	2,576	3,511			
Four Years Later	1,723	3,226	4,634	3,153	3,040	2,576				
Five Years Later	1,723	3,226	4,634	3,251	3,040					
Six Years Later	1,723	3,226	4,634	3,153						
Seven Years Later	1,723	3,222	4,634							
Eight Years Later	1,723	3,222								
Nine Years Later	1,723									
6 Increase in Estimated Incurred Claims and Expense From End of Policy Year	582	191	(58)	_	87	_	_	_	_	_

(Expressed In Thousands)

Workforce	Safety &	Insurance

Workforce Safety & Insurance												
	20	015	 2016	 2017	 2018	 2019	 2020	 2021	_	2022	 2023	 2024
Net Earned Required Contribution and Investment Revenues	\$	408	\$ 377	\$ 396	\$ 343	\$ 386	\$ 353	\$ 429	\$	(31)	\$ 249	\$ 311
2 Unallocated Expenses		41	43	47	44	45	44	48		43	49	133
3 Estimated Incurred Claims and Expense, End Of Policy Year		315	229	198	193	187	177	145		126	140	159
4 Paid (Cumulative) as of:												
End of Policy Year		61	41	40	42	42	42	33		34	43	53
One Year Later		102	74	65	76	69	62	50		52	67	
Two Years Later		120	84	73	76	77	67	54		57		
Three Years Later		132	84	78	80	82	70	56				
Four Years Later		140	88	82	82	85	73					
Five Years Later		146	91	84	83	86						
Six Years Later		150	92	85	85							
Seven Years Later		152	93	86								
Eight Years Later		153	94									
Nine Years Later		155										
5 Reestimated Incurred Claims and Expenses:												
End of Policy Year		315	229	198	192	187	177	145		126	140	159
One Year Later		283	204	177	179	174	156	118		133	133	
Two Years Later		271	191	164	172	168	134	103		101		
Three Years Later		267	174	154	157	151	123	100				
Four Years Later		265	161	141	140	137	116					
Five Years Later		263	148	131	131	129						
Six Years Later		250	139	126	127							
Seven Years Later		240	133	127								
Eight Years Later		231	121									
Nine Years Later		128										
6 Increase in Estimated Incurred Claims and Expense From End of Policy Year		(83)	(229)	(73)	(62)	(49)	(54)	(41)		(13)	(66)	_

## Schedule 18 **Agricultural Production**

#### Value of Export Shares of Agricultural Commodities - 2022 - 2023

	2022 Dollars	2022 % of U.S.	2023 Dollars	2023 % of U.S.
	(Mil.)		(Mil.)	
Wheat	1,499.4	18.02	_	0.00
Soybeans and Products	1,655.1	4.09	_	0.00
Other Oil Seeds and Products	764.9	37.99	_	0.00
Vegetables Fresh and Processed	259.0	3.37	_	0.00
Grain Products	188.4	4.10	_	0.00
Vegetable Oils	251.5	5.87	_	0.00
Feeds and Other Feed Grains	309.1	6.73	_	0.00
Corn	420.7	2.27	_	0.00
Other Plant Products	235.5	1.23	_	0.00
Beef, Veal and Pork	188.0	0.97	_	0.00
Other Livestock Products	72.5	1.48	_	0.00
Hides and Skins	12.7	1.14	_	0.00
Dairy Products	13.4	0.14	_	0.00
Other Poultry Products	4.5	0.16	_	0.00
Total	\$ 5,874.7	3.80 %	\$ —	— %

#### \*2023 Source Data was not available for the Value of Export Shares of Agricultural Commodities at the time of publication.

Totals may not add due to rounding.

2024 Crop Rank Among States

North Dakota Ranks	Crop Description	North Dakota Produces						
1st	Canola	83 %						
	Flaxseed	73 %						
	Pinto Beans	70 %						
	Durum Wheat	54 %						
	Spring Wheat	53 %						
	Sunflower Non-oil	53 %						
	SunFlower Oil	49 %						
	All Dry Edible Beans	37 %						
	Honey Production	28 %						
	Rye	25 %						
	Oats	14 %						

Source: North Dakota Agricultural Statistics August 2024

<sup>1/</sup> Includes other nonpoultry meats, animal fat, live farm animals, and other animal parts.

<sup>2/</sup> Includes turkey meat, eggs, and other fowl products.
3/ Includes processed feeds, fodder, barley, oats, rye, and sorghum.

<sup>4/</sup> Includes peanuts (oil stock), other oil crops, corn meal, other oilcake and meal, protein substances, bran and residues.

<sup>5/</sup> Includes sweeteners and products, other horticulture products, planting seeds, cocoa, coffee, and other processed foods.

Data sources: USDA Economic Research Service; USDA Foreign Agricultural Service (Global Agricultural Trade System).



NORTH DAKOTA STATE AUDITOR
JOSHUA C. GALLION

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