NORTH DAKOTA

OFFICE OF THE STATE AUDITOR

State Auditor Joshua C. Gallion

State of North Dakota Single Audit Report

For the two-year period ended June 30, 2022



Office of the State Auditor

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March 29, 2023

Honorable Doug Burgum
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, 2022 and 2021.

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 2022 and 2021. 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 2022 and 2021. 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, 2022 and 2021 and are available upon request.

Respectfully submitted,

Joshua C. Gallion
State Auditor

Single Audit Report

Auditor's Section

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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

Independent Auditor's Report

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, 2022, and the related notes to the financial statements, which collectively comprise the state's basic financial statements and have issued our report thereon dated January 13, 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 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 Permanent 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
- 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.

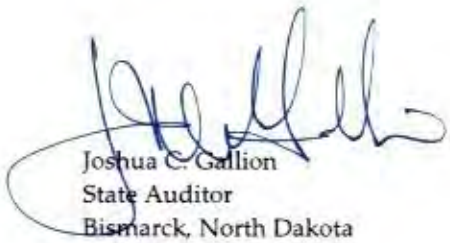
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we and the other auditors did not identify any deficiencies in internal control that we consider to be material weaknesses. We and the other auditors identified certain deficiencies in internal control, described in the accompanying *Schedule of Findings and Recommendations* as item *2022-01* which is considered a significant deficiency.

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.



Joshua C. Gallion
State Auditor
Bismarck, North Dakota

January 13, 2023

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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, 2021, 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 16, 2021.

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
- College SAVE
- Community Water Facility Loan Fund
- 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
- Small Employer Loan Fund
- 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.

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 and the other auditors did not identify any deficiencies in internal control that we consider to be material weaknesses or significant deficiencies. However, material weaknesses or significant deficiencies may exist that have not been identified.

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.

Joshua C. Gallion
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December 16, 2021

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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 UNIFORM GUIDANCE

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

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, 2022 and 2021. 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 Relief Fund, Supporting Effective Instruction State Grants, Child Nutrition Cluster Programs

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 Relief Fund, Supporting Effective Instruction and Child Nutrition Cluster programs for the years ended June 30, 2022 and 2021.

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, 2022 and 2021.

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 Relief Fund, Supporting Effective Instruction State Grants, Child Nutrition Cluster Programs
As described in the accompanying schedule of findings and questioned costs, the State of North Dakota did not comply with the requirements regarding requirements included in table below.

Finding	Assistance Listing Number	Program/Cluster Title	Compliance Requirement
2022-034	21.019	COVID-19-Coronavirus Relief Fund	Reporting
2022-005 2022-006 2022-036	21.019	COVID-19-Coronavirus Relief Fund	Subrecipient Monitoring
2022-022	10.553 10.555 10.556 10.559 10.582	Child Nutrition Cluster	Reporting
2022-030	84.367	Supporting Effective Instruction State Grants	Reporting

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, 2022 and 2021. 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 2022-001, 2022-002, 2022-003, 2022-004, 2022-007, 2022-008, 2022-009, 2022-010, 2022-012, 2022-013, 2022-014, 2022-015, 2022-016, 2022-017, 2022-018, 2022-019, 2022-020, 2022-021, 2022-023, 2022-024, 2022-026, 2022-027, 2022-028, 2022-029, 2022-031, 2022-032, 2022-033, 2022-035, and 2022-037. 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 2022-005, 2022-022, 2022-030, 2022-034, and 2022-036 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 2022-001, 2022-002, 2022-004, 2022-006, 2022-007, 2022-008, 2022-009, 2022-010, 2022-011, 2022-012, 2022-013, 2022-014, 2022-015, 2022-016, 2022-017, 2022-018, 2022-019, 2022-020, 2022-021, 2022-023, 2022-024, 2022-025, 2022-026, 2022-027, 2022-028, 2022-029, 2022-031, 2022-032, 2022-033, 2022-035, and 2022-037 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.

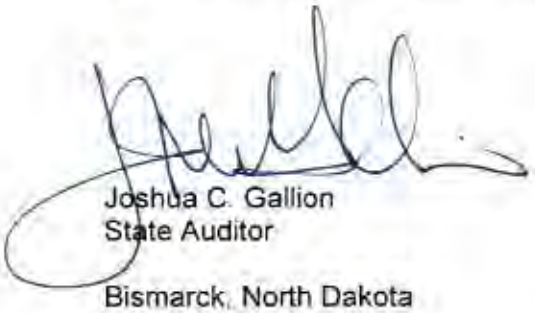
Government Auditing Standards requires the auditor to perform limited procedures on the State of North Dakota's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The State of North Dakota's 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

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, 2022 and 2021, 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 January 13, 2023 and December 16, 2021, 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. 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.



Joshua C. Gallion
State Auditor

Bismarck, North Dakota

March 29, 2023

State of North Dakota

Schedule of Findings and Questioned Costs - Index

Fiscal Years Ended June 30, 2022 and 2021

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Department of Commerce

ALN NUMBER	FEDERAL AGENCY	FINDING NUMBER
21.019	U.S. DEPARTMENT OF THE TREASURY	2022-001
21.019	U.S. DEPARTMENT OF THE TREASURY	2022-002
21.019	U.S. DEPARTMENT OF THE TREASURY	2022-003
93.568	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	2022-004

Department of Health

ALN NUMBER	FEDERAL AGENCY	FINDING NUMBER
21.019	U.S. DEPARTMENT OF THE TREASURY	2022-005
21.019	U.S. DEPARTMENT OF THE TREASURY	2022-006
10.557, 10.578, 21.019, 93.069, 93.116, 93.130, 93.217, 93.268, 93.426, 93.898, 93.917, 93.991	U.S. DEPARTMENT OF AGRICULTURE U.S. DEPARTMENT OF TREASURY U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES U.S. DEPARTMENT OF HOMELAND SECURITY	2022-007

Pursuant to House Bill 1247 of the 67th Legislative Assembly, the Department of Health merged into the Department of Human Services and both agencies are called the Department of Health and Human Services, effective September 1, 2022. During the fiscal years of the audit, the agencies were separate and audited separately.

State of North Dakota

Schedule of Findings and Questioned Costs - Index

Fiscal Years Ended June 30, 2022 and 2021

Department of Human Services

ALN NUMBER	FEDERAL AGENCY	FINDING NUMBER
93.777, 93.778	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	2022-008
93.777, 93.778	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	2022-009
93.777, 93.778	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	2022-010
93.777, 93.778	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	2022-011
93.575, 93.596	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	2022-012
93.575, 93.596	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	2022-013
93.568	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	2022-014
93.568	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	2022-015
93.568	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	2022-016
93.568	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	2022-017
21.023	U.S. DEPARTMENT OF THE TREASURY	2022-018
93.767	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	2022-019
93.959	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES	2022-020
84.126	U.S. DEPARTMENT OF EDUCATION	2022-021

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 (USDA)	2022-022
10.553, 10.555, 10.556, 10.559	U.S. DEPARTMENT OF AGRICULTURE (USDA)	2022-023
10.558	DEPARTMENT OF AGRICULTURE (USDA)	2022-024
84.425D	U.S. DEPARTMENT OF EDUCATION	2022-025
84.425D	U.S. DEPARTMENT OF EDUCATION	2022-026
84.371	U.S. DEPARTMENT OF EDUCATION	2022-027
84.371	U.S. DEPARTMENT OF EDUCATION	2022-028
84.371	U.S. DEPARTMENT OF EDUCATION	2022-029

84.367	U.S. DEPARTMENT OF EDUCATION	2022-030
84.367	U.S. DEPARTMENT OF EDUCATION	2022-031
84.367	U.S. DEPARTMENT OF EDUCATION	2022-032
10.553, 10.555, 10.556, 10.558, 10.559, 10.579, 10.582, 84.010, 84.027, 84.173, 84.287, 84.367, 84.371, 84.425	U.S. DEPARTMENT OF AGRICULTURE (USDA) U.S. DEPARTMENT OF EDUCATION	2022-033

Office of Management and Budget

ALN NUMBER	FEDERAL AGENCY	FINDING NUMBER
21.019	U.S. DEPARTMENT OF TREASURY	2022-034
21.027	U.S. DEPARTMENT OF TREASURY	2022-035

Office of the State Treasurer

ALN NUMBER	FEDERAL AGENCY	FINDING NUMBER
21.019	U.S. DEPARTMENT OF TREASURY	2022-036
21.019	U.S. DEPARTMENT OF TREASURY	2022-037

State of North Dakota

Schedule of Findings and Questioned Costs

Fiscal Years Ended June 30, 2022 and 2021

Section I
Summary of Auditors' Results

Dollar threshold used to distinguish between Type A and Type B programs: $20,050,456

Auditee qualified as a low risk auditee? No

FINANCIAL STATEMENTS	2022	2021
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)?	Yes	No
Noncompliance material to financial statements noted?	No	No

FEDERAL AWARDS	2022	2021
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 Relief Fund	Qualified	Qualified
Child Nutrition Cluster	Qualified	Qualified
Supporting Effective Instruction State Grants	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

State of North Dakota

Schedule of Findings and Questioned Costs

Fiscal Years Ended June 30, 2022 and 2021

Identification of Major Programs

ALN Number(s)	Name of Federal Program or Cluster
10.551, 10.561	Supplemental Nutrition Assistance Program (SNAP) Cluster
10.553, 10.555, 10.556, 10.559, 10.579, 10.582	Child Nutrition Cluster
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)
10.558	Child and Adult Care Food Program
21.019	Coronavirus Relief Fund
21.023	Emergency Rental Assistance Program
21.027	Coronavirus State and Local Fiscal Recovery Funds
84.007, 84.033, 84.038, 84.063, 84.268, 84.379, 93.264, 93.364, 93.342, 93.925	Student Financial Assistance Cluster
84.367	Supporting Effective Instruction State Grants
84.371	Comprehensive Literacy Development
84.425	Education Stabilization Fund
93.268	Immunization Cooperative Agreements
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)
93.423	1332 State Innovation Waivers
93.568	Low-Income Home Energy Assistance
93.575, 93.596	Child Care and Development Fund (CCDF) Cluster
93.658	Foster Care Title IV-E
93.659	Adoption Assistance
93.777, 93.778	Medicaid Cluster
93.959	Block Grants for Prevention and Treatment of Substance Abuse

State of North Dakota

Schedule of Financial Statement Findings

Fiscal Years Ended June 30, 2021 and 2022

Office of Management and Budget

FINDING TYPE: Financial Statement	
Finding	F22-1
Finding Title:	Errors in Reporting Information as Required by GASB 87

CONDITION

The office of Management and Budget implemented Government Accounting Standards Board Statement 87 for Leases for fiscal year 2022. Each state agency was required to enter their individual leases and lease terms into the Peoplesoft Lease Administration module. The Lease Administration module calculates the amounts for the accounting entries based on the information entered. During our audit, we selected a sample of leases to determine whether the correct lease terms were entered and the calculation of the accounting entries was accurate. Our testing identified errors in lease terms and/or calculations for 22 leases or 57.89% of our sample. The total amount of errors identified are included in the Governance Communication booked adjustment number 12 and unbooked adjustment number 7.

CRITERIA

Government Accounting Standards Board Statement 87 Paragraph 12 requires that leases be measured for the period for which the lessee has a noncancellable right to use the underlying asset plus any options to extend that they are reasonably certain to exercise.

Government Accounting Standards Board Statement 87 Paragraph 13 states that a fiscal funding or cancellation clause allows governmental lessees to cancel a lease, typically on an annual basis, if the government does not appropriate funds for the lease payments. This type of clause should affect the lease term only if it is reasonably certain that the clause will be exercised.

Government Accounting Standards Board Statement 87 Paragraph 23 states that future leases payments should be discounted using the interest rate the lessor charges the lessee, which may be the interest rate implicit in the lease. If the interest rate cannot be readily determined by the lessee, the lessee's incremental borrowing rate should be used.

Standards for Internal Control in the Federal Government (GAO-14-704G) Paragraph 10.03 states management designs appropriate types of control activities for the entity's internal control system. Control activities help management fulfill responsibilities and address identified risk responses in the internal control system. Control activities ensure complete, accurate, and valid transactions.

CAUSE

There was a lack of understanding across state agencies of the detailed requirements of Government Accounting Standards Board Statement 87. The Office of Management and Budget provided training for all state agencies for the implementation. However, they did not have procedures to review the lease information entered into the Lease Administration module.

EFFECT

A correction was made to account for three of the leases found in error as a result of the audit. The additional remaining errors will continue to cause misstatements each year for the duration of the lease term if uncorrected. Based on the error rate and projection, there are likely unidentified errors in lease information that would result in continued misstatements.

RECOMMENDATION

We recommend the Office of Management and Budget identify areas to improve state agencies understanding of Government Accounting Standards Board Statement 87. In addition, we recommend they implement procedures to confirm lease information reported in the Lease Administration module is correct in order to ensure accuracy of financial reporting.

OFFICE OF MANAGEMENT AND BUDGET RESPONSE

The Office of Management and Budget agrees with the recommendation.

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

Department of Commerce

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-001
Federal Program:	Coronavirus Relief Fund
ALN #:	21.019
Federal Award Number(s) and Year(s):	SLT0013, SLT0079 (2020)
Federal Agency:	U.S. DEPARTMENT OF THE TREASURY
Compliance Requirement:	Activities Allowed or Unallowed Allowable Costs/Cost Principles
Questioned Cost:	$174,422

CONDITION

The Department of Commerce issued eight duplicate grant payments totaling $174,422.48. Since we reviewed the entire population for potential duplicate payments, this amount is considered the total known questioned costs. However, two of the payments, totaling, $64,164.66 are still outstanding and Department is working with other state agencies to stop the payments from clearing.

CRITERIA

Per the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Title VI, Sec. 601 (d), payments from the Fund may only be used to cover costs that:

1. are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19);

2. were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and

3. were incurred during the period that begins on March 1, 2020, and ends on December 31, 2021.

Duplicate payments are neither necessary nor reasonable.

Federal regulation, 2 CFR 200.303, requires non-Federal entities 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

Internal controls did not prevent these payments from being issued.

EFFECT
The Department of Commerce is not in compliance with Federal regulations as the duplicate payments were not an allowable use of Federal funds.

CONTEXT
The Department of Commerce utilized Coronavirus Relief Funds to provide approximately $81.7 million of net grants beginning July 1, 2020, and ending December 31, 2021. We identified eight duplicate grant payments totaling $174,422.48 out of $82,387,566 (6,139 payments) processed as one-time payments in the state's Peoplesoft system general ledger. 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 Commerce enhance internal controls to ensure duplicate payments are not made to recipients of Federal funds.

DEPARTMENT OF COMMERCE RESPONSE
The Department of Commerce agrees with this finding.

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

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-002
Federal Program:	Coronavirus Relief Fund
ALN #:	21.019
Federal Award Number(s) and Year(s):	SLT0013, SLT0079 (2020)
Federal Agency:	U.S. DEPARTMENT OF THE TREASURY
Compliance Requirement:	Activities Allowed or Unallowed Allowable Costs/Cost Principles
Questioned Cost:	$434,568

CONDITION

The 67th Legislative Assembly in 2021 Session Law, Senate Bill 2018, Section 8, appropriated $434,568 from the Coronavirus Relief Fund to the Department of Commerce for the tourism transportation improvement grant program for a grant to be provided to an organization dedicated to preserving and promoting a historic, tourism destination North Dakota city. We reviewed supporting documentation that showed the organization used the grant to defray the costs of adding a high-capacity elevator at an amphitheater. Such a capital improvement project is not considered a necessary expenditure incurred due to the COVID-19 public health emergency. In addition, the Department was unable to provide documentation the organization was impacted by the public health emergency and eligible for the CRF funds. This $434,568 grant is considered the total known questioned costs. This error was considered an isolated instance and was not projected to the sampled population.

CRITERIA

Per the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Title VI, Sec. 601 (d), payments from the Fund may only be used to cover costs that:

1. are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19);
2. were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and
3. were incurred during the period that begins on March 1, 2020, and ends on December 31, 2021.

The Federal Register dated January 15, 2021 (Vol. 86, No.10), states that if capital improvement projects are not necessary expenditures incurred due to the COVID-19 public health emergency, then Fund payments may not be used for such projects. However, payment for expenses associated with the provision of economic support in connection with the COVID-19 public health emergency, such as expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures, would be allowable. There was no documentation supporting any costs of business interruption.

In addition, the Federal Register states the prime recipient is responsible for determining the level and detail of documentation needed from the subrecipient of small business assistance to satisfy the requirements of section

601 (d) of the Social Security Act, however, there would need to be some proof that the small business was impacted by the public health emergency and was thus eligible for the CRF funds.

Federal regulation, 2 CFR 200.303, requires non-Federal entities 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. The "Standards for Internal Control in the Federal Government" published by the United States Government Accountability Office states that management obtains relevant data from reliable internal and external sources in a timely manner based on the identified information requirements. (GAO-14-704G para.13.04).

CAUSE

While the Department of Commerce complied with legislative intent by providing a grant to an organization dedicated to preserving and promoting a historic, tourism destination North Dakota city, the Department did not review available guidelines published by the U.S. Treasury Department for allowable costs under the Coronavirus Relief Fund.

EFFECT

The Department of Commerce is not in compliance with Federal regulations. The funded capital improvement project was not a necessary expenditure incurred due to the COVID-19 public health emergency.

CONTEXT

The Department of Commerce utilized Coronavirus Relief Funds to provide approximately $81.7 million in grants beginning July 1, 2020, and ending December 31, 2021. This $434,568 grant was the only grant identified at this location earmarked to a specific organization by the ND Legislative Assembly. The Department of Commerce processed payments through the state's accounting system (Peoplesoft) accounts payable and general ledger payment methods. The error was identified within the accounts payable payment population of $9,274,447 (77 payments) where individually significant payments totaled $4,295,314 (2 payments) and sampled payments totaled $4,973,554 (57 payments). The error was not projected within the sampled payments. 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 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 on December 31, 2021, to offset the questioned costs; OR

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

DEPARTMENT OF COMMERCE RESPONSE

The Department of Commerce utilized the funds made available to it by the 67th Legislative Assembly to accomplish the intent of said legislative body.

See “Management’s Response and Corrective Action” section of this report.

FINDING TYPE: Other Noncompliance	
Finding	2022-003
Federal Program:	Coronavirus Relief Fund
ALN #:	21.019
Federal Award Number(s) and Year(s):	SLT0013, SLT0079 (2020)
Federal Agency:	U.S. DEPARTMENT OF THE TREASURY
Compliance Requirement:	Activities Allowed or Unallowed Allowable Costs/Cost Principles
Questioned Cost:	$4,880

CONDITION

The Department of Commerce awarded a $4,879.94 grant to an applicant based on the estimated costs listed in the grant application. The Department subsequently requested proof of payment from the applicant and the applicant did not respond. As a result, the Department has requested a full refund and turned the matter over to the ND Attorney General's Office for collection. The amount of the grant award is considered the total known questioned costs. This error, projected to the entire population, results in an additional possible error of $690,025.74.

CRITERIA

Per the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Title VI, Sec. 601 (d), payments from the Fund may only be used to cover costs that:

1. are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19);

2. were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and

3. were incurred during the period that begins on March 1, 2020, and ends on December 31, 2021.

In addition, the Federal Register dated January 15, 2021, indicates the direct recipient of payments from the Fund is ultimately responsible for subrecipient compliance on the use of payments from the Fund.

CAUSE

The Department of Commerce did perform application reviews before awarding funding and performed audits of randomly selected businesses during the program period. However, the beneficiary has not cooperated with the Department's requests.

EFFECT
The Department of Commerce is not in compliance with Federal regulations. Without proper support, there is no way to determine if the beneficiary used the payment from the Fund on necessary expenditures incurred due to the public health emergency with respect to COVID-19.

CONTEXT
The Department of Commerce utilized Coronavirus Relief Funds to provide approximately $81.7 million in grants beginning July 1, 2020, and ending December 31, 2021. Where sampling was performed, the audit used a non-statistical sampling method.

In a non-statistical sample of 40 of the 6,139 grant payments processed as one-time payments in the state's Peoplesoft general ledger, we identified one business that was not cooperative with the Department's requests for additional support and/or refund. Eight other beneficiaries selected for testing refunded the Department upon request.

IDENTIFICATION AS A REPEAT FINDING
Not a repeat finding.

RECOMMENDATION
We recommend the Department of Commerce continue its 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 the Treasury.

DEPARTMENT OF COMMERCE RESPONSE
The Department of Commerce agrees with this finding.

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

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-004
Federal Program:	Low-Income Home Energy Assistance
ALN #:	93.568
Federal Award Number(s) and Year(s):	2001NDLIEA and 2001NDE5C3 (2020) 2101NDLIEA and 2101NDE5C6 (2021) 2201NDLIEA (2022)
Federal Agency:	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
	Administration for Children and Families
Compliance Requirement:	Subrecipient Monitoring
Questioned Cost:	$0

CONDITION

Department of Commerce did not complete a risk assessment for subawards to Community Action Agencies and, therefore, risk assessments are not being used to determine the nature and extent of subrecipient monitoring.

CRITERIA

Pass-through entities are required (45 CFR 75.352(b)) to evaluate each subrecipients risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring described in paragraphs (d) and (e) of this section, which may include consideration of such factors as:

(1) The subrecipients prior experience with the same or similar subawards;

(2) The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with subpart F, and the extent to which the same or similar subaward has 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 HHS awarding agency monitoring (e.g., if the subrecipient also receives Federal awards directly from an HHS awarding agency).

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 Commerce did not complete risk assessments during the audit period due to COVID-19 as the Department was unable to go on-site to assess the risk at each Community Action Agency.

EFFECT
Department of Commerce may be performing insufficient subrecipient monitoring of high-risk subrecipients.

CONTEXT
Payments to the 7 Community Action Agencies that received payment as subrecipients under the LIHEAP program totaled $12,171,758 during fiscal years 2021 and 2022. The Department of Commerce did not complete risk assessments during the audit period due to COVID-19 as the Department was unable to go on-site an assess the risk at each Community Action Agency. The Department did continue to monitor the Community Action Agencies through monitoring and ensuring that the Community Action Agencies received their Federal Single Audits. 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 Commerce ensure subrecipient risk assessments are completed and used to determine the nature and extent of subrecipient monitoring.

DEPARTMENT OF COMMERCE RESPONSE
The Department of Commerce agrees with this finding.

See “Management’s Response and Corrective Action” section of this report.

Department of Health

FINDING TYPE: Material Weakness - Material Noncompliance	
Finding	2022-005
Federal Program:	Coronavirus Relief Fund
ALN #:	21.019
Federal Award Number(s) and Year(s):	SLT0013, SLT0079 (2020)
Federal Agency:	U.S. DEPARTMENT OF THE TREASURY
Compliance Requirement:	Subrecipient Monitoring
Questioned Cost:	$0

CONDITION

The Department of Health did not ensure all required grant award information for Coronavirus Relief Funds (CRF) was provided to subrecipients. In addition, the Department's internal controls were insufficient to ensure that subrecipients received communication regarding the necessary items. Required information not communicated included:

- Subrecipient's unique entity identifier,
- Federal Award Identification Number,
- Total amount of Federal funds obligated to the subrecipient by the pass-through entity including the current financial obligation,
- Name of awarding agency,
- Assistance Listing Number; and,
- Indirect cost rate for Federal award including if the de minimis rate is charged.

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.

CAUSE
The Department of Health did not utilize its traditional grant template agreement to extend CRF dollars to ambulance, fire, school districts, and hospitals. Instead, the Department used a CARES Act Coronavirus Relief Fund Eligibility Certification form which did not contain all required items.

EFFECT
These required communications are intended 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
The Department of Health utilized its traditional grant template agreement for $31.7 million in grants provided to 28 local public health units which included the best information available to describe the Federal award and subaward. However, the Department did not utilize its traditional grant template agreement to extend up to $29.8 million of CRF dollars to 121 other entities, including ambulance, fire, and school districts and hospitals. 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:
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.

DEPARTMENT OF HEALTH RESPONSE
The Public Health Division of the Department of Health and Human Services (formerly Department of Health) agrees with the recommendation.

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

FINDING TYPE: Significant Deficiency - Material Noncompliance	
Finding	2022-006
Federal Program:	Coronavirus Relief Fund
ALN #:	21.019
Federal Award Number(s) and Year(s):	SLT0013, SLT0079 (2020)
Federal Agency:	U.S. DEPARTMENT OF THE TREASURY
Compliance Requirement:	Subrecipient Monitoring
Questioned Cost:	$0

CONDITION

The Department of Health did not evaluate each subrecipient's risk of noncompliance.

CRITERIA

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 2 CFR 200.332, all pass-through entities must evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring. 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 the terms and conditions of the subaward, and that subaward performance goals are achieved.

Per 2 CFR 200.332(d)(2), pass through entities are required to ensure 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.

CAUSE

The Department of Health primarily relied on risk assessments previously conducted for entities that had entered into other traditional grant agreements with the agency. Risk assessments were not conducted on all entities that only received CRF dollars and had not entered into other traditional grant agreements.

The Department of Health indicated that prior to COVID-19, all subrecipients were subjected to sampling for a desk review. However, during COVID-19, the Department focused monitoring efforts on the 28 local public health units and pulled one random month to review expenditures being charged.

EFFECT
Monitoring activities conducted during our audit period were not determined based on subrecipient risk of noncompliance.

CONTEXT
The Department of Health provided $61.5M of CRF dollars to 149 subrecipients as follows:

- $31.7M to 28 local public health units
- $25M to 7 hospitals and related organizations
- $4.8M to 114 other entities, primarily ambulance districts

We tested 15 of the 149 subrecipients (13 randomly selected and 2 individually significant items). Based on our testing and information provided by the Department of Health, we identified the following:

- Department of Health performed adequate during the award monitoring on 6 of the 15 subrecipients selected.

- Department of Health monitored 4 subrecipients not required to have a Single Audit. Six subrecipients selected had Single Audits while the remaining five subrecipients, which received less than $100,000 in CRF funding, were not monitored nor had a Single Audit.

- Department of Health did not conduct risk assessments on 4 of the 15 subrecipients selected, mostly ambulance districts that only received CRF dollars.

The Department of Health acknowledged subjecting the 28 local public health units to subrecipient monitoring sampling. The Department tested $919,816 out of $61,521,414 of CRF payments to subrecipients or 1.5%. In addition, we noted the Department had assigned a risk level to the local public health units and hospitals selected for testing, as well as 53 ambulance districts.

Lastly, the subrecipients (local public health units, hospitals, and ambulance districts) were known to be impacted by the COVID-19 pandemic, which could make such entities low risk for noncompliance.

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 conduct during-the-award monitoring activities as required for pass-through entities in accordance with 2 CFR 200.332.

DEPARTMENT OF HEALTH RESPONSE
The Public Health Division of the Department of Health and Human Services (formerly Department of Health) agrees with the recommendation.

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

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-007
Federal Program:	WIC Special Supplemental Nutrition Program for Women, Infants, and Children; WIC Grants to States (WGS); Coronavirus Relief Fund; Public Health Emergency Preparedness; Project Grants and Cooperative Agreements for Tuberculosis Control Programs; Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices; Family Planning Services; Immunization Cooperative Agreements; Improving the Health of Americans through Prevention and Management of Diabetes and Heart Disease and Stroke; Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations; HIV Care Formula Grants; and Preventive Health and Health Services Block Grant
ALN #:	10.557, 10.578, 21.019, 93.069, 93.116, 93.130, 93.217, 93.268, 93.426, 93.898, 93.917, 93.991
Federal Award Number(s) and Year(s):	3ND807W5003 (2017 and 2018) 3ND707W1006 (2019 and 2020) WIEBT-18-ND-1 (2018) SLT0013 and SLT0079 (2020) NU90TP922054 (2019) NU52PS910216 (2020) U68HP11455 (2019) FPHPA6472A (2020 and 2021) NH23IP922623 (2019) NU58DP006547 (2018) NU58DP006282 (2017) X07HA00043 (2019 and 2020) 1NB010T009199 (2018)
Federal Agency:	U.S. DEPARTMENT OF AGRICULTURE U.S. DEPARTMENT OF TREASURY U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES U.S. DEPARTMENT OF HOMELAND SECURITY
Compliance Requirement:	Subrecipient Monitoring
Questioned Cost:	$0

CONDITION
The Health Department did not receive audit reports for all subrecipients that received greater than $750,000 or verify that all subrecipients receiving less than $750,000 from the Health Department were not subject to requirements under 2 CFR 200 Subpart F. One subrecipient received over $980,000 and the Health Department did not receive an audit report from this entity. There were 6 additional subrecipients that received less than $750,000 but there were no verifications to ensure additional Federal funds weren't received from another source. Any of these entities that received greater than $750,000 in Federal funds from all sources would be required to receive an audit under 2 CFR 200 Subpart F.

CRITERIA
2 CFR 200.332(f) states that a pass-through entity must verify that every subrecipient is audited as required by 2 CFR 200 Subpart F.

CAUSE
The tracking spreadsheet for subrecipient audit reports is not being used to verify that all subrecipients received an audit or a certification that an audit is not required.

EFFECT
The Health Department is not meeting the requirements of a pass through entity required by 2 CFR 200 Subpart F.

CONTEXT
There were 27 subrecipients that received Federal funds from the Health Department which were subject to monitoring 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 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.

DEPARTMENT OF HEALTH RESPONSE
The Public Health Division of the Department of Health and Human Services (formerly the Department of Health) agrees with this recommendation.

See “Management’s Response and Corrective Action” section of this report.

Department of Human Services

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-008
Federal Program:	Medicaid Cluster
ALN #:	93.777, 93.778
Federal Award Number(s) and Year(s):	2005ND5001, 2005ND5ADM, 2005ND5MAP (2020) 2105ND5001, 2105ND5MAP, 2105ND5ADM (2021) 2205ND5MAP, 2205ND5ADM (2022)
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:	$6,622

CONDITION

Medicaid providers did not submit proper documentation to support the services billed in 12 of 456 claims tested by the auditors. This resulted in improper payments of $6,622. When projected against the entire population, the additional likely Federal questioned costs total $17,735,959.

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.

CAUSE

Medicaid providers did not submit proper documentation to support Medicaid claims.

EFFECT

Unallowable or inaccurate payments were made to providers who later did not submit proper documentation when selected for audit.

CONTEXT

There were 10,698,524 Medicaid claims that occurred during our audit period of July 1, 2020, through June 30, 2022. The Federal Medical Assistance Percentages were used to calculate the Federal portion of the projected likely questioned costs. Where sampling was performed, the audit used a non-statistical sampling method.

The Department provided the Centers for Medicare and Medicaid Services Notification of Improper Payment Rates for North Dakota dated 11/15/22. The target rate for fee-for-service payment errors was 14.88% with an estimated rate of 3.04% based on 387 sampled claims identified through the Payment Error Rate Measurement Program (PERM). The error rate of the claims audited by the ND State Auditor's Office is 2.63% which is below this threshold.

IDENTIFICATION AS A REPEAT FINDING

Finding 2020-005 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 HUMAN SERVICES RESPONSE

The Department agrees to recover payments made on unsupported claims.

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

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-009
Federal Program:	Medicaid Cluster
ALN #:	93.777, 93.778
Federal Award Number(s) and Year(s):	2005ND5001, 2005ND5ADM, 2005ND5MAP (2020) 2105ND5001, 2105ND5MAP, 2105ND5ADM (2021) 2205ND5MAP, 2205ND5ADM (2022)
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 Department of Human Services has not completed a risk analysis and security review of the Medicaid Management Information System (MMIS) since 2019.

CRITERIA
45 CFR 95.621(f)(3) states that state agencies shall review the Automatic Data Processing (ADP) system security of installations involved in the administration of Health and Human Services (HHS) programs on a biennial basis.

45 CFR 95.621(f)(6) states that the state agency shall maintain reports of their biennial ADP system security reviews, together with pertinent supporting documentation, for HHS on-site review.

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
A risk analysis and security review was not completed in 2020 and 2021 due to resources being dedicated to the developing of new software. This new software will automate many of the processes surrounding the risk analysis and security review as well as user access reviews and will save personnel time.

EFFECT
The risk analysis has not been completed regularly and there is the possibility the security over different areas of the system can become compromised bringing into question the validity of the data contained within the system.

CONTEXT

There were $2,496,097,225 of Medicaid payments that were processed in the MMIS and eligibility systems during our audit period of July 1, 2020, through June 30, 2022. 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 complete a risk analysis and security review of MMIS biennially.

DEPARTMENT OF HUMAN SERVICES RESPONSE

The Department agrees with the recommendation.

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

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-010
Federal Program:	Medicaid Cluster
ALN #:	93.777, 93.778
Federal Award Number(s) and Year(s):	2005ND5001, 2005ND5ADM, 2005ND5MAP (2020) 2105ND5001, 2105ND5MAP, 2105ND5ADM (2021) 2205ND5MAP, 2205ND5ADM (2022)
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 medical loss ratio report for reporting calendar year 2020 did not contain the minimum Federal regulation required elements. DHS did not maintain the required attestation statement to address accuracy for reporting year 2020. As of March 2, 2023, the medical loss ratio report for reporting year 2021, which was due in November 2022, has not been finalized as outlined in the Sanford Health Plan contract. The contract required completion prior to 11 months following the applicable MLR reporting year or a mutually agreed upon alternative date.

CRITERIA

Effective January 1, 2020, Sanford Health Plan Contract states, prior to 11 months following the applicable MLR reporting year or a mutually agreed upon alternative date, STATE shall finalize the MLR (Medical Loss Ratio) reporting year with any balance due to STATE as required in paragraph (G) of this section within 60 days.

42 CFR 438.8 (n) MCOs, PIHPs, and PAHPs must attest to the accuracy of the calculation of the MLR in accordance with requirements of this section when submitting the report required under paragraph (k) of this section.

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 attestation statement to address accuracy was not provided to the auditor. The Department indicated the statement was obtained by an employee no longer with the Department and it was not shared with other team members.

The Medical Loss Ratio report for reporting year 2021 was not finalized as outlined in the Sanford Health Plan Contract, "Prior to 11 months following the applicable MLR reporting year or a mutually agreed upon alternative date, STATE shall finalize the MLR reporting year with any balance due to STATE as required in paragraph (G)

of this section within 60 days". This was due to a large reconciliation taking longer than normal to complete. A mutually agreed upon alternative date was not determined due to research needing to be done on both sides, sometimes not knowing how long it would take.

EFFECT

Absent the inclusion of all required medical loss ratio information, the Department cannot demonstrate compliance with Federal regulations.

CONTEXT

During our audit period of July 1, 2020, through June 30, 2022, the Department of Human Services contracted with one MCO health plan that was subject to MLR Federal reporting requirements. 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 ensures the medical loss ratio report is finalized as outlined in the contract and all required documentation is properly maintained.

DEPARTMENT OF HUMAN SERVICES RESPONSE

The Department agrees with the finding.

See “Management’s Response and Corrective Action” section of this report.

FINDING TYPE: Significant Deficiency	
Finding	2022-011
Federal Program:	Medicaid Cluster
ALN #:	93.777, 93.778
Federal Award Number(s) and Year(s):	2005ND5001, 2005ND5ADM, 2005ND5MAP (2020) 2105ND5001, 2105ND5MAP, 2105ND5ADM (2021) 2205ND5MAP, 2205ND5ADM (2022)
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:	$0

CONDITION

The Department of Human Services did not complete an access review of the Medicaid Management Information System (MMIS) fee schedule for 2020 or 2021. The Department also did not complete a security review of all major Medicaid information systems for 2021 or 2022.

CRITERIA

Standards for Internal Control in the Federal Government requires management designs other control activities to promptly update access rights when employees change job functions or leave the entity. Management also designs control activities for access rights when different information technology elements are connected to each other. (GAO-14-704G para 11.14).

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 MMIS fee schedule access review was not completed in 2020 and 2021 and review of access rights for the major Medicaid information systems was not completed in 2021 and 2022 due to resources being dedicated to the developing of new software. The new software being developed may automate many of the processes surrounding the risk analysis and security review as well as user access reviews.

EFFECT

There is a risk that employees whose job duties have changed still have access to confidential information.

CONTEXT

There were $2,496,097,225 of Medicaid payments that were processed in the MMIS and eligibility systems during our audit period of July 1, 2020, through June 30, 2022. 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 review access rights to the Medicaid Management Information System (MMIS) fee schedule and all major Medicaid information systems on a regular basis.

DEPARTMENT OF HUMAN SERVICES RESPONSE

The Department agrees with the recommendations.

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

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-012
Federal Program:	CCDF Cluster
ALN #:	93.575, 93.596
Federal Award Number(s) and Year(s):	2001NDCCDF, 2001NDCCC3 (2020) 2101NDCDC6, 2101NDCCC5, 2101NDCSC6, 2101NDCCDF (2021) 2201NDCCDD (2022)
Federal Agency:	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
	Administration for Children and Families
Compliance Requirement:	Special Tests
Questioned Cost:	$0

CONDITION

The Department of Human Services is not properly monitoring corrective orders issued to child care providers and performing re-inspections of identified deficiencies within specified time frames. 5 of 586 corrective orders issued during our audit period did not identify a date the orders were corrected. 187 of 586 (32%) corrective orders were not re-inspected within the 24-hour, 20-day, or 60-day time frame allowed for correction. 8 of 586 (1%) correction orders indicated correction before the violation date which potentially could mean inaccurate dates were being tracked.

CRITERIA

North Dakota Century Code (NDCC) section 50-11.1-07.2 requires that the Department or the Department's authorized agency issue a correction order whenever it is determined upon inspection that a program or premises is not in compliance with this chapter or rules adopted under this chapter.

NDCC section 50-11.1-07.3 requires the Department or the Department's authorized agency shall re-inspect an early childhood program issued a correction order under NDCC section 50-11.1-07.2, at the end of the period allowed for correction.

45 CFR 98.41 requires that lead agencies must certify that procedures are in effect to ensure that providers serving children who receive subsidies comply with all applicable health and safety requirements.

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's procedures for monitoring the resolution of corrective orders is ineffective. Due to employee turnover and the lack of guidance, corrective orders and dates are not consistently documented on the tracking sheet.

EFFECT
Child care providers are operating without proper follow-up of corrective orders potentially jeopardizing the health and safety of children.

CONTEXT
During fiscal years 2021 and 2022, there were 1,170 licensed providers in North Dakota receiving payments from the Child Care Assistance program.

The following list is the number of corrective orders issued by calendar year:
2022 - 152 (through July)
2021 - 291
2020 - 143 (July through December)

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

IDENTIFICATION AS A REPEAT FINDING
Finding 2020-011 was reported in the immediate prior year. Findings 2018-013 and 2016-026 were made in previous years.

RECOMMENDATION
We recommend the Department of Human Service improve procedures to ensure child care correction orders are resolved before the end of each allowed correction period with accurate tracking of dates.

DEPARTMENT OF HUMAN SERVICES RESPONSE
The Department of Health and Human Service agrees with this recommendation.

See “Management’s Response and Corrective Action” section of this report.

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-013
Federal Program:	CCDF Cluster
ALN #:	93.575, 93.596
Federal Award Number(s) and Year(s):	2001NDCCDF, 2001NDCCC3 (2020) 2101NDCDC6, 2101NDCCC5, 2101NDCSC6, 2101NDCCDF (2021) 2201NDCCDD (2022)
Federal Agency:	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
	Administration for Children and Families
Compliance Requirement:	Special Tests
Questioned Cost:	$0

CONDITION

The Department of Human Services is not performing annual unannounced inspections of child care providers in operation. An annual unannounced inspection was not completed on 9 of 71 providers that were tested.

CRITERIA

45 CFR 98.42(b)(2)(B) requires that not less than annually, an unannounced inspection for compliance with all child care licensing standards, which shall include an inspection for compliance with health and safety and fire standards, shall be completed.

Department policy 620-01-116 states, the authorized agent is required to perform an unannounced review at least annually for each licensed or self-declared child care provider.

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's procedures for ensuring unannounced visits are performed annually is ineffective.

EFFECT

Child care providers are operating child care facilities without proper monitoring of whether health and safety conditions have been met.

CONTEXT

During fiscal years 2021 and 2022 there were 1,871 providers from the Child Care Assistance program. The 12.7% error rate applied to the population would result in an estimated 237 providers not receiving unannounced

visits. Errors were found within group, center, and self-declared providers. Where sampling was performed, the audit used a non-statistical sampling method.

IDENTIFICATION AS A REPEAT FINDING

Finding 2020-015 was reported in the immediate prior year. Findings 2018-017 and 2016-027 were made in previous years.

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.

DEPARTMENT OF HUMAN SERVICES RESPONSE

The Department agrees with the recommendation.

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

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-014
Federal Program:	Low-Income Home Energy Assistance
ALN #:	93.568
Federal Award Number(s) and Year(s):	2001NDLIEA, 2001NDE5C3 (2020) 2101NDLIEA, 2101NDE5C6 (2021) 2201NDLIEA (2022)
Federal Agency:	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
	Administration for Children and Families
Compliance Requirement:	Reporting
Questioned Cost:	$0

CONDITION

The Department of Human Services (DHS) is incorrectly identifying the ND Department of Commerce (Commerce) as a subrecipient for reporting purposes. DHS entered into $8,900,000 worth of subcontracts for the audit period 7/1/20-6/30/22. $8,000,000 was contracted with the Department of Commerce (4 contracts), who then subawarded 27 contracts worth $7,890,001 to 7 different Community Action Agencies. The other $900,000 was correctly subawarded by DHS through 2 contracts to Community Options for outreach services.

DHS entered into contracts with Commerce, which Commerce then subawarded to Community Action Agencies for Weatherization and Emergency Furnace programs under the Low-Income Home Energy Assistance Program (LIHEAP). DHS reported the 4 contracts with Commerce for FFATA. All 27 contracts with the Community Action Agencies by Commerce were not correctly identified as subawards for FFATA reporting. Because of this, the FFATA reporting does not accurately show the subawards of the state. In addition, by incorrectly reporting the Department of Commerce as a subrecipient, DHS overstated the total amount subawarded by $109,999 as the Department of Commerce used this amount for administrative expenses.

Transactions Tested	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
33 contracts	27	0	27	0
Dollar Amount of Tested Transactions	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
$8,900,000	$7,890,001	$0	$109,999	$0

CRITERIA

Non-federal entities are required to submit FFATA reporting according to 45 CFR 75.300(b). Per Part 3 of the Compliance Supplement, Subrecipient Monitoring section, "Transfers of Federal awards to another component of the same auditee under 2 CFR Part 200, Subpart F, do not constitute a subrecipient or contractor relationship".

The ND Department of Commerce, receiving Federal funds from the ND Department of Human Services to subaward to the Community Action Agencies, is a pass-through entity according to the following definitions.

- 45 CFR 75.2 Pass-through Entity means a non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal program.

- 45 CFR 75.2 Subrecipient means an entity, usually but not limited to non-Federal entities, that receives a subaward from a pass-through entity to carry out part of a Federal award; but does not include an individual that is a beneficiary of such award. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.

- 45 CFR 75.2 Subaward means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.

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
DHS did not properly distinguish another state agency (Commerce) as a pass-through entity in subrecipient tracking methods and failed to identify the subawards to Community Action Agencies.

EFFECT
DHS incorrectly identified funds passed through to Commerce as a subrecipient relationship and reported subawards paid to Commerce in FFATA reporting. Subawards that the ND has with Community Action Agencies were not reported in the Federal Funds Accountability and Transparency Act (FFATA) reporting. In doing so, DHS and Commerce did not report 27 subawards to Community Action Agencies. Since DHS did report subaward amounts with Commerce, the net error amount is $109,999 for the audit period 7/1/20 - 6/30/22.

CONTEXT
The North Dakota Department of Human Services administers the LIHEAP program and contracts with the Department of Commerce to administer the Weatherization and Emergency Furnace programs under the LIHEAP program. Commerce entered into 27 contracts between 7 Community Action Agencies for a total amount of $7,890,001 during the audit period 7/1/20-6/30/22. The Community Action Agencies were not identified as the recipients of the subawards for LIHEAP. This resulted in a qualitative reporting error and a net reporting amount error of $109,999. 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 coordinate with the Department of Commerce to properly report subawards of the state under the LIHEAP program for FFATA reporting.

DEPARTMENT OF HUMAN SERVICES RESPONSE

The Department agrees with the recommendation.

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

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-015
Federal Program:	Low-Income Home Energy Assistance
ALN #:	93.568
Federal Award Number(s) and Year(s):	2001NDLIEA, 2001NDE5C3 (2020) 2101NDLIEA, 2101NDE5C6 (2021) 2201NDLIEA (2022)
Federal Agency:	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
	Administration for Children and Families
Compliance Requirement:	Eligibility
Questioned Cost:	$749

CONDITION

We identified an individual receiving LIHEAP benefits when they were living at one of their parents' houses rent-free. There was no rental contract on file or adequate documentation to allow this individual to receive LIHEAP benefits. We identified a known error of $749.37. When projected against the population, the remaining likely projected error is $302,293.17.

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.

DHS LIHEAP policy 415-20-10-35, "Households that receive rent-free housing including fuel as a required condition of part of an employment agreement, or as a gift, or through legal action (separation/divorce), are NOT vulnerable to the rising cost of heat and are therefore not eligible for heating assistance from LIHEAP."

CAUSE

County eligibility workers did not obtain enough documentation to confirm that the case was in compliance with DHS LIHEAP policy 415-20-10-35.

EFFECT

Improper overpayment of LIHEAP benefits.

CONTEXT

During state fiscal years, approximately 189,548 payments, totaling $34 million, were processed through the Department of Human Services' Legacy and SPACES eligibility systems. From the SPACES system there were 88,917 payments totaling $15.5 million and from the LEGACY system there were 100,631 payments totaling $18.4 million. The State Auditor's office performed a test of 80 payments, 40 from LEGACY and 40 from SPACES. The

SPACES sample of payments was stratified with 66,548 payments under $200 (13 tested); 21,606 payments from $200-$999 (tested 24); and 763 payments with amount over $1,000 (tested 3). The error was identified in eligibility testing of payment records from the SPACES system which were approximately $15.5 million, and projected within stratified payments individually less than $200 ($5.28 million, 66,548 payments). 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 ensure adequate rental documentation is on file and proper eligibility determinations of the Low-Income Home Energy Assistance Program (LIHEAP) are made.

DEPARTMENT OF HUMAN SERVICES RESPONSE

The Department agrees with the recommendation.

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

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-016
Federal Program:	Low-Income Heating Energy Assistance
ALN #:	93.568
Federal Award Number(s) and Year(s):	2001NDLIEA, 2001NDE5C3 (2020) 2101NDLIEA, 2101NDE5C6 (2021) 2201NDLIEA (2022)
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:	$1,943

CONDITION

The Department of Human Services (DHS) did not prevent duplicate LIHEAP benefit payments. Potential duplicate payments made during the audit period were identified by analyzing cases with combinations of the same case number (SPACES system) or Social Security Number (SSN) (Legacy system), Fuel Type, Benefit Month, Provider, and Amount. In addition, duplicate SSNs were analyzed to identify individuals in more than one case meaning that individuals would be counted in the number of persons in more than one household for calculating LIHEAP benefit payments. The duplicate payment test identified a known duplicate payments error of $1,415 and, projected to the population, a remaining likely questioned cost of $181,183. The duplicate SSN test identified a known overpayment of $528 and, projected to the population, a remaining likely questioned cost of $2,961. There was a 35% (7 of 20 tested) error rate in duplicate payments and a 90% (18 of 20 tested) error rate in duplicate SSNs.

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.

DHS policy 415-15-10-20 for verification of eligibility states verification of the applicant's statement of resources, or any other factor of eligibility and benefit determination, may be required whenever it is questionable in the judgment of the county social service board representative. If the required verification is refused, the application may be denied. In addition to the household income, eligibility and/or benefit determination factors include, but are not limited to identity, location and size of home, type of fuel, various dates, household composition, vulnerability, etc. If there is a court order or legal agreement form that indicates that both parents have 50% custody of their children, each parent can count the children in their household.

CAUSE
The DHS does not have proper procedures in place to detect and prevent duplicate or improper payments from being issued. Legacy and SPACES automatically calculate benefit payments. DHS is also able to make manual payments in addition to the calculated benefit payments. In addition, Case files lacked adequate documentation such as custody agreements and court orders at the time of eligibility determination for children in split custody arrangements. DHS does not have a policy to define 50% custody when a custody agreement or court order is not provided.

EFFECT
Overpayment of LIHEAP benefits.

CONTEXT
The LIHEAP program had approximately 189,548 benefit payments to individuals totaling $34 million for fiscal years 2021 and 2022. Out of those payments our office identified 12,689 potential duplicate payments totaling $1,437,329 and a separate 263 payments with duplicate SSNs indicating the same individual in multiple households/cases totaling $70,110. 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 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.

DEPARTMENT OF HUMAN SERVICES RESPONSE
The Department agrees with the finding.

See “Management’s Response and Corrective Action” section of this report.

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-017
Federal Program:	Low-Income Home Heating Assistance
ALN #:	93.568
Federal Award Number(s) and Year(s):	2001NDLIEA, 2001NDE5C3 (2020) 2101NDLIEA, 2101NDE5C6 (2021) 2201NDLIEA (2022)
Federal Agency:	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
	Administration for Children and Families
Compliance Requirement:	Eligibility
Questioned Cost:	$0

CONDITION

We found that, of the 40 cases tested from the Department of Human Services' (DHS) Legacy system for proper eligibility, 17 cases were processed as eligible without a worker verifying eligibility information through the State NDVerify system. Under the LIHEAP FFY 2021 and FFY 2022 Detailed Model Plan (SF-424) of the State Plan, Monitoring section, NDVerify is identified as the monitoring schedule and protocol under section 10.6. This section in the State Plan is the response for covering 45 CFR § 75.342, Monitoring and Reporting Program Performance. The Department implemented a new SPACES eligibility system for LIHEAP which was used for the 2022 heating season. NDVerify is integrated into the SPACES system and there were no errors in testing that NDVerify in SPACES was searched for the 2022 heating season eligibility.

CRITERIA

45 CFR 75.342(a), Monitoring by the Non-Federal Entity, states the non-Federal entity is responsible for oversight of the operations of the Federal award supported activities. The non-Federal entity must monitor its activities under Federal awards to assure compliance with applicable Federal requirements and performance expectations are being achieved. Monitoring by the non-Federal entity must cover each program, function or activity.

Within the Detailed Model Plan (SF-424), section 10.6 (Monitoring), of the FFY 2021 and FFY 2022 State Plans, DHS submitted monitoring schedule and protocol using NDVerify. "The North Dakota Department of Human Services has built a web-based verification system called NDVerify that streamlines the search of different interfaces/sources to obtain verification electronically. NDVerify allows eligibility workers to search multiple interfaces/sources for all household members included in a LIHEAP case at the same time. NDVerify also stores the search based on the date completed for historical purposes."

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

NDVerify was not integrated with the Legacy System. The DHS does not have a policy specifically requiring workers to perform NDVerify checks for all applications. While the Detailed Model Plan (SF-424) of the State Plan identifies several eligibility checks to integrated information through NDVerify, the DHS considers the use of NDVerify as optional and an available resource rather than a requirement.

EFFECT

Without verifying information with available state interfaces, there is no way to tell if the applicant is providing all the necessary information and this could impact eligibility determinations.

The following sources/interfaces are included with NDVerify:

- Birth/Death Records (ND Vital Records)
- Health Insurance (DEERS)
- ND Child Support
- ND Department of Corrections
- ND Motor Vehicle/Watercraft (Motor Vehicle/Game & Fish)
- ND State Directory of New Hire
- ND State Hospital Admission/Discharge
- ND Unemployment Insurance Benefits (Job Service)
- ND Wages (Job Service)
- Other Benefit Information (SSA)
- SNAP Intentional Program Violations
- WSI Medical Claims Status
- Request UPA
- Request 40 Quarters
- Systematic Alien Verification for Entitlements (SAVE)

CONTEXT

The Department utilized the Legacy system for the 2021 heating season. Per the FFY 2021 Household report, there were 14,282 applications and $18,407,731.73 in payments for the LIHEAP Program. DHS implemented the SPACES system for the 2022 heating season. NDVerify is integrated with SPACES and there were no errors in testing that NDVerify was used within SPACES. 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 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.

DEPARTMENT OF HUMAN SERVICES RESPONSE

The Department disagrees with this finding.

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

AUDITOR'S CONCLUDING COMMENTS

DHS informed the Federal agency of their procedures for Program Integrity in Section 17 of the state plan, "All sources and types of income that exceed $500 per year must be verified." DHS also, outlines under their monitoring procedures in the State plan that the eligibility workers have access to the NDVerify system to verify identification and income. NDVerify allows DHS to obtain identification and income records such as birth/death records, health insurance, child support, new hire information, unemployment insurance benefits, social security administration, supplemental nutrition assistance program benefits, etc. Relying solely on hard copies from the applicant to determine eligibility and not cross-checking the information for accuracy is not verifying all sources nor following procedures that were identified to the Federal agency in the state plan.

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-018
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:	Eligibility
Questioned Cost:	$977

CONDITION

The Department of Human Services, Emergency Rental Assistance (ERA) program, incorrectly calculated monthly rental assistance amounts by using the incorrect monthly rent amount and transition percentage for the applicable month of assistance. More specifically, 1 out of the 60 households sampled received monthly assistance in excess of the proper calculated payment amounts resulting in total overpayments of $977 and total likely projected questioned costs of $155,267.

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.

ND ERA Policies & Procedures states that, "North Dakota will implement a payment coverage structure that provides applicants with rental assistance required while supporting their transition from relying on rental assistance. Availability of assistance will be structured as follows: Months one (1) through six (6): 100% of rent will be eligible, Months seven (7) through ten (10): 85% of rent will be eligible, Months (11) through eighteen (18): 70% of rent will be eligible". The outlined policy allows for an individual to receive up to twelve months of total rental assistance including 100% of their monthly rent for the first 6 months, 85% of their monthly rent for the next four months, and 70% of their monthly rent for the final two months.

CAUSE

The Department of Human Services, Emergency Rental Assistance (ERA) program, review did not identify correct monthly rent amounts and applied incorrect assistance percentages used to calculate the monthly ERA payments.

EFFECT

The Department issued payments that were not allowable under the Emergency Rental Assistance program.

CONTEXT

During state fiscal years, approximately 11,178 applications, totaling $46 million were processed by the Department. The State Auditor's office performed a test of sixty applications with one error that resulted in an

overpayment of $977 and projected to additional likely questioned costs of $155,267. 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 (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.

DEPARTMENT OF HUMAN SERVICES RESPONSE

The Department of Human Services agrees with the recommendation.

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

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-019
Federal Program:	Children's Health Insurance Program
ALN #:	93.767
Federal Award Number(s) and Year(s):	2005ND5021 (2020) 2105ND5021 (2021) 2205ND5021 (2022)
Federal Agency:	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
	Centers for Medicare and Medicaid Services
Compliance Requirement:	Eligibility
Questioned Cost:	$498

CONDITION

During our testing of eligibility, we noted that eligibility was not properly determined by the Department of Human Services (DHS) for 1 of 60 CHIP cases that were tested. For this case, the income exceeded the Federal Poverty Line (FPL) threshold for CHIP. This resulted in a known Federal error for this case of $498 with a likely additional federal questioned cost of $52,643.

CRITERIA

42 CFR 457.965 states the State must include in each applicant's record facts to support the State's determination of the applicant's eligibility for Children's Health Insurance Program (CHIP).

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 431.804 "Eligibility error" is an error resulting from the States' improper application of Federal rules and the State's documented policies and procedures that causes a beneficiary to be determined eligible when he or she is ineligible for Medicaid or CHIP, causes a beneficiary to be determined eligible for the incorrect type of assistance, causes applications for Medicaid or CHIP to be improperly denied by the State, or causes existing cases to be improperly terminated from Medicaid or CHIP by the State. An eligibility error may also be caused when a redetermination did not occur timely or a required element of the eligibility determination process (for example income) cannot be verified as being performed/completed by the state.

42 CFR 431.960(b)(1) A data processing error is an error resulting in an overpayment or underpayment that is determined from a review of the claim and other information available in the State's Medicaid Management Information System, related systems, or outside sources of provider verification resulting in Federal and/or State improper payments.)

CAUSE
Since the income was over the FPL for CHIP, the Department stated that state's system, SPACES, should have sustained benefits under the existing coverage which, in this one case was Medicaid (Affordable Care Act Child). The Department stated the SPACES system failed to sustain the benefits under Medicaid. Both Medicaid and CHIP are fee-for-service programs and the total payment amount was not impacted.)

EFFECT
The Department incorrectly claimed the FMAP rate for CHIP rather than Medicaid based on the child's category of eligibility.

CONTEXT
There were 18,177 payments totaling $26.2 million made during the audit period from CHIP. The individual case was from a stratified population of $17,965,913 for individual payment amounts between $1,000 to $49,999. The payment of $4,134 was projected to this stratified population of CHIP payments. The FMAP rates were then applied to the payment and the projection amount to determine the Federal amount in error which were calculated as the difference between the CHIP FMAP rate (71.85%) and Medicaid FMAP rate (59.79%). Where sampling was performed, the audit used a non-statistical sampling method.

IDENTIFICATION AS A REPEAT FINDING
Finding 2020-002 was reported in the immediate prior year. Findings 2018-002 and 2016-004 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 for CHIP.

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.

DEPARTMENT OF HUMAN SERVICES RESPONSE
The Department agrees with this recommendation.

See “Management’s Response and Corrective Action” section of this report.

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-020
Federal Program:	Block Grants for Prevention and Treatment of Substance Abuse
ALN #:	93.959
Federal Award Number(s) and Year(s):	TB08TI010033-19, 6B088TI083051-01M001, 6B08TI083469-01M002, 1B08TI084664-01 (2019, 2020, 2021, 2022)
Federal Agency:	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
	Substance Abuse and Mental Health Services Administration
Compliance Requirement:	Level of Effort
Questioned Cost:	$509,330

CONDITION

The Department of Human Services did not meet the level of effort requirement for pregnant women and women with dependent children as they were unable to provide tracking information on the expenditures for the related services provided during the audit for the 2019 and 2020 grant awards. At a minimum, the Department was required to maintain a level of effort of the 1994 base amount which was $254,665. Since the Department was unable to identify expenditures for the 2019 and 2020 grant awards, the known error is $509,330.

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.

Per 45 CFR 96.124(c):

> (1) The State for fiscal year 1993 shall expend not less than five percent of the grant to increase (relative to fiscal year 1992) 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). The base for fiscal year 1993 shall be an amount equal to the fiscal year 1992 alcohol and drug services Block Grant expenditures and State expenditures for pregnant women and women with dependent children as described in paragraph (e) of this section, and to this base shall be added at least 5 percent of the 1993 Block Grant allotment. The base shall be calculated using Generally Accepted Accounting Principles and the composition of the base shall be applied consistently from year to year. States shall report the methods used to calculate their base for fiscal year 1992 expenditures on treatment for pregnant women and women with dependent children.
>
> (2) For fiscal year 1994, the State shall, consistent with paragraph (c)(1) of this section, expend not less than five percent of the grant to increase (relative to fiscal year 1993) the availability of such services to pregnant women and women with dependent children.

(3) For grants beyond fiscal year 1994, the States shall expend no less than an amount equal to the amount expended by the State for fiscal year 1994.

CAUSE
The Department indicated there are no providers offering these specialized treatment services for pregnant women and women with dependent children.

EFFECT
Noncompliance with 45 CFR 96.124(c) to provide treatment services designed for pregnant women and women with dependent children at no less than an amount equal to the amount expended by the State for fiscal year 1994.

Pregnant women addicted to drugs or alcohol face significant risks. The drug rehab programs for pregnant women and women with children provide specific services and support.

CONTEXT
The 2019 and 2020 grant years were the only grants to close during the audit period. The 1994 base amount is $254,655 per grant year. The substance abuse program expenditures for SFY 2021 were $10,447,419 and SFY 2022 were $6,310,633 as reported on the SFY 2021, 2022 Schedule of Expenditures of Federal Awards for CFDA 93.959. 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 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

DEPARTMENT OF HUMAN SERVICES RESPONSE
The Department agrees with the recommendation.

See “Management’s Response and Corrective Action” section of this report.

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-021
Federal Program:	Rehabilitation Services Vocational Rehabilitation Grants to States
ALN #:	84.126
Federal Award Number(s) and Year(s):	H126A190051 (2019)
Federal Agency:	U.S. DEPARTMENT OF EDUCATION
Compliance Requirement:	Period of Performance
Questioned Cost:	$2,454

CONDITION

The Department of Human Services made payments under the Vocational Rehabilitation program outside of the period of performance for the 2019 grant award which had a period of performance of 10/1/18 - 9/30/19 with an allowable liquidation period through 1/31/2021. More specifically, the program charged $2,454 to the 2019 grant award when the underlying obligations actually occurred during the 2020 grant award period of performance.

CRITERIA

The following criteria note that Federal funds must be obligated by the end of the two-year period of performance window and those obligations must be liquidated within 120 days after the end date of period of performance.

2 CFR 200.344 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 120 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.

2 CFR 200.303 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 Human Services, Vocational Rehabilitation Program, review of the expenditure period of performance, as outlined in its period of performance procedures, were not followed. Therefore, the grant award monitoring procedures were unable to detect payments made outside of the period of performance.

EFFECT

Unallowable costs totaling $2,454 were charged to the 2019 grant award with a total projected questioned cost amount of $41,717.

CONTEXT

The Department of Human Services, Vocational Rehabilitation program, had expenditures of $412,720 after the obligation period for the 2019 and 2020 awards. Of this amount, one payment totaling $2,454 was identified by sampling as an error. Where sampling was performed, the audit used a non-statistical sampling method.

IDENTIFICATION AS A REPEAT FINDING

Finding 2020-019 was reported in the immediate prior year. Findings 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 Human Services follow its procedures to prevent and detect Vocational Rehabilitation payments from occurring outside the period of performance.

DEPARTMENT OF HUMAN SERVICES RESPONSE

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

See “Management’s Response and Corrective Action” section of this report.

Department of Public Instruction

FINDING TYPE: Material Weakness - Material Noncompliance	
Finding	2022-022
Federal Program:	Child Nutrition Cluster
ALN #:	10.553, 10.555, 10.556, 10.559, 10.582
Federal Award Number(s) and Year(s):	3ND300309 (2021 and 2022) 3ND310378 (2022)
Federal Agency:	U.S. DEPARTMENT OF AGRICULTURE
	Food and Nutrition Service
Compliance Requirement:	Reporting
Questioned Cost:	$0

CONDITION

The Department of Public Instruction 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 three areas:

1. The Department of Public Instruction did not report the subaward information for the Fresh Fruit and Vegetable program (Assistance Listing number 10.582) for the 2021 grant year which runs from October 2020-September 2021. After an analysis of grant awards for that grant year, it was discovered that 14 subawards should have been reported to FFATA, totaling $1,593,654.

Transactions Tested	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
14	14	0	0	0
Dollar Amount of Tested Transactions	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
$1,593,654	$1,593,654	$0	$0	$0

2. The Department of Public Instruction did not report the subaward information timely for the Fresh Fruit and Vegetable program (Assistance Listing number 10.582) for the 2022 grant year awards (October 2021-September 2022) awarded in October 2021. After an analysis of grant awards awarded in October 2021, we tested 5 of 13 awards and found all 5 were not submitted timely to FFATA. Four (4) of the tested awards should have been reported to FFATA by 1/31/2022. The fifth award should have been reported to FFATA by 2/28/2022. They were all reported to FFATA on 7/28/2022. Those grant awards totaled $623,000.

Transactions Tested	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
5	0	5	0	0
Dollar Amount of Tested Transactions	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
$623,000	$0	$623,000	$0	$0

3. FFATA isn't being submitted for the following Assistance Listing numbers: 10.553, 10.555, 10.556 and 10.559. Because these Assistance Listing numbers are all included in one grant award, therefore, one FAIN number, they would all be reported in one FFATA report. The Department of Public Instruction did not report the subaward information for FAIN 223ND309N1099. After an analysis of these grant awards, 206 sponsors receiving total Federal grant payments over $30,000 should have been reported. Those grant payments totaled $168,897,721. The $169 million is based on payments made from 7/1/2020 - 6/30/2022.

Transactions Tested	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
206	206	0	0	0
Dollar Amount of Tested Transactions	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
$168,897,721	$168,897,721	$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.

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

Based on discussion with staff, a lack of understanding of FFATA reporting requirements resulted in the FFATA reporting errors. The Department of Public Instruction is only reporting FFATA for the Fresh Fruit and Vegetable program because the amounts given to sponsors is predetermined and not reimbursement based. For the other programs in the Child Nutrition Cluster, DPI does not report FFATA because they are meal count grants and amounts are not predetermined. There is no waiver or statement in the grant terms and conditions for the meal count grants saying that FFATA doesn't need to be completed for these programs. The Department also couldn't find a waiver or any information from their USDA contact saying that FFATA doesn't need to be completed. Therefore, the FFATA should have been completed for all programs in the Child Nutrition Cluster. Because the

awards to sponsors are not predetermined, the auditor is reporting grant payments during the audit period instead of award amounts.

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

There were 539 sponsors receiving Federal grant awards during our audit period totaling $174,653,181. Of those 539 sponsors, 233 (43%) were over the $30,000 threshold and should have been reported to FFATA, for a total of $172,004,887 (98%). Of the 233 sponsors over the $30,000 threshold, only 13 sponsors (6%) were reported to FFATA, totaling $1,513,512 (1%). This results in 220 sponsors receiving Federal grant awards (94%) not reported to FFATA, totaling $170,491,375 (99%). 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 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.

DEPARTMENT OF PUBLIC INSTRUCTION RESPONSE
We agree with the finding.

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

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-023
Federal Program:	Child Nutrition Cluster
ALN #:	10.553, 10.555, 10.556, 10.559
Federal Award Number(s) and Year(s):	3ND300309 (2021)
Federal Agency:	U.S. DEPARTMENT OF AGRICULTURE
	Food and Nutrition Service
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 Child Nutrition Cluster program prior to February of 2021.

CRITERIA
31 U.S.C. 7502(f)(2)(A) states that each pass-through entity shall provide subrecipient the Federal requirements which govern the use of such awards.

2 CFR 200.332 states the required information that pass-through entities must disclose. This includes information related to Federal award identification, requirements imposed by the pass-through entity on the subrecipient, any additional requirements, approved federally recognized indirect cost rate, requirement that the subrecipient allow access to records, and appropriate terms and conditions concerning closeout of the subaward.

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 prior audit finding corrective action wasn't implemented until February of 2021. Therefore, the grant templates were still missing information as was documented during the 2019-2020 single audit.

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

CONTEXT
During our audit period, there were 412 subrecipients receiving Federal grant agreements for the Child Nutrition Cluster program. During 2021, there were 215 subrecipients and 197 in 2022. As there was a similar finding in our prior audit that was not implemented until February of 2021, only grants obligated after this date and before the end of our audit period of 6/30/2022 were considered in our testing. Grants made prior to February 2021 were

considered to have missing information. During our testing, no missing information was noted in grants made after February 2021. Where sampling was performed, the audit used a non-statistical sampling method.

IDENTIFICATION AS A REPEAT FINDING

Finding 2020-022 was reported in the immediate prior year. Finding 2018-042 and 2016-068 were made 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 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.

DEPARTMENT OF PUBLIC INSTRUCTION RESPONSE

The Department of Public Instruction agrees with the recommendation

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

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-024
Federal Program:	Child and Adult Care Food Program
ALN #:	10.558
Federal Award Number(s) and Year(s):	3ND300309 (2021)
Federal Agency:	U.S. DEPARTMENT OF AGRICULTURE
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 Child and Adult Care Food program prior to February of 2021.

CRITERIA
31 U.S.C. 7502(f)(2)(A) states that each pass-through entity shall provide subrecipient the Federal requirements which govern the use of such awards.

2 CFR 200.332 states the required information that pass-through entities must disclose. This includes information related to Federal award identification, requirements imposed by the pass-through entity on the subrecipient, any additional requirements, approved federally recognized indirect cost rate, requirement that the subrecipient allow access to records, and appropriate terms and conditions concerning closeout of the subaward.

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 prior audit finding corrective action wasn't implemented until February of 2021. Therefore, grant templates were still missing information as was documented during the 2019-2020 single audit.

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

CONTEXT
During our audit period, there were 236 subrecipients receiving Federal grant agreements for the Child and Adult Care Food program. During 2021, there were 126 subrecipients and 110 in 2022. As there was a similar finding in our prior audit that was not implemented until February of 2021, only grants obligated after this date and before the end of our audit period of 6/30/2022 were considered in our testing. Grants made prior to February of 2021 were considered to have missing information. During our testing, no missing information was noted in grants made after February of 2021. Where sampling was performed, the audit used a non-statistical sampling method.

IDENTIFICATION AS A REPEAT FINDING

Finding 2020-022 was reported in the immediate prior year. Finding 2018-042 and 2016-068 were made 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 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.

DEPARTMENT OF PUBLIC INSTRUCTION RESPONSE

The Department of Public Instruction agrees with the recommendation

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

FINDING TYPE: Significant Deficiency	
Finding	2022-025
Federal Program:	Education Stabilization Fund
ALN #:	84.425D
Federal Award Number(s) and Year(s):	S425D200007 (2020)
Federal Agency:	U.S. DEPARTMENT OF EDUCATION
Compliance Requirement:	Special Tests
Questioned Cost:	$0

CONDITION

The Department of Public Instruction did not formally track that letters of intent were received from all non-public schools.

CRITERIA

18005(a) CARES Act:

Section 18005(a) of the CARES Act requires a Local Educational Agency (LEA) that receives funds under the ESSER Fund to provide equitable services in the same manner as provided under section 1117 of the Elementary and Secondary Education Act of 1965 (ESEA) to students and teachers in non-public schools, as determined in consultation with representatives of non-public schools.

1117(b)(1) of the ESEA:

(b)CONSULTATION.
— (1) IN GENERAL.—To ensure timely and meaningful consultation, a local educational agency shall consult with appropriate private school officials during the design and development of such agency's programs under this part. Such agency and private school officials shall both have the goal of reaching agreement on how to provide equitable and effective programs for eligible private school children, the results of which agreement shall be transmitted to the ombudsman designated under subsection (a)(3)(B).

34 CFR 76.665(b)(1):
An LEA must promptly consult with representatives of non-public elementary and secondary schools during the design and development of the LEA's plans to spend funds from a CARES Act program and before the LEA makes any decision affecting the opportunities of students and teachers in non-public schools to benefit from those funds. As provided in section 1117(b)(1) of the ESEA, the LEA and non-public school officials shall both have the goal of reaching timely agreement on how to provide equitable and effective programs for non-public school students and teachers.

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 Department of Public Instruction stated that they manually tracked the letters of intent but did not retain a record of this process to support that all letters of intent were received.

EFFECT
The lack of adequate procedures for tracking non-public school letters of intent increase the risk of non-public schools not participating in the program.

CONTEXT
The Department of Public Instruction (DPI) is responsible for initiating the consulting process by contacting representatives in all non-public schools in the state to notify them of the opportunity for their students and teachers to obtain equitable services. If non-public school officials want equitable services for their students and teachers, DPI must consult with those officials before DPI makes any decision that affects the opportunity of non-public school to participate in the activities funded under the CARES Act programs. If a non-public school declines to participate in the CARES Act programs or does not respond to DPI's good-faith effort to make contact, DPI has no further responsibility to provide equitable services to students or teachers in that school. However, DPI must be able to demonstrate that it made a good faith effort to contact all the nonpublic schools in the state. 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 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.

DEPARTMENT OF PUBLIC INSTRUCTION RESPONSE
The Department of Public Instruction agrees with this finding.

See “Management’s Response and Corrective Action” section of this report.

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-026
Federal Program:	Education Stabilization Fund
ALN #:	84.425
Federal Award Number(s) and Year(s):	S425D200007, S425D210007, S425U210007 (2020 and 2021)
Federal Agency:	U.S. DEPARTMENT OF EDUCATION
Compliance Requirement:	Reporting
Questioned Cost:	$0

CONDITION

The Department of Public Instruction did not report accurate information for the Education Stabilization Fund program Federal Funding Accountability and Transparency Act (FFATA) reporting.

Transactions Tested	Subawards Not Reported	Reports Not Timely	Subaward Amount Incorrect	Subawards Missing Key Elements
25	2	22	10	0
Dollar Amount of Tested Transactions	Subaward Not Reported	Report Not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
$9,055,389.69	$53,165	$8,763,195.69	$3,307,063	$0

CRITERIA

Per Federal regulation, 2 CFR 170, Appendix A: prime awardees are required to submit a Federal Financial Assistance Transparency Act (FFATA) report for each subaward made no later than the end of the month following the month in which an obligation was made. Also, according to this regulation, prime awardees must report information about each obligating action per the instructions posted in the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) website. The FSRS website also has a data definition guide that defines what is supposed to be submitted in each available field. Per this definition guide: the sub-award obligation action date is "the date of the sub-award obligation." The amount of the sub-award is "the amount of the sub-contract award for this sub-awardee" and the data model also states that the amount of the sub-award is "The net dollar amount of Federal funds awarded to the Sub-awardee including modifications".

Title 2 of the Code of Federal Regulations was updated to increase the subaward reporting requirement for grants from $25,000 to $30,000. Only subawards $30,000 or above require reports for prime grant awards as of November 12, 2020 as seen on the Final Registry - Guidance for Grants and Agreements - OMB Rule 85 FR 49506.

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
North Dakota Department of Public Instruction (DPI) submitted inaccurate information and amounts based on the instructions and data definitions found at the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) website. DPI also had a misunderstanding of the reporting threshold.

EFFECT
Subaward information that was reported was inaccurate and published later than required by Federal regulations. Subawards for ESSER I discretionary funds were not reported and two ESSER I awards were not reported.

CONTEXT
With 3 Federal grants, the Department of Public Instruction issued a total of 496 awards to 170 unique subrecipients for a total amount of $435,446,613.83 during our audit period of 7/1/2020-6/30/2022 that were susceptible to FFATA reporting.

While it appears all required reports were submitted for ESSER II and ESSER III related awards, ESSER I discretionary fund awards did not get reported as well as any subrecipients that received more than $25,000 but less than $30,000. The ESSER I Federal Award also states that grants funded at $25,000 or more that meet the reporting conditions are to be reported.

DPI did report the information directly from their grant awards, but DPI did not report all of the subawards within the required time based on when they were originally awarded. With ESSER III funds, DPI had to do some redistribution of funds causing their FFATA reporting to be overstated. DPI double-reported their awards instead of reporting the adjustment from the redistribution since the initial allocation was already reported. In our testing, the overstatement was $3,278,598.

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 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.

DEPARTMENT OF PUBLIC INSTRUCTION RESPONSE
The Department of Public Instruction agrees with the Recommendation.

See “Management’s Response and Corrective Action” section of this report.

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-027
Federal Program:	Comprehensive Literacy Development
ALN #:	84.371
Federal Award Number(s) and Year(s):	S371C190005 and S371C170011 (2021 and 2022)
Federal Agency:	U.S. DEPARTMENT OF EDUCATION
Compliance Requirement:	Subrecipient Monitoring
Questioned Cost:	$0

CONDITION

The Department of Public Instruction did not complete any risk assessments for 3 of 5 subrecipients sampled and only completed a risk assessment once during our audit period for the other 2 sampled even though they received separate grants during each fiscal year.

CRITERIA

2 CFR 200.332 (b) states "All pass-through entities must: Evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring described in paragraphs (d) and (e) of this section, which may include consideration of such factors as:

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

(2) The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with Subpart F of this part, and the extent to which the same or similar subaward has 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 Federal awarding agency monitoring (e.g., if the subrecipient also receives Federal awards directly from a Federal awarding agency)."

Department of Public Instruction awarded grants to subrecipients annually under this program. As such, a risk assessment should be completed annually for each subrecipient in which a new grant was awarded to them.

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 Department of Public Instruction did not complete risk assessments for subrecipients as the Comprehensive Literacy program had a high turnover of staff that were administering the program and the Department did not have this responsibility assigned to someone during parts of our audit period.

EFFECT
The Department of Public Instruction is not adjusting their subrecipient monitoring based on risk assessments completed for the subrecipients in compliance with Federal regulations.

CONTEXT
The Department of Public Instruction distributed approximately $23,250,000 in Federal funds under the Comprehensive Literacy program to 25 different local education agency subrecipients. While these subrecipients did receive monitoring procedures no adjustments were made to individual subrecipients based on results of risk assessments. 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 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.

DEPARTMENT OF PUBLIC INSTRUCTION RESPONSE
The Department of Public Instruction agrees with the recommendation.

See “Management’s Response and Corrective Action” section of this report.

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-028
Federal Program:	Comprehensive Literacy Development
ALN #:	84.371
Federal Award Number(s) and Year(s):	S371C170011 and S371C190005 (2022)
Federal Agency:	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 Comprehensive Literacy program as all grant templates used did not include the subaward budget period start and end date.

CRITERIA
2 CFR 200.332 states required information that pass-through entities must disclose to subrecipients, including paragraph (a)(1)(vi) "Subaward Budget Period State and End Date"

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 Comprehensive Literacy Program did not update their grant templates to include a new requirement that was added to the relevant Federal codes and went into effect January 1, 2021.

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

CONTEXT
The Comprehensively Literacy program grants subawards annually under each of the Federal grants it received under the program. During our audit period, there were 2 Federal awards granted out to subrecipients a total of 35 times each fiscal year. The grant agreements shared a template each year and it was found that all were missing a newly required piece of information after the relevant CFR was modified and an update went into effect on January 1, 2021. 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 Public Instruction ensure that subrecipients are made aware of all required grant award information.

DEPARTMENT OF PUBLIC INSTRUCTION RESPONSE

The Department of Public Instruction agrees with the recommendation.

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

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-029
Federal Program:	Comprehensive Literacy Development
ALN #:	84.371
Federal Award Number(s) and Year(s):	S371C170011 and S371C19000 (2021 and 2022)
Federal Agency:	U.S. DEPARTMENT OF EDUCATION
Compliance Requirement:	Reporting
Questioned Cost:	$0

CONDITION

The Department of Public Instruction did not report accurate information for the Comprehensive Literacy program in the 5 subawards tested out of a total 35 subawards issued during our audit period. 3 of the subawards tested were also submitted a month later than required by Federal regulations after funds were originally obligated in November of 2020 and the reports were not made until January of 2021.

Transactions Tested	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
5	-	3	2	0
Dollar Amount of Tested Transactions	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
$7,972,662.03	$0	$2,453,202.03	$556,708	$0

CRITERIA

Per Federal regulation, 2 CFR 170, Appendix A, prime awardees are required to submit a Federal Financial Assistance Transparency Act (FFATA) report for each subaward made no later than the end of the month following the month in which an obligation was made. Also according to this regulation, prime awardees must report information about each obligating action per the instructions posted on the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) website. The FSRS website also has a data definition guide that defines what is supposed to be submitted in each available field. Per this definition guide: the sub-award project description "Describes the sub-award project" with an added note to "be precise as possible" and "not use any abbreviations or acronyms." The sub-award number is defined as "This is the number used by the prime award to uniquely track the sub-award (their own numbering system for the sub-award)." The sub-award obligation action date is "the date of the sub-award obligation." The amount of the sub-award is "the amount of the sub-contract award for this sub-awardee".

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
North Dakota Department of Public Instruction submitted inaccurate information based on the instructions and data definitions found at the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) website.

The Department also did not submit FFATA reports in a timely manner due to not recognizing that obligations were not made to subawardees until a month after reimbursement payments were made against the obligations.

EFFECT
Subaward information that is published to the USAspending.gov website was inaccurate and published later than required by Federal regulations.

CONTEXT
During our audit period the Department of Public Instruction (DPI) issued a total of 35 subawards to 20 unique subrecipients under the Comprehensive Literacy Program for sub-awardees that had obligations of $30,000 or more. DPI reported all of these sub-awards, totaling of $25.2 million, to the FSRS system. While it appears all required reports were submitted and DPI did report the information directly from their grant awards, some of the fields were reported using the wrong information in error for all of the sub-awards tested. DPI also did not report all of the subawards within the required time based on when they were originally awarded. 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 Public Instruction ensure FFATA reports are submitted timely and accurately according to the instructions and definitions posted on the FSRS website.

DEPARTMENT OF PUBLIC INSTRUCTION RESPONSE
The Department of Public Instruction agrees with the Recommendation.

See “Management’s Response and Corrective Action” section of this report.

FINDING TYPE: Material Weakness - Material Noncompliance	
Finding	2022-030
Federal Program:	Supporting Effective Instruction State Grants
ALN #:	84.367
Federal Award Number(s) and Year(s):	S367A210033 (2021)
Federal Agency:	U.S. DEPARTMENT OF EDUCATION
Compliance Requirement:	Level of Effort
Questioned Cost:	$0

CONDITION

The Department of Public Instruction did not meet the maintenance of effort requirement for the 2021-2022 school year for the Supporting Effective Instruction program during the audit period.

CRITERIA

34 CFR section 299.5a General. An LEA receiving funds under an applicable program listed in paragraph (b) of this section may receive its full allocation of funds only if the SEA finds that either the combined fiscal effort per student or the aggregate expenditures of State and local funds with respect to the provision of free public education in the LEA for the preceding fiscal year was not less than 90 percent of the combined fiscal effort per student or the aggregate expenditures for the second preceding fiscal year.

SEC. 8521 of the Elementary and Secondary Education Act of 1965 (ESEA) (20 U.S.C. 7901) MAINTENANCE OF EFFORT. (a) IN GENERAL.—A local educational agency may receive funds under a covered program for any fiscal year only if the State educational agency finds that either the combined fiscal effort per student or the aggregate expenditures of the agency and the State with respect to the provision of free public education by the agency for the preceding fiscal year was not less than 90 percent of the combined fiscal effort or aggregate expenditures for the second preceding fiscal year, subject to the requirements of subsection (b).

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 Department of Public Instruction indicated that a waiver for the maintenance of effort requirement for the 2021-2022 school year was received. However, they were unable to locate any documentation supporting the waiver.

EFFECT

The Department of Public Instruction is not in compliance with the 90% maintenance of effort requirement for the 2021-2022 school year.

CONTEXT

The Department of Public Instruction distributed $9,575,000 in Federal funds under the Supporting Effective Instruction program to 159 different school districts during the 2021-2022 school 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 Public Instruction ensure the maintenance of effort requirement is met in accordance with the Supporting Effective Instruction program guidelines.

DEPARTMENT OF PUBLIC INSTRUCTION RESPONSE

The Department of Public Instruction agrees with the finding.

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

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-031
Federal Program:	Supporting Effective Instruction State Grants
ALN #:	84.367
Federal Award Number(s) and Year(s):	S367A200033 and S367A210033 (2020 and 2021)
Federal Agency:	U.S. DEPARTMENT OF EDUCATION
Compliance Requirement:	Subrecipient Monitoring
Questioned Cost:	$0

CONDITION
The Department of Public Instruction did not complete a risk assessment for any awards to subrecipients of the Supporting Effective Instruction program during the audit period.

CRITERIA
2 CFR 200.332 – states that all pass-through entities must:

(b) Evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring.

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 Department of Public Instruction overlooked completing subrecipient risk assessments due to the continued response of the COVID-19 pandemic.

EFFECT
Department of Public Instruction is not able to verify that subrecipients are compliant with Federal statutes, regulations, and terms and conditions of the subaward because there was no risk assessment completed for subrecipients in order to determine appropriate monitoring.

CONTEXT
The Department of Public Instruction distributed approximately $19,000,000 in Federal funds under the Supporting Effective Instruction program to 168 different subrecipients. While these subrecipients did receive monitoring procedures, no adjustments were made to individual subrecipients based on the results of risk assessments.

IDENTIFICATION AS A REPEAT FINDING
Not a repeat finding.

RECOMMENDATION

We recommend the Department of Public Instruction ensure subrecipient risk assessments are completed timely and used to determine the nature and extent of subrecipient monitoring for the Supporting Effective Instruction program.

DEPARTMENT OF PUBLIC INSTRUCTION RESPONSE

The Department of Public Instruction agrees with the recommendation.

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

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-032
Federal Program:	Supporting Effective Instruction State Grants
ALN #:	84.367
Federal Award Number(s) and Year(s):	S367A200033 and S367A210033 (2021 and 2022)
Federal Agency:	U.S. DEPARTMENT OF EDUCATION
Compliance Requirement:	Eligibility
Questioned Cost:	$62,547

CONDITION
The Department of Public Instruction (DPI) incorrectly included neglected or delinquent facilities as part of their Title IIA allocation to Local Educational Agencies (LEA). We selected a sample of 36 and identified a 100% error rate. The total known allocation error identified was $62,546.99. When projected against the population, the total projected error is $115,041.65.

CRITERIA
The Elementary and Secondary Education Act of 1965 (ESEA Section 2102(a)(1)) states, the State, acting through the State educational agency (DPI), shall award subgrants to eligible local educational agencies.

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

EFFECT
The Department did not comply with the allocation requirements to LEAs for Title IIA grants.

CONTEXT
The Department of Public Instruction allocated $9,503,744 in Federal funds to 183 school districts during the 2020-2021 school year and $9,603,024 in Federal funds to 170 school districts during the 2021-2022 school 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 Public Instruction ensure the Title IIA allocations are calculated based on the Federal requirements.

DEPARTMENT OF PUBLIC INSTRUCTION RESPONSE

The NDDPI agrees with the recommendation.

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

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-033
Federal Program:	Child Nutrition Cluster, Child and Adult Care Food Program, Title I Grants to Local Educational Agencies, Special Education Cluster, Twenty-First Century Community Learning Centers, Supporting Effective Instruction State Grants, Comprehensive Literacy Development, and Education Stabilization Fund
ALN #:	10.553, 10.555, 10.556, 10.558, 10.559, 10.579, 10.582, 84.010, 84.027, 84.173, 84.287, 84.367, 84.371, 84.425
Federal Award Number(s) and Year(s):	3ND300309 and 3ND300606 (2021) S010A180034, S010A190034, and S010A200034 (2019, 2020, and 2021) H027A180049, H173A180094, H027A190049, H173A190094, H173A200094, and H027A200049 (2019, 2020, 2021) S287C180034, S287C190034, and S287C200034 (2019, 2020, 2021) S367A190033 and S367A200033 (2021) S371C170011 and S371C190005 (2021) S425C200044, S425D200007, S425D210007, S425R210051, S425U210007, and S425W210035 (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 ensure all subrecipients either submitted a Single Audit report or certification form identifying a Single Audit is not required. In addition, the Department did not issue management decisions on auditing findings within 6 months or ensure that timely and appropriate corrective action was taken in all applicable instances.

We selected a sample of 60 subrecipients of the total 795 in our population for testing. During our testing, 6 of the 60 subrecipients did not submit a certification form identifying whether a Single Audit was required. The Department indicated that a Single Audit report was not received but we are unable to determine whether one was required. For 4 additional subrecipients, the Department did not receive a Single Audit, issue management decisions on auditing findings within 6 months, or ensure appropriate corrective action was taken.

The Department did track all of their subrecipients in a spreadsheet that captured information relating to when their certified Federal expenditure information was received as well as if a single audit is required of them. However, due to the errors noted in receiving this information as well as following up with completed single audits in a timely manner in our sample tested, it was determined that this spreadsheet was not being fully utilized.

CRITERIA

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

2 CFR 200.331(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.

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 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 certification of total federal expenditures.

EFFECT

Subrecipients spending more than $750,000 from all Federal sources may not be obtaining audits as required or implementing a corrective action plan in a timely manner if findings are noted in audits that were completed.

CONTEXT

The 4 subrecipients that did not provide a Single Audit report received approximately $9.9 million dollars in Federal expenditures. The additional 6 entities that did not provide certifications indicating their total Federal awards received approximately $1.5 million dollars. We did verify that the 6 entities that failed to provide certifications did not have Single Audit reports submitted to the clearing house. Where sampling was performed, the audit used a non-statistical sampling method.

IDENTIFICATION AS A REPEAT FINDING

Finding 2020-021 was reported in the immediate prior year. Finding 2018-041 was reported in a previous 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 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.

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

Office of Management and Budget

FINDING TYPE: Material Weakness - Material Noncompliance	
Finding	2022-034
Federal Program:	Coronavirus Relief Fund
ALN #:	21.019
Federal Award Number(s) and Year(s):	SLT0013 and SLT0079 (2020)
Federal Agency:	U.S. DEPARTMENT OF THE TREASURY
Compliance Requirement:	Reporting
Questioned Cost:	$0

CONDITION

We identified Coronavirus Relief Fund (CRF) quarterly financial progress reports were incomplete, inaccurate and did not reconcile to the state's accounting system.

CRITERIA

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.

Office of Management and Budget, 2 CFR Part 200, Appendix XI, 2021 and 2022 Compliance Supplements, for Assistance Listing 21.019 Coronavirus Relief Fund, states in part: Each prime recipient of the Fund shall provide a quarterly Financial Progress Report that contains COVID-19 related costs incurred during the covered period (the period beginning on March 1, 2020; and ending on December 31, 2021) to Treasury OIG. Each prime recipient shall report this quarterly information mentioned above into the Grant Solutions portal. The prime recipient's quarterly Financial Progress Report submissions should be supported by the data in the prime recipient's accounting system.

Key Line Items – The following line items from the reporting contain critical information:

(1) The total amount of payments from the Fund received from Treasury.

(2) The amount of funds received that were expended or obligated for each project or activity.

(3) A detailed list of all projects or activities for which funds were expended or obligated, including: a. The name of the project or activity b. A description of the project or activity

(4) Detailed information on any loans issued; contracts and grants awarded; transfers made to other government entities; and direct payments made by the prime recipient that are greater than $50,000. For amounts less than $50,000, the prime recipient must report in the aggregate for these expenditure categories. For direct payments to individuals, aggregate reporting is required to be reported regardless of amount.

Beginning September 21, 2020, prime recipients were required to submit via the Grant Solutions portal the first detailed quarterly Financial Progress Report, which cover the period March 1 through June 30, 2020 (with exception to the September 21 first quarter deadline and the October 13 second quarter reporting deadlines for those prime recipients using Grant Solutions' upload feature, which was available December 1, 2020). Thereafter, quarterly reporting will be due no later than ten days after each calendar quarter. If the 10th calendar day falls on a weekend or a Federal holiday, the due date will be the next working day. Reporting shall end with either the calendar quarter after the COVID-19 related costs and expenditures have been liquidated and paid or the calendar quarter ending September 30, 2022, whichever comes first. The prime recipient's quarterly Financial Progress Report submission should be supported by the data in the prime recipient's accounting system.

Department of the Treasury Office of Inspector General Coronavirus Relief Frequently Asked Questions Related to Reporting and Recordkeeping (OIG-CA-20-028R), if an error is identified or a modification needs to be made after a report is already approved by the Treasury OIG, the prime recipient will need to make the modification or correction in the next quarterly reporting cycle.

CAUSE

There was a lack of understanding across state agencies of the detailed requirements of Coronavirus Relief Fund reporting. The North Dakota Office of Management and Budget (OMB) provided the CRF Report Template, Data Upload Service Data Dictionary, Coronavirus Relief Fund Frequently Asked Questions, and instructions to all state agencies. However, OMB's procedures to review the information submitted by state agencies did not detect all material errors and omissions within the reporting cycle. In addition, the short turnaround time for reporting deadlines contributed to reporting errors and omissions.

EFFECT

Inaccurate Federal reporting reduces transparency and may impair the Federal oversight agency's ability to properly oversee the program.

CONTEXT

State agencies prepared and submitted CRF report templates to the ND Office of Management and Budget (OMB). OMB compiled the information into a master CRF report template for submission.

We randomly selected the quarters ending December 30, 2020, and December 31, 2021, to test across 11 state agencies. One agency did not have expenditures in the quarter ending December 31, 2021; therefore, we judgmentally selected the quarter ending March 31, 2021, to test. Another agency did not have expenditures in either of the quarters randomly selected; therefore, we judgmentally selected the quarters ending September 30, 2021, and March 31, 2022, to test.

In total, we attempted to reconcile the 22 agency prepared CRF report templates to data in the state's accounting system. We also attempted to reconcile the agency prepared CRF report template information to OMB's master CRF report template and/or final submission. Lastly, we randomly sampled CRF expenditures from the agency prepared CRF report templates to test the categorical breakdown.

Based on our testing, we identified:

- Approximately $61.1 million of CRF expenditures were not reported by various agencies to OMB in the proper quarter.

Because material errors and omissions impacted total expenditures reported, the amounts reported by category will also be misstated.

Lastly, if an error was identified or a modification needed to be made after a report was already approved by the Treasury OIG, the prime recipient was allowed to make the modification or correction in the next quarterly reporting cycle.

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 Office of Management and Budget strengthen procedures to ensure Federal reports are complete, accurate and reconcile to the state's accounting system.

OFFICE OF MANAGEMENT AND BUDGET RESPONSE

The Office of Management and Budget agrees with this finding and the auditor's recommendation. We agree with the auditor's finding that certain agency expenditures were not reported in the proper quarter and that quarterly reports did not reconcile to the state accounting system. However, the Federal report was required to be submitted ten days after the close of the period. The state accounting system was not closed by the time the Federal reports were required to be submitted. The U.S. Department of Treasury recognized this and directed reporting agencies to correct and revise prior submissions when each subsequent report was submitted. OMB made these revisions as required and all expenditures were reported appropriately as the final Coronavirus Relief Funds reports were submitted.

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

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-035
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 Office of Management and Budget underreported both current period and cumulative expenditures by at least $117,366,999 on the project and expenditure report to the Department of Treasury covering the period of January 2022-March 2022. These expenditures were subsequently reported in the period of April 2022-June 2022.

CRITERIA

The interim final rule, issued May 17, 2021, states "The quarterly Project and Expenditure reports will include financial data, information on contracts and subawards over $50,000, types of projects funded, and other information regarding a recipient's utilization of the award funds..... Treasury will provide additional guidance and instructions on the reporting requirements outlined above for the Fiscal Recovery Funds at a later date." (Federal Register Vol. 96, No.93 pgs. 26814-26815). The final rule published January 27, 2022 which amended the interim rule also stated "Recipients are advised to also consult Treasury's Reporting and Compliance Guidance for additional information on program administration processes and requirements, including applicability of the Uniform Guidance". Federal Register Vol. 87, No.18 pg. 4340). Per this guidance which was first published June 17, 2021, recipients were required to submit Project and Expenditure reports that included current period expenditures and cumulative expenditures for reporting periods covering March 2021-December 2021 and January 2022-March 2022. (Compliance and Reporting Guidance - State and Local Fiscal Recovery Funds, V5.0 pg.17-19). The FY 2022 compliance supplement also states that the SEFA should report all aggregate expenditures for all four eligible use categories, not just the results of the revenue loss calculation or standard allowance.

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

Individual agencies paid SLFRF expenditures through the state's accounting system. OMB transferred reimbursement of expenditures to the individual agencies upon request. OMB reported information on the Federal project and expenditure reports based on OMB's transfers out to agencies. OMB tracked these transfers and reported the amount tracked as current period and cumulative period expenditures for their Project and Expenditure report. Expenditures may be reported on a cash or accrual basis. Some agencies did not request a transfer for paid expenditures or provide information relating to incurred expenditures to OMB prior to the

reporting period end. The State Treasurer paid approximately $92 million and the Department of Human Services paid approximately $25 million during the period that was not transferred to these agencies until after the reporting period and not reported in the period January 2022-March 2022.

EFFECT

The timing of expenditures made using State and Local Fiscal Recovery Funds (SLFRF) was reported inaccurately to the Department of Treasury.

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 these 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.

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 SFRF 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."

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 Office of Management and Budget develop 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.

OFFICE OF MANAGEMENT AND BUDGET RESPONSE

The Office of Management and Budget agrees with this finding. The expenditures referenced in this audit finding were incurred by agencies prior to the period in which the Federal funds were included in the quarterly expenditure reports for the State and Local Fiscal Recovery Fund. 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. However, until reimbursement occurs, the expenditure is charged to a funding source other than SLFRF. All expenditures reimbursed through SLFRF are included in Federal reports for the period in which the reimbursement occurred.

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.

Office of the State Treasurer

FINDING TYPE: Material Weakness - Material Noncompliance	
Finding	2022-036
Federal Program:	Coronavirus Relief Fund
ALN #:	21.019
Federal Award Number(s) and Year(s):	SLT0013 and SLT0079 (2020)
Federal Agency:	U.S. DEPARTMENT OF THE TREASURY
Compliance Requirement:	Subrecipient Monitoring
Questioned Cost:	$0

CONDITION

The State Treasurer's Office did not ensure all required information was provided to subrecipients of Coronavirus Relief Funds (CRF). In addition, the Office's internal controls were insufficient to ensure that subrecipients received communication regarding the necessary items. Required information not communicated included:

- Subrecipient's unique entity identifier,
- Federal award identification number,
- Federal award date,
- Subaward budget period start and end date,
- Total amount of Federal funds obligated to the subrecipient by the pass-through entity including the current financial obligation,
- Total amount of Federal award committed to the subrecipient by the pass-through entity,
- Name of awarding agency,
- Assistance listing number; and,
- Indirect cost rate for Federal award including if the de minimis rate is charged.

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.

CAUSE
The documents used to communicate award information to subrecipients did not contain all required items.

EFFECT
These required communications are intended 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
The State Treasurer's Office was appropriated approximately $123.3 million of funds from the Coronavirus Relief Fund (CRF) to be distributed to local governments. Almost all the funding was allocated to cities and counties based on salary and benefit expenses for licensed law enforcement officers since Federal guidance allowed for CRF funding to be used to reimburse law enforcement payroll costs.

The Director of the Office of Management and Budget sent out an email to the North Dakota Association of Counties and to the North Dakota League of Cities to be forwarded to city and county leaders that indicated such funding was available. A Certification Law Enforcement Payroll Reimbursement Form was attached to the email. The combined information provided in the body of the email and the certification form did not contain all required items.

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:
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.

OFFICE OF STATE TREASURER RESPONSE
The Office of State Treasurer does agree with finding that we were not in compliance with Federal regulations related to providing required information to subrecipients of Coronavirus Relief Funds (CRF).

See “Management’s Response and Corrective Action” section of this report.

FINDING TYPE: Significant Deficiency - Other Noncompliance	
Finding	2022-037
Federal Program:	Coronavirus Relief Fund
ALN #:	21.019
Federal Award Number(s) and Year(s):	SLT0013 and SLT0079 (2020)
Federal Agency:	U.S. DEPARTMENT OF THE TREASURY
Compliance Requirement:	Activities Allowed or Unallowed Allowable Costs/Cost Principles
Questioned Cost:	$4,000

CONDITION

The Office of State Treasurer over-reimbursed a county for law enforcement payroll by $4,000. The amount of the overpayment is considered the total known questioned cost. This overpayment error, projected to the entire population, results in an additional possible error of $29,603.

CRITERIA

According to the Federal Register dated January 15, 2021, The CARES Act provides that payments from the Fund may only be used to cover costs that:

1. are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19);

2. were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and

3. were incurred during the period that begins on March 1, 2020, and ends on December 31, 2021.

In addition, Federal Register indicates the Treasury has provided, as an administrative accommodation, that a State, local, or tribal government may presume that public health and safety employees meet the substantially dedicated test unless the relevant government determines that specific circumstances indicate otherwise. All costs of such employees may be covered using payments for services provided during the period that begins on March 1, 2020, and ends on December 31, 2021.

CAUSE

A county overstated its payroll costs by $4,000 on the CARES Act Coronavirus Relief Fund Eligibility Certification Law Enforcement Payroll Reimbursement form submitted to the ND Office of Management and Budget. In addition, subrecipient monitoring procedures did not identify this subrecipient as high risk (steady monthly payroll and immaterial amount provided in total to the subrecipient).

EFFECT

The Office of State Treasurer was not in compliance with Federal regulations as an overpayment is not an allowable use of Federal funds.

CONTEXT

The Office of State Treasurer was appropriated Coronavirus Relief Fund monies to provide payments to cities, counties, and other political subdivisions. Such payments were primarily related to reimbursing cities and counties for law enforcement payroll costs incurred between March 1, 2020 to December 31, 2020. Our testing of Coronavirus Relief Fund program expenditures, identified one error from a sample size of 40 out of a possible 461 payments. The error was an overpayment to a county of $4,000 for law enforcement payroll costs. This overpayment, projected to the entire population of $123,322,297, resulted in an additional possible error of $29,603. However, since the State's program ended December 31, 2020, the cities and counties with known or projected likely questioned costs would have until December 31, 2021, to incur allowable program expenditures to offset any questions costs. 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 Office of State Treasurer:
A) Request support from the county for allowable expenditures incurred during the period beginning March 1, 2020, and ending on December 31, 2021, to offset the overpayment; or
B) Recoup the overpayment from the county and refund the Department of the Treasury.

OFFICE OF STATE TREASURER RESPONSE

The Office of State Treasurer does agree with finding that we were not in compliance with Federal regulations as an overpayment to the county for reimbursement for law enforcement payroll is not an allowable use of Federal funds.

See “Management’s Response and Corrective Action” section of this report.

Single Audit Report

Auditee's Section

Office of the State Auditor

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Years Ended June 30, 2022

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
Corporation For National And Community Service							
Unclustered							
Direct Programs:							
94.003		State Commissions	60100			59,553	
94.006		AmeriCorps	60100			224,487	224,487
94.008		Commission Investment Fund	60100			582,187	416,748
Total for Unclustered						*$ 866,227*	*$ 641,235*
Total For Corporation For National And Community Service						$ **866,227**	$ **641,235**
Department Of Commerce							
Unclustered							
Direct Programs:							
11.303		Economic Development Technical Assistance	UND			97,293	
Total for Unclustered						*$ 97,293*	*$*
Unclustered							
Pass Through Non-State Entity:							
11.U01		National Mesonet Program Prime Contract	NDSU	Synoptic Data Corp.	S2020-141	245,091	
Total for Unclustered						*$ 245,091*	*$*
Economic Development Cluster							
Direct Programs:							
11.307		Economic Adjustment Assistance	60100			49,729	
11.307		COVID-19 - Economic Adjustment Assistance	UND			205,584	
Total for Economic Development Cluster						*$ 255,313*	*$*
Research and Development Cluster							
Direct Programs:							
11.459		Weather and Air Quality Research	UND			48,217	
Pass Through Non-State Entity:							
11.467		Meteorologic and Hydrologic Modernization Development	UND	University Corporation For Atmospheric Research	SUBAWD002620	12,989	
11.609		Measurement and Engineering Research and Standards	NDSU	Montana State University	G243-21-W8250	19,741	
Total for Research and Development Cluster						*$ 80,947*	*$*

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Years Ended June 30, 2022

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
Total For Department Of Commerce						$ **678,644**	$
Department Of Defense							
Unclustered							
Direct Programs:							
12.002		Procurement Technical Assistance For Business Firms	UND			254,050	
12.112		Payments to States in Lieu of Real Estate Taxes	12000			173,456	173,456
12.401		National Guard Military Operations and Maintenance (O&M) Projects	54000			21,853,582	
12.617		Economic Adjustment Assistance for State Governments	UND			342,252	
12.903		GenCyber Grants Program	BSC			38,511	
12.U02		Archaeological Services for site 32MO0012 Oahe	70100		W9128F-16-D0043 Task Order 002	6,219	
12.U03		Archaeological Services Midipadi Butte Garrison	70100		W9128F-16-D-0043 Task Order 0001	778	
12.U06		Collections Management and update of CRMP	70100		W9128F-16-D0043 Task Order 003	19,095	
Nonmonetary Assistance:							
12.401		National Guard Military Operations and Maintenance (O&M) Projects	54000			141,464	
Total for Unclustered						*$ 22,829,407*	*$ 173,456*
Unclustered							
Direct Programs:							
12.U01		AFJRROTC 2021 Summer Program	UND		FA3300-19-G-0013	76,796	
12.U11		Educational Service Agreement - Air Force	UND		F33600-99-A-0080	35,400	
12.U12		Flight Training Army ROTC Cadet Year 4	UND		N/A	245,457	
12.U13		Flight Training Army ROTC Cadets 2020-21	UND		N/A	70,163	
12.U21		NAVY - EDUCATIONAL SERVICE AGREEMENT	UND		N00140-98-G2501	99,957	
12.U26		Summer 2022 AFJROTC Cadet Flight Training	UND		FA3300-19-G-0013	91,486	
12.U31		Upper Missouri Basin Soil Moisture and Snowpack Monitoring Existing & New Site Retrofits	NDSU		W9128F20D0066	863,699	
Pass Through Non-State Entity:							
12.U04		Bismarck East Main Ave Corridor Study	NDSU	Bismarck-Mandan Metropolitan Planning Organization	N/A	1,218	

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Years Ended June 30, 2022

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
12.U15		F-M Metro COG Regional ITS Architecture Update	NDSU	Fargo-Moorhead Metropolitan Council of Governments	N/A	14,771	
12.U16		FM Metro COG Review and Adjustment to Household and Job Data for the TDM	NDSU	Fargo-Moorhead Metropolitan Council of Governments	N/A	1,935	
12.U22		North Dakota MPO Planning Support Program Master Agreement	NDSU	Bismarck-Mandan Metropolitan Planning Organization	N/A	6,435	
12.U23		North Dakota MPO Planning Support Program Master Agreement	NDSU	Fargo-Moorhead Metropolitan Council of Governments	N/A	6,435	
12.U24		North Dakota MPO Planning Support Program Master Agreement	NDSU	Grand Forks-East Grand Forks Metropolitan Planning Organization	N/A	6,435	
12.U27		Support for the Development of K-12 School Cybersecurity Education in North Dakota	NDSU	University Of Washington	UWSC13535	1,177	
Total for Unclustered						*$ 1,521,364*	*$*
Research and Development Cluster							
Direct Programs:							
12.300		Basic and Applied Scientific Research	NDSU			2,218,748	543,971
12.300		Basic and Applied Scientific Research	UND			244,140	
12.420		Military Medical Research and Development	UND			187,663	2,713
12.431		Basic Scientific Research	NDSU			1,314,033	
12.431		Basic Scientific Research	UND			47,598	10,639
12.RD		Study of Advanced Cybersecurity Techniques to Advance the Security of Power Generation SCADA Systems Supporting MDA Capabilities	NDSU		HQ086022C6003	87,296	
12.RD		Thermal Decomposition of Per and Polyfluoroalkyl Substance	UND		W912HQ21P0084	99,891	
12.RD		Air University Quality Enhancement and Improvement Accreditation Support	NDSU		FA330022C0035	8,094	
12.U05		Cape Experiment 2019 (CapeEx19)	UND		N0017819C2609	135,696	
12.U10		DOA-ESTCP HygroscopicCoolTower	UND		W912HQ17C0050	47,758	
Pass Through Non-State Entity:							
12.225		Commercial Technologies for Maintenance Activities Program	NDSU	National Center for Manufacturing Science	2021021-142041	76,186	
12.225		Commercial Technologies for Maintenance Activities Program	NDSU	PPG Industries, Inc.	202050-141027	195,284	
12.225		Commercial Technologies for Maintenance Activities Program	NDSU	PPG Industries, Inc.	201926-140968	60,588	

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Years Ended June 30, 2022

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE SUBRECIPIENTS
12.225		Commercial Technologies for Maintenance Activities Program	NDSU	PPG Industries, Inc.	201854-140922	82,326
12.225		Commercial Technologies for Maintenance Activities Program	NDSU	PPG Industries, Inc.	201828-140912	62,081
12.225		Commercial Technologies for Maintenance Activities Program	NDSU	PPG Industries, Inc.	2018102-140967	59,238
12.225		Commercial Technologies for Maintenance Activities Program	NDSU	National Center for Manufacturing Science	2022017-142125	31,654
12.225		Commercial Technologies for Maintenance Activities Program	NDSU	National Center for Manufacturing Science	2021058-142104	34,646
12.225		Commercial Technologies for Maintenance Activities Program	NDSU	PPG Industries, Inc.	2021004-142055	65,376
12.225		Commercial Technologies for Maintenance Activities Program	NDSU	National Center for Manufacturing Science	2021017-142060	155,774
12.225		Commercial Technologies for Maintenance Activities Program	NDSU	National Center for Manufacturing Science	2020106 - 142043	143,647
12.225		Commercial Technologies for Maintenance Activities Program	NDSU	PPG Industries, Inc.	202090-141036	31,989
12.225		Commercial Technologies for Maintenance Activities Program	NDSU	National Center for Manufacturing Science	2021059-142103	101,752
12.225		Commercial Technologies for Maintenance Activities Program	NDSU	PPG Industries, Inc.	X201852-140920	17,268
12.300		Basic and Applied Scientific Research	UND	Colorado State University	G-00976-1	197
12.300		Basic and Applied Scientific Research	NDSU	Adaptive Surface Technologies, Inc	ASTONR20-01	8,138
12.420		Military Medical Research and Development	UND	Institute for Clinical Research	FCCC 22784-02	14,152
12.431		Basic Scientific Research	NDSU	Elinor Specialty Coatings	N/A	43,954
12.910		Research and Technology Development	NDSU	PPG Industries, Inc.	201853-140921	200
12.RD		Experimental Investigation of Passive Control of Dynamic Stall Using Micro-Cavity Actuators	NDSU	Ohio Aerospace Institute	OAI-C2644-22309	16,303
12.RD		Analytical Model Development on Propagation in Biological Tissue	NDSU	University of Dayton	RSC20073	146,056
12.RD		Experimental Investigation of the Effect of Sweep on a Pitching Finite -Aspect-Ratio Wing	NDSU	Ohio Aerospace Institute	R-700-202370-41022	35,364
12.RD		Integrated Academic and Student Support Services: Quality Enhancement and Improvement Accreditation Support	NDSU	Applied Technologies Group, Inc	NDSU-QEP-21-0001	106,816
12.RD		Development of a Novel PFAS Passive Sampler with Efficiency	UND	University of Wisconsin System	213405471	4,499

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
12.U07		Comprehensive Forensic Approach for Source Allocation of Poly- and Perfluoroalkyl Substances	UND	Trustees of the Colorado School of Mines	401867-5803	13,630	
12.U08		Defense Resiliency Platform Against Extreme Cold Weather	UND	Virginia Polytechnic Institute & State University	450870-19F24	101,729	
12.U17		High Efficiency Propeller for Small Unmanned X Systems using Advance Composite Materials	UND	Catto Propellers	UND0025251	22,540	
12.U18		HMMWV Augmented Reality	UND	AM General, LLC	PO 4800000814	162,070	
12.U19		JDA-GFAFB Resiliency Study	UND	Jeffrey Donohoe Associates LLC	N/A	74,612	
12.U20		Military Resilience Study (MIR) for Grand Forks Airforce	UND	Jeffrey Donohoe Associates LLC	N/A	12,000	
12.U25		SDL	UND	Utah State University Space Dynamics Laboratory	CP0073345	8,638	
12.U29		UND Support of Extendible ISM for Modeling CB Releases from UAVs	UND	Aeris LLC	2021-UND-UAV	41,158	
12.U30		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	210,934	
Total for Research and Development Cluster						*$ 6,531,716*	*$ 557,323*
Total For Department Of Defense						$ **30,882,487**	$ **730,779**
Department Of Education							
Unclustered							
Pass Through Non-State Entity:							
84.425	F	Education Stabilization Fund	MASU			210,938	
Direct Programs:							
84.002		Adult Education - Basic Grants to States	20100			1,181,660	793,568
84.010		Title I Grants to Local Educational Agencies	20100			42,022,314	41,550,572
84.011		Migrant Education State Grant Program	20100			670,650	525,631
84.013		Title I State Agency Program for Neglected and Delinquent Children and Youth	20100			61,740	
84.031		Higher Education Institutional Aid	MASU			311,933	
84.041		Impact Aid	DCB			19,124	
84.048	A	Career and Technical Education -- Basic Grants to States	27000			5,250,117	2,788,717
84.126		Rehabilitation Services Vocational Rehabilitation Grants to States	32500			9,996,146	
84.144		Migrant Education Coordination Program	20100			167,064	2,514

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Years Ended June 30, 2022

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE	AMOUNT TO SUBRECIPIENTS
84.161		Rehabilitation Services Client Assistance Program	32500			143,008	
84.177		Rehabilitation Services Independent Living Services for Older Individuals Who are Blind	32500			9,687	
84.181		COVID-19 - Special Education-Grants for Infants and Families	32500			121,048	
84.181		Special Education-Grants for Infants and Families	32500			3,330,819	
84.187		Supported Employment Services for Individuals with the Most Significant Disabilities	32500			197,218	
84.196		Education for Homeless Children and Youth	20100			260,816	143,308
84.224		Assistive Technology	32500			339,952	
84.240		Program of Protection and Advocacy of Individual Rights	36000			197,636	
84.287		Twenty-First Century Community Learning Centers	20100			6,058,419	5,619,570
84.299		Indian Education -- Special Programs for Indian Children	UND			164,728	
84.325		Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	32500			191,173	25,196
84.326		Special Education Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities	MISU			67,604	
84.358		Rural Education	20100			91,571	87,697
84.365		English Language Acquisition State Grants	20100			663,553	492,724
84.367		Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	20100			9,829,808	9,608,586
84.369		Grants for State Assessments and Related Activities	20100			3,565,775	330,500
84.371		Comprehensive Literacy Development	20100			13,141,793	12,556,899
84.372		Statewide Longitudinal Data Systems	20100			790,714	
84.377		School Improvement Grants	20100			244,705	244,705
84.384		Statewide Data Systems, Recovery Act	20100			145,088	
84.407		Transition Programs for Students with Intellectual Disabilities into Higher Education	MISU			327,755	69,481
84.424		Student Support and Academic Enrichment Program	20100			6,033,540	5,890,238
84.425	C	COVID-19 - Education Stabilization Fund	20100			240,733	
84.425	D	COVID-19 - Education Stabilization Fund	20100			67,737,518	64,151,345
84.425	R	COVID-19 - Education Stabilization Fund	20100			1,494,362	
84.425	E	COVID-19 - Education Stabilization Fund	MASU			781,506	

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Years Ended June 30, 2022

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
84.425	U	COVID-19 - Education Stabilization Fund	20100			40,014,858	39,290,191
84.425	C	COVID-19 - Education Stabilization Fund	11000			1,091,185	1,091,185
84.425	E	COVID-19 - Education Stabilization Fund	DSU			1,079,161	
84.425	M	COVID-19 - Education Stabilization Fund	LRSC			76,621	
84.425	C	COVID-19 - Education Stabilization Fund	MISU			77,274	
84.425	E	COVID-19 - Education Stabilization Fund	MISU			2,455,111	
84.425	F	COVID-19 - Education Stabilization Fund	MISU			2,237,191	
84.425	F	COVID-19 - Education Stabilization Fund	LRSC			69,000	
84.425	F	COVID-19 - Education Stabilization Fund	WSC			76,722	
84.425	F	COVID-19 - Education Stabilization Fund	DSU			1,526,441	
84.425	W	COVID-19 - Education Stabilization Fund	20100			161,430	95,657
84.425	C	COVID-19 - Education Stabilization Fund	VCSU			4,117	
84.425	E	COVID-19 - Education Stabilization Fund	VCSU			1,069,111	
84.425	F	COVID-19 - Education Stabilization Fund	VCSU			440,217	
84.425	R	COVID-19 - Education Stabilization Fund	WSC			3,960	
84.425	E	COVID-19 - Education Stabilization Fund	LRSC			833,383	
84.425	C	COVID-19 - Education Stabilization Fund	LRSC			454,703	
84.425	C	COVID-19 - Education Stabilization Fund	NDSCS			4,380	
84.425	E	COVID-19 - Education Stabilization Fund	NDSCS			13,119	
84.425	F	COVID-19 - Education Stabilization Fund	NDSCS			599,318	
84.425	E	COVID-19 - Education Stabilization Fund	WSC			973,820	
84.425	M	COVID-19 - Education Stabilization Fund	DSU			146,530	
84.425	M	COVID-19 - Education Stabilization Fund	MISU			97,505	
84.425	F	COVID-19 - Education Stabilization Fund	UND			13,624,282	
84.425	E	COVID-19 - Education Stabilization Fund	DCB			661,607	
84.425	C	COVID-19 - Education Stabilization Fund	DSU			43,412	
84.425	F	COVID-19 - Education Stabilization Fund	NDSU			6,420,970	
84.425	E	COVID-19 - Education Stabilization Fund	NDSU			10,772,663	
84.425	F	COVID-19 - Education Stabilization Fund	DCB			766,265	
84.425	E	COVID-19 - Education Stabilization Fund	UND			8,423,894	
84.425	E	COVID-19 - Education Stabilization Fund	BSC			2,017,916	

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Years Ended June 30, 2022

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
84.425	M	COVID-19 - Education Stabilization Fund	BSC			172,672	
84.425	C	COVID-19 - Education Stabilization Fund	BSC			27,146	
84.425	F	COVID-19 - Education Stabilization Fund	BSC			1,223,628	
84.426		COVID-19 - Randolph-Sheppard – Financial Relief and Restoration Payments	32500			7,563	
Nonmonetary Assistance:							
84.906		American Printing House for the Blind	25300			133,534	
Pass Through Non-State Entity:							
84.161		Rehabilitation Services Client Assistance Program	36000	North Dakota Department of Human Services - Client Assistance Program	N/A	92,231	
84.287		Twenty-First Century Community Learning Centers	UND	Indian Prairie Community Unit School District 204	N/A	5,995	
84.411		Education Innovation and Research (formerly Investing in Innovation (i3) Fund)	NDSU	National Writing Project	14-ND02-2020i3CWP	30,213	
84.425	D	COVID-19 - Education Stabilization Fund	25200	North Dakota Department of Public Instruction	10700	8,894	
Total for Unclustered						*$ 274,000,257*	*$ 185,358,284*
Research and Development Cluster							
Pass Through Non-State Entity:							
84.287		Twenty-First Century Community Learning Centers	UND	Indian Prairie Community Unit School District 204	586-46-0423	1,400	
84.305		Education Research, Development and Dissemination	UND	California State University, Chico	SUB18-059	39,963	
84.305		Education Research, Development and Dissemination	NDSU	University of Pennsylvania	583399	34,221	
Total for Research and Development Cluster						*$ 75,584*	*$*
Special Education Cluster (IDEA)							
Direct Programs:							
84.027		COVID-19 - Special Education Grants to States	20100			1,434,864	1,422,878
84.027		Special Education Grants to States	20100			34,330,248	30,918,770
84.173		Special Education Preschool Grants	20100			741,133	697,731
84.173		COVID-19 - Special Education Preschool Grants	20100			14,564	13,611
Pass Through Non-State Entity:							
84.027		Special Education Grants to States	25200	North Dakota Department of Public Instruction	14237	25,984	

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Years Ended June 30, 2022

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
84.027		COVID-19 - Special Education Grants to States	25200	North Dakota Department of Public Instruction	14529	11,987	
84.173		Special Education Preschool Grants	25200	North Dakota Department of Public Instruction	14239	1,012	
84.173		COVID-19 - Special Education Preschool Grants	25200	North Dakota Department of Public Instruction	14594	953	
Total for Special Education Cluster (IDEA)						*$ 36,560,745*	*$ 33,052,990*
Student Financial Assistance Cluster							
Direct Programs:							
84.007		Federal Supplemental Educational Opportunity Grants	LRSC			41,200	
84.007		Federal Supplemental Educational Opportunity Grants	NDSCS			179,217	
84.007		Federal Supplemental Educational Opportunity Grants	DCB			32,243	
84.007		Federal Supplemental Educational Opportunity Grants	VCSU			90,455	
84.007		Federal Supplemental Educational Opportunity Grants	BSC			77,588	
84.007		Federal Supplemental Educational Opportunity Grants	UND			1,062,434	
84.007		Federal Supplemental Educational Opportunity Grants	DSU			136,323	
84.007		Federal Supplemental Educational Opportunity Grants	MASU			75,400	
84.007		Federal Supplemental Educational Opportunity Grants	NDSU			773,675	
84.007		Federal Supplemental Educational Opportunity Grants	WSC			29,797	
84.007		Federal Supplemental Educational Opportunity Grants	MISU			167,500	
84.033		Federal Work-Study Program	LRSC			30,853	
84.033		Federal Work-Study Program	VCSU			55,159	
84.033		Federal Work-Study Program	MISU			105,828	
84.033		Federal Work-Study Program	WSC			24,503	
84.033		Federal Work-Study Program	NDSCS			85,790	
84.033		Federal Work-Study Program	MASU			62,018	
84.033		Federal Work-Study Program	NDSU			439,928	
84.033		Federal Work-Study Program	BSC			28,982	
84.033		Federal Work-Study Program	DSU			172,214	
84.033		Federal Work-Study Program	DCB			47,683	
84.033		Federal Work-Study Program	UND			659,160	
84.038		Federal Perkins Loan Program	NDSU			3,639,968	

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Years Ended June 30, 2022

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE SUBRECIPIENTS
84.038		Federal Perkins Loan Program	NDSCS			645,658
84.038		Federal Perkins Loan Program	LRSC			210,095
84.038		Federal Perkins Loan Program	MASU			357,151
84.038		Federal Perkins Loan Program	DSU			568,033
84.038		Federal Perkins Loan Program	UND			7,816,791
84.038		Federal Perkins Loan Program	DCB			157,890
84.038		Federal Perkins Loan Program	MISU			1,428,926
84.038		Federal Perkins Loan Program	BSC			119,326
84.038		Federal Perkins Loan Program	WSC			85,043
84.038		Federal Perkins Loan Program	VCSU			414,925
84.063		Federal Pell Grant Program	UND			7,659,286
84.063		Federal Pell Grant Program	LRSC			876,980
84.063		Federal Pell Grant Program	MISU			2,816,195
84.063		Federal Pell Grant Program	WSC			1,040,042
84.063		Federal Pell Grant Program	NDSU			8,831,216
84.063		Federal Pell Grant Program	MASU			1,367,736
84.063		Federal Pell Grant Program	DCB			895,473
84.063		Federal Pell Grant Program	NDSCS			2,466,826
84.063		Federal Pell Grant Program	VCSU			1,298,807
84.063		Federal Pell Grant Program	BSC			2,638,816
84.063		Federal Pell Grant Program	DSU			1,448,466
84.268		Federal Direct Student Loans	UND			75,306,775
84.268		Federal Direct Student Loans	LRSC			1,440,146
84.268		Federal Direct Student Loans	NDSU			44,964,112
84.268		Federal Direct Student Loans	DSU			3,831,654
84.268		Federal Direct Student Loans	NDSCS			5,995,831
84.268		Federal Direct Student Loans	WSC			1,094,081
84.268		Federal Direct Student Loans	VCSU			3,823,795
84.268		Federal Direct Student Loans	BSC			5,926,178
84.268		Federal Direct Student Loans	MASU			3,867,598
84.268		Federal Direct Student Loans	DCB			1,583,161

STATE OF NORTH DAKOTA
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For the Fiscal Years Ended June 30, 2022

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
84.268		Federal Direct Student Loans	MISU			7,415,839	
84.379		Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	MISU			12,731	
84.379		Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	MASU			43,898	
84.379		Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	UND			85,328	
84.379		Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	VCSU			11,316	
84.379		Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	NDSU			10,373	
Total for Student Financial Assistance Cluster						*$ 206,574,415*	*$*
TRIO Cluster							
Direct Programs:							
84.042		TRIO Student Support Services	NDSU			496,012	
84.042		TRIO Student Support Services	MISU			413,430	
84.042		TRIO Student Support Services	LRSC			307,299	
84.042		TRIO Student Support Services	UND			383,672	
84.044		TRIO Talent Search	UND			554,808	
84.047		TRIO Upward Bound	NDSU			244,078	
84.047		TRIO Upward Bound	UND			473,875	
84.066		TRIO Educational Opportunity Centers	UND			444,277	
84.217		TRIO McNair Post-Baccalaureate Achievement	UND			304,707	
Total for TRIO Cluster						*$ 3,622,158*	*$*
Total For Department Of Education						$ **520,833,159**	$ **218,411,274**
Department Of Energy							
Unclustered							
Direct Programs:							
81.041		State Energy Program	60100			246,089	188,838
81.042		Weatherization Assistance for Low-Income Persons	60100			2,971,184	2,825,552
81.138		State Heating Oil and Propane Program	60100			2,458	

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
81.U01		Direct Restitution (Supplemental Crude Oil Overcharge Refund)	60100		N/A	184	184
81.U02		Stripperwell Settlement (Petroleum Violation Escrow Funds)	60100		N/A	595	
Total for Unclustered						*$ 3,220,510*	*$ 3,014,574*
Research and Development Cluster							
Direct Programs:							
81.049		Office of Science Financial Assistance Program	UND			270,209	
81.049		Office of Science Financial Assistance Program	NDSU			394,659	
81.057		University Coal Research	UND			86,349	1,730
81.086		Conservation Research and Development	NDSU			43,503	
81.086		Conservation Research and Development	UND			345,231	78,468
81.087		Renewable Energy Research and Development	UND			511,285	72,110
81.089		Fossil Energy Research and Development	UND			18,418,221	2,303,831
81.135		Advanced Research Projects Agency - Energy	UND			288,596	
81.U03		Conceptual Design of a 1 Ton Per Dat Rare Earth Oxide Extraction and Concentration Plant from Low Rank Coals	UND		89243320CFE000057	1,932,394	1,698,275
Pass Through Non-State Entity:							
81.042		Weatherization Assistance for Low-Income Persons	UND	Nevada Department of Business and Industry	N/A	43,915	
81.049		Office of Science Financial Assistance Program	UND	Envergex LLC	DE-SC0020863	1,243	
81.049		Office of Science Financial Assistance Program	UND	Envergex LLC	N/A	60,956	
81.049		Office of Science Financial Assistance Program	UND	Precision Combustion Inc	PO No 1968	2,914	
81.049		Office of Science Financial Assistance Program	UND	Semplastics EHC LLC	N/A	15,923	
81.087		Renewable Energy Research and Development	NDSU	University of Oklahoma	2020-42	38,317	
81.087		Renewable Energy Research and Development	NDSU	Washington State University	136936-G004139	103,946	
81.089		Fossil Energy Research and Development	UND	Pennsylvania State University	S000045-USDOE	56,441	
81.089		Fossil Energy Research and Development	UND	Pennsylvania State University	S001343-USDOE	158,007	
81.089		Fossil Energy Research and Development	UND	Minnkota Power Cooperative Inc.	PO#200336	72,263	
81.089		Fossil Energy Research and Development	UND	X-MAT CCC LLC	N/A	41,602	
81.089		Fossil Energy Research and Development	UND	Barr Engineering Company	UND-FE0031756	220,147	
81.089		Fossil Energy Research and Development	UND	University of Wyoming	1004866-UND	781,443	

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
81.089		Fossil Energy Research and Development	UND	Doosan Heavy Industries & Construction Co., Ltd.	2021900024	39,804	
81.089		Fossil Energy Research and Development	UND	University of Texas at Austin	UTAUS-SUB00000088	7,042	
81.089		Fossil Energy Research and Development	UND	Semplastics EHC LLC	N/A	149,025	
81.089		Fossil Energy Research and Development	UND	Microbeam Technologies Incorporated	Microbeam Project #1537	949	
81.089		Fossil Energy Research and Development	UND	University of Louisville	ULRF_20-0756-01	4,112	
81.089		Fossil Energy Research and Development	UND	University of Alaska Fairbanks	PO 528936 / UAF 19-0014	64,267	
81.089		Fossil Energy Research and Development	UND	Microbeam Technologies Incorporated	MTI01181615	90,502	
81.089		Fossil Energy Research and Development	UND	Microbeam Technologies Incorporated	MTI01181626	10,006	
81.089		Fossil Energy Research and Development	UND	Membrane Technology and Research, Inc.	387-DOE-FE-0031632	69,438	
81.135		Advanced Research Projects Agency - Energy	UND	Envergex LLC	DE-AR0001314	86,449	
81.U04		LEIDOS - Biomass Cofiring-TOR11	UND	Leidos Holdings, Inc.	P010227025	112,731	
81.U05		LEIDOS - Cofiring Post - TOR 12	UND	Leidos Holdings, Inc.	P010227025	2,705,021	
81.U06		LEIDOS-Adv Airfoils - TOR15	UND	Leidos Holdings, Inc.	P010227025	35,526	
81.U07		LEIDOS-Business Deveop-TOR14	UND	Leidos Holdings, Inc.	P010227025	83,823	
81.U08		LEIDOS-Demonstration MVR-TOR16	UND	Leidos Holdings, Inc.	P010227025	42,313	
81.U09		LEIDOS-LDRD Support-TOR17	UND	Leidos Holdings, Inc.	P010227025	15,386	
81.U10		Technical Review and Input of NETL Research - Task 4	UND	Leidos Holdings, Inc.	P010227025	872,074	
Total for Research and Development Cluster						*$ 28,276,032*	*$ 4,154,414*
Total For Department Of Energy						$ **31,496,542**	$ **7,168,988**
Department Of Health And Human Services							
Unclustered							
Direct Programs:							
93.041		Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation	32500			21,637	
93.042		COVID-19 - Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	32500			55,489	
93.042		Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	32500			71,884	
93.043		Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	32500			97,108	

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
93.047		Special Programs for the Aging, Title VI, Part A, Grants to Indian Tribes, Part B, Grants to Native Hawaiians	UND			228,365	
93.048		Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	UND			311,061	
93.048		Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	MISU			264,493	
93.048		COVID-19 - Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	32500			255,260	15,749
93.052		National Family Caregiver Support, Title III, Part E	32500			1,308,232	
93.069		Public Health Emergency Preparedness	30100			4,858,703	2,105,059
93.071		Medicare Enrollment Assistance Program	40100			22,679	
93.072		Lifespan Respite Care Program	32500			45,018	
93.079		Cooperative Agreements to Promote Adolescent Health through School-Based HIV/STD Prevention and School-Based Surveillance	20100			93,969	
93.092		Affordable Care Act (ACA) Personal Responsibility Education Program	NDSU			196,932	120,499
93.103		Food and Drug Administration Research	NDSU			73,648	
93.103		Food and Drug Administration Research	60200			41,460	
93.107		Area Health Education Centers	UND			353,219	
93.116		Project Grants and Cooperative Agreements for Tuberculosis Control Programs	30100			263,065	37,881
93.124		Nurse Anesthetist Traineeship	UND			18,405	
93.127		Emergency Medical Services for Children	30100			166,390	
93.130		Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices	30100			133,317	
93.136		Injury Prevention and Control Research and State and Community Based Programs	30100			381,235	214,755
93.137		Community Programs to Improve Minority Health Grant Program	30100			207,347	70,132
93.138		Protection and Advocacy for Individuals with Mental Illness	36000			504,931	
93.150		Projects for Assistance in Transition from Homelessness (PATH)	32500			614,185	
93.155		Rural Health Research Centers	UND			2,497,305	1,773,867
93.165		Grants to States for Loan Repayment	30100			168,177	168,177
93.178		Nursing Workforce Diversity	UND			99,922	

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
93.217		Family Planning Services	30100			1,619,747	1,181,392
93.223		Development and Coordination of Rural Health Services	UND			3,137,745	666,859
93.234		Traumatic Brain Injury State Demonstration Grant Program	36000			58,242	
93.234		Traumatic Brain Injury State Demonstration Grant Program	32500			31,263	
93.236		Grants to States to Support Oral Health Workforce Activities	30100			346,840	70,425
93.241		State Rural Hospital Flexibility Program	UND			1,202,508	518,421
93.243		Substance Abuse and Mental Health Services Projects of Regional and National Significance	UND			455,587	
93.251		Early Hearing Detection and Intervention	MISU			215,719	18,734
93.268		COVID-19 - Immunization Cooperative Agreements	30100			11,038,699	4,790,532
93.268		COVID-19 - Immunization Cooperative Agreements	NDUS			46,709	
93.270		Viral Hepatitis Prevention and Control	30100			176,238	61,767
93.301		Small Rural Hospital Improvement Grant Program	UND			1,412,214	1,120,599
93.314		Early Hearing Detection and Intervention Information System (EHDI-IS) Surveillance Program	MISU			160,000	
93.319		Outreach Programs to Reduce the Prevalence of Obesity in High Risk Rural Areas	NDSU			721,738	91,265
93.323		COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	30100			21,329,617	5,227,996
93.324		State Health Insurance Assistance Program	40100			270,196	
93.332		Cooperative Agreement to Support Navigators in Federally-facilitated Exchanges	MISU			645,413	
93.336		COVID-19 - Behavioral Risk Factor Surveillance System	30100			454,312	
93.354		COVID-19 - Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	30100			331,713	
93.366		State Actions to Improve Oral Health Outcomes and Partner Actions to Improve Oral Health Outcomes	30100			604,246	213,345
93.387		National and State Tobacco Control Program	30100			1,066,928	36,687
93.391		COVID-19 - Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	30100			6,143,049	3,439,929
93.413		The State Flexibility to Stabilize the Market Grant Program	40100			20,000	
93.423		1332 State Innovation Waivers	40100			20,481,805	

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
93.426		Improving the Health of Americans through Prevention and Management of Diabetes and Heart Disease and Stroke	30100			2,023,968	1,274,138
93.497		COVID-19 - Family Violence Prevention and Services/ Sexual Assault/Rape Crisis Services and Supports	30100			12,289	6,862
93.498		COVID-19 - Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	32500			3,445,927	
93.556		MaryLee Allen Promoting Safe and Stable Families Program	32500			434,106	104,382
93.556		COVID-19 - MaryLee Allen Promoting Safe and Stable Families Program	32500			27,703	27,703
93.558		Temporary Assistance for Needy Families	32500			17,885,862	188,774
93.558		COVID-19 - Temporary Assistance for Needy Families	32500			1,065,350	
93.563		Child Support Enforcement	32500			11,684,062	
93.564		Child Support Enforcement Research	32500			44,099	
93.566		Refugee and Entrant Assistance State/Replacement Designee Administered Programs	32500			1,795,116	8,702
93.568		Low-Income Home Energy Assistance	32500			36,701,542	5,802,563
93.568		COVID-19 - Low-Income Home Energy Assistance	32500			4,265,147	
93.569		COVID-19 - Community Services Block Grant	60100			1,449,665	1,364,367
93.569		Community Services Block Grant	60100			3,258,042	3,193,602
93.586		State Court Improvement Program	18000			315,150	
93.590		COVID-19 - Community-Based Child Abuse Prevention Grants	32500			51,800	
93.590		Community-Based Child Abuse Prevention Grants	32500			477,124	
93.597		Grants to States for Access and Visitation Programs	32500			100,219	
93.599		Chafee Education and Training Vouchers Program (ETV)	32500			123,026	
93.599		COVID-19 - Chafee Education and Training Vouchers Program (ETV)	32500			44,433	
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			78,749	
93.630		Developmental Disabilities Basic Support and Advocacy Grants	32500			627,258	21,151
93.630		Developmental Disabilities Basic Support and Advocacy Grants	36000			626,943	

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
93.632		University Centers for Excellence in Developmental Disabilities Education, Research, and Service	MISU			642,278	
93.643		COVID-19 - Children's Justice Grants to States	32500			119,340	48,874
93.645		Stephanie Tubbs Jones Child Welfare Services Program	32500			417,198	
93.645		COVID-19 - Stephanie Tubbs Jones Child Welfare Services Program	32500			19,281	
93.658		Foster Care Title IV-E	32500			15,148,422	104,083
93.659		Adoption Assistance	32500			14,386,154	3,346
93.665		COVID-19 - Emergency Grants to Address Mental and Substance Use Disorders During COVID-19	32500			1,218,496	284,186
93.665		COVID-19 - Emergency Grants to Address Mental and Substance Use Disorders During COVID-19	36000			32,308	
93.667		Social Services Block Grant	32500			3,746,233	
93.669		Child Abuse and Neglect State Grants	32500			27,012	23,764
93.669		COVID-19 - Child Abuse and Neglect State Grants	32500			19,974	
93.671		COVID-19 - Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	30100			1,045,959	1,000,203
93.674		John H. Chafee Foster Care Program for Successful Transition to Adulthood	32500			446,114	424,212
93.674		COVID-19 - John H. Chafee Foster Care Program for Successful Transition to Adulthood	32500			95,565	36,533
93.732		Mental and Behavioral Health Education and Training Grants	UND			627,725	
93.747		COVID-19 - Elder Abuse Prevention Interventions Program	32500			342,568	
93.767		Children's Health Insurance Program	32500			19,032,191	
93.788		Opioid STR	32500			4,143,141	
93.791		Money Follows the Person Rebalancing Demonstration	32500			5,315,011	587,497
93.843		ACL Assistive Technology State Grants for Protection and Advocacy	36000			53,597	
93.889		National Bioterrorism Hospital Preparedness Program	30100			1,933,053	298,562
93.898		Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	UND			414,100	
93.898		Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	30100			2,953,235	1,710,236

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For the Fiscal Years Ended June 30, 2022

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
93.912		Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement	NDSU			133,654	
93.913		Grants to States for Operation of State Offices of Rural Health	UND			186,400	18,327
93.917		HIV Care Formula Grants	30100			2,260,285	864,407
93.940		HIV Prevention Activities Health Department Based	30100			999,550	96,211
93.946		Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	30100			135,470	
93.958		COVID-19 - Block Grants for Community Mental Health Services	32500			30,294	
93.958		Block Grants for Community Mental Health Services	32500			1,748,512	57,347
93.959		Block Grants for Prevention and Treatment of Substance Abuse	32500			5,868,014	
93.959		COVID-19 - Block Grants for Prevention and Treatment of Substance Abuse	32500			442,619	
93.969		PPHF Geriatric Education Centers	UND			828,453	212,140
93.970		Health Professions Recruitment Program for Indians	UND			1,111,115	
93.977		COVID-19 - Sexually Transmitted Diseases (STD) Prevention and Control Grants	30100			550,212	11,731
93.982		Mental Health Disaster Assistance and Emergency Mental Health	32500			399,633	138,657
93.991		Preventive Health and Health Services Block Grant	30100			305,367	130,494
93.994		Maternal and Child Health Services Block Grant to the States	30100			1,653,298	421,350
93.U03		MQSA Inspections	30300		HHSF223201710056C	71,392	
93.U04		Medicated Feeds	60200		75F40121C00107	49,530	
Nonmonetary Assistance:							
93.268		Immunization Cooperative Agreements	30100			8,400,781	
Pass Through Non-State Entity:							
93.048		Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	UND	University of Southern California	137298454/ PO 50933433	715	
93.103		Food and Drug Administration Research	30100	Association of Food and Drug Officials	G-MP-1910-07946	78,142	
93.110		Maternal and Child Health Federal Consolidated Programs	30100	Association of State Public Health Nutritionists	U7NMC30388-03-02	843,540	437,158

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE SUBRECIPIENTS
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	73,332
93.243		Substance Abuse and Mental Health Services Projects of Regional and National Significance	UND	Grand Forks Housing Authority	3	20,027
93.421		COVID-19 - Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	MISU	Association of University Centers on Disabilities	28-8814-22	64,874
93.421		COVID-19 - Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	MISU	Association of University Centers on Disabilities	21-21-8815	8,621
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	3,309
93.421		Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	MISU	Association of University Centers on Disabilities	34-21-8814	24,050
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 Institute	G2129-AG0754	7,691
93.424		NON-ACA/PPHF—Building Capacity of the Public Health System to Improve Population Health through National Nonprofit Organizations	MISU	Association of University Centers on Disabilities	N/A	7,689
93.426		Improving the Health of Americans through Prevention and Management of Diabetes and Heart Disease and Stroke	NDSU	North Dakota Pharmacy Service Corporation	N/A	12,138
93.470		Alzheimer's Disease Program Initiative (ADPI)	UND	Spirit Lake Tribe	N/A	12,161
93.569		Community Services Block Grant	UND	Community Services Agency	N/A	10,801
93.648		Child Welfare Research Training or Demonstration	UND	The Research Foundation for the State University of New York	R1235354	363,687
93.648		Child Welfare Research Training or Demonstration	UND	The Research Foundation for the State University of New York	11-89268	68,971
93.648		Child Welfare Research Training or Demonstration	UND	The Research Foundation for the State University of New York	11-92159	79,299
93.761		Evidence-Based Falls Prevention Programs Financed Solely by Prevention and Public Health Funds (PPHF)	NDSU	South Dakota State University	3TB507	9,986
93.788		Opioid STR	NDSU	South Dakota State University	3TB310	49,424
93.788		Opioid STR	UND	University of Missouri System	00109612/00077332	369,502
93.788		Opioid STR	NDSU	South Dakota State University	3TB352	60,181
93.796		State Survey Certification of Health Care Providers and Suppliers (Title XIX) Medicaid	36000	North Dakota Department of Human Services - Medicaid Title 19	N/A	100,540

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
93.884		Primary Care Training and Enhancement	UND	University of Washington	UWSC10279 / BPO 49251	23,904	
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	13,304	
93.U06		ND State Council on Developmental Disabilities (SCDD)	36000	North Dakota Department of Human Services	N/A	5,840	
Total for Unclustered						*$ 271,890,406*	*$ 40,845,632*
Unclustered							
Nonmonetary Assistance:							
93.U02		COVID-19 - Division of Strategic National Stockpile	30100		N/A	705,817	
Pass Through Non-State Entity:							
93.U05		COVID-19 - AHRQ ECHO National Nursing Home COVID-19 Action Network	UND	University of New Mexico	3RJK7	44,640	
Total for Unclustered						*$ 750,457*	*$*
Aging Cluster							
Direct Programs:							
93.044		Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	32500			2,300,382	503,928
93.044		COVID-19 - Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	32500			959,921	
93.045		COVID-19 - Special Programs for the Aging, Title III, Part C, Nutrition Services	32500			544,747	
93.045		Special Programs for the Aging, Title III, Part C, Nutrition Services	32500			5,398,658	
93.053		Nutrition Services Incentive Program	32500			800,405	
Total for Aging Cluster						*$ 10,004,113*	*$ 503,928*
CCDF Cluster							
Direct Programs:							
93.575		Child Care and Development Block Grant	32500			7,377,198	909,426
93.575		COVID-19 - Child Care and Development Block Grant	32500			33,430,003	
93.596		Child Care Mandatory and Matching Funds of the Child Care and Development Fund	32500			10,902,684	
Total for CCDF Cluster						*$ 51,709,885*	*$ 909,426*

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
Head Start Cluster							
Direct Programs:							
93.600		Head Start	32500			22,618	
93.600		Head Start	MASU			3,335,941	
93.600		COVID-19 - Head Start	MASU			7,882	
93.600		Head Start	20100			84,616	
Nonmonetary Assistance:							
93.600		Head Start	MASU			521,524	
Total for Head Start Cluster						*$ 3,972,581*	*$*
Medicaid Cluster							
Direct Programs:							
93.775		State Medicaid Fraud Control Units	12500			672,422	
93.777		State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	32500			1,092,266	
93.777		State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	30100			1,230,239	
93.778		Medical Assistance Program	32500			1,131,329,927	22,601
93.778		COVID-19 - Medical Assistance Program	30100			387,008	
Total for Medicaid Cluster						*$1,134,711,862*	*$ 22,601*
Research and Development Cluster							
Direct Programs:							
93.242		Mental Health Research Grants	UND			762,048	
93.243		Substance Abuse and Mental Health Services Projects of Regional and National Significance	UND			1,183,478	744,598
93.247		Advanced Nursing Education Workforce Grant Program	NDSU			354,232	173,724
93.273		Alcohol Research Programs	UND			98,308	
93.310		Trans-NIH Research Support	UND			169,545	26,368
93.351		Research Infrastructure Programs	NDSU			931,406	
93.394		Cancer Detection and Diagnosis Research	NDSU			72,523	
93.395		Cancer Treatment Research	NDSU			309,106	81,839
93.732		Mental and Behavioral Health Education and Training Grants	UND			9,587	

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
93.837		Cardiovascular Diseases Research	NDSU			224,150	
93.838		Lung Diseases Research	NDSU			439,605	115,950
93.847		Diabetes, Digestive, and Kidney Diseases Extramural Research	NDSU			592,468	576,352
93.853		Extramural Research Programs in the Neurosciences and Neurological Disorders	UND			453,439	
93.855		Allergy and Infectious Diseases Research	NDSU			188,385	7,224
93.855		Allergy and Infectious Diseases Research	UND			1,035,956	48,596
93.859		Biomedical Research and Research Training	UND			12,935,729	1,592,222
93.859		Biomedical Research and Research Training	NDSU			3,045,239	42,761
93.866		Aging Research	NDSU			787,564	174,121
93.866		Aging Research	UND			897,485	
93.867		Vision Research	NDSU			34,006	
Pass Through Non-State Entity:							
93.068		Chronic Diseases: Research, Control, and Prevention	UND	University of North Carolina at Chapel Hill	PO ID Y20DSL0408	45,853	
93.262		Occupational Safety and Health Program	NDSU	University of Minnesota	P005501208	7,511	
93.279		Drug Abuse and Addiction Research Programs	UND	University of Cincinnati	013764-00015	23,558	
93.279		Drug Abuse and Addiction Research Programs	UND	University of Tennessee	20-2050-UND/21-0110-UND	239	
93.279		Drug Abuse and Addiction Research Programs	UND	Drexel University	PO U0176282	55,760	
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 Institute	G1451-AG-0031	87	
93.586		State Court Improvement Program	UND	Standing Rock Sioux Tribe	N/A	11,919	
93.838		Lung Diseases Research	UND	West Virginia University	N/A	148,969	
93.847		Diabetes, Digestive, and Kidney Diseases Extramural Research	NDSU	Sanford Research North	CY21-048-NDSU	59,863	
93.847		Diabetes, Digestive, and Kidney Diseases Extramural Research	UND	Regents of the University of Michigan	3004429441	4,599	
93.853		Extramural Research Programs in the Neurosciences and Neurological Disorders	UND	Trinity College	NS065957-01/UND2021	142,758	
93.855		Allergy and Infectious Diseases Research	UND	Planet Biotechnology Incorporated	1 R41 AI152954-01 A1	17,761	
93.855		Allergy and Infectious Diseases Research	UND	University of Kentucky	3200003246-20-284	83,987	
93.859		Biomedical Research and Research Training	UND	Sanford Health	SRN-2021-02	18,608	

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE	AMOUNT TO SUBRECIPIENTS
93.859		Biomedical Research and Research Training	UND	BBC Entrepreneurial Training & Consulting, LLC	5UT2GM130175-03	30,580	
93.859		Biomedical Research and Research Training	UND	University of Nebraska	34-5250-2005-923	99	
93.859		Biomedical Research and Research Training	NDSU	Sanford Research North	SRN-2021-01	346,380	
93.859		Biomedical Research and Research Training	UND	BBC Entrepreneurial Training & Consulting, LLC	ND2018	12,139	
93.859		Biomedical Research and Research Training	NDSU	University of Nebraska Medical Center	34-5250-2016-762	10,858	
93.859		Biomedical Research and Research Training	NDSU	University Of Texas at Austin	UTA20-001169	11,864	
93.859		Biomedical Research and Research Training	UND	University of Nebraska	34-5250-2032-728	10,511	
93.859		Biomedical Research and Research Training	UND	West Virginia University	12-303G-ND	9,657	
93.859		Biomedical Research and Research Training	UND	University of Nebraska	34-5250-2016-151	40	
93.866		Aging Research	UND	Ohio State University, The	SPC-1000003598/GR102258	90,304	
93.866		Aging Research	UND	Trustees of Boston University	4500003782	150,946	
93.866		Aging Research	UND	West Virginia University Research Corporation	17-471-UND	19,665	
93.866		Aging Research	UND	Mayo Clinic	UND-256075/PO 67391560	24,211	
93.866		Aging Research	UND	West Virginia University Research Corporation	20-529-UND	80,461	
93.867		Vision Research	UND	Barron Associates, Inc.	536-SC01	26,076	
93.945		Assistance Programs for Chronic Disease Prevention and Control	UND	Montana Department of Public Health and Human Services	14096760050	131	
93.945		Assistance Programs for Chronic Disease Prevention and Control	UND	Montana Department of Public Health and Human Services	22096760050	125,306	
Total for Research and Development Cluster						*$ 26,094,959*	*$ 3,583,755*
Student Financial Assistance Cluster							
Direct Programs:							
93.264		Nurse Faculty Loan Program (NFLP)	MASU			28,063	
93.264		Nurse Faculty Loan Program (NFLP)	UND			114,942	
93.342		Health Professions Student Loans, Including Primary Care Loans and Loans for Disadvantaged Students	UND			397,291	
93.364		Nursing Student Loans	UND			1,497,195	
93.364		Nursing Student Loans	DSU			215,406	
93.364		Nursing Student Loans	MISU			938,292	
93.364		Nursing Student Loans	NDSU			430,291	

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
Total for Student Financial Assistance Cluster						*$ 3,621,480*	*$*
Total For Department Of Health And Human Services						**$ 1,502,755,743**	**$ 45,865,342**
Department Of Homeland Security							
Unclustered							
Direct Programs:							
97.008		Non-Profit Security Program	54000			352,553	352,553
97.012		Boating Safety Financial Assistance	72000			751,177	20,100
97.023		Community Assistance Program State Support Services Element (CAP-SSSE)	77000			94,926	
97.036		Disaster Grants - Public Assistance (Presidentially Declared Disasters)	54000			7,291,477	6,339,443
97.036		COVID-19 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	54000			33,283,555	1,008,197
97.036		COVID-19 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	32500			412,360	
97.039		Hazard Mitigation Grant	54000			459,148	413,271
97.041		National Dam Safety Program	77000			62,416	
97.042		Emergency Management Performance Grants	54000			2,928,849	1,372,030
97.042		COVID-19 - Emergency Management Performance Grants	54000			122,464	17,058
97.045		Cooperating Technical Partners	77000			3,367,721	
97.047		BRIC: Building Resilient Infrastructure and Communities	54000			3,068,974	2,941,007
97.067		Homeland Security Grant Program	54000			6,414,536	5,154,983
Total for Unclustered						*$ 58,610,156*	*$ 17,618,642*
Total For Department Of Homeland Security						**$ 58,610,156**	**$ 17,618,642**
Department Of Housing And Urban Development							
Unclustered							
Direct Programs:							
14.171		Manufactured Home Dispute Resolution	60100			8,380	
14.228		COVID-19 - Community Development Block Grants/State's program and Non-Entitlement Grants in	60100			21,367	
14.228		Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	60100			2,145,622	1,903,249

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
14.231		COVID-19 - Emergency Solutions Grant Program	60100			3,712,966	3,570,838
14.231		Emergency Solutions Grant Program	60100			188,882	152,809
14.267		Continuum of Care Program	60100			11,854	11,094
14.401		Fair Housing Assistance Program State and Local	40600			156,900	
Total for Unclustered						*$ 6,245,971*	*$ 5,637,990*
CDBG - Disaster Recovery Grants - Pub. L. No. 113-2 Cluster							
Direct Programs:							
14.272		National Disaster Resilience Competition	DCB			83,071	
Total for CDBG - Disaster Recovery Grants - Pub. L. No. 113-2 Cluster						*$ 83,071*	*$*
Total For Department Of Housing And Urban Development						$ **6,329,042**	$ **5,637,990**
Department Of Justice							
Unclustered							
Direct Programs:							
16.015		Missing Alzheimer's Disease Patient Assistance Program	MISU			23,772	
16.017		Sexual Assault Services Formula Program	30100			422,310	406,177
16.034		COVID-19 - Coronavirus Emergency Supplemental Funding Program	12500			734,759	405,884
16.320		Services for Trafficking Victims	12500			165,551	
16.540		Juvenile Justice and Delinquency Prevention	53000			600,036	600,036
16.543		Missing Children's Assistance	12500			255,225	
16.548		Title V Delinquency Prevention Program	53000			22,501	22,501
16.554		National Criminal History Improvement Program (NCHIP)	12500			5,279	
16.575		Crime Victim Assistance	53000			220,395	
16.576		Crime Victim Compensation	53000			5,899,225	5,870,225
16.582		Crime Victim Assistance/Discretionary Grants	53000			5,000	
16.582		Crime Victim Assistance/Discretionary Grants	12500			78,114	
16.585		Drug Court Discretionary Grant Program	53000			113,419	
16.588		Violence Against Women Formula Grants	30100			860,997	754,724
16.596		Justice System Infrastructure Program for Indian Tribes	UND			88,562	
16.608		Tribal Justice Systems and Alcohol and Substance Abuse	UND			530,861	269,088

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
16.609		Project Safe Neighborhoods	12500			90,047	83,150
16.710		Public Safety Partnership and Community Policing Grants	12500			479,907	
16.734		Special Data Collections and Statistical Studies	12500			100,000	
16.738		Edward Byrne Memorial Justice Assistance Grant Program	12500			509,026	185,837
16.741		DNA Backlog Reduction Program	12500			365,274	
16.742		Paul Coverdell Forensic Sciences Improvement Grant Program	12500			457,524	
16.750		Support for Adam Walsh Act Implementation Grant Program	12500			3,920	
16.813		NICS Act Record Improvement Program	12500			197,313	
16.827		Justice Reinvestment Initiative	53000			534,724	534,724
16.827		Justice Reinvestment Initiative	18000			315,368	
Pass Through Non-State Entity:							
16.582		Crime Victim Assistance/Discretionary Grants	UND	Fox Valley Technical College	D2019012073	37,784	
16.608		Tribal Justice Systems and Alcohol and Substance Abuse	UND	Fox Valley Technical College	D2019001020	27,724	
16.608		Tribal Justice Systems and Alcohol and Substance Abuse	UND	Fox Valley Technical College	D2020010002	2,272	
16.726		Juvenile Mentoring Program	NDSU	National 4-H Council	2019-MU-FX-0002	3,565	
16.726		Juvenile Mentoring Program	NDSU	National 4-H Council	2020-JU-FX-0031	37,661	
16.738		Edward Byrne Memorial Justice Assistance Grant Program	UND	The Council of State Governments	21-SA-161-2972	8,658	
16.841		VOCA Tribal Victim Services Set-Aside Program	UND	Fox Valley Technical College	D2019008055	22,738	
Total for Unclustered						*$ 13,219,511*	*$ 9,132,346*
Research and Development Cluster							
Pass Through Non-State Entity:							
16.608		Tribal Justice Systems and Alcohol and Substance Abuse	UND	The National Judicial College	NJC-2019001	135,922	
Total for Research and Development Cluster						*$ 135,922*	*$*
Total For Department Of Justice						**$ 13,355,433**	**$ 9,132,346**
Department Of Labor							
Unclustered							
Direct Programs:							
17.201		Registered Apprenticeship	27000			148,423	148,423
17.235		Senior Community Service Employment Program	32500			120,890	21,038

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
17.285		Apprenticeship USA Grants	60100			212,324	
17.504		Consultation Agreements	BSC			509,451	
17.600		Mine Health and Safety Grants	27000			120,220	120,220
Total for Unclustered						*$ 1,111,308*	*$ 289,681*
Total For Department Of Labor						$ **1,111,308**	$ **289,681**
Department Of State							
Unclustered							
Pass Through Non-State Entity:							
19.402		Professional and Cultural Exchange Programs - International Visitor Leadership Program	MISU	Global Ties U.S.	CPG-FY21-005	1,461	
Total for Unclustered						*$ 1,461*	*$*
Total For Department Of State						$ **1,461**	$
Department Of The Interior							
Unclustered							
Direct Programs:							
15.227		Distribution of Receipts to State and Local Governments	12000			5,802	5,802
15.250		Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining	40800			991,165	
15.252		Abandoned Mine Land Reclamation (AMLR)	40800			2,437,804	
15.427		Federal Oil and Gas Royalty Management State and Tribal Coordination	11700			524,961	
15.433		Flood Control Act Lands	12000			65,749,813	65,749,813
15.436		Late Disbursement Interest	12000			418	277
15.437		Minerals Leasing Act	12000			69,747,774	32,652,113
15.518		Garrison Diversion Unit	72000			852,570	
15.518		Garrison Diversion Unit	77000			20,828,087	
15.615		Cooperative Endangered Species Conservation Fund	72000			74,052	
15.634		State Wildlife Grants	72000			618,566	236,502
15.637		Migratory Bird Joint Ventures	72000			26,996	26,996
15.654		National Wildlife Refuge System Enhancements	72000			98,610	
15.810		National Cooperative Geologic Mapping	40500			3,954	

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
15.904		Historic Preservation Fund Grants-In-Aid	70100			762,795	132,224
15.916		Outdoor Recreation Acquisition, Development and	75000			497,563	444,849
15.931		Youth and Veteran Organizations Conservation Activities	NDSU			17,138	
Pass Through Non-State Entity:							
15.518		Garrison Diversion Unit	77000	Garrison Diversion Conservancy District	6-FC-60-00210	64,467	
15.808		U.S. Geological Survey Research and Data Collection	77000	Garrison Diversion Conservancy District	6-FC-60-00210	22,411	
15.939		Heritage Partnership	NDSU	Northern Plains Heritage Foundation	N/A	1,193	
Total for Unclustered						*$ 163,326,139*	*$ 99,248,576*
Fish and Wildlife Cluster							
Direct Programs:							
15.605		Sport Fish Restoration	72000			4,562,113	383,501
15.611		Wildlife Restoration and Basic Hunter Education	72000			10,282,787	102,757
15.626		Enhanced Hunter Education and Safety	72000			81,190	81,190
Pass Through Non-State Entity:							
15.605		Sport Fish Restoration	NDSU	South Dakota Department of Game, Fish and Parks	20SC06W011	23,474	
Total for Fish and Wildlife Cluster						*$ 14,949,564*	*$ 567,448*
Research and Development Cluster							
Direct Programs:							
15.247		Wildlife Resource Management	NDSU			15,877	
15.678		Cooperative Ecosystem Studies Units	NDSU			88,135	
15.805		Assistance to State Water Resources Research Institutes	NDSU			80,860	
15.808		U.S. Geological Survey Research and Data Collection	NDSU			46,873	
15.945		Cooperative Research and Training Programs – Resources of the National Park System	UND			1,855	
15.945		Cooperative Research and Training Programs – Resources of the National Park System	NDSU			122,806	
15.RD		USGS-USFWS Science Support Partnership Grant: Below-ground mutualisms to support pollination mutualisms: improving pollinator habitat using mycorrhizal inoculum	NDSU		F03RBNW00	2	
Pass Through Non-State Entity:							
15.815		National Land Remote Sensing Education Outreach and Research	UND	AmericaView	AV18-ND-01-003	13,892	

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
15.815		National Land Remote Sensing Education Outreach and Research	UND	AmericaView	AV18-ND-01	1,783	
Total for		*Research and Development Cluster*				*$ 372,083*	*$*
Total For Department Of The Interior						**$ 178,647,786**	**$ 99,816,024**
Department Of The Treasury							
Unclustered							
Direct Programs:							
21.019		COVID-19 - Coronavirus Relief Fund	VCSU			61,147	
21.019		COVID-19 - Coronavirus Relief Fund	11000			39,374	
21.019		COVID-19 - Coronavirus Relief Fund	60100			7,530,252	50,000
21.019		COVID-19 - Coronavirus Relief Fund	25300			86,000	
21.019		COVID-19 - Coronavirus Relief Fund	NDUS			2,441,541	
21.019		COVID-19 - Coronavirus Relief Fund	32500			5,464,719	171,993
21.019		COVID-19 - Coronavirus Relief Fund	20100			680,424	680,424
21.019		COVID-19 - Coronavirus Relief Fund	UND			4,750	
21.019		COVID-19 - Coronavirus Relief Fund	80100			83,128	
21.019		COVID-19 - Coronavirus Relief Fund	18000			360,000	
21.019		COVID-19 - Coronavirus Relief Fund	31300			286,413	
21.019		COVID-19 - Coronavirus Relief Fund	50400			8,100,000	
21.019		COVID-19 - Coronavirus Relief Fund	40500			5,935,352	
21.019		COVID-19 - Coronavirus Relief Fund	30100			15,776,031	1,467,036
21.019		COVID-19 - Coronavirus Relief Fund	12000			12,943	12,943
21.019		COVID-19 - Coronavirus Relief Fund	NDSU			1,093,498	
21.019		COVID-19 - Coronavirus Relief Fund	11200			7,832,948	
21.019		COVID-19 - Coronavirus Relief Fund	MASU			405,660	
21.019		COVID-19 - Coronavirus Relief Fund	DCB			211,018	
21.019		COVID-19 - Coronavirus Relief Fund	53000			23,585,333	
21.019		COVID-19 - Coronavirus Relief Fund	NDSCS			35,539	
21.019		COVID-19 - Coronavirus Relief Fund	BSC			79,531	
21.023		COVID-19 - Emergency Rental Assistance Program	32500			55,422,639	
21.026		COVID-19 - Homeowner Assistance Fund	32500			134,639	

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE	AMOUNT TO SUBRECIPIENTS
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	31300			61,546	
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	32100			4,855	4,855
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	11000			725,915	
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	60200			1,000,000	
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	32500			26,179,030	
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	20100			11,493	
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	18000			50,000	
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	14000			2,800	
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	12500			45,821	
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	41200			258,329	
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	50400			1,747,254	
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	12000			92,347,319	
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	11200			38,430	
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	60100			279,697	
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	53000			5,275,074	
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	40500			1,640,452	
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	DSU			235,200	
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	UND			1,920,402	
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	NDUS			83,910	
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	NDSCS			3,996,259	

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	MISU			719,591	
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	BSC			350,644	
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	80100			11,565,036	
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	77000			23,991,806	
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	75000			1,169,532	
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	NDSU			327,170	
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	70100			883,131	
Pass Through Non-State Entity:							
21.019		COVID-19 - Coronavirus Relief Fund	UND	SafetySpect Inc.	N/A	2,031	
Total for Unclustered						*$ 310,575,606*	*$ 2,387,251*
Total For Department Of The Treasury						**$ 310,575,606**	**$ 2,387,251**
Department Of Transportation							
Unclustered							
Direct Programs:							
20.106		Airport Improvement Program and COVID-19 Airports Program	41200			538,467	
20.106		COVID-19 - Airport Improvement Program and COVID-19 Airports Program	41200			12,859	
20.111		Aircraft Pilots Workforce Development Grant Program	UND			112,963	
20.200		Highway Research and Development Program	80100			146,891	
20.215		Highway Training and Education	80100			142,923	
20.240		Fuel Tax Evasion-Intergovernmental Enforcement Effort	12700			4,950	
20.301		Railroad Safety	40800			5,321	
20.325		Consolidated Rail Infrastructure and Safety Improvements	80100			147,210	147,210
20.505		Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	80100			758,860	758,860
20.509		COVID-19 - Formula Grants for Rural Areas and Tribal Transit Program	80100			183,869	183,869

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
20.509		Formula Grants for Rural Areas and Tribal Transit Program	80100			7,028,648	6,653,532
20.608		Minimum Penalties for Repeat Offenders for Driving While Intoxicated	80100			694,186	10,140
20.615		E-911 Grant Program	54000			561,533	561,533
20.700		Pipeline Safety Program State Base Grant	40800			222,319	
20.703		Interagency Hazardous Materials Public Sector Training and Planning Grants	54000			198,146	115,758
20.721		PHMSA Pipeline Safety Program One Call Grant	40800			32,660	
20.U02		Accelerated Safety Activity Program	80100		DTNH22-17-H-00142	20,083	
Pass Through Non-State Entity:							
20.200		Highway Research and Development Program	NDSU	Minnesota Department of Transportation	1036338 work order 1	2,646	
20.U01		5010 Inspections	41200	GCR Inc	N/A	16,900	
Total for Unclustered						*$ 10,831,434*	*$ 8,430,902*
Federal Transit Cluster							
Direct Programs:							
20.526		Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	80100			1,838,868	1,838,868
Total for Federal Transit Cluster						*$ 1,838,868*	*$ 1,838,868*
FMCSA Cluster							
Direct Programs:							
20.218		Motor Carrier Safety Assistance	50400			2,582,114	
20.237		Motor Carrier Safety Assistance High Priority Activities Grants and Cooperative Agreements	NDSU			129,884	
Total for FMCSA Cluster						*$ 2,711,998*	*$*
Highway Planning and Construction Cluster							
Direct Programs:							
20.205		COVID-19 - Highway Planning and Construction	80100			23,346,560	
20.205		Highway Planning and Construction	80100			286,074,180	2,850,718
20.219		Recreational Trails Program	80100			1,859	
20.219		Recreational Trails Program	75000			967,852	774,470
Pass Through Non-State Entity:							

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
20.205		Highway Planning and Construction	NDSU	Bismarck-Mandan Metropolitan Planning Organization	38151860 Bis-Man	3,442	
20.205		Highway Planning and Construction	NDSU	Fargo-Moorhead Metropolitan Council of Governments	38151860- FM COG	4,570	
20.205		Highway Planning and Construction	NDSU	Grand Forks-East Grand Forks Metropolitan Planning Organization	38151860- GF/EGF MPO	9,161	
20.205		Highway Planning and Construction	NDSU	University of Wisconsin - Milwaukee	223405560	15,685	
Total for Highway Planning and Construction Cluster						*$ 310,423,309*	*$ 3,625,188*
Highway Safety Cluster							
Direct Programs:							
20.600		State and Community Highway Safety	80100			2,616,771	398,807
20.616		National Priority Safety Programs	80100			1,893,536	470,788
Pass Through Non-State Entity:							
20.600		State and Community Highway Safety	NDSU	South Dakota Department of Public Safety	N/A	34,161	
Total for Highway Safety Cluster						*$ 4,544,468*	*$ 869,595*
Research and Development Cluster							
Direct Programs:							
20.109		Air Transportation Centers of Excellence	UND			776,201	29,982
20.701		University Transportation Centers Program	NDSU			3,180,242	1,875,300
20.723		PHMSA Pipeline Safety Research and Development “Other Transaction Agreements”	NDSU			141,522	
20.724		Pipeline Safety Research Competitive Academic Agreement Program (CAAP)	NDSU			290,230	22,307
20.RD		A25 - Develop Risk-Based Training and Standards for Waivers	UND		15-C-UAS-UND-019	26,482	
20.RD		A27: Establish Risk-Based Thresholds for Approvals Needed	UND		15-C-UAS-UND-015	49,542	
20.RD		A31 Safety Risks and Mitigations for UAS Operation and Around Airports	UND		15-C-UAS-UND-026	123,625	
20.U03		A18_A11L.UAS.22-Small UAS Detect and Avoid Requirements	UND		15-C-UAS-UND-011	58,445	
20.U04		A19 UAS Test Data Collection and Analysis	UND		15-C-UAS-UND-010	20,650	
20.U08		A37 UAS Standards Tracking, Mapping, and Analysis	UND		15-C-UAS-UND-024	164,864	
20.U09		A38 UAS Cyber Security Lit Review	UND		15-C-UAS-UND-025	8,360	

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
20.U10		Drone Mitigation Demonstration and Test and Evaluation	UND		692M15-18-D-00014	192,992	
20.U11		Integrating Expanded and Nonsegregated UAS Operations	UND		15-C-UAS-UND-014	66,856	4,895
20.U12		UAS Safety Case Development, Process Improvement, and Data Collection	UND		15-C-UAS-UND-021	277,761	87,166
Pass Through Non-State Entity:							
20.200		Highway Research and Development Program	NDSU	Longboard Power LLC	SUB0001738	4,976	
20.200		Highway Research and Development Program	NDSU	The National Academies	NCHRP-219	30,230	
20.701		University Transportation Centers Program	NDSU	Montana State University	G226-17-W6460	717,666	
20.724		Pipeline Safety Research Competitive Academic Agreement Program (CAAP)	NDSU	Stevens Institute of Technology	2103007-01	11,343	
20.RD		National Commercial Driver License Program Assessment	NDSU	eScience & Technology Solutions, Inc.	UGPTI-013289-002	23,322	
20.RD		Travel Demand Model Update for the Fargo Moorhead Metro COG for the 2021 Base Year	NDSU	Fargo-Moorhead Metropolitan Council of Governments	N/A	21,961	
20.RD		Travel Demand Model Update for the Grand Forks/East Grand Forks MPO 2020 Base Year	NDSU	Grand Forks-East Grand Forks Metropolitan Planning Organization	N/A	760	
20.RD		Investigating the Safety of CMV Operation by Deaf and Hard of Hearing Drivers	NDSU	toXcel, LLC	693JJ421F000067; 2021-004	20,065	
20.RD		Automated CMV Evaluation (ACE) - Inspection Demonstrations and Evaluations	NDSU	toXcel, LLC	693JJ421F000036, 2021-004	35,647	
20.RD		GF-EGF MPO Traffic Data Collection Support 2022-2024	NDSU	Grand Forks-East Grand Forks Metropolitan Planning Organization	N/A	113	
20.RD		FM Metro COG DTA Use To Optimize Transportation Project Staging	NDSU	Fargo-Moorhead Metropolitan Council of Governments	N/A	3,501	
20.RD		Effectiveness of Third-Party Testing for CDL	NDSU	toXcel, LLC	693JJ421F000061, 2021-004	20,066	
20.U13		National General Aviation Flight Information Database (NGAFID)	UND	The MITRE Corporation	TO 140068	130,604	
20.U13		National General Aviation Flight Information Database (NGAFID)	UND	The MITRE Corporation	TO 135061	83,756	
Total for Research and Development Cluster						*$ 6,481,782*	*$ 2,019,650*
Transit Services Programs Cluster							
Direct Programs:							
20.513		COVID-19 - Enhanced Mobility of Seniors and Individuals with Disabilities	80100			140,807	140,807
20.513		Enhanced Mobility of Seniors and Individuals with Disabilities	80100			371,953	349,538
Total for Transit Services Programs Cluster						*$ 512,760*	*$ 490,345*

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
Total For Department Of Transportation						$ **337,344,619**	$ **17,274,548**
Department Of Veterans Affairs							
Unclustered							
Direct Programs:							
64.014		Veterans State Domiciliary Care	31300			977,338	
64.015		Veterans State Nursing Home Care	31300			3,016,347	
64.035		Veterans Transportation Program	32100			558,833	259,822
64.U01		State Approving Agency	32100		V101 (223C) P-5745	136,531	
Total for Unclustered						*$ 4,689,049*	*$ 259,822*
Unclustered							
Direct Programs:							
64.U02		VA - RESIDENTS ROTATIONS	UND		N/A	433,697	
Total for Unclustered						*$ 433,697*	*$*
Total For Department Of Veterans Affairs						$ **5,122,746**	$ **259,822**
Elections Assistance Commission							
Unclustered							
Direct Programs:							
90.404		2018 HAVA Election Security Grants	10800			958,632	
Total for Unclustered						*$ 958,632*	*$*
Total For Elections Assistance Commission						$ **958,632**	$
Environmental Protection Agency							
Unclustered							
Direct Programs:							
66.034		Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	30300			117,051	
66.040		Diesel Emissions Reduction Act (DERA) State Grants	30300			304,235	304,235
66.204		Multipurpose Grants to States and Tribes	NDSU			44,330	
66.419		Water Pollution Control State, Interstate, and Tribal Program Support	30300			337,809	3,300

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
66.433		State Underground Water Source Protection	40500			119,000	
66.442		Assistance for Small and Disadvantaged Communities Drinking Water Grant Program (SDWA 1459A)	30300			412,767	412,767
66.444		Lead Testing in School and Child Care Program Drinking Water (SDWA 1464(d))	30300			3,995	
66.454		Water Quality Management Planning	30300			82,974	16,352
66.460		Nonpoint Source Implementation Grants	72000			12,587	
66.460		Nonpoint Source Implementation Grants	30300			3,328,361	1,736,295
66.605		Performance Partnership Grants	30300			4,006,213	38,357
66.605		Performance Partnership Grants	60200			546,914	
66.608		Environmental Information Exchange Network Grant Program and Related Assistance	30300			59,399	
66.700		Consolidated Pesticide Enforcement Cooperative Agreements	NDSU			51,001	
66.804		Underground Storage Tank (UST) Prevention, Detection, and Compliance Program	30300			288,982	
66.805		Leaking Underground Storage Tank Trust Fund Corrective Action Program	30300			690,150	
66.817		State and Tribal Response Program Grants	30300			226,263	
Pass Through Non-State Entity:							
66.716		Research, Development, Monitoring, Public Education, Outreach, Training, Demonstrations, and Studies	NDSU	eXtension Foundation	SA-2021-31	1	
66.716		Research, Development, Monitoring, Public Education, Outreach, Training, Demonstrations, and Studies	NDSU	eXtension Foundation	SA-2022-21	18,050	
Total for Unclustered						*$ 10,650,082*	*$ 2,511,306*
Clean Water State Revolving Fund (CWSRF) Cluster							
Direct Programs:							
66.U01		Water Sample Collection	VCSU		W912ES-21-P-0058	5,220	
Total for Clean Water State Revolving Fund (CWSRF) Cluster						*$ 5,220*	*$*
Research and Development Cluster							
Direct Programs:							
66.461		Regional Wetland Program Development Grants	NDSU			84,425	
66.509		Science To Achieve Results (STAR) Research Program	UND			138,060	
Total for Research and Development Cluster						*$ 222,485*	*$*

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
Total For Environmental Protection Agency						$ **10,877,787**	$ **2,511,306**
Equal Employment Opportunity Commission							
Unclustered							
Direct Programs:							
30.002		Employment Discrimination - State and Local Fair Employment Practices Agency Contracts	40600			98,680	
Total for Unclustered						*$ 98,680*	*$*
Total For Equal Employment Opportunity Commission						$ **98,680**	$
Executive Office of the President							
Unclustered							
Direct Programs:							
95.001		High Intensity Drug Trafficking Areas Program	12500			788,450	251,558
Total for Unclustered						*$ 788,450*	*$ 251,558*
Total For Executive Office of the President						$ **788,450**	$ **251,558**
General Services Administration							
Unclustered							
Nonmonetary Assistance:							
39.003		Donation of Federal Surplus Personal Property	11000			1,981,080	
Total for Unclustered						*$ 1,981,080*	*$*
Total For General Services Administration						$ **1,981,080**	$
Institute of Museum and Library Services							
Unclustered							
Direct Programs:							
45.310		COVID-19 - Grants to States	25000			68,860	
45.310		Grants to States	25000			1,010,777	
Total for Unclustered						*$ 1,079,637*	*$*
Total For Institute of Museum and Library Services						$ **1,079,637**	$
National Aeronautics and Space Administration							

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
Unclustered							
Direct Programs:							
43.008		Office of Stem Engagement (OSTEM)	UND			1,183,817	24,561
43.012		Space Technology	60100			4,053,176	
Total for Unclustered						*$ 5,236,993*	*$ 24,561*
Unclustered							
Pass Through Non-State Entity:							
43.U01		NASA Psyche Mission Innovation Toolkit	UND	Arizona State University	PO# PO-22-00014294	9,547	
Total for Unclustered						*$ 9,547*	*$*
Research and Development Cluster							
Direct Programs:							
43.001		Science	UND			539,898	19,734
Pass Through Non-State Entity:							
43.001		Science	UND	University Corporation For Atmospheric Research	SUBAWD002194	52,295	
43.002		Aeronautics	UND	Mississippi State University	193700.361561.02B	26,140	
43.002		Aeronautics	UND	Mississippi State University	193700.361561.02C	154,866	
43.003		Exploration	NDSU	National Space Grant Foundation	M2M-XHab2022-02	23,607	
43.U02		UAS Research for Public Safety Applications	UND	Mississippi State University	193700.361561.02	190,677	
Total for Research and Development Cluster						*$ 987,483*	*$ 19,734*
Total For National Aeronautics and Space Administration						$ **6,234,023**	$ **44,295**
National Archives And Records Administration							
Unclustered							
Direct Programs:							
89.003		National Historical Publications and Records Grants	70100			6,803	
Total for Unclustered						*$ 6,803*	*$*
Total For National Archives And Records Administration						$ **6,803**	$
National Endowment For The Arts							
Unclustered							

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
Direct Programs:							
45.024		Promotion of the Arts Grants to Organizations and Individuals	BSC			27,140	
45.025		COVID-19 - Promotion of the Arts Partnership Agreements	70900			749,600	688,730
45.025		Promotion of the Arts Partnership Agreements	70900			790,700	569,282
Pass Through Non-State Entity:							
45.025		Promotion of the Arts Partnership Agreements	MISU	Humanities North Dakota	22102	2,000	
Total for Unclustered						*$ 1,569,440*	*$ 1,258,012*
Total For National Endowment For The Arts						$ **1,569,440**	$ **1,258,012**
National Endowment For The Humanities							
Unclustered							
Direct Programs:							
45.164		Promotion of the Humanities Public Programs	NDSU			6,243	
45.169		Promotion of the Humanities Office of Digital Humanities	UND			146,223	
Pass Through Non-State Entity:							
45.129		COVID-19 - Promotion of the Humanities Federal/State Partnership	70100	Humanities North Dakota	N/A	4,583	
45.129		Promotion of the Humanities Federal/State Partnership	UND	Humanities North Dakota	21504	10,000	
Total for Unclustered						*$ 167,049*	*$*
Total For National Endowment For The Humanities						$ **167,049**	$
National Science Foundation							
Unclustered							
Direct Programs:							
47.076		Education and Human Resources	BSC			154,034	
47.076		Education and Human Resources	NDSCS			116,876	
Pass Through Non-State Entity:							
47.076		Education and Human Resources	NDSU	Salish Kootenai College	NDSU-18-2	3,600	
Total for Unclustered						*$ 274,510*	*$*
Research and Development Cluster							
Direct Programs:							

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
47.041		Engineering	NDSU			673,799	6,709
47.041		Engineering	UND			288,943	
47.049		Mathematical and Physical Sciences	UND			718,628	
47.049		Mathematical and Physical Sciences	NDSU			806,300	
47.050		Geosciences	NDSU			354,268	
47.050		Geosciences	UND			232,324	9,683
47.070		Computer and Information Science and Engineering	UND			47,862	
47.070		Computer and Information Science and Engineering	NDSU			427,803	489
47.074		Biological Sciences	NDSU			935,197	
47.074		Biological Sciences	UND			626,825	
47.075		Social, Behavioral, and Economic Sciences	NDSU			47,445	
47.075		Social, Behavioral, and Economic Sciences	UND			107,941	
47.076		Education and Human Resources	UND			558,168	12,887
47.076		Education and Human Resources	WSC			86	
47.076		Education and Human Resources	NDSU			878,208	41,066
47.079		Office of International Science and Engineering	NDSU			8,365	
47.079		Office of International Science and Engineering	UND			57,073	
47.083		Integrative Activities	NDSU			4,544,430	780,132
47.084		NSF Technology, Innovation, and Partnerships	UND			12,242	
47.084		NSF Technology, Innovation, and Partnerships	NDSU			18,540	
47.RD		Intergovernmental Personnel Act (IPA) assignment to the National Science Foundation	NDSU		2211298	79,556	
Pass Through Non-State Entity:							
47.041		Engineering	NDSU	Auburn University	21-BIOSYS-200818-NDSU	1,612	
47.041		Engineering	NDSU	Iowa State University	025584A	27,433	
47.041		Engineering	UND	Syracuse University	28250-04301-S21	432	
47.070		Computer and Information Science and Engineering	NDSU	American Indian Higher Education Consortium	N/A	52,995	
47.070		Computer and Information Science and Engineering	NDSU	University of South Alabama	A19-0025-S001	152	
47.070		Computer and Information Science and Engineering	UND	University of Illinois	096085-17571	317	
47.070		Computer and Information Science and Engineering	NDSU	New York University	F1036-01	14,678	
47.074		Biological Sciences	NDSU	Indiana University Bloomington	8156-NDSU	77,891	

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
47.075		Social, Behavioral, and Economic Sciences	NDSU	University of Minnesota	A007306801	37,892	
47.076		Education and Human Resources	NDSU	Missouri University of Science &Technology	0052875	2,168	
47.076		Education and Human Resources	NDSU	Auburn University	21-CHEME-200725-NDSU	7,278	
47.079		Office of International Science and Engineering	NDSU	University of South Alabama	A19-0039-S001	22,415	
47.083		Integrative Activities	NDSU	Bates College	S19-004	151,428	
Total for Research and Development Cluster						*$ 11,820,694*	*$ 850,966*
Total For National Science Foundation						**$ 12,095,204**	**$ 850,966**
Nuclear Regulatory Commission							
Unclustered							
Direct Programs:							
77.008		U.S. Nuclear Regulatory Commission Scholarship and Fellowship Program	BSC			2,500	
Total for Unclustered						*$ 2,500*	*$*
Total For Nuclear Regulatory Commission						**$ 2,500**	$
Small Business Administration							
Unclustered							
Direct Programs:							
59.037		Small Business Development Centers	UND			904,300	130,696
59.037		COVID-19 - Small Business Development Centers	UND			457,810	44,084
59.037		Small Business Development Centers	WSC			38,478	
59.044		Veterans Outreach Program	UND			288,443	
Total for Unclustered						*$ 1,689,031*	*$ 174,780*
Total For Small Business Administration						**$ 1,689,031**	**$ 174,780**
Social Security Administration							
Unclustered							
Direct Programs:							
96.009		Social Security State Grants for Work Incentives Assistance to Disabled Beneficiaries	36000			176,945	
Total for Unclustered						*$ 176,945*	*$*

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
Disability Insurance/SSI Cluster							
Direct Programs:							
96.001		Social Security Disability Insurance	32500			3,335,033	
Total for Disability Insurance/SSI Cluster						*$ 3,335,033*	*$*
Total For Social Security Administration						$ **3,511,978**	$
U.S. Department Of Agriculture							
Unclustered							
Direct Programs:							
10.025		Plant and Animal Disease, Pest Control, and Animal Care	60200			399,671	
10.025		Plant and Animal Disease, Pest Control, and Animal Care	NDSU			164,032	
10.153		Market News	60200			10,500	
10.162		Inspection Grading and Standardization	60200			1,193	
10.163		Market Protection and Promotion	60200			7,800	
10.168		Farmers Market Promotion Program	DCB			90,612	
10.170		Specialty Crop Block Grant Program - Farm Bill	60200			2,940,631	467,419
10.170		COVID-19 - Specialty Crop Block Grant Program - Farm Bill	60200			375,264	129,608
10.170		Specialty Crop Block Grant Program - Farm Bill	DCB			66,409	
10.171		Organic Certification Cost Share Programs	60200			65,250	59,318
10.310		Agriculture and Food Research Initiative (AFRI)	BSC			121,581	
10.310		Agriculture and Food Research Initiative (AFRI)	NDSCS			9,425	
10.310		Agriculture and Food Research Initiative (AFRI)	NDSU			17,141	
10.319		Farm Business Management and Benchmarking Competitive Grants Program	DCB			4,943	
10.329		Crop Protection and Pest Management Competitive Grants Program	NDSU			138,397	
10.435		State Mediation Grants	60200			110,682	
10.475		Cooperative Agreements with States for Intrastate Meat and Poultry Inspection	60200			559,524	
10.477		Meat, Poultry, and Egg Products Inspection	60200			138,893	
10.500		Cooperative Extension Service	NDSU			408,591	145,571

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE	AMOUNT TO SUBRECIPIENTS
10.525		COVID-19 - Farm and Ranch Stress Assistance Network Competitive Grants Program	60200			207,178	
10.527		New Beginnings for Tribal Students	NDSU			137,368	1,605
10.534		CACFP Meal Service Training Grants	20100			27,732	13,171
10.537		Supplemental Nutrition Assistance Program (SNAP) Employment and Training (E&T) Data and Technical Assistance Grants	32500			750	
10.541		Child Nutrition-Technology Innovation Grant	20100			190,626	
10.557		COVID-19 - WIC Special Supplemental Nutrition Program for Women, Infants, and Children	30100			478,947	
10.557		WIC Special Supplemental Nutrition Program for Women, Infants, and Children	30100			9,605,640	3,634,284
10.558		Child and Adult Care Food Program	20100			10,455,357	10,155,854
10.560		State Administrative Expenses for Child Nutrition	20100			1,456,170	408,716
10.567		Food Distribution Program on Indian Reservations	20100			1,646,878	1,142,554
10.567		COVID-19 - Food Distribution Program on Indian Reservations	20100			858,016	858,016
10.578		WIC Grants To States (WGS)	30100			44,028	44,028
10.649		COVID-19 - Pandemic EBT Administrative Costs	32500			228,843	
10.649		COVID-19 - Pandemic EBT Administrative Costs	20100			151,861	129,491
10.664		Cooperative Forestry Assistance	NDSU			1,382,760	372,841
10.675		Urban and Community Forestry Program	NDSU			36,400	34,472
10.680		Forest Health Protection	60200			48,579	48,273
10.691		Good Neighbor Authority	NDSU			29,912	
10.697		State & Private Forestry Hazardous Fuel Reduction Program	NDSU			60,769	
10.902		Soil and Water Conservation	NDSU			96,336	
10.902		Soil and Water Conservation	DCB			65,398	
10.902		Soil and Water Conservation	60200			53,091	7,624
10.950		Agricultural Statistics Reports	NDSU			20,000	
10.U02		Manage Paleontological Resources on National Forest System Lands in ND	40500		N/A	10,000	
10.U03		Curation of Artifacts	70100		18-PA-11011800-21	66,532	

Nonmonetary Assistance:

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
10.475		Cooperative Agreements with States for Intrastate Meat and Poultry Inspection	60200			13,464	
10.567		Food Distribution Program on Indian Reservations	20100			3,000,472	3,000,472
Pass Through Non-State Entity:							
10.215		Sustainable Agriculture Research and Education	NDSCS	Northcentral Technical College	201910-08-02	4,997	
10.215		Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H006607438	23,040	
10.215		Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H007179302	2,329	
10.215		Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H008403501	10,440	
10.215		Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H008568307	21,575	
10.215		Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H009187803	50,623	
10.217		Higher Education - Institution Challenge Grants Program	NDSU	South Dakota State University	3TG495	19,309	
10.217		Higher Education - Institution Challenge Grants Program	NDSU	Texas Tech University	21A579-01	38,766	
10.304		Homeland Security Agricultural	NDSU	Kansas State University	S17046	787	
10.304		Homeland Security Agricultural	NDSU	Kansas State University	A22-0145-S004	12,933	
10.310		Agriculture and Food Research Initiative (AFRI)	NDSU	University of Minnesota	H008208102	6,485	
10.310		Agriculture and Food Research Initiative (AFRI)	NDSU	South Dakota State University	3TF077	5,383	
10.328		National Food Safety Training, Education, Extension, Outreach, and Technical Assistance Competitive Grants Program	NDSU	Iowa State University	N/A	4,014	
10.328		National Food Safety Training, Education, Extension, Outreach, and Technical Assistance Competitive Grants Program	NDSU	Iowa State University	024575E	1,218	
10.329		Crop Protection and Pest Management Competitive Grants Program	NDSU	Michigan State University	RC108974F	13,183	
10.331		Food Insecurity Nutrition Incentive Grants Program	NDSU	Fair Food Network	N/A	24,459	
10.352		Value-Added Producer Grants	NDSU	University of Minnesota Crookston	P008827201	37,800	
10.500		Cooperative Extension Service	NDSU	South Dakota State University	3TG521	65,595	
10.500		Cooperative Extension Service	NDSU	South Dakota State University	3TB319	4,711	
10.500		Cooperative Extension Service	NDSU	Auburn University	20HDFS-205212-NDSU	24,929	22,362
10.500		Cooperative Extension Service	NDSU	University of Nebraska-Lincoln	25-6324-0187-308	41,485	
10.500		Cooperative Extension Service	NDSU	South Dakota State University	N/A	9,711	
10.511		Smith-Lever Funding (Various Programs)	NDSU	South Dakota State University	N/A	13,013	
10.511		Smith-Lever Funding (Various Programs)	NDSU	University of Minnesota	N/A	378,128	

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
10.516		Rural Health and Safety Education Competitive Grants Program	NDSU	South Dakota State University	3TB360	37,874	
10.525		Farm and Ranch Stress Assistance Network Competitive Grants Program	NDSU	University of Illinois, Urbana Champaign	101598-18125	121,956	57,455
10.525		Farm and Ranch Stress Assistance Network Competitive Grants Program	NDSU	Iowa State University	021546F	14,123	
10.912		Environmental Quality Incentives Program	NDSU	University of Wisconsin-Madison	PO#0000000134	5,756	
Total for Unclustered						*$ 36,998,268*	*$ 20,733,134*
Unclustered							
Direct Programs:							
10.U04		IPA Appointment: Visiting Scientist on Developmental Leave with USDA-NIFA	NDSU		REQ 100-1005-200-0028	47,272	
Total for Unclustered						*$ 47,272*	*$*
Child Nutrition Cluster							
Direct Programs:							
10.553		School Breakfast Program	20100			17,091,714	17,055,958
10.555		COVID-19 - National School Lunch Program	20100			4,092,364	4,035,298
10.555		National School Lunch Program	20100			69,360,680	69,288,680
10.556		Special Milk Program for Children	20100			7,280	7,280
10.559		Summer Food Service Program for Children	20100			4,713,771	4,218,209
10.579		Child Nutrition Discretionary Grants Limited Availability	20100			8,796	8,796
10.582		Fresh Fruit and Vegetable Program	20100			2,493,440	2,404,126
Nonmonetary Assistance:							
10.555		National School Lunch Program	20100			6,140,556	6,140,556
10.559		Summer Food Service Program for Children	20100			62,149	62,149
Pass Through Non-State Entity:							
10.555		National School Lunch Program	25200	North Dakota Department of Public Instruction	N/A	15,093	
Total for Child Nutrition Cluster						*$ 103,985,843*	*$ 103,221,052*
Food Distribution Cluster							
Direct Programs:							
10.565		Commodity Supplemental Food Program	20100			49,837	15,168

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
10.565		COVID-19 - Commodity Supplemental Food Program	20100			3,939	
10.568		COVID-19 - Emergency Food Assistance Program (Administrative Costs)	20100			341,364	281,737
10.568		Emergency Food Assistance Program (Administrative Costs)	20100			99,182	99,182
Nonmonetary Assistance:							
10.565		Commodity Supplemental Food Program	20100			684,468	684,468
10.569		Emergency Food Assistance Program (Food Commodities)	20100			3,163,484	3,163,484
Total for Food Distribution Cluster						*$ 4,342,274*	*$ 4,244,039*
Forest Service Schools and Roads Cluster							
Direct Programs:							
10.665		Schools and Roads - Grants to States	12000			389	389
Total for Forest Service Schools and Roads Cluster						*$ 389*	*$ 389*
Research and Development Cluster							
Direct Programs:							
10.001		Agricultural Research Basic and Applied Research	UND			1,332,679	
10.001		Agricultural Research Basic and Applied Research	NDSU			4,893,448	
10.025		Plant and Animal Disease, Pest Control, and Animal Care	NDSU			31,833	
10.028		Wildlife Services	NDSU			120,143	
10.069		Conservation Reserve Program	NDSU			1,537	
10.069		Conservation Reserve Program	UND			140,226	
10.167		Transportation Services	NDSU			183,014	
10.200		Grants for Agricultural Research, Special Research Grants	NDSU			142,345	49,844
10.202		Cooperative Forestry Research	NDSU			181,195	
10.203		Payments to Agricultural Experiment Stations Under the Hatch Act	NDSU			2,883,040	
10.207		Animal Health and Disease Research	NDSU			19,841	
10.307		Organic Agriculture Research and Extension Initiative	NDSU			80,663	57,247
10.310		Agriculture and Food Research Initiative (AFRI)	UND			104,891	
10.310		Agriculture and Food Research Initiative (AFRI)	DCB			76,750	
10.310		Agriculture and Food Research Initiative (AFRI)	NDSU			1,515,476	232,425
10.311		Beginning Farmer and Rancher Development Program	DCB			17,257	

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
10.320		Sun Grant Program	UND			10,454	
10.330		Alfalfa and Forage Research Program	NDSU			101,096	26,327
10.500		Cooperative Extension Service	NDSU			3,220,464	
10.664		Cooperative Forestry Assistance	NDSU			41,108	
10.680		Forest Health Protection	NDSU			19,992	
10.707		Research Joint Venture and Cost Reimbursable Agreements	NDSU			20,109	
10.902		Soil and Water Conservation	NDSU			29,155	
10.902		Soil and Water Conservation	UND			32,498	
10.903		Soil Survey	NDSU			9,700	
10.912		Environmental Quality Incentives Program	NDSU			257,243	61,636
10.924		Conservation Stewardship Program	NDSU			40,369	16,847
10.932		Regional Conservation Partnership Program	UND			34,728	
Pass Through Non-State Entity:							
10.001		Agricultural Research Basic and Applied Research	NDSU	University of Nebraska-Lincoln	25-6235-0354-004	1,545	
10.167		Transportation Services	NDSU	University of Georgia	SUB00002668	22,010	
10.170		Specialty Crop Block Grant Program - Farm Bill	NDSU	University of Minnesota	H007080501	20,610	
10.170		Specialty Crop Block Grant Program - Farm Bill	NDSU	National Sunflower Association	20-471	26,841	
10.170		Specialty Crop Block Grant Program - Farm Bill	NDSU	Minnesota Department of Agriculture	300004091	5,637	
10.170		Specialty Crop Block Grant Program - Farm Bill	NDSU	National Sunflower Association	19-422	5,855	
10.200		Grants for Agricultural Research, Special Research Grants	NDSU	Michigan State University	RC112679A	58,713	
10.200		Grants for Agricultural Research, Special Research Grants	NDSU	Michigan State University	RC110838NDSU	166,560	
10.200		Grants for Agricultural Research, Special Research Grants	NDSU	Michigan State University	PO630495	4,000	
10.200		Grants for Agricultural Research, Special Research Grants	NDSU	Michigan State University	PO574852	277	
10.200		Grants for Agricultural Research, Special Research Grants	NDSU	Michigan State University	PO513439	152	
10.212		Small Business Innovation Research	UND	Simonpietri Enterprises LLC	2021-39410-35996	185,602	
10.215		Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H007813925	34,095	
10.215		Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H008334014	544	
10.215		Sustainable Agriculture Research and Education	NDSU	South Dakota State University	3TB473	5,370	
10.215		Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H007179324	60,708	
10.215		Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H007179351	9,962	

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
10.215		Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H007813915	58,676	
10.215		Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H007813918	63,764	
10.215		Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H008917114	6,048	
10.227		1994 Institutions Research Program	NDSU	United Tribes Technical College	N/A	40,643	
10.227		1994 Institutions Research Program	NDSU	United Tribes Technical College	NDSU 2021-1	3,756	
10.307		Organic Agriculture Research and Extension Initiative	NDSU	Cornell University	137901-21025	7,401	
10.307		Organic Agriculture Research and Extension Initiative	NDSU	Montana State University	G193-19-W7408	79,361	
10.309		Specialty Crop Research Initiative	NDSU	Colorado State University	G-01363-02	83,244	
10.309		Specialty Crop Research Initiative	NDSU	University of Idaho	AN4829-846777	150,780	
10.309		Specialty Crop Research Initiative	NDSU	University of Minnesota	H007082504	161,228	
10.309		Specialty Crop Research Initiative	NDSU	Montana State University	G102-20-W7553	102,457	
10.310		Agriculture and Food Research Initiative (AFRI)	NDSU	Purdue University	F9002711902004	1	
10.310		Agriculture and Food Research Initiative (AFRI)	NDSU	Kansas State University	S19134	7,386	
10.310		Agriculture and Food Research Initiative (AFRI)	NDSU	South Dakota State University	3TB457	16,443	
10.310		Agriculture and Food Research Initiative (AFRI)	NDSU	University of Connecticut	153720278	21,658	
10.310		Agriculture and Food Research Initiative (AFRI)	NDSU	University of Wisconsin-Madison	0000001738	22,921	
10.310		Agriculture and Food Research Initiative (AFRI)	NDSU	South Dakota State University	3TG456	9,905	
10.320		Sun Grant Program	NDSU	South Dakota State University	3TL372	5,095	4,788
10.320		Sun Grant Program	NDSU	South Dakota State University	3TL386	28,919	21,178
10.320		Sun Grant Program	UND	South Dakota State University	3TG386 / 3TN372	75,389	
10.326		Capacity Building for Non-Land Grant Colleges of Agriculture (NLGCA)	NDSU	University of Wisconsin - River Falls	2018-1004	534	
10.329		Crop Protection and Pest Management Competitive Grants Program	NDSU	Cornell University	139252-21124	16,677	
10.329		Crop Protection and Pest Management Competitive Grants Program	NDSU	Michigan State University	RC108974G	22,604	
10.351		Rural Business Development Grant	NDSU	Adams County Development Corporation	N/A	28,929	
10.924		Conservation Stewardship Program	NDSU	Turtle Mountain Community College	NR186633XXXXG006	7,773	
Total for Research and Development Cluster						*$ 17,171,327*	*$ 470,292*
SNAP Cluster							
Direct Programs:							
10.551		Supplemental Nutrition Assistance Program	32500			105,916,548	

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
10.561		State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	32500			11,411,414	271,868
10.561		COVID-19 - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	32500			277,731	
Total for SNAP Cluster						*$ 117,605,693*	*$ 271,868*
Total For U.S. Department Of Agriculture						$ **280,151,066**	$ **128,940,774**
United States Agency For International Development							
Research and Development Cluster							
Pass Through Non-State Entity:							
98.001		USAID Foreign Assistance for Programs Overseas	NDSU	Michigan State University	RC108887-NDSU	374,258	170,750
Total for Research and Development Cluster						*$ 374,258*	*$ 170,750*
Total For United States Agency For International Development						$ **374,258**	$ **170,750**
TOTAL EXPENDITURES OF FEDERAL AWARDS						$ **3,320,196,577**	$ **559,436,363**

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Years Ended June 30, 2021

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
Corporation For National And Community Service							
Unclustered							
Direct Programs:							
94.003		State Commissions	60100			276,418	205,514
94.006		AmeriCorps	60100			390,229	331,607
Total for Unclustered						*$ 666,647*	*$ 537,121*
Total For Corporation For National And Community Service						$ **666,647**	$ **537,121**
Department Of Commerce							
Unclustered							
Direct Programs:							
11.303		Economic Development Technical Assistance	UND			102,071	
11.549		State and Local Implementation Grant Program	11200			46,373	
Total for Unclustered						*$ 148,444*	*$*
Unclustered							
Pass Through Non-State Entity:							
11.U01		National Mesonet Program Prime Contract	NDSU	Synoptic Data Corp.	S2020-141	176,904	
Total for Unclustered						*$ 176,904*	*$*
Economic Development Cluster							
Direct Programs:							
11.307		Economic Adjustment Assistance	BSC			524,725	
11.307		COVID-19 - Economic Adjustment Assistance	UND			90,138	
Total for Economic Development Cluster						*$ 614,863*	*$*
Research and Development Cluster							
Pass Through Non-State Entity:							
11.467		Meteorologic and Hydrologic Modernization Development	UND	University Corporation For Atmospheric Research	SUBAWD002091	13,894	
11.609		Measurement and Engineering Research and Standards	NDSU	Montana State University	G243-21-W8250	14,575	
Total for Research and Development Cluster						*$ 28,469*	*$*
Total For Department Of Commerce						$ **968,680**	$

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Years Ended June 30, 2021

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
Department Of Defense							
Unclustered							
Direct Programs:							
12.002		Procurement Technical Assistance For Business Firms	UND			150,461	
12.112		Payments to States in Lieu of Real Estate Taxes	12000			161,110	161,110
12.401		National Guard Military Operations and Maintenance (O&M) Projects	54000			38,022,035	
12.617		Economic Adjustment Assistance for State Governments	UND			124,378	
12.U03		Archaeological Services Midipadi Butte Garrison	70100		W9128F-16-D-0043 Task Order 0001	26,731	
12.U06		Collections Management and update of CRMP	70100		W9128F-16-D0043 Task Order 003	12,150	
Nonmonetary Assistance:							
12.401		National Guard Military Operations and Maintenance (O&M) Projects	54000			99,154	
Total for Unclustered						*$ 38,596,019*	*$ 161,110*
Unclustered							
Direct Programs:							
12.U01		AFJRROTC 2021 Summer Program	UND		FA3300-19-G-0013	103,275	
12.U13		Flight Training Army ROTC Cadets 2020-21	UND		N/A	326,736	
12.U14		Flight Training Program SROTC Cadets 2019-2020	UND		N/A	138,211	
12.U21		NAVY - EDUCATIONAL SERVICE AGREEMENT	UND		N00140-98-G2501	98,007	
12.U31		Upper Missouri Basin Soil Moisture and Snowpack Monitoring Existing & New Site Retrofits	NDSU		W9128F20D0066	395,250	
Total for Unclustered						*$ 1,061,479*	*$*
Research and Development Cluster							
Direct Programs:							
12.300		Basic and Applied Scientific Research	NDSU			2,369,715	384,328
12.300		Basic and Applied Scientific Research	UND			58,413	
12.420		Military Medical Research and Development	UND			281,107	108,856
12.431		Basic Scientific Research	NDSU			1,487,700	
12.RD		Thermal Decomposition of Per and Polyfluoroalkyl Substances on Granular Activated Carbon	UND		W912HQ21P0084	2,528	

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE SUBRECIPIENTS
12.RD		Cape Experiment 2019 (CapeEx19)	UND		N0017819C2609	78,422
12.RD		DOA-ESTCP HygroscopicCoolTower	UND		W912HQ17C0050	326,809
Pass Through Non-State Entity:						
12.225		Commercial Technologies for Maintenance Activities Program	NDSU	National Center for Manufacturing Science	2020106 - 142043	19,286
12.225		Commercial Technologies for Maintenance Activities Program	NDSU	National Center for Manufacturing Science	2021021-142041	910
12.225		Commercial Technologies for Maintenance Activities Program	NDSU	PPG Industries, Inc.	2018102-140967	34,772
12.225		Commercial Technologies for Maintenance Activities Program	NDSU	National Center for Manufacturing Science	2021017-142060	9,831
12.225		Commercial Technologies for Maintenance Activities Program	NDSU	PPG Industries, Inc.	201828-140912	56,343
12.225		Commercial Technologies for Maintenance Activities Program	NDSU	PPG Industries, Inc.	201926-140968	51,460
12.225		Commercial Technologies for Maintenance Activities Program	NDSU	PPG Industries, Inc.	201854-140922	96,650
12.225		Commercial Technologies for Maintenance Activities Program	NDSU	PPG Industries, Inc.	201852-140920	98,212
12.300		Basic and Applied Scientific Research	NDSU	Adaptive Surface Technologies, Inc	ASTONR20-01	19,821
12.300		Basic and Applied Scientific Research	UND	Colorado State University	G-00976-1	151,195
12.420		Military Medical Research and Development	UND	Institute for Clinical Research	FCCC 22784-02	65,382
12.431		Basic Scientific Research	NDSU	Elinor Specialty Coatings	n/a	23,319
12.910		Research and Technology Development	NDSU	PPG Industries, Inc.	201635-140828	753
12.910		Research and Technology Development	NDSU	PPG Industries, Inc.	201853-140921	34,046
12.RD		Additive Manufacturing for RF Antennas, Waveguides, Connectors on Flexible Substrates	NDSU	Triton Systems, Inc.	TSI-2706-21-20203529	16,593
12.RD		Analytical Model Development on Propagation in Biological Tissue	NDSU	University of Dayton	RSC20073	46,477
12.RD		Electronically Tunable Materials and Devices Using Subwavelength Particles	NDSU	Macaulay-Brown Inc	PO:DSC6511-01	9,491
12.RD		EPASS PWS Quality Enhancement and Improvement Accreditation Support	NDSU	Advanced Technical Group	NDSU-EPASS-20-0001	60,740
12.RD		Experimental Investigation of the Effect of Sweep on a Pitching Finite -Aspect-Ratio Wing	NDSU	Ohio Aerospace Institute	R-700-202370-41022	31,895
12.RD		Comprehensive Forensic Approach for Source Allocation of Poly- and Perfluoroalkyl Substances	UND	Trustees of the Colorado School of Mines	401867-5803	1,267

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
12.RD		Development of a Novel PFAS Passive Sampler with Efficient Sorbent Media and Robust Membrane Barrier	UND	University of Wisconsin System	213405471	33,120	
12.RD		High Efficiency Propeller for Small Unmanned X Systems using Advance Composite Materials	UND	Catto Propellers	UND0025251	59,088	
12.RD		HMMWV Augmented Reality	UND	AM General, LLC	PO 4800000814	1,073,833	
Total for Research and Development Cluster						*$ 6,599,178*	*$ 493,184*
Total For Department Of Defense						$ **46,256,676**	$ **654,294**
Department Of Education							
Unclustered							
Pass Through Non-State Entity:							
84.425	F	Education Stabilization Fund	MASU			520,601	
Direct Programs:							
84.002		Adult Education - Basic Grants to States	20100			1,053,262	686,706
84.010		Title I Grants to Local Educational Agencies	20100			38,487,867	37,809,481
84.011		Migrant Education State Grant Program	20100			300,492	143,534
84.013		Title I State Agency Program for Neglected and Delinquent Children and Youth	20100			100,848	
84.031		Higher Education Institutional Aid	MASU			498,738	
84.048	A	Career and Technical Education -- Basic Grants to States	27000			5,137,986	2,799,856
84.126		Rehabilitation Services Vocational Rehabilitation Grants to States	32500			8,618,278	
84.144		Migrant Education Coordination Program	20100			244,325	152,637
84.161		Rehabilitation Services Client Assistance Program	32500			121,020	
84.169		Independent Living - State Grants	32500			777,571	775,956
84.177		Rehabilitation Services Independent Living Services for Older Individuals Who are Blind	32500			263,893	
84.181		Special Education-Grants for Infants and Families	32500			1,202,549	
84.187		Supported Employment Services for Individuals with the Most Significant Disabilities	32500			299,719	
84.196		Education for Homeless Children and Youth	20100			161,155	92,516
84.224		Assistive Technology	32500			783,918	
84.240		Program of Protection and Advocacy of Individual Rights	36000			199,305	
84.287		Twenty-First Century Community Learning Centers	20100			6,201,192	5,921,139

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Years Ended June 30, 2021

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
84.299		Indian Education -- Special Programs for Indian Children	UND			244,805	18,000
84.325		Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	DCB			118,964	
84.326		Special Education Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities	MISU			66,116	
84.358		Rural Education	20100			86,565	77,562
84.365		English Language Acquisition State Grants	20100			491,888	323,122
84.367		Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	20100			9,499,943	9,424,425
84.369		Grants for State Assessments and Related Activities	20100			2,779,812	
84.371		Comprehensive Literacy Development	20100			11,352,873	10,728,887
84.372		Statewide Longitudinal Data Systems	20100			1,065,494	
84.384		Statewide Data Systems, Recovery Act	20100			134,733	
84.407		Transition Programs for Students with Intellectual Disabilities into Higher Education	MISU			167,853	
84.424		Student Support and Academic Enrichment Program	20100			4,811,354	4,754,375
84.425	F	COVID-19 - Education Stabilization Fund	WSC			209,588	
84.425	M	COVID-19 - Education Stabilization Fund	DSU			28,023	
84.425	E	COVID-19 - Education Stabilization Fund	LRSC			173,962	
84.425	C	COVID-19 - Education Stabilization Fund	VCSU			80,979	
84.425	E	COVID-19 - Education Stabilization Fund	VCSU			246,042	
84.425	F	COVID-19 - Education Stabilization Fund	VCSU			47,059	
84.425	F	COVID-19 - Education Stabilization Fund	LRSC			990,911	
84.425	C	COVID-19 - Education Stabilization Fund	NDSCS			448,120	
84.425	C	COVID-19 - Education Stabilization Fund	11000			1,361,045	1,361,045
84.425	M	COVID-19 - Education Stabilization Fund	LRSC			230,230	
84.425	E	COVID-19 - Education Stabilization Fund	WSC			17,376	
84.425	F	COVID-19 - Education Stabilization Fund	UND			455,358	
84.425	R	COVID-19 - Education Stabilization Fund	WSC			767,599	
84.425	M	COVID-19 - Education Stabilization Fund	MISU			93,995	
84.425	F	COVID-19 - Education Stabilization Fund	MISU			185,168	
84.425	E	COVID-19 - Education Stabilization Fund	MISU			821,083	

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE	AMOUNT TO SUBRECIPIENTS
84.425	C	COVID-19 - Education Stabilization Fund	MISU			267,288	
84.425	M	COVID-19 - Education Stabilization Fund	WSC			53,546	
84.425	E	COVID-19 - Education Stabilization Fund	MASU			276,660	
84.425	C	COVID-19 - Education Stabilization Fund	WSC			65,309	
84.425	E	COVID-19 - Education Stabilization Fund	BSC			678,906	
84.425	E	COVID-19 - Education Stabilization Fund	DSU			320,047	
84.425	F	COVID-19 - Education Stabilization Fund	DSU			437,517	
84.425	R	COVID-19 - Education Stabilization Fund	20100			6,040	
84.425	D	COVID-19 - Education Stabilization Fund	20100			16,510,454	14,823,466
84.425	C	COVID-19 - Education Stabilization Fund	20100			709,267	
84.425	F	COVID-19 - Education Stabilization Fund	NDSCS			1,200,601	
84.425	C	COVID-19 - Education Stabilization Fund	DSU			148,738	
84.425	F	COVID-19 - Education Stabilization Fund	DCB			31,748	
84.425	E	COVID-19 - Education Stabilization Fund	DCB			341,715	
84.425	C	COVID-19 - Education Stabilization Fund	BSC			393,634	
84.425	F	COVID-19 - Education Stabilization Fund	BSC			2,034,748	
84.425	E	COVID-19 - Education Stabilization Fund	UND			2,529,450	
84.425	C	COVID-19 - Education Stabilization Fund	NDSU			110,000	
84.425	E	COVID-19 - Education Stabilization Fund	NDSU			3,912,585	
84.425	F	COVID-19 - Education Stabilization Fund	NDSU			9,376,144	
84.425	E	COVID-19 - Education Stabilization Fund	NDSCS			809,271	
84.425	M	COVID-19 - Education Stabilization Fund	BSC			123,058	
Nonmonetary Assistance:							
84.906		American Printing House for the Blind	25300			106,760	
Pass Through Non-State Entity:							
84.010		Title I Grants to Local Educational Agencies	UND	Grand Forks Public School District Building Authority	N/A	77,473	
84.161		Rehabilitation Services Client Assistance Program	36000	North Dakota Department of Human Services - Client Assistance Program	N/A	152,911	
84.411		Education Innovation and Research (formerly Investing in Innovation (i3) Fund)	NDSU	National Writing Project	14-ND02-2019i3C3WP	20,929	
84.411		Education Innovation and Research (formerly Investing in Innovation (i3) Fund)	NDSU	National Writing Project	14-ND02-2020i3CWP	30,407	

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Years Ended June 30, 2021

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
Total for Unclustered						*$ 142,674,863*	*$ 89,892,707*
Research and Development Cluster							
Pass Through Non-State Entity:							
84.287		Twenty-First Century Community Learning Centers	UND	Indian Prairie Community Unit School District 204	586-46-0423	4,600	
84.305		Education Research, Development and Dissemination	UND	California State University, Chico	SUB18-059	53,440	
Total for Research and Development Cluster						*$ 58,040*	*$*
Special Education Cluster (IDEA)							
Direct Programs:							
84.027		Special Education Grants to States	20100			32,012,812	28,454,375
84.173		Special Education Preschool Grants	20100			752,917	720,262
Pass Through Non-State Entity:							
84.027	A	Special Education Grants to States	25200	North Dakota Department of Public Instruction	N/A	25,706	
84.173	A	Special Education Preschool Grants	25200	North Dakota Department of Public Instruction	N/A	1,008	
Total for Special Education Cluster (IDEA)						*$ 32,792,443*	*$ 29,174,637*
Student Financial Assistance Cluster							
Direct Programs:							
84.007		Federal Supplemental Educational Opportunity Grants	BSC			77,988	
84.007		Federal Supplemental Educational Opportunity Grants	UND			1,115,228	
84.007		Federal Supplemental Educational Opportunity Grants	DSU			148,500	
84.007		Federal Supplemental Educational Opportunity Grants	MASU			74,521	
84.007		Federal Supplemental Educational Opportunity Grants	NDSCS			191,134	
84.007		Federal Supplemental Educational Opportunity Grants	DCB			53,336	
84.007		Federal Supplemental Educational Opportunity Grants	LRSC			23,900	
84.007		Federal Supplemental Educational Opportunity Grants	VCSU			75,670	
84.007		Federal Supplemental Educational Opportunity Grants	MISU			161,466	
84.007		Federal Supplemental Educational Opportunity Grants	WSC			27,990	
84.007		Federal Supplemental Educational Opportunity Grants	NDSU			760,222	
84.033		Federal Work-Study Program	LRSC			21,698	
84.033		Federal Work-Study Program	DSU			176,859	

STATE OF NORTH DAKOTA
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For the Fiscal Years Ended June 30, 2021

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE SUBRECIPIENTS
84.033		Federal Work-Study Program	VCSU			65,513
84.033		Federal Work-Study Program	NDSU			433,182
84.033		Federal Work-Study Program	DCB			20,986
84.033		Federal Work-Study Program	BSC			14,896
84.033		Federal Work-Study Program	WSC			18,516
84.033		Federal Work-Study Program	UND			736,588
84.033		Federal Work-Study Program	MASU			45,130
84.033		Federal Work-Study Program	MISU			95,361
84.033		Federal Work-Study Program	NDSCS			107,193
84.038		Federal Perkins Loan Program	DSU			705,856
84.038		Federal Perkins Loan Program	NDSCS			858,236
84.038		Federal Perkins Loan Program	DCB			187,385
84.038		Federal Perkins Loan Program	NDSU			5,026,152
84.038		Federal Perkins Loan Program	MASU			471,336
84.038		Federal Perkins Loan Program	LRSC			259,777
84.038		Federal Perkins Loan Program	VCSU			522,562
84.038		Federal Perkins Loan Program	MISU			1,801,709
84.038		Federal Perkins Loan Program	WSC			108,675
84.038		Federal Perkins Loan Program	BSC			154,916
84.038		Federal Perkins Loan Program	UND			10,295,002
84.063		Federal Pell Grant Program	MISU			2,657,100
84.063		Federal Pell Grant Program	UND			7,396,942
84.063		Federal Pell Grant Program	MASU			1,342,856
84.063		Federal Pell Grant Program	VCSU			1,257,164
84.063		Federal Pell Grant Program	DSU			1,511,008
84.063		Federal Pell Grant Program	WSC			1,107,235
84.063		Federal Pell Grant Program	LRSC			1,045,088
84.063		Federal Pell Grant Program	NDSCS			2,655,487
84.063		Federal Pell Grant Program	BSC			2,718,096
84.063		Federal Pell Grant Program	DCB			951,410
84.063		Federal Pell Grant Program	NDSU			8,787,117

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE	AMOUNT TO SUBRECIPIENTS
84.268		Federal Direct Student Loans	LRSC			1,832,095	
84.268		Federal Direct Student Loans	WSC			1,195,620	
84.268		Federal Direct Student Loans	BSC			6,141,310	
84.268		Federal Direct Student Loans	VCSU			4,242,994	
84.268		Federal Direct Student Loans	NDSU			47,307,573	
84.268		Federal Direct Student Loans	DSU			4,191,457	
84.268		Federal Direct Student Loans	MISU			8,017,415	
84.268		Federal Direct Student Loans	UND			75,295,672	
84.268		Federal Direct Student Loans	MASU			3,906,338	
84.268		Federal Direct Student Loans	DCB			1,659,205	
84.268		Federal Direct Student Loans	NDSCS			6,255,334	
84.379		Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	NDSU			8,471	
84.379		Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	VCSU			12,716	
84.379		Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	UND			60,884	
84.379		Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	MISU			24,951	
84.379		Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	MASU			46,582	
Total for Student Financial Assistance Cluster						*$ 216,465,603*	*$*
TRIO Cluster							
Direct Programs:							
84.042		TRIO Student Support Services	DSU			118,101	
84.042		TRIO Student Support Services	MISU			485,869	
84.042		TRIO Student Support Services	LRSC			286,960	
84.042		TRIO Student Support Services	NDSU			462,314	
84.042		TRIO Student Support Services	UND			401,522	
84.044		TRIO Talent Search	UND			554,114	
84.047		TRIO Upward Bound	NDSU			264,586	
84.047		TRIO Upward Bound	UND			435,504	
84.066		TRIO Educational Opportunity Centers	UND			410,986	

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
84.217		TRIO McNair Post-Baccalaureate Achievement	UND			287,676	
Total for TRIO Cluster						*$ 3,707,632*	*$*
Total For Department Of Education						$ **395,698,581**	$ **119,067,344**
Department Of Energy							
Unclustered							
Direct Programs:							
81.041		State Energy Program	60100			220,941	203,649
81.042		Weatherization Assistance for Low-Income Persons	60100			2,888,794	2,733,693
81.138		State Heating Oil and Propane Program	60100			1,722	
81.U01		Direct Restitution (Supplemental Crude Oil Overcharge Refund)	60100		N/A	2,678	2,678
81.U02		Stripperwell Settlement (Petroleum Violation Escrow Funds)	60100		N/A	133	
Total for Unclustered						*$ 3,114,268*	*$ 2,940,020*
Research and Development Cluster							
Direct Programs:							
81.049		Office of Science Financial Assistance Program	NDSU			101,043	
81.049		Office of Science Financial Assistance Program	UND			113,841	
81.086		Conservation Research and Development	UND			624,885	31,175
81.087		Renewable Energy Research and Development	UND			20,620	
81.089		Fossil Energy Research and Development	UND			23,673,674	6,575,494
81.135		Advanced Research Projects Agency - Energy	UND			3,171	
81.RD		Conceptual Design of a 1 Ton Per Dat Rare Earth Oxide Extraction and Concentration Plant from Low Rank Coals	UND		89243320CFE000057	201,721	78,691
Pass Through Non-State Entity:							
81.042		Weatherization Assistance for Low-Income Persons	UND	Nevada Department of Business and Industry	N/A	18,358	
81.049		Office of Science Financial Assistance Program	UND	Mainstream Engineering Corporation	DE8580	105	
81.049		Office of Science Financial Assistance Program	UND	Mainstream Engineering Corporation	DE0522/PO# 0659069	45,556	
81.049		Office of Science Financial Assistance Program	UND	Envergex LLC	DE-SC0020863	101,413	
81.049		Office of Science Financial Assistance Program	UND	Mainstream Engineering Corporation	DE8580B	138,913	
81.087		Renewable Energy Research and Development	NDSU	University of Oklahoma	2020-42	243,567	

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE	AMOUNT TO SUBRECIPIENTS
81.087		Renewable Energy Research and Development	NDSU	Washington State University	136936-G004139	40,845	
81.089		Fossil Energy Research and Development	UND	Semplastics EHC LLC	N/A	48,346	
81.089		Fossil Energy Research and Development	UND	Microbeam Technologies Incorporated	Microbeam Project #1537	25,965	
81.089		Fossil Energy Research and Development	UND	X-MAT CCC LLC	N/A	8,308	
81.089		Fossil Energy Research and Development	UND	University of Wyoming	1004866-UND	267,108	
81.089		Fossil Energy Research and Development	UND	University of Wyoming	1004172-UND	635,166	
81.089		Fossil Energy Research and Development	UND	University of Louisville	ULRF_20-0756-01	84,817	
81.089		Fossil Energy Research and Development	UND	Pennsylvania State University	S001343-USDOE	4,382	
81.089		Fossil Energy Research and Development	UND	Pennsylvania State University	S000045-USDOE	130,274	
81.089		Fossil Energy Research and Development	UND	Minnkota Power Cooperative Inc.	PO#200336	303,128	
81.089		Fossil Energy Research and Development	UND	University of Alaska Fairbanks	PO 528936 / Sub 19-0014	67,396	
81.089		Fossil Energy Research and Development	UND	Membrane Technology and Research, Inc.	387-DOE-FE-0031632	133,968	
81.089		Fossil Energy Research and Development	UND	Battelle Memorial Institute	PO US001-0000726698	93,051	
81.089		Fossil Energy Research and Development	UND	Barr Engineering Company	UND-FE0031756	166,296	
81.089		Fossil Energy Research and Development	UND	Pennsylvania State University	5963-UND-DOE-6825	38,912	
81.121		Nuclear Energy Research, Development and Demonstration	NDSU	UT-Battelle, LLC	4000179773	6,668	
81.RD		Technical Review and Input of NETL Research - Task 4	UND	Leidos Holdings, Inc.	P010227025	4,651,746	
Total for Research and Development Cluster						*$ 31,993,243*	*$ 6,685,360*
Total For Department Of Energy						$ **35,107,511**	$ **9,625,380**
Department Of Health And Human Services							
Unclustered							
Direct Programs:							
93.042		Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	32500			9,277	
93.042		COVID-19 - Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	32500			89,531	89,250
93.043		Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	32500			54,922	
93.047		Special Programs for the Aging, Title VI, Part A, Grants to Indian Tribes, Part B, Grants to Native Hawaiians	UND			232,774	

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93.048		COVID-19 - Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	32500			93,017	39,343
93.048		Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	MISU			215,874	
93.048		Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	UND			339,720	
93.052		COVID-19 - National Family Caregiver Support, Title III, Part E	32500			530,353	
93.052		National Family Caregiver Support, Title III, Part E	32500			807,874	
93.069		Public Health Emergency Preparedness	30100			4,614,677	1,624,416
93.071		Medicare Enrollment Assistance Program	40100			68,371	
93.071		Medicare Enrollment Assistance Program	MISU			17,599	
93.072		Lifespan Respite Care Program	32500			55,987	
93.079		Cooperative Agreements to Promote Adolescent Health through School-Based HIV/STD Prevention and School-Based Surveillance	20100			99,687	
93.092		Affordable Care Act (ACA) Personal Responsibility Education Program	NDSU			232,502	154,610
93.103		Food and Drug Administration Research	60200			53,572	
93.103		Food and Drug Administration Research	NDSU			42,960	
93.103		Food and Drug Administration Research	30100			59,814	
93.107		Area Health Education Centers	UND			320,461	
93.110		Maternal and Child Health Federal Consolidated Programs	30100			413,916	306,260
93.116		Project Grants and Cooperative Agreements for Tuberculosis Control Programs	30100			245,328	32,968
93.124		Nurse Anesthetist Traineeship	UND			18,882	
93.127		Emergency Medical Services for Children	30100			120,792	
93.130		Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices	30100			130,795	5,000
93.136		Injury Prevention and Control Research and State and Community Based Programs	30100			346,942	161,608
93.137		Community Programs to Improve Minority Health Grant Program	30100			66,008	16,643
93.138		Protection and Advocacy for Individuals with Mental Illness	36000			542,509	
93.150		Projects for Assistance in Transition from Homelessness (PATH)	32500			4,670	

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
93.155		Rural Health Research Centers	UND			138,394	
93.165		Grants to States for Loan Repayment	30100			256,009	256,009
93.178		Nursing Workforce Diversity	UND			417,023	
93.211		Telehealth Programs	UND			6,028	
93.217		Family Planning Services	30100			1,512,783	1,112,744
93.223		Development and Coordination of Rural Health Services	UND			3,204,439	731,149
93.234		Traumatic Brain Injury State Demonstration Grant Program	36000			27,601	
93.236		Grants to States to Support Oral Health Workforce Activities	30100			455,275	84,136
93.241		State Rural Hospital Flexibility Program	UND			853,782	318,101
93.243		Substance Abuse and Mental Health Services Projects of Regional and National Significance	32500			607,418	
93.243		Substance Abuse and Mental Health Services Projects of Regional and National Significance	UND			41,718	
93.251		Early Hearing Detection and Intervention	MISU			252,361	31,102
93.268		Immunization Cooperative Agreements	30100			10,043,421	513,556
93.268		COVID-19 - Immunization Cooperative Agreements	30100			1,231,599	
93.270		Viral Hepatitis Prevention and Control	30100			155,198	65,009
93.301		Small Rural Hospital Improvement Grant Program	UND			2,531,182	2,333,943
93.314		Early Hearing Detection and Intervention Information System (EHDI-IS) Surveillance Program	MISU			159,999	
93.319		Outreach Programs to Reduce the Prevalence of Obesity in High Risk Rural Areas	NDSU			505,610	76,573
93.323		COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	30100			5,710,992	
93.323		Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	30100			1,538,685	
93.324		State Health Insurance Assistance Program	40100			313,332	
93.336		Behavioral Risk Factor Surveillance System	30100			325,141	
93.354		COVID-19 - Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	30100			1,794,581	
93.366		State Actions to Improve Oral Health Outcomes and Partner Actions to Improve Oral Health Outcomes	30100			673,525	240,125
93.387		National and State Tobacco Control Program	30100			1,018,604	50,737

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE	AMOUNT TO SUBRECIPIENTS
93.391		COVID-19 - Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	30100			22,407	
93.423		1332 State Innovation Waivers	40100			21,488,350	
93.426		Improving the Health of Americans through Prevention and Management of Diabetes and Heart Disease and Stroke	30100			1,825,578	979,238
93.434		Every Student Succeeds Act/Preschool Development Grants	20100			888,275	
93.498		COVID-19 - Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	32500			51,883	
93.498		COVID-19 - Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	UND			2,723	
93.556		MaryLee Allen Promoting Safe and Stable Families Program	32500			206,480	
93.558		Temporary Assistance for Needy Families	32500			26,136,799	246,310
93.563		Child Support Enforcement	32500			11,134,504	
93.564		Child Support Enforcement Research	32500			78,865	
93.566		Refugee and Entrant Assistance State/Replacement Designee Administered Programs	32500			1,540,430	607,501
93.568		COVID-19 - Low-Income Home Energy Assistance	32500			3,030,862	
93.568		Low-Income Home Energy Assistance	32500			28,944,943	6,527,693
93.569		COVID-19 - Community Services Block Grant	60100			1,290,497	1,246,703
93.569		Community Services Block Grant	60100			3,448,170	3,404,716
93.586		State Court Improvement Program	18000			169,886	
93.590		Community-Based Child Abuse Prevention Grants	32500			163,282	
93.597		Grants to States for Access and Visitation Programs	32500			99,825	
93.599		Chafee Education and Training Vouchers Program (ETV)	32500			113,281	
93.603		Adoption and Legal Guardianship Incentive Payments	32500			378,515	
93.618		Voting Access for Individuals with Disabilities-Grants for Protection and Advocacy Systems	36000			127,574	
93.630		Developmental Disabilities Basic Support and Advocacy Grants	32500			367,855	42,312
93.630		Developmental Disabilities Basic Support and Advocacy Grants	36000			477,820	
93.632		University Centers for Excellence in Developmental Disabilities Education, Research, and Service	MISU			623,062	1,462

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE	AMOUNT TO SUBRECIPIENTS
93.643		Children's Justice Grants to States	32500			51,939	50,948
93.645		Stephanie Tubbs Jones Child Welfare Services Program	32500			635,125	
93.658		Foster Care Title IV-E	32500			17,502,484	253,092
93.659		Adoption Assistance	32500			12,366,766	3,205
93.665		COVID-19 - Emergency Grants to Address Mental and Substance Use Disorders During COVID-19	32500			808,247	506,350
93.665		COVID-19 - Emergency Grants to Address Mental and Substance Use Disorders During COVID-19	36000			1,670	
93.667		Social Services Block Grant	32500			2,767,642	
93.669		Child Abuse and Neglect State Grants	32500			20,133	20,092
93.671		Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	30100			737,249	700,905
93.671		COVID-19 - Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	30100			79,837	
93.674		John H. Chafee Foster Care Program for Successful Transition to Adulthood	32500			443,627	343,974
93.732		Mental and Behavioral Health Education and Training Grants	UND			505,764	
93.747		COVID-19 - Elder Abuse Prevention Interventions Program	32500			9,322	
93.767		Children's Health Insurance Program	32500			19,266,283	
93.788		Opioid STR	32500			4,266,291	9,366
93.791		Money Follows the Person Rebalancing Demonstration	32500			3,879,772	350,366
93.809		National Organizations for Chronic Disease Prevention and Health Promotion	30100			24,835	
93.843		ACL Assistive Technology State Grants for Protection and Advocacy	36000			49,131	
93.889		National Bioterrorism Hospital Preparedness Program	30100			759,747	168,003
93.889		COVID-19 - National Bioterrorism Hospital Preparedness Program	30100			371,508	
93.898		Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	30100			2,486,500	1,133,995
93.898		Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	UND			325,723	
93.913		Grants to States for Operation of State Offices of Rural Health	UND			149,855	39,922

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
93.917		HIV Care Formula Grants	30100			2,026,921	477,318
93.917		COVID-19 - HIV Care Formula Grants	30100			50,000	
93.940		HIV Prevention Activities Health Department Based	30100			883,552	
93.946		Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	30100			181,168	
93.958		Block Grants for Community Mental Health Services	32500			899,556	36,827
93.959		Block Grants for Prevention and Treatment of Substance Abuse	32500			10,447,419	401,827
93.969		COVID-19 - PPHF Geriatric Education Centers	UND			90,374	
93.969		PPHF Geriatric Education Centers	UND			764,605	235,113
93.970		Health Professions Recruitment Program for Indians	UND			1,347,317	
93.977		Sexually Transmitted Diseases (STD) Prevention and Control Grants	30100			328,590	
93.982		Mental Health Disaster Assistance and Emergency Mental Health	32500			568,214	88,814
93.991		Preventive Health and Health Services Block Grant	30100			438,978	135,437
93.994		Maternal and Child Health Services Block Grant to the States	30100			1,497,573	548,098
93.U03		MQSA Inspections	30300		HHSF223201710056C	64,786	
93.U04		Medicated Feeds	60200		HHSF223201810106C	3,390	
Pass Through Non-State Entity:							
93.048		Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	UND	University of Southern California	137298454/ PO 50933433	22,011	
93.103		Food and Drug Administration Research	30100	Association of Food and Drug Officials	G-MP-1910-07946	2,716	
93.110		Maternal and Child Health Federal Consolidated Programs	30100	Association of State Public Health Nutritionists	U7NMC30388-03-02	11,515	
93.110		Maternal and Child Health Federal Consolidated Programs	30100	Association of Public Health Laboratories	6B04MC33858	101,121	
93.243		Substance Abuse and Mental Health Services Projects of Regional and National Significance	NDSU	American Society of Addiction Medicine	n/a	1,664	
93.243		Substance Abuse and Mental Health Services Projects of Regional and National Significance	UND	Grand Forks Housing Authority	3	19,950	
93.307		Minority Health and Health Disparities Research	UND	Regents of the University of Colorado, The	FY20.001.011 / 2-5M7886	6,118	
93.421		COVID-19 - Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	MISU	Association of University Centers on Disabilities	21-21-8815	6,379	

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE	AMOUNT TO SUBRECIPIENTS
93.421		Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	MISU	Association of University Centers on Disabilities	34-21-8814	69,950	
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	16,447	
93.424		NON-ACA/PPHF—Building Capacity of the Public Health System to Improve Population Health through National Nonprofit Organizations	MISU	Association of University Centers on Disabilities	N/A	623	
93.569		Community Services Block Grant	UND	Community Services Agency	N/A	295	
93.648		Child Welfare Research Training or Demonstration	UND	The Research Foundation for the State University of New York	11-86154	27,498	
93.648		Child Welfare Research Training or Demonstration	UND	The Research Foundation for the State University of New York	R1235354	299,747	
93.648		Child Welfare Research Training or Demonstration	UND	The Research Foundation for the State University of New York	R1196655	116,085	
93.648		Child Welfare Research Training or Demonstration	UND	The Research Foundation for the State University of New York	11-89268	69,331	
93.761		Evidence-Based Falls Prevention Programs Financed Solely by Prevention and Public Health Funds (PPHF)	NDSU	South Dakota State University	3TB507	6,854	
93.788		Opioid STR	NDSU	South Dakota State University	3TB352	59,900	
93.788		Opioid STR	NDSU	South Dakota State University	3TB310	93,010	
93.788		Opioid STR	NDSU	Leech Lake Tribe of Ojibwe	n/a	5,650	
93.788		Opioid STR	UND	University of Missouri System	0099145 / 00070029	169,501	
93.788		Opioid STR	UND	University of Missouri System	00103126 / 00070912	121,420	
93.796		State Survey Certification of Health Care Providers and Suppliers (Title XIX) Medicaid	36000	North Dakota Department of Human Services- Medicaid Title 19	N/A	140,704	
93.859		Biomedical Research and Research Training	UND	American Indian Higher Education Consortium	2R25GM116816-02	25,125	
93.884		Primary Care Training and Enhancement	UND	University of Washington	UWSC10279 / BPO 49251	17,395	
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	42,999	
93.912		Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement	UND	Amachi Mentoring	1 G25RH329200100	6,563	
Total for Unclustered						*$ 234,777,844*	*$ 26,802,869*

Unclustered

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Nonmonetary Assistance:							
93.U01		Division of Strategic National Stockpile	30100		N/A	45,600	
93.U02		COVID-19 - Division of Strategic National Stockpile	30100		N/A	358,097	
Pass Through Non-State Entity:							
93.U05		COVID-19 - AHRQ ECHO National Nursing Home COVID-19 Action Network	UND	University of New Mexico	3RJK7	121,245	
Total for Unclustered						*$ 524,942*	*$*
Aging Cluster							
Direct Programs:							
93.044		COVID-19 - Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	32500			39,732	
93.044		Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	32500			2,121,991	491,430
93.045		Special Programs for the Aging, Title III, Part C, Nutrition Services	32500			2,222,127	
93.045		COVID-19 - Special Programs for the Aging, Title III, Part C, Nutrition Services	32500			3,100,407	
93.053		Nutrition Services Incentive Program	32500			805,142	
Total for Aging Cluster						*$ 8,289,399*	*$ 491,430*
CCDF Cluster							
Direct Programs:							
93.575		Child Care and Development Block Grant	32500			4,718,558	1,128,693
93.575		COVID-19 - Child Care and Development Block Grant	32500			131,108	
93.596		Child Care Mandatory and Matching Funds of the Child Care and Development Fund	32500			9,354,436	
Total for CCDF Cluster						*$ 14,204,102*	*$ 1,128,693*
Head Start Cluster							
Direct Programs:							
93.600		Head Start	MASU			3,222,089	
93.600		Head Start	20100			127,162	
93.600		COVID-19 - Head Start	MASU			110,695	
Nonmonetary Assistance:							

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93.600		Head Start	MASU			301,624	
Total for Head Start Cluster						*$ 3,761,570*	*$*
Maternal, Infant, and Early Childhood Home Visiting Cluster							
Pass Through Non-State Entity:							
93.870		Maternal, Infant and Early Childhood Home Visiting Grant	NDSU	Prevent Child Abuse North Dakota	n/a	14,350	
Total for Maternal, Infant, and Early Childhood Home Visiting Cluster						*$ 14,350*	*$*
Medicaid Cluster							
Direct Programs:							
93.775		State Medicaid Fraud Control Units	12500			623,342	
93.777		State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	32500			1,067,550	
93.777		COVID-19 - State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	30100			108,723	
93.777		State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	30100			1,254,026	
93.778		Medical Assistance Program	32500			998,390,013	20,557
Total for Medicaid Cluster						*$1,001,443,654*	*$ 20,557*
Research and Development Cluster							
Direct Programs:							
93.242		Mental Health Research Grants	UND			1,075,059	
93.243		Substance Abuse and Mental Health Services Projects of Regional and National Significance	UND			1,947,292	994,479
93.247		Advanced Nursing Education Workforce Grant Program	NDSU			377,761	211,907
93.273		Alcohol Research Programs	UND			106,300	
93.351		Research Infrastructure Programs	NDSU			24,483	
93.394		Cancer Detection and Diagnosis Research	NDSU			64,938	
93.395		Cancer Treatment Research	UND			43,975	
93.395		Cancer Treatment Research	NDSU			259,821	44,644
93.396		Cancer Biology Research	NDSU			18,615	
93.837		Cardiovascular Diseases Research	NDSU			223,129	
93.838		Lung Diseases Research	NDSU			509,941	115,536

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
93.847		Diabetes, Digestive, and Kidney Diseases Extramural Research	NDSU			837,527	745,018
93.853		Extramural Research Programs in the Neurosciences and Neurological Disorders	UND			113,778	
93.855		Allergy and Infectious Diseases Research	UND			1,034,706	16,776
93.855		Allergy and Infectious Diseases Research	NDSU			181,094	35,530
93.859		Biomedical Research and Research Training	NDSU			2,399,875	14,866
93.859		Biomedical Research and Research Training	UND			10,013,842	1,422,925
93.866		Aging Research	NDSU			760,542	348,926
93.866		Aging Research	UND			463,956	
93.867		Vision Research	NDSU			26,302	
Pass Through Non-State Entity:							
93.068		Chronic Diseases: Research, Control, and Prevention	UND	University of North Carolina at Chapel Hill	PO ID Y20DSL0408	53,282	
93.113		Environmental Health	UND	University of California, Merced	E251GXA476	27,738	
93.262		Occupational Safety and Health Program	NDSU	University of Minnesota	P005501208	1,894	
93.273		Alcohol Research Programs	UND	Public Health Institute	PA-11-308	8,963	
93.279		Drug Abuse and Addiction Research Programs	UND	Drexel University	PO U0176282	77,029	
93.279		Drug Abuse and Addiction Research Programs	UND	University of Tennessee	20-2050-UND/21-0110-UND	48,794	
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 Institute	G1451-AG-0031	64,783	
93.586		State Court Improvement Program	UND	Standing Rock Sioux Tribe	N/A	13,051	
93.847		Diabetes, Digestive, and Kidney Diseases Extramural Research	UND	Regents of the University of Michigan	3004429441	74,345	
93.853		Extramural Research Programs in the Neurosciences and Neurological Disorders	UND	Trinity College	NS065957-01/UND2021	140,592	
93.855		Allergy and Infectious Diseases Research	UND	University of Kentucky	3200003246-20-284	54,755	
93.855		Allergy and Infectious Diseases Research	UND	Planet Biotechnology Incorporated	1 R41 AI152954-01 A1	50,769	
93.859		Biomedical Research and Research Training	UND	BBC Entrepreneurial Training & Consulting, LLC	5UT2GM130175-03	15,806	
93.859		Biomedical Research and Research Training	NDSU	University of Nebraska Medical Center	34-5250-2016-151	13,457	
93.859		Biomedical Research and Research Training	NDSU	University of Nebraska Medical Center	34-5250-2016-762	61,642	
93.859		Biomedical Research and Research Training	NDSU	Sanford Research North	SRN-2021-01	81,008	
93.859		Biomedical Research and Research Training	UND	University of Nebraska	34-5250-2016-151	15,220	

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
93.859		Biomedical Research and Research Training	NDSU	University Of Texas at Austin	UTA20-001169	6,155	
93.859		Biomedical Research and Research Training	UND	University of Nebraska	34-5250-2005-923	6,345	
93.859		Biomedical Research and Research Training	UND	Sanford Health	SRN-2021-02	1,768	
93.859		Biomedical Research and Research Training	UND	BBC Entrepreneurial Training & Consulting, LLC	ND2018	16,268	
93.866		Aging Research	UND	West Virginia University Research Corporation	17-471-UND	83,685	
93.866		Aging Research	UND	Mayo Clinic	UND-256075/PO 67391560	75,773	
93.866		Aging Research	UND	Trustees of Boston University	4500003782	193,401	
93.866		Aging Research	UND	Ohio State University, The	SPC-1000003598/GR102258	93,060	
93.867		Vision Research	UND	Barron Associates, Inc.	536-SC01	90,083	
93.945		Assistance Programs for Chronic Disease Prevention and Control	UND	Montana Department of Public Health and Human Services	14096760050	101,077	
Total for Research and Development Cluster						*$ 21,953,679*	*$ 3,950,607*
Student Financial Assistance Cluster							
Direct Programs:							
93.264		Nurse Faculty Loan Program (NFLP)	UND			206,563	
93.342		Health Professions Student Loans, Including Primary Care Loans and Loans for Disadvantaged Students	UND			362,991	
93.364		Nursing Student Loans	DSU			250,429	
93.364		Nursing Student Loans	NDSU			348,584	
93.364		Nursing Student Loans	UND			1,487,933	
93.364		Nursing Student Loans	MISU			848,778	
Total for Student Financial Assistance Cluster						*$ 3,505,278*	*$*
Total For Department Of Health And Human Services						**$ 1,288,474,818**	**$ 32,394,156**
Department Of Homeland Security							
Unclustered							
Direct Programs:							
97.008		Non-Profit Security Program	54000			165,820	165,820
97.012		Boating Safety Financial Assistance	72000			699,280	37,584
97.023		Community Assistance Program State Support Services Element (CAP-SSSE)	77000			87,650	

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
97.029		Flood Mitigation Assistance	54000			40,784	39,654
97.032		COVID-19 - Crisis Counseling	54000			226,111	
97.032		COVID-19 - Crisis Counseling	32500			224,672	53,926
97.036		COVID-19 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	54000			101,211,982	2,340,105
97.036		COVID-19 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	32500			1,797,380	
97.036		Disaster Grants - Public Assistance (Presidentially Declared Disasters)	54000			15,542,681	14,820,145
97.036		Disaster Grants - Public Assistance (Presidentially Declared Disasters)	NDSU			70,334	
97.039		Hazard Mitigation Grant	54000			283,156	269,806
97.041		National Dam Safety Program	77000			82,379	
97.042		Emergency Management Performance Grants	54000			2,481,448	1,331,025
97.042		COVID-19 - Emergency Management Performance Grants	54000			765,022	95,454
97.045		Cooperating Technical Partners	77000			1,347,881	
97.047		BRIC: Building Resilient Infrastructure and Communities	54000			4,930,162	4,837,746
97.067		Homeland Security Grant Program	54000			4,625,865	3,512,992
Total for Unclustered						*$ 134,582,607*	*$ 27,504,257*
Total For Department Of Homeland Security						**$ 134,582,607**	**$ 27,504,257**
Department Of Housing And Urban Development							
Unclustered							
Direct Programs:							
14.171		Manufactured Home Dispute Resolution	60100			7,624	
14.228		Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	60100			4,861,785	4,693,631
14.228		COVID-19 - Community Development Block Grants/State's program and Non-Entitlement Grants in	60100			(19,816)	
14.231		Emergency Solutions Grant Program	60100			511,931	468,709
14.231		COVID-19 - Emergency Solutions Grant Program	60100			39,059	
14.238		Shelter Plus Care	60100			59,470	59,470
14.239		Home Investment Partnerships Program	60100			1,362,291	1,232,092
14.267		Continuum of Care Program	60100			70,322	70,322

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
14.401		Fair Housing Assistance Program State and Local	40600			88,000	
Total for Unclustered						*$ 6,980,666*	*$ 6,524,224*
Total For Department Of Housing And Urban Development						$ **6,980,666**	$ **6,524,224**
Department Of Justice							
Unclustered							
Direct Programs:							
16.015		Missing Alzheimer's Disease Patient Assistance Program	MISU			100,711	
16.017		Sexual Assault Services Formula Program	30100			366,038	349,894
16.034		COVID-19 - Coronavirus Emergency Supplemental Funding Program	12500			456,760	171,026
16.320		Services for Trafficking Victims	12500			132,246	
16.540		Juvenile Justice and Delinquency Prevention	53000			372,569	372,569
16.543		Missing Children's Assistance	12500			174,966	
16.554		National Criminal History Improvement Program (NCHIP)	12500			46,970	
16.575		Crime Victim Assistance	53000			243,909	
16.576		Crime Victim Compensation	53000			7,130,267	7,053,181
16.582		Crime Victim Assistance/Discretionary Grants	12500			4,999	
16.585		Drug Court Discretionary Grant Program	53000			98,697	
16.588		Violence Against Women Formula Grants	30100			850,971	779,937
16.596		Justice System Infrastructure Program for Indian Tribes	UND			106,633	25,300
16.608		Tribal Justice Systems and Alcohol and Substance Abuse	UND			415,464	162,623
16.609		Project Safe Neighborhoods	12500			73,914	73,914
16.710		Public Safety Partnership and Community Policing Grants	12500			541,360	
16.734		Special Data Collections and Statistical Studies	12500			173,837	
16.738		Edward Byrne Memorial Justice Assistance Grant Program	12500			493,004	237,434
16.741		DNA Backlog Reduction Program	12500			181,740	
16.742		Paul Coverdell Forensic Sciences Improvement Grant Program	12500			37,343	
16.750		Support for Adam Walsh Act Implementation Grant Program	12500			5,487	
16.813		NICS Act Record Improvement Program	12500			184,084	

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
16.827		Justice Reinvestment Initiative	53000			30,060	30,060
Pass Through Non-State Entity:							
16.029		Office on Violence Against Women Special Projects	UND	Tribal Law and Policy Institute	N/A	126	
16.582		Crime Victim Assistance/Discretionary Grants	UND	Fox Valley Technical College	D2019012073	48,491	
16.608		Tribal Justice Systems and Alcohol and Substance Abuse	UND	Fox Valley Technical College	D2019001020	13,818	
16.608		Tribal Justice Systems and Alcohol and Substance Abuse	UND	Fox Valley Technical College	D2019002019	2,768	
16.726		Juvenile Mentoring Program	NDSU	National 4-H Council	2018-JU-FX-0005	97	
16.726		Juvenile Mentoring Program	NDSU	National 4-H Council	2019-MU-FX-0002	49,723	
16.815		Tribal Civil and Criminal Legal Assistance Grants, Training and Technical Assistance	UND	American Probation and Parole Association	20-A4-085-2387	31,368	
16.841		VOCA Tribal Victim Services Set-Aside Program	UND	Fox Valley Technical College	D2019008055	34,607	
Total for Unclustered						*$ 12,403,027*	*$ 9,255,938*
Research and Development Cluster							
Pass Through Non-State Entity:							
16.608		Tribal Justice Systems and Alcohol and Substance Abuse	UND	The National Judicial College	NJC-2019001	138,387	
Total for Research and Development Cluster						*$ 138,387*	*$*
Total For Department Of Justice						$ **12,541,414**	$ **9,255,938**
Department Of Labor							
Unclustered							
Direct Programs:							
17.201		Registered Apprenticeship	27000			91,337	91,337
17.235		Senior Community Service Employment Program	32500			292,557	292,547
17.285		Apprenticeship USA Grants	60100			115,720	115,720
17.504		Consultation Agreements	BSC			526,228	
17.600		Mine Health and Safety Grants	27000			124,030	124,030
17.U01		Workforce Development	60100		N/A	26,184	26,184
Total for Unclustered						*$ 1,176,056*	*$ 649,818*
Total For Department Of Labor						$ **1,176,056**	$ **649,818**
Department Of State							
Unclustered							

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
Pass Through Non-State Entity:							
19.402		Professional and Cultural Exchange Programs - International Visitor Leadership Program	MISU	Global Ties U.S.	CPG-FY20-050	979	
Total for Unclustered						*$ 979*	*$*
Total For Department Of State						$ **979**	$
Department Of The Interior							
Unclustered							
Direct Programs:							
15.227		Distribution of Receipts to State and Local Governments	12000			2,220	2,220
15.250		Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining	40800			975,080	
15.252		Abandoned Mine Land Reclamation (AMLR)	40800			2,561,101	
15.427		Federal Oil and Gas Royalty Management State and Tribal Coordination	11700			659,379	
15.433		Flood Control Act Lands	12000			21,696,504	21,696,504
15.436		Late Disbursement Interest	12000			1,807	1,139
15.437		Minerals Leasing Act	12000			30,388,851	14,847,236
15.518		Garrison Diversion Unit	72000			718,487	
15.608		Fish and Wildlife Management Assistance	72000			87,915	
15.615		Cooperative Endangered Species Conservation Fund	72000			57,574	
15.634		State Wildlife Grants	72000			314,523	4,272
15.637		Migratory Bird Joint Ventures	72000			22,552	22,552
15.657		Endangered Species Recovery Implementation	72000			20,030	
15.808		U.S. Geological Survey Research and Data Collection	77000			24,400	
15.904		Historic Preservation Fund Grants-In-Aid	70100			626,377	75,145
15.916		Outdoor Recreation Acquisition, Development and	75000			1,197,750	1,197,750
15.931		Youth and Veteran Organizations Conservation Activities	NDSU			22,000	
15.U02		Improvements to BOR Museum Property Collections at the SHSND	70100		N/A	9,577	
Pass Through Non-State Entity:							
15.518		Garrison Diversion Unit	77000	Garrison Diversion Conservancy District	6-FC-60-00210	8,378,798	

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
15.815		National Land Remote Sensing Education Outreach and Research	UND	AmericaView	AV18-ND-01	16,083	
15.939		Heritage Partnership	NDSU	Northern Plains Heritage Foundation	N/A	20,665	
15.U01		Document Significant Fossil Localities within the Sharps Formation Badlands National Park	40500	South Dakota School of Mines and Technology	SDSMT-NDGS 20-01 R1	6,387	
Total for Unclustered						*$ 67,808,060*	*$ 37,846,818*
Fish and Wildlife Cluster							
Direct Programs:							
15.605		Sport Fish Restoration	72000			3,759,715	509,042
15.611		Wildlife Restoration and Basic Hunter Education	72000			11,883,019	1,251,184
15.626		Enhanced Hunter Education and Safety	72000			65,694	65,694
Pass Through Non-State Entity:							
15.605		Sport Fish Restoration	NDSU	South Dakota Department of Game, Fish and Parks	20SC06W011	46,888	
Total for Fish and Wildlife Cluster						*$ 15,755,316*	*$ 1,825,920*
Research and Development Cluster							
Direct Programs:							
15.608		Fish and Wildlife Management Assistance	NDSU			6,430	
15.678		Cooperative Ecosystem Studies Units	NDSU			84,889	
15.805		Assistance to State Water Resources Research Institutes	NDSU			93,766	28
15.808		U.S. Geological Survey Research and Data Collection	NDSU			54,636	
15.945		Cooperative Research and Training Programs – Resources of the National Park System	UND			5,364	
15.945		Cooperative Research and Training Programs – Resources of the National Park System	NDSU			135,180	
15.RD		USGS-USFWS Science Support Partnership Grant: Below-ground mutualisms to support pollination mutualisms: improving pollinator habitat using mycorrhizal inoculum	NDSU		F03RBNW00	3,700	
Pass Through Non-State Entity:							
15.815		National Land Remote Sensing Education Outreach and Research	UND	AmericaView	AV18-ND-01-003	9,308	
Total for Research and Development Cluster						*$ 393,273*	*$ 28*
Total For Department Of The Interior						$ **83,956,649**	$ **39,672,766**

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE	AMOUNT TO SUBRECIPIENTS
Department Of The Treasury							
Unclustered							
Direct Programs:							
21.019		COVID-19 - Coronavirus Relief Fund	12000			123,240,515	123,240,515
21.019		COVID-19 - Coronavirus Relief Fund	UND			20,757,532	
21.019		COVID-19 - Coronavirus Relief Fund	18000			312,212	
21.019		COVID-19 - Coronavirus Relief Fund	32100			2,860	2,585
21.019		COVID-19 - Coronavirus Relief Fund	MISU			2,400,341	
21.019		COVID-19 - Coronavirus Relief Fund	16000			38,627	
21.019		COVID-19 - Coronavirus Relief Fund	15000			2,947,860	
21.019		COVID-19 - Coronavirus Relief Fund	DCB			761,709	
21.019		COVID-19 - Coronavirus Relief Fund	60100			82,381,653	1,042,756
21.019		COVID-19 - Coronavirus Relief Fund	11000			6,485,546	
21.019		COVID-19 - Coronavirus Relief Fund	NDSCS			5,054,059	
21.019		COVID-19 - Coronavirus Relief Fund	31300			645,230	
21.019		COVID-19 - Coronavirus Relief Fund	NDSU			21,550,590	
21.019		COVID-19 - Coronavirus Relief Fund	10800			49,216	
21.019		COVID-19 - Coronavirus Relief Fund	20100			63,051,351	63,051,351
21.019		COVID-19 - Coronavirus Relief Fund	NDUS			1,657,918	
21.019		COVID-19 - Coronavirus Relief Fund	MASU			1,877,329	
21.019		COVID-19 - Coronavirus Relief Fund	DSU			2,344,231	
21.019		COVID-19 - Coronavirus Relief Fund	47500			68,551	
21.019		COVID-19 - Coronavirus Relief Fund	VCSU			645,234	
21.019		COVID-19 - Coronavirus Relief Fund	53000			53,942,185	
21.019		COVID-19 - Coronavirus Relief Fund	50400			22,031,685	
21.019		COVID-19 - Coronavirus Relief Fund	LRSC			782,358	
21.019		COVID-19 - Coronavirus Relief Fund	40500			65,464,294	
21.019		COVID-19 - Coronavirus Relief Fund	30100			82,115,677	59,168,338
21.019		COVID-19 - Coronavirus Relief Fund	80100			14,024,762	
21.019		COVID-19 - Coronavirus Relief Fund	27000			200,000	200,000
21.019		COVID-19 - Coronavirus Relief Fund	11200			59,869,592	

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
21.019		COVID-19 - Coronavirus Relief Fund	70900			800,000	741,282
21.019		COVID-19 - Coronavirus Relief Fund	70100			19,000	
21.019		COVID-19 - Coronavirus Relief Fund	BSC			4,001,660	
21.019		COVID-19 - Coronavirus Relief Fund	32500			39,482,578	100,000
21.019		COVID-19 - Coronavirus Relief Fund	60200			13,130,330	176,767
21.019		COVID-19 - Coronavirus Relief Fund	11700			10,866	
21.019		COVID-19 - Coronavirus Relief Fund	WSC			1,594,124	
21.023		COVID-19 - Emergency Rental Assistance Program	32500			3,499,706	
Pass Through Non-State Entity:							
21.019		COVID-19 - Coronavirus Relief Fund	UND	SafetySpect Inc.	N/A	77,960	
21.027		COVID-19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	31300	North Dakota Department of Veterans Affairs	N/A	784,608	
Total for Unclustered						*$ 698,103,949*	*$ 247,723,594*
Total For Department Of The Treasury						**$ 698,103,949**	**$ 247,723,594**
Department Of Transportation							
Unclustered							
Direct Programs:							
20.106		Airport Improvement Program and COVID-19 Airports Program	41200			134,263	
20.200		Highway Research and Development Program	80100			505,432	
20.215		Highway Training and Education	80100			278,155	
20.240		Fuel Tax Evasion-Intergovernmental Enforcement Effort	12700			3,020	
20.301		Railroad Safety	40800			410	
20.325		Consolidated Rail Infrastructure and Safety Improvements	80100			13,286	13,286
20.505		Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	80100			722,006	722,006
20.509		Formula Grants for Rural Areas and Tribal Transit Program	80100			295,811	100,687
20.509		COVID-19 - Formula Grants for Rural Areas and Tribal Transit Program	80100			10,561,895	10,561,895
20.608		Minimum Penalties for Repeat Offenders for Driving While Intoxicated	80100			805,514	39,007
20.615		E-911 Grant Program	54000			153,980	153,980

STATE OF NORTH DAKOTA
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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
20.700		Pipeline Safety Program State Base Grant	40800			231,559	
20.703		Interagency Hazardous Materials Public Sector Training and Planning Grants	54000			438,369	40,928
20.721		PHMSA Pipeline Safety Program One Call Grant	40800			35,760	
20.U02		Accelerated Safety Activity Program	80100		N/A	21,891	
Pass Through Non-State Entity:							
20.200		Highway Research and Development Program	NDSU	Minnesota Department of Transportation	1036338 work order 1	8,580	
20.U01		5010 Inspections	41200	GCR Inc	N/A	16,900	
Total for Unclustered						*$ 14,226,831*	*$ 11,631,789*
Federal Transit Cluster							
Direct Programs:							
20.500		Federal Transit Capital Investment Grants	80100			25,679	25,679
20.526		Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	80100			5,538,384	5,538,384
Total for Federal Transit Cluster						*$ 5,564,063*	*$ 5,564,063*
FMCSA Cluster							
Direct Programs:							
20.218		Motor Carrier Safety Assistance	50400			2,356,950	
20.237		Motor Carrier Safety Assistance High Priority Activities Grants and Cooperative Agreements	NDSU			180,332	
Total for FMCSA Cluster						*$ 2,537,282*	*$*
Highway Planning and Construction Cluster							
Direct Programs:							
20.205		Highway Planning and Construction	80100			310,707,893	12,040,706
20.205		COVID-19 - Highway Planning and Construction	80100			1,665,957	
20.219		Recreational Trails Program	80100			184,399	
20.219		Recreational Trails Program	75000			969,391	469,004
Pass Through Non-State Entity:							
20.205		Highway Planning and Construction	NDSU	Bismarck-Mandan Metropolitan Planning Organization	38151860 Bis-Man	6,447	
20.205		Highway Planning and Construction	NDSU	Fargo-Moorhead Metropolitan Council of Governments	38151860- FM COG	110,288	

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
20.205		Highway Planning and Construction	NDSU	Grand Forks-East Grand Forks Metropolitan Planning Organization	38151860- GF/EGF MPO	21,628	
20.205		Highway Planning and Construction	NDSU	Minnesota Department of Transportation	1003323 Work Order No. 6	24,613	
Total for Highway Planning and Construction Cluster						*$ 313,690,616*	*$ 12,509,710*
Highway Safety Cluster							
Direct Programs:							
20.600		State and Community Highway Safety	80100			2,338,099	519,539
20.616		National Priority Safety Programs	80100			1,746,409	554,334
Pass Through Non-State Entity:							
20.600		State and Community Highway Safety	NDSU	South Dakota Department of Public Safety	N/A	19,325	
Total for Highway Safety Cluster						*$ 4,103,833*	*$ 1,073,873*
Research and Development Cluster							
Direct Programs:							
20.109		Air Transportation Centers of Excellence	UND			107,474	
20.701		University Transportation Centers Program	NDSU			2,661,239	2,171,326
20.724		Pipeline Safety Research Competitive Academic Agreement Program (CAAP)	NDSU			298,460	63,268
20.RD		UAS Safety Case Development, Process Improvement, and Data Collection	UND		15-C-UAS-UND-021	157,125	101,217
20.RD		A18_A11L.UAS.22-Small UAS Detect and Avoid Requirements	UND		15-C-UAS-UND-011	110,870	
20.RD		A19 UAS Test Data Collection and Analysis	UND		15-C-UAS-UND-010	62,664	2,362
20.RD		A25 - Develop Risk-Based Training and Standards for Waiver Review and Insurance	UND		15-C-UAS-UND-019	44,766	
20.RD		A27: Establish Risk-Based Thresholds for Approvals Needed to Certify UAS for Safe Operation	UND		15-C-UAS-UND-015	68,152	
20.RD		A31 Safety Risks and Mitigations for UAS Operation and Around Airports (Amend 26)	UND		15-C-UAS-UND-026	49,658	
20.RD		A37 UAS Standards Tracking, Mapping, and Analysis	UND		15-C-UAS-UND-024	70,121	
20.RD		A38 UAS Cyber Security Lit Review	UND		15-C-UAS-UND-025	135,744	
20.RD		Integrating Expanded and Nonsegregated UAS Operations	UND		15-C-UAS-UND-014	110,791	34,432
20.RD		UAS Parameters, Exceedances, Recording Rates for ASIAS	UND		15-C-UAS-UND-012	46,579	
Pass Through Non-State Entity:							

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
20.108		Aviation Research Grants	UND	The MITRE Corporation	119947 TaskOrder 3-130354	83,777	
20.200		Highway Research and Development Program	NDSU	The National Academies	NCHRP-219	84,076	
20.701		University Transportation Centers Program	NDSU	Montana State University	G226-17-W6460	775,399	
20.724		Pipeline Safety Research Competitive Academic Agreement Program (CAAP)	NDSU	Stevens Institute of Technology	2103007-01	11,335	
20.RD		National General Aviation Flight Information Database (NGAFID)	UND	The MITRE Corporation	TO 135061	143,467	
20.RD		Seat Belt, Cell Phone and Ride Service Surveys to Enhance Traffic Safety in South Dakota	NDSU	South Dakota Department of Public Safety	N/A	17,638	
Total for Research and Development Cluster						*$ 5,039,335*	*$ 2,372,605*
Transit Services Programs Cluster							
Direct Programs:							
20.513		Enhanced Mobility of Seniors and Individuals with Disabilities	80100			942,068	942,068
Total for Transit Services Programs Cluster						*$ 942,068*	*$ 942,068*
Total For Department Of Transportation						$ **346,104,028**	$ **34,094,108**
Department Of Veterans Affairs							
Unclustered							
Direct Programs:							
64.014		Veterans State Domiciliary Care	31300			917,296	
64.015		Veterans State Nursing Home Care	31300			3,046,596	
64.035		Veterans Transportation Program	32100			373,135	335,999
64.U01		State Approving Agency	32100		V101 (223C) P-5745	117,454	
Total for Unclustered						*$ 4,454,481*	*$ 335,999*
Unclustered							
Direct Programs:							
64.U02		VA - RESIDENTS ROTATIONS	UND		N/A	430,004	
Total for Unclustered						*$ 430,004*	*$*
Total For Department Of Veterans Affairs						$ **4,884,485**	$ **335,999**
Elections Assistance Commission							
Unclustered							

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Years Ended June 30, 2021

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
Direct Programs:							
90.404		COVID-19 - 2018 HAVA Election Security Grants	10800			2,543,033	
Total for Unclustered						*$ 2,543,033*	*$*
Total For Elections Assistance Commission						$ **2,543,033**	$
Environmental Protection Agency							
Unclustered							
Direct Programs:							
66.034		Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	30300			130,996	
66.040		Diesel Emissions Reduction Act (DERA) State Grants	30300			103,729	
66.419		Water Pollution Control State, Interstate, and Tribal Program Support	30300			228,231	5,141
66.433		State Underground Water Source Protection	40500			130,157	
66.444		Lead Testing in School and Child Care Program Drinking Water (SDWA 1464(d))	30300			37,079	
66.454		Water Quality Management Planning	30300			95,716	38,811
66.460		Nonpoint Source Implementation Grants	30300			3,881,111	2,279,320
66.605		Performance Partnership Grants	60200			309,083	
66.605		Performance Partnership Grants	30300			4,066,725	42,674
66.608		Environmental Information Exchange Network Grant Program and Related Assistance	30300			80,949	
66.700		Consolidated Pesticide Enforcement Cooperative Agreements	60200			94,497	
66.700		Consolidated Pesticide Enforcement Cooperative Agreements	NDSU			50,999	
66.805		Leaking Underground Storage Tank Trust Fund Corrective Action Program	30300			507,436	
66.818		Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements	30300			90,387	
Pass Through Non-State Entity:							
66.716		Research, Development, Monitoring, Public Education, Outreach, Training, Demonstrations, and Studies	NDSU	eXtension Foundation	SA-2021-31	17,599	
Total for Unclustered						*$ 9,824,694*	*$ 2,365,946*

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
Clean Water State Revolving Fund (CWSRF) Cluster							
Direct Programs:							
66.U01		Water Sample Collection	VCSU		W912ES-21-P-0058	4,033	
Total for Clean Water State Revolving Fund (CWSRF) Cluster						*$ 4,033*	*$*
Drinking Water State Revolving Fund (DWSRF) Cluster							
Direct Programs:							
66.468		Capitalization Grants for Drinking Water State Revolving Funds	30300			666,547	
Total for Drinking Water State Revolving Fund (DWSRF) Cluster						*$ 666,547*	*$*
Research and Development Cluster							
Direct Programs:							
66.461		Regional Wetland Program Development Grants	NDSU			46,045	
66.509		Science To Achieve Results (STAR) Research Program	UND			71,368	
Total for Research and Development Cluster						*$ 117,413*	*$*
Total For Environmental Protection Agency						**$ 10,612,687**	**$ 2,365,946**
Equal Employment Opportunity Commission							
Unclustered							
Direct Programs:							
30.002		Employment Discrimination - State and Local Fair Employment Practices Agency Contracts	40600			130,060	
Total for Unclustered						*$ 130,060*	*$*
Total For Equal Employment Opportunity Commission						**$ 130,060**	$
Executive Office of the President							
Unclustered							
Direct Programs:							
95.001		High Intensity Drug Trafficking Areas Program	12500			739,296	250,591
Total for Unclustered						*$ 739,296*	*$ 250,591*
Total For Executive Office of the President						**$ 739,296**	**$ 250,591**
General Services Administration							

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
Unclustered							
Nonmonetary Assistance:							
39.003		Donation of Federal Surplus Personal Property	11000			3,853,502	
Total for Unclustered						*$ 3,853,502*	*$*
Total For General Services Administration						$ **3,853,502**	$
Institute of Museum and Library Services							
Unclustered							
Direct Programs:							
45.310		Grants to States	25000			984,507	
45.310		COVID-19 - Grants to States	25000			5,695	
45.312		National Leadership Grants	25000			149,568	
Total for Unclustered						*$ 1,139,770*	*$*
Total For Institute of Museum and Library Services						$ **1,139,770**	$
National Aeronautics and Space Administration							
Unclustered							
Direct Programs:							
43.003		Exploration	NDSU			27,565	
43.008		Office of Stem Engagement (OSTEM)	UND			1,159,895	20,160
43.012		Space Technology	60100			548,122	548,122
Total for Unclustered						*$ 1,735,582*	*$ 568,282*
Research and Development Cluster							
Direct Programs:							
43.001		Science	UND			481,771	39,553
Pass Through Non-State Entity:							
43.001		Science	UND	University Corporation For Atmospheric Research	SUBAWD002194	41,338	
43.RD		UAS Research for Public Safety Applications	UND	Mississippi State University	193700.361561.02	42,974	
Total for Research and Development Cluster						*$ 566,083*	*$ 39,553*
Total For National Aeronautics and Space Administration						$ **2,301,665**	$ **607,835**

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
National Council on Disability							
Unclustered							
Pass Through Non-State Entity:							
92.U01		National Disability Rights Network	36000	National Disability Rights Network	N/A	13,260	
Total for Unclustered						*$ 13,260*	*$*
Total For National Council on Disability						$ **13,260**	$
National Endowment For The Arts							
Unclustered							
Direct Programs:							
45.024		Promotion of the Arts Grants to Organizations and Individuals	UND			10,000	
45.025		COVID-19 - Promotion of the Arts Partnership Agreements	70900			38,457	7,041
45.025		Promotion of the Arts Partnership Agreements	70900			741,933	588,673
Pass Through Non-State Entity:							
45.025		COVID-19 - Promotion of the Arts Partnership Agreements	MISU	Arts Midwest	1856001-61-19	5,000	
Total for Unclustered						*$ 795,390*	*$ 595,714*
Total For National Endowment For The Arts						$ **795,390**	$ **595,714**
National Endowment For The Humanities							
Unclustered							
Direct Programs:							
45.129		Promotion of the Humanities Federal/State Partnership	DCB			513	
45.169		COVID-19 - Promotion of the Humanities Office of Digital Humanities	UND			265,744	
Pass Through Non-State Entity:							
45.129		Promotion of the Humanities Federal/State Partnership	UND	Humanities North Dakota	20506	10,000	
Total for Unclustered						*$ 276,257*	*$*
Total For National Endowment For The Humanities						$ **276,257**	$
National Science Foundation							
Unclustered							

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Direct Programs:							
47.041		Engineering	NDSU			4,300	
47.076		Education and Human Resources	NDSCS			73,093	
47.076		Education and Human Resources	NDSU			142,250	
Pass Through Non-State Entity:							
47.076		Education and Human Resources	NDSU	Concordia College	003	4,300	
47.076		Education and Human Resources	NDSU	Salish Kootenai College	NDSU-18-2	8,200	
Total for Unclustered						*$ 232,143*	*$*
Unclustered							
Direct Programs:							
47.U01		IPA - Intergovernmental Personal Act	NDSU		CNS-1650752	11,778	
Total for Unclustered						*$ 11,778*	*$*
Research and Development Cluster							
Direct Programs:							
47.041		Engineering	NDSU			501,098	29,818
47.041		Engineering	UND			22,021	
47.049		Mathematical and Physical Sciences	UND			247,724	
47.049		Mathematical and Physical Sciences	NDSU			627,583	
47.050		Geosciences	UND			189,441	
47.050		Geosciences	NDSU			99,977	
47.070		Computer and Information Science and Engineering	UND			29,833	
47.070		Computer and Information Science and Engineering	NDSU			1,159,621	34,867
47.074		Biological Sciences	UND			658,369	
47.074		Biological Sciences	NDSU			928,675	49,158
47.075		Social, Behavioral, and Economic Sciences	NDSU			82,093	
47.075		Social, Behavioral, and Economic Sciences	UND			107,128	
47.076		Education and Human Resources	WSC			50,501	
47.076		Education and Human Resources	UND			497,207	12,710
47.076		Education and Human Resources	NDSU			878,366	26,232
47.079		Office of International Science and Engineering	NDSU			6,859	

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
47.079		Office of International Science and Engineering	UND			3,150	
47.083		Integrative Activities	NDSU			5,051,983	1,988,771
Pass Through Non-State Entity:							
47.041		Engineering	NDSU	University of Minnesota	A005007501	12,977	
47.041		Engineering	NDSU	Iowa State University	017642A	11,232	
47.041		Engineering	UND	Syracuse University	28250-04301-S21	4,891	
47.041		Engineering	NDSU	Syracuse University	28250-04301-S22	2,882	
47.070		Computer and Information Science and Engineering	NDSU	University of South Alabama	A19-0025-S001	15,064	
47.070		Computer and Information Science and Engineering	NDSU	American Indian Higher Education Consortium	N/A	1,671	
47.074		Biological Sciences	NDSU	Indiana University Bloomington	8156-NDSU	65,573	
47.074		Biological Sciences	NDSU	Virginia Tech	480146-19953	127,078	
47.074		Biological Sciences	UND	University of Alabama at Birmingham	000527524-001	23,060	
47.075		Social, Behavioral, and Economic Sciences	NDSU	University of Minnesota	A007306801	45,379	
47.075		Social, Behavioral, and Economic Sciences	NDSU	Michigan State University	RC108528NDSU	2,689	
47.076		Education and Human Resources	NDSU	Missouri University of Science &Technology	0052875	2,644	
47.079		Office of International Science and Engineering	NDSU	University of South Alabama	A19-0039-S001	3,976	
47.083		Integrative Activities	NDSU	Bates College	S19-004	163,134	
Total for Research and Development Cluster						*$ 11,623,879*	*$ 2,141,556*
Total For National Science Foundation						$ **11,867,800**	$ **2,141,556**
Small Business Administration							
Unclustered							
Direct Programs:							
59.037		Small Business Development Centers	UND			639,524	128,771
59.037		Small Business Development Centers	WSC			38,708	
59.037		COVID-19 - Small Business Development Centers	UND			393,105	74,902
59.044		Veterans Outreach Program	UND			231,696	
Total for Unclustered						*$ 1,303,033*	*$ 203,673*
Total For Small Business Administration						$ **1,303,033**	$ **203,673**
Social Security Administration							

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE	AMOUNT TO SUBRECIPIENTS
Unclustered							
Direct Programs:							
96.009		Social Security State Grants for Work Incentives Assistance to Disabled Beneficiaries	36000			113,025	
Total for Unclustered						*$ 113,025*	*$*
Disability Insurance/SSI Cluster							
Direct Programs:							
96.001		Social Security Disability Insurance	32500			3,246,441	
Total for Disability Insurance/SSI Cluster						*$ 3,246,441*	*$*
Total For Social Security Administration						$ **3,359,466**	$
U.S. Department Of Agriculture							
Unclustered							
Direct Programs:							
10.025		Plant and Animal Disease, Pest Control, and Animal Care	NDSU			142,946	
10.025		Plant and Animal Disease, Pest Control, and Animal Care	60200			394,721	
10.153		Market News	60200			10,500	
10.162		Inspection Grading and Standardization	60200			688	
10.163		Market Protection and Promotion	60200			5,400	
10.168		Farmers Market Promotion Program	DCB			69,386	
10.170		Specialty Crop Block Grant Program - Farm Bill	60200			2,743,548	526,578
10.170		Specialty Crop Block Grant Program - Farm Bill	DCB			36,707	
10.171		Organic Certification Cost Share Programs	60200			65,952	60,499
10.178		Trade Mitigation Program Eligible Recipient Agency Operational Funds	20100			71,968	
10.310		Agriculture and Food Research Initiative (AFRI)	DCB			135,349	
10.310		Agriculture and Food Research Initiative (AFRI)	BSC			114,209	
10.311		Beginning Farmer and Rancher Development Program	DCB			14,131	
10.329		Crop Protection and Pest Management Competitive Grants Program	NDSU			177,217	
10.435		State Mediation Grants	60200			69,819	
10.475		Cooperative Agreements with States for Intrastate Meat and Poultry Inspection	60200			511,001	

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10.477		Meat, Poultry, and Egg Products Inspection	60200			119,156	
10.500		Cooperative Extension Service	NDSU			242,577	90,432
10.527		New Beginnings for Tribal Students	NDSU			28,809	
10.534		CACFP Meal Service Training Grants	20100			21,187	5,492
10.541		Child Nutrition-Technology Innovation Grant	20100			33,646	
10.557		WIC Special Supplemental Nutrition Program for Women, Infants, and Children	30100			9,446,766	3,531,414
10.558		Child and Adult Care Food Program	20100			9,027,898	8,625,250
10.560		State Administrative Expenses for Child Nutrition	20100			1,321,443	335,404
10.567		Food Distribution Program on Indian Reservations	20100			1,458,232	1,007,814
10.567		COVID-19 - Food Distribution Program on Indian Reservations	20100			174,433	174,433
10.578		WIC Grants To States (WGS)	30100			1,222,991	214,417
10.582		Fresh Fruit and Vegetable Program	20100			2,289,416	2,197,072
10.649		COVID-19 - Pandemic EBT Administrative Costs	32500			9,997	
10.664		Cooperative Forestry Assistance	NDSU			1,543,349	464,205
10.675		Urban and Community Forestry Program	NDSU			28,470	28,470
10.680		Forest Health Protection	60200			12,500	12,500
10.691		Good Neighbor Authority	NDSU			65,123	
10.697		State & Private Forestry Hazardous Fuel Reduction Program	NDSU			51,608	
10.902		Soil and Water Conservation	NDSU			101,863	
10.902		Soil and Water Conservation	DCB			339	
10.912		Environmental Quality Incentives Program	60200			110,588	52,359
10.912		Environmental Quality Incentives Program	DCB			44,033	
10.950		Agricultural Statistics Reports	NDSU			20,000	
Nonmonetary Assistance:							
10.475		Cooperative Agreements with States for Intrastate Meat and Poultry Inspection	60200			15,086	
10.567		Food Distribution Program on Indian Reservations	20100			3,208,850	3,208,850
Pass Through Non-State Entity:							
10.025		Plant and Animal Disease, Pest Control, and Animal Care	NDSU	University of Georgia	SUB00002240	30,000	
10.215		Sustainable Agriculture Research and Education	NDSCS	Northcentral Technical College	201910-08-02	2,683	

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10.215		Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H007179302	23,415	
10.215		Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H006607438	46,967	
10.215		Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H009187803	1,307	
10.215		Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H008568307	22,628	
10.215		Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H008403501	7,423	
10.217		Higher Education - Institution Challenge Grants Program	NDSU	University of Missouri-Columbia	C00070655-1	8,107	
10.217		Higher Education - Institution Challenge Grants Program	NDSU	South Dakota State University	3TG495	16,310	
10.304		Homeland Security Agricultural	NDSU	Kansas State University	S17046	35,826	
10.310		Agriculture and Food Research Initiative (AFRI)	NDSU	University of Minnesota	H008208102	515	
10.310		Agriculture and Food Research Initiative (AFRI)	NDSU	North Carolina State University	2015-0097-12	2,922	
10.328		National Food Safety Training, Education, Extension, Outreach, and Technical Assistance Competitive Grants Program	NDSU	Iowa State University	N/A	5,572	
10.328		National Food Safety Training, Education, Extension, Outreach, and Technical Assistance Competitive Grants Program	NDSU	Iowa State University	4163031F	7,684	
10.329		Crop Protection and Pest Management Competitive Grants Program	NDSU	Michigan State University	RC108974F	2,061	
10.331		Food Insecurity Nutrition Incentive Grants Program	NDSU	Fair Food Network	N/A	19,482	
10.500		Cooperative Extension Service	NDSU	Auburn University	20HDFS-205212-NDSU	67,938	20,838
10.500		Cooperative Extension Service	NDSU	Kansas State University	A00-0983-S046	3,367	
10.500		Cooperative Extension Service	NDSU	South Dakota State University	3TB319	44,615	
10.500		Cooperative Extension Service	NDSU	South Dakota State University	3TG521	61,056	
10.500		Cooperative Extension Service	NDSU	South Dakota State University	N/A	22,525	
10.500		Cooperative Extension Service	NDSU	Auburn University	18-CHS-205205-NDSU	86	86
10.511		Smith-Lever Funding (Various Programs)	NDSU	University of Minnesota	CPS # 0001981362	355,192	
10.516		Rural Health and Safety Education Competitive Grants Program	NDSU	South Dakota State University	3TB360	40,511	
10.525		Farm and Ranch Stress Assistance Network Competitive Grants Program	NDSU	Iowa State University	021546F	16,771	
10.525		Farm and Ranch Stress Assistance Network Competitive Grants Program	NDSU	University of Illinois, Urbana Champaign	101598-18125	20,974	
10.912		Environmental Quality Incentives Program	NDSU	University of Wisconsin - Madison	PO#0000000134	17,102	
Total for Unclustered						*$ 36,044,941*	*$ 20,556,113*

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
Child Nutrition Cluster							
Direct Programs:							
10.553		School Breakfast Program	20100			172,338	148,857
10.555		National School Lunch Program	20100			413,797	337,129
10.556		Special Milk Program for Children	20100			6,249	6,249
10.559		COVID-19 - Summer Food Service Program for Children	20100			74,563,575	74,255,015
10.579		Child Nutrition Discretionary Grants Limited Availability	20100			48,750	48,750
Nonmonetary Assistance:							
10.555		National School Lunch Program	20100			5,341,714	5,341,714
Pass Through Non-State Entity:							
10.555		National School Lunch Program	25200	North Dakota Department of Public Instruction	N/A	9,565	
Total for Child Nutrition Cluster						*$ 80,555,988*	*$ 80,137,714*
Food Distribution Cluster							
Direct Programs:							
10.565		Commodity Supplemental Food Program	20100			205,149	134,785
10.565		COVID-19 - Commodity Supplemental Food Program	20100			2,446	
10.568		COVID-19 - Emergency Food Assistance Program (Administrative Costs)	20100			394,187	257,301
10.568		Emergency Food Assistance Program (Administrative Costs)	20100			191,788	170,713
Nonmonetary Assistance:							
10.565		Commodity Supplemental Food Program	20100			562,266	562,266
10.569		Emergency Food Assistance Program (Food Commodities)	20100			3,684,569	3,684,569
Total for Food Distribution Cluster						*$ 5,040,405*	*$ 4,809,634*
Forest Service Schools and Roads Cluster							
Direct Programs:							
10.665		Schools and Roads - Grants to States	12000			358	358
10.U01		USDA Forest Service Cost Share Challenge	VCSU		16-CS-11011800-016	18,246	
10.U01		USDA Forest Service Cost Share Challenge	VCSU		W912ES-16-P-0058	4,068	
Total for Forest Service Schools and Roads Cluster						*$ 22,672*	*$ 358*
Research and Development Cluster							

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ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	AMOUNT TO EXPENDITURE	AMOUNT TO SUBRECIPIENTS
Direct Programs:							
10.001		Agricultural Research Basic and Applied Research	NDSU			4,242,247	
10.001		Agricultural Research Basic and Applied Research	UND			1,215,584	
10.025		Plant and Animal Disease, Pest Control, and Animal Care	NDSU			32,238	
10.028		Wildlife Services	NDSU			118,645	
10.069		Conservation Reserve Program	UND			15,431	
10.167		Transportation Services	NDSU			146,105	
10.200		Grants for Agricultural Research, Special Research Grants	NDSU			290,652	119,696
10.202		Cooperative Forestry Research	NDSU			177,484	
10.203		Payments to Agricultural Experiment Stations Under the Hatch Act	NDSU			2,201,726	
10.207		Animal Health and Disease Research	NDSU			39,060	
10.310		Agriculture and Food Research Initiative (AFRI)	NDSU			1,199,358	194,390
10.310		Agriculture and Food Research Initiative (AFRI)	UND			22,023	
10.330		Alfalfa and Forage Research Program	NDSU			73,353	24,061
10.500		Cooperative Extension Service	NDSU			2,719,899	
10.519		Equipment Grants Program (EGP)	NDSU			185,284	
10.664		Cooperative Forestry Assistance	NDSU			91,582	
10.680		Forest Health Protection	NDSU			29,927	
10.707		Research Joint Venture and Cost Reimbursable Agreements	NDSU			17,719	
10.902		Soil and Water Conservation	NDSU			62,043	
10.912		Environmental Quality Incentives Program	NDSU			412,777	193,563
10.924		Conservation Stewardship Program	NDSU			26,278	8,250
10.932		Regional Conservation Partnership Program	UND			30,380	
10.RD		Acquisition of Goods and Services	NDSU		58-3060-9-029	11,227	
Pass Through Non-State Entity:							
10.001		Agricultural Research Basic and Applied Research	NDSU	University of Nebraska-Lincoln	25-6235-0354-004	1,500	
10.025		Plant and Animal Disease, Pest Control, and Animal Care	NDSU	Colorado State University	G-92892-01	26,934	
10.170		Specialty Crop Block Grant Program - Farm Bill	NDSU	USA Dry Pea and Lentil Council	N/A	31,865	
10.170		Specialty Crop Block Grant Program - Farm Bill	NDSU	University of Minnesota	H007080501	1,137	
10.170		Specialty Crop Block Grant Program - Farm Bill	NDSU	National Sunflower Association	19-422	73,541	

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10.170		Specialty Crop Block Grant Program - Farm Bill	NDSU	National Sunflower Association	18-250	1,003	
10.200		Grants for Agricultural Research, Special Research Grants	NDSU	Michigan State University	PO513439	10,333	
10.200		Grants for Agricultural Research, Special Research Grants	NDSU	Michigan State University	PO574852	3,723	
10.200		Grants for Agricultural Research, Special Research Grants	NDSU	Michigan State University	RC110838NDSU	116,994	
10.212		Small Business Innovation Research	UND	SafetySpect Inc.	UND0025038	26,455	
10.215		Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H005722909	2,644	
10.215		Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H008334014	8,806	
10.215		Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H007813925	74,739	
10.215		Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H007813918	34,630	
10.215		Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H007813915	31,132	
10.215		Sustainable Agriculture Research and Education	NDSU	University of Minnesota	H007179324	77,995	
10.215		Sustainable Agriculture Research and Education	NDSU	South Dakota State University	3TB473	4,546	
10.227		1994 Institutions Research Program	NDSU	United Tribes Technical College	N/A	30,910	
10.303		Integrated Programs	NDSU	University of Minnesota	H007723401	6,437	
10.307		Organic Agriculture Research and Extension Initiative	NDSU	Montana State University	G193-19-W7408	55,063	
10.309		Specialty Crop Research Initiative	NDSU	University of Minnesota	H007082504	218,629	
10.309		Specialty Crop Research Initiative	NDSU	University of Idaho	AN4829-846777	57,334	
10.309		Specialty Crop Research Initiative	NDSU	Montana State University	G102-20-W7553	119,142	
10.309		Specialty Crop Research Initiative	NDSU	Colorado State University	G-01363-02	37,024	
10.310		Agriculture and Food Research Initiative (AFRI)	NDSU	Kansas State University	S19134	8,888	
10.310		Agriculture and Food Research Initiative (AFRI)	NDSU	South Dakota State University	3TG456	6,083	
10.310		Agriculture and Food Research Initiative (AFRI)	NDSU	South Dakota State University	3TB457	3,715	
10.310		Agriculture and Food Research Initiative (AFRI)	NDSU	South Dakota State University	3TB455	483	
10.310		Agriculture and Food Research Initiative (AFRI)	NDSU	Purdue University	F9002711902004	59,739	
10.326		Capacity Building for Non-Land Grant Colleges of Agriculture (NLGCA)	NDSU	University of Wisconsin - River Falls	2018-1004	7,299	
10.329		Crop Protection and Pest Management Competitive Grants Program	NDSU	Michigan State University	RC108974G	14,242	
10.351		Rural Business Development Grant	NDSU	Adams County Development Corporation	N/A	4,439	
10.924		Conservation Stewardship Program	NDSU	Turtle Mountain Community College	NR186633XXXXG006	13,354	
Total for Research and Development Cluster						*$ 14,531,780*	*$ 539,960*

SNAP Cluster

STATE OF NORTH DAKOTA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Years Ended June 30, 2021

ALN	ALPHA	PROGRAM TITLE	STATE AGENCY	PASS THROUGH ENTITY	IDENTIFYING NUMBER	EXPENDITURE	AMOUNT TO SUBRECIPIENTS
Direct Programs:							
10.551		Supplemental Nutrition Assistance Program	32500			120,446,858	
10.561		State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	32500			12,040,934	220,885
10.561		COVID-19 - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	32500			319	
Total for SNAP Cluster						*$ 132,488,111*	*$ 220,885*
Total For U.S. Department Of Agriculture						$ **268,683,897**	$ **106,264,664**
United States Agency For International Development							
Research and Development Cluster							
Pass Through Non-State Entity:							
98.001		USAID Foreign Assistance for Programs Overseas	NDSU	Michigan State University	RC108887-NDSU	156,466	50,000
98.001		USAID Foreign Assistance for Programs Overseas	NDSU	The National Academies	200008308	9,314	
Total for Research and Development Cluster						*$ 165,780*	*$ 50,000*
Total For United States Agency For International Development						$ **165,780**	$ **50,000**
TOTAL EXPENDITURES OF FEDERAL AWARDS						$ **3,363,288,642**	$ **640,518,978**

STATE OF NORTH DAKOTA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Years Ended June 30, 2022 and 2021

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

Federal Financial Assistance – 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.

Assistance Listing Numbers– 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.

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.

Clusters of Programs – 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 $20,050,456 in federal expenditures, distributions, or issuances for the two-year period ended June 30, 2022.

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 modified accrual basis of accounting, except for the following: colleges, universities, and enterprise entities reported expenditures on the accrual basis; the Adjutant General, Office of Administrative Hearings, Attorney General's Office, State Auditor's Office, Historical Society, Department of Human Services, Insurance Department, Department of Labor, Legislative Assembly, Legislative Council, Office of Management and Budget, Department of Public Instruction, School for the Blind, Secretary of State and the State Treasurer's Office reported expenditures on the cash basis.

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

Department of Veterans Affairs
Aeronautics Commission
State Auditor's Office
Valley City State University

Matching Costs – 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.

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

Federal Transactions Between State Entities – 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.

Supplemental Nutrition Assistance Program (SNAP) Expenditures – 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 FY22 SEFA for the NDDES includes $3,308,230 in expenditures under ALN #97.036 that are recognized FY22 but were incurred in prior years. Of this total $1,531,588 were payments to subrecipients and were included in the payments to subrecipients column.

Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

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, 2022 and 2021, the inventory balances of nonmonetary assistance were as follows:

Nonmonetary Assistance	June 30, 2021	June 30, 2022
Food Commodities	$ 1,629,671	$ 1,563,454
Donated Surplus Property	2,474,267	2,500,972
Vaccines	10,092,649	9,395,546
Total Inventory Balance	$ 14,196,587	$ 13,459,972

NOTE 4. LOAN PROGRAMS

The state administers two loan programs with continuing compliance requirements other than Student Financial Aid. At June 30, 2022 and 2021, the amount of loans receivable for each loan program were as follows:

Loan Program	CFDA #	FY21	FY22
Community Development Block Grants/State's Program	14.228	$ 2,258,018	$ 2,061,364
HOME Investment Partnerships Program	14.239	10,281,776	0
Total Loans Receivable		$ 12,539,794	$ 2,061,364

The HOME Program was transferred to the North Dakota Housing Finance Agency in FY22.

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, 2022 and 2021 are identified below:

Student Financial Aid Program	ALN #	FY21	FY22
Loan Advances:			
Federal Direct Student Loans	84.268	$ 160,035,117	$ 155,249,170
Nurse Faculty Loan Program (NFLP)	93.264	0	50,402
Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students	93.342	105,000	152,748
Nursing Student Loans	93.364	447,161	612,189
Total Loan Advances		$ 160,587,278	$ 156,064,509
Loans Receivable:			
Federal Perkins Loan Program	84.038	$ 15,443,807	$ 10,037,901
Nurse Faculty Loan Program (NFLP)	93.264	92,603	121,193
Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students	93.342	244,543	381,276
Nursing Student Loans	93.364	2,468,995	2,643,283
Total Loans Receivable		$ 18,249,948	$ 13,183,653

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.

Office of the
State Auditor



Department of Commerce
Finding: 2022-001

Department of Commerce Response/Corrective Action Plan:
The Department of Commerce agrees with this finding.

These grants were conducted outside of our normal scope of operations and new grant processes had to be designed and implemented to manage this grant programmatically and fiscally. These grant payments were paid by a batch file process through the Office of Management and Budget and not fiscally managed by the agency's fiscal department. The agency does not intend to manage grant processes programmatically or fiscally with these processes again.

Of the eight duplicate grant payments identified two of the payments were voided, two payments have been returned to the department and turned back to the Office of Management and Budget, and the remaining payments the department has either been in contact with the beneficiary on returning the funds or the beneficiaries have been turned over to the Attorney General's Office for further follow-up. The department will turn over the remainder of the beneficiaries to the Attorney's General's Office if payment is not made timely.

Contact Person Shawn Kessel, COO/Deputy Commissioner

Anticipated Completion Date There is no anticipated completion date for enhancing our internal controls to ensure duplicated payments are not made to the recipients of federal funds due to the fact the agency does not intend to manage a grant within our department programmatically or fiscally with these processes again.

Finding: 2022-002

Department of Commerce Response/Corrective Action Plan:
The Department of Commerce agrees with this finding.

The Department of Commerce utilized the funds made available to it by the 67th Legislative Assembly to accomplish the intent of said legislative body.

The Agency is working with the current legislative body and the North Dakota Office of Management and Budget to resolve this finding.

Contact Person: Shawn Kessel, COO/Deputy Commissioner

Anticipated Completion Date: On or before July 1, 2023

Finding: 2022-003

Department of Commerce Response/Corrective Action Plan:
The Department of Commerce agrees with this finding.

The agency has attempted several times to obtain allowable expenditures under the fund with no cooperation from the beneficiary. The beneficiary was turned over to the North Dakota Attorney General Office on August 13, 2020, to recoup the grant award and refund the U.S. Department of the Treasury.

Contact Person: Shawn Kessel, COO/Deputy Commissioner

Anticipated Completion Date: December 2024 is the anticipated completion date for this finding as the beneficiary has been turned over to the North Dakota Attorney General's Office to recoup the grant award.

Finding: 2022-004

Department of Commerce Response/Corrective Action Plan:
The Department of Commerce agrees with this finding.

Risk assessments were not completed during the audit period because we were unable to go on site to assess the risk at each Community Action Agency due to the global pandemic and COVID-19 restrictions.

The Department of Commerce is in the process of implementing this recommendation as we are now able to perform onsite monitoring to assess the risk at each Community Action Agency due to COVID-19 restrictions having subsequently been lifted.

Contact Person: Alison Widmer, Director of Administrative Services

Anticipated Completion Date: December 31, 2022

Dakota | Health & Human Services

Department of Health
Finding: 2022-005

Department of Health Response/Corrective Action Plan:
The Public Health Division of the Department of Health and Human Services (formerly Department of Health) agrees with the recommendation.

Procedures and additional internal controls have been added to ensure all required award information is communicated to subrecipients, to the extent this information is available.

Contact Person Karol Riedman, Assistant CFO

Anticipated Completion Date Completed

Finding: 2022-006

Department of Health Response/Corrective Action Plan:
The Public Health Division of the Department of Health and Human Services (formerly Department of Health) agrees with the recommendation.

Procedures will be developed in cooperation with the integrated Department of Health and Human Services audit division to designate responsibility and processes for subrecipient monitoring activities during the award period.

Contact Person: Karol Riedman, Assistant CFO and Amanda Westlake, Audit Manager

Anticipated Completion Date: June 30, 2023

Finding: 2022-007

Department of Health Response/Corrective Action Plan:
The Public Health Division of the Department of Health and Human Services (formerly the Department of Health) agrees with this recommendation.

Procedures will be implemented to ensure all subrecipients obtain audits or a certification that an audit is not required in accordance with 2 CFR 200 Subpart F.

Contact Person: Karol Riedman, Assistant CFO

Anticipated Completion Date: June 30, 2023

FINANCE

600 E Boulevard Ave Dept 325 | Bismarck ND 58505-0250

701 328-2310 | Fax 701 328-1030 | 800 472-2622 | 711 (TTY) | www.hhs.nd.gov

Dakota | Health and Human Services

March 20, 2023

Department of Human Services
Finding: 2022-008

Department of Human Services Response/Corrective Action Plan:
The department agrees to recover payments made on unsupported claims.

The department will recover payments made on unsupported claims.

Contact Person: Corey Kjos, Enterprise Operations Manager

Anticipated Completion Date: June 30, 2023

Finding: 2022-009

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

The department will work with NDIT to ensure they restart and maintain the risk analysis and security review for MMIS.

Contact Person: Tory Brabandt, Medicaid Enterprise Director

Anticipated Completion Date: December 31, 2023

Finding: 2022-010

Department of Human Services Response/Corrective Action Plan:
The Department agrees with the finding.

When the Department had to re-procure the Medicaid Expansion MCO contract for a January 1, 2022, start date, the contract was overhauled and made much more specific in terms of the MLR requirements, so we do not anticipate the same issues happening again. Below is contract language that addresses this finding.

Appendix E, Article 1

10. Reporting requirements

FINANCE

600 E Boulevard Ave Dept 325 | Bismarck ND 58505-0250

701.328.2536 | Fax 701.328.1039 | 800.472.2622 | 711 (TTY) | nhs.nd.gov

1. MCO shall submit two reports to STATE that includes at least the following information for each MLR Reporting Year, one of which excludes the adjustments identified in (I) and (C)(3)(d) above:
    1. Total incurred claims.
    2. Expenditures on quality improving activities.
    3. Expenditures related to activities compliant with program integrity requirements (42 C.F.R. §438.608(a)(1) through (5), (7), (8) and (b)).
    4. Non-claims costs.
    5. Premium revenue.
    6. Taxes, licensing, and regulatory fees.
    7. Methodology(ies) for allocation of expenditures.
    8. Any credibility adjustment applied.
    9. The calculated MLR.
    10. Any remittance owed to STATE, if applicable.
    11. A comparison of the information reported in this paragraph with the audited financial report required under 42 C.F.R. §438.3(m).
    12. A description of the aggregation method used under paragraph (F) of this article.
    13. The number of Member Months.

2. MCO must require any third-party vendor providing claims adjudication activities to provide all underlying data associated with MLR reporting to that MCO within 180 days of the end of the MLR Reporting Year or within 30 days of being requested by MCO whichever comes sooner, regardless of current contractual limitations, to calculate and validate the accuracy of MLR reporting.

3. Prior to ten (10) months following the applicable MLR Reporting Year, MCO must submit the report required in paragraph (I)(1) of this article based on data including eight (8) months of claims run out.

4. MCO shall attest to the accuracy of the calculation of the MLR in accordance with requirements of this article when submitting the report required under this paragraph.

2. Prior to eleven (11) months following the applicable MLR Reporting Year or a mutually agreed upon alternative date, STATE shall finalize the MLR Reporting Year with any balance due to STATE as required in paragraph (H) of this article within sixty (60) days.

Contact Person: Jared Ferguson, Medicaid Expansion Administrator

Anticipated Completion Date: Already Completed

Finding: 2022-011

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

The department will work with NDIT to ensure they restart and maintain the access and security reviews.

Contact Person: Tory Brabandt, Medicaid Enterprise Director

Anticipated Completion Date: June 30, 2023

Finding: 2022-012

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

The Department has been working with a developer to create a Child Care Licensing Data System to replace a paper process and multiple spreadsheets. The system allows each licensing specialist to see their workflow when they log into the system. It also notifies when a reinspection is needed and will escalate the notice if the reinspection is not done timely.

Contact Person: Carmen Traeholt, Child Care Licensing Administrator

Anticipated Completion Date: The data system launched in December 2022.

Finding: 2022-013

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

The Child Care Licensing System (CCL) went live Dec. 2022, CCL will add upcoming unannounced visits to Licensing Specialist's work que. Licensing Supervisors and the Licensing Administrator will run a monthly report to assure unannounced visits are being completed by the Licensing Specialists.

Contact Person: Carmen Traeholt, Child Care Licensing Administrator

Anticipated Completion Date: Completed January 2023

Finding: 2022-014

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

DHS acknowledges that the Department of Commerce subawards their pass-through Federal LiHeap funds out to multiple Community Action Agencies and therefore, should be reported as subawards in the Federal Funds Accountability and Transparency Act (FFATA) reporting.

Going forward, the Department will coordinate with the Department of Commerce to ensure proper reporting of these subawards.

Contact Person: Rachel Iverson Schafer Director of Program Administration

Anticipated Completion Date: October 2023

Finding: 2022-015

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

The Department will ensure eligibility workers are properly trained to determine and verify eligibility for households that are NOT vulnerable as they are receiving rent-free housing that includes the cost of fuel (for heating).

Contact Person: Rachel Iverson Schafer Director of Program Administration

Anticipated Completion Date: Update policy for FY2024 heating season and include in the FY2024 training. Updated policy by October 1, 2023. Training to be completed by October 29, 2023.

Finding: 2022-016

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

The Department receives a monthly report of all payments made during the heating season. The report contains the case number, read/delivery date, and service code, allowing staff to identify potential duplicate payments. Staff will research potential duplicates, maintain a log and notes on each situation and any necessary follow-up with Human Service Zone eligibility workers.

The Department does allow a child to be in two separate cases at the same time due to joint custody arrangements. A SPACES system enhancement will be implemented in December 2022, providing a warning edit when adding an individual that is known in another LIHEAP case. The edit serves as a notification to eligibility workers to verify that joint custody is appropriate in the case and to alert them to instances of a duplicate child when they may not have been aware.

Contact Person: Rachel Iverson Schafer Director of Program Administration

Anticipated Completion Date: Effective January 18, 2023, the system will give a warning if a client is active in another case. This will give the worker an opportunity to research and use policy to determine which case(s) the client should be in.

Finding: 2022-017

Department of Human Services Response/Corrective Action Plan:
The Department disagrees with the recommendation.

NDVerify allows eligibility workers to search multiple interfaces/sources for all household members included in a LIHEAP case at the same time, however, the Department does allow for other means, such as hard copy verification from the applicant or a third-party, to support eligibility determinations.
It is important to note, since fully transitioning to SPACES, no errors have been noted.

Contact Person: Rachel Iverson Schafer Director of Program Administration

Anticipated Completion Date ND Verify will continue to be a source for workers to utilize. FY2024 LIHEAP training will continue to train on the value of using this interface.

Finding: 2022-018

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

The Department will ensure rent changes are accurately reflected in Service Now and therefore the monthly amount is calculated accurately. If a payment is issued in excess of what the household is eligible to receive, it is standard practice for DHS to request refunds or apply payments to future months of the renter's direct rental obligation or direct utility assistance (as per the state's program/policy manual).

Contact Person: Nikki Aden, Director Housing Stability

Anticipated Completion Date: Complete.

Finding: 2022-019

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

Due to Medicaid continuous enrollment requirements ending on March 30, 2023, the SPACES system will be converted back to its normal rules and this issue should not happen again.

The Department will do a review of CHIP eligibility to ensure incorrect claims are identified and corrected. Claims paid in error will be adjusted to reflect the proper category of eligibility, so the applicable fund code is applied, which will apply the correct FMAP.

Contact Person: Erik Elkins, Assistant Director, Medical Services

Anticipated Completion Date: April 30, 2023

Finding: 2022-020

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

These services were provided by a contracted vendor in two separate sites in different cities for over ten years. In October 2018, due to staffing performance concerns and licensing investigations, the state ended the contract with this vendor in one city. In April 2019 the vendor ended the contract in the second city. Three Requests for Proposals have been issued since that date and no proposals were received. Market research was conducted with several potential providers and due to lack of interest, capacity concerns, workforce issues as well as the effects of the COVID-19 pandemic, the department has been unable to meet the expenditure requirements. The Department has met several times with the Federal Substance Abuse and Mental Health Services Administration regarding this issue.

Currently the Department is requesting funding from the North Dakota Legislative Assembly to develop of a Pregnant and Parenting Women's Residential Treatment Program within the Department. If approved, the Department will work to secure locations and renovate spaces that is not allowable with the Federal Funds.

Contact Person: Lacresha Graham, Manager Addiction Treatment and Recovery Program and Policy

Anticipated Completion Date: September 2023

Finding: 2022-021

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

The Department will run reports from AWARE quarterly to identify any payments made from the system that were charged to the incorrect period of performance.

Contact Person: April Haring, Program Accountant for Vocational Rehabilitation

Anticipated Completion Date: The Department began running the report in December 2022.

Kirsten Baesler
State Superintendent

Dr. Donna Fishbeck
Chief of Staff

Laurie Matzke
Assistant Superintendent

NORTH DAKOTA DEPARTMENT OF
PUBLIC INSTRUCTION

600 E Boulevard Ave., Dept. 201
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http://www.nd.gov/dpi

Department of Public Instruction
Finding: 2022-022

Department of Public Instruction Response/Corrective Action Plan:
We agree with the finding.

Currently, USDA and DOE sub-awards are reported after the obligation or sub-award has been approved by all parties according to the requirements established by FSRS's website.

The Block Award, or the federal award which reimburses for meals claimed, will be reported after the meals have been claimed in NDFoods and paid in Peoplesoft. NDDPI will report the payments already made for FY 2023 and will work with our NDIT programmers to allow us to create an auto-generated report from NDFoods that will upload into the FSRS website according to FSRS's template.

To enter expenditure data by month in FSRS, Awardees are encouraged to complete a template to upload the required data. Unfortunately, NDDPI is aware of an issue with this template caused by the need for a 4-digit extension number. The lack of 4-digit zip code extensions with our rural sub-recipients is responsible for throwing this error in the upload. To complete a successful upload, NDDPI will omit any sub-recipients missing the 4-digit zip code extension from the monthly data or template and add them to the report with a manual entry on the website.

The Director of CN and the CN Technology Coordinator will work with NDIT to program the needed reports from NDFoods. The Administrative Officer and the Account/Budget Specialist from the Fiscal Management office will be responsible for completing the upload and entering any manual data.

After we have a defined set of steps to follow, we will create a written process and edit as needed.

Contact Person
Linda Schloer, Director, Child Nutrition and Food Distribution Programs
Scott Egge, Technology Coordinator, Child Nutrition
Kim Vega, Administrative Officer III, Fiscal Management
Leon Rauser, Account/Budget Specialist, Fiscal Management

Anticipated Completion Date
Begin manual process procedure, 04/01/2023, enter sub-recipient data monthly from October 2022 forward until an automated process can be obtained.

Autogenerated process date is uncertain, NDDPI will work with NDIT to establish an automated process as soon as IT's schedule allows and testing is completed.

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

Kirsten Baesler
State Superintendent

Dr. Donna Fishbeck
Chief of Staff

Laurie Matzke
Assistant Superintendent

NORTH DAKOTA DEPARTMENT OF
PUBLIC INSTRUCTION

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http://www.nd.gov/dpi

Finding: 2022-023

Department of Public Instruction Response/Corrective Action Plan:
The Department of Public Instruction agrees with the recommendation.

When this issue was pointed out to us in the prior audit in February of 2021, we immediately made the change to our grant awards.

Contact Person
Jamie Mertz, Fiscal Management Director

Anticipated Completion Date
Implemented in February 2021

Finding: 2022-024

Department of Public Instruction Response/Corrective Action Plan:
The Department of Public Instruction agrees with the recommendation.

When this issue was pointed out to us in the prior audit in February of 2021, we immediately made the change to our grant awards.

Contact Person
Jamie Mertz, Fiscal Management Director

Anticipated Completion Date
Implemented in February 2021

ND School for the Deaf/RCDHH
Devils Lake, ND
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ND State Library
Bismarck, ND
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Kirsten Baesler
State Superintendent

Dr. Donna Fishbeck
Chief of Staff

Laurie Matzke
Assistant Superintendent

NORTH DAKOTA DEPARTMENT OF
PUBLIC INSTRUCTION

600 E Boulevard Ave., Dept. 201
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http://www.nd.gov/dpi

Finding: 2022-025

Department of Public Instruction Response/Corrective Action Plan:
The Department of Public Instruction agrees with this finding.

The Department of Public Instruction is reviewing and rewriting ESSER I Equitable Services internal procedures to ensure that the records are retained in digital format.

Contact Person
Ann Ellefson, Academic Support Director

Anticipated Completion Date
This process will be completed by March 31, 2023

Finding: 2022-026

Department of Public Instruction Response/Corrective Action Plan:
The Department of Public Instruction agrees with the Recommendation.

The following additional review and approval has been implemented.

- All ESSER I awards issued with discretionary funds as well as all awards funded at $25K but less than $30K have been reported to FFATA.
- When an award is made, the grant manager includes all information including the date the grant award was created on the FFATA batch upload spreadsheet for that month.
- Before the end of the following month, the prior month's FFATA spreadsheet is uploaded to the Federal Funding Accountability and Transparency Act Subaward Reporting System.
- Clarification is included in the process to ensure the accurate amount is reported and the amount reported for ESSER III has been updated within FFATA.
- We believe the implementation of this process will eliminate the inconsistencies and errors occurring across programs so this report is done timely and accurately.

Contact Person
Jamie Mertz, Fiscal Management Director

Anticipated Completion Date
Process change was implemented on September 1, 2022

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Finding: 2022-027

Department of Public Instruction Response/Corrective Action Plan:
The Department of Public Instruction agrees with the Recommendation.

The risk assessment process has been completed for Comprehensive Literacy State Development awards for the 2023-2024 school year. The department is contracting with the Vander Weele Group to assist the department in designing a comprehensive federal programs monitoring system, which will take into account the sub-recipient risk.

Contact Person
Ann Ellefson, Academic Support Director

Anticipated Completion Date
2022-2023 risk assessments for Comprehensive Literacy will be finalized by March 31, 2023.

Finding: 2022-028

Department of Public Instruction Response/Corrective Action Plan:
The Department of Public Instruction agrees with the recommendation.

The Department of Public Instruction has multiple individuals who watch for changes to federal regulations. The budget period requirement was missed by DPI and we appreciate the State Auditor's Office for identifying this. Immediately upon having this been pointed out to us we added the information to our grant award notifications.

Contact Person
Jamie Mertz, Fiscal Management Director

Anticipated Completion Date
Change to grant award notifications was implemented in October 2022

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Finding: 2022-029

Department of Public Instruction Response/Corrective Action Plan:
The Department of Public Instruction agrees with the Recommendation.

- The following additional review and approval has been implemented.
- When an award is made, the grant manager includes all information including the date the grant award was created on the FFATA batch upload spreadsheet for that month.
- Before the end of the following month, the prior month's FFATA spreadsheet is uploaded to the Federal Funding Accountability and Transparency Act Subaward Reporting System.
- Clarification is included in the process to ensure the accurate amount is reported.
- We believe the implementation of this process will eliminate the inconsistencies and errors occurring across programs so this report is done timely and accurately.

Contact Person
Jamie Mertz, Fiscal Management Director

Anticipated Completion Date
Process change was implemented on September 1, 2022

Finding: 2022-030

Department of Public Instruction Response/Corrective Action Plan:
The Department of Public Instruction agrees with the finding.

All pertinent information pertaining to the allocation of Title Program funds will be stored in a single location, both physical and electronic.

Contact Person
Jamie Mertz, Fiscal Management Director

Anticipated Completion Date
March 1, 2023

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Finding: 2022-031

Department of Public Instruction Response/Corrective Action Plan:
The Department of Public Instruction agrees with the recommendation.

The risk assessment process has been completed for Supporting Effective Instruction awards for the 2023-2024 school year. The department is contracting with the Vander Weele Group to assist the department in designing a comprehensive federal programs monitoring system, which will take into account the sub-recipient risk.

Contact Person
Ann Ellefson, Academic Support Director

Anticipated Completion Date
2022-2023 risk assessments for Supporting Effective Instruction will be finalized by March 31, 2023.

Finding: 2022-032

Department of Public Instruction Response/Corrective Action Plan:
The NDDPI Agrees with the recommendation.

When calculating 2023-2024 and future allocations, the NDDPI will ensure compliance with ESEA Section 2102(a)(1) and will not include Neglected and Delinquent facilities in the allocation or equitable share processes.

Additionally, the NDDPI will communicate the change in practices to impacted public school districts and Neglected and Delinquent facilities during spring/summer 2023.

Contact Person
Allocations: Jamie Mertz, Fiscal Management Director
Correspondence: Ann Ellefson, Academic Support Director

Anticipated Completion Date
The process will be complete by July 1, 2023.

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Finding: 2022-033

Department of Public Instruction Response/Corrective Action Plan:
The Department of Public Instruction agrees with the finding.

For the FY 2021 audits we increased the emphasis on reviewing subrecipient's single audits. We had a 100% response rate on our audit survey and reviewed submitted reports in a timely manner. We still have some subrecipients who have not completed their FY 2021 audits due to various reasons. We check in with these entities on a quarterly basis to get updates on the status of their audits. We are on track for similar results for the FY 2022 audits.

Contact Person
Jamie Mertz, Director of Fiscal Services

Anticipated Completion Date
Already implemented

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NORTH Dakota | Management and Budget
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Audit Findings Corrective Action Plan

Finding: ***F22-1***

The Office of Management and Budget (OMB) agrees with the recommendation. OMB will continue to train and work with the agencies to improve their understanding of the new accounting requirements for leases, as established in GASB 87. OMB will develop procedures to review the lease information input into the Lease Administration Module to ensure accounting entries are accurate.

Contact Person: Crystal Hoggarth, ACFR Accounting Manager
Anticipated Completion Date: 6/30/2023

Finding: ***2022-034***

OMB agrees with this finding and the auditor's recommendation. We agree with the auditor's finding that certain agency expenditures were not reported in the proper quarter and that quarterly reports did not reconcile to the state accounting system. However, the federal report was required to be submitted ten days after the close of the period. The state accounting system was not closed by the time the federal reports were required to be submitted. The U.S. Department of Treasury recognized this and directed reporting agencies to correct and revise prior submissions when each subsequent report was submitted. OMB made these revisions as required and all expenditures were reported appropriately as the final Coronavirus Relief Funds reports were submitted.

Although 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.

Contact Person: Joe Goplin, Director of State Financial Services
Anticipated Completion Date: Not Applicable. The program is complete.

Finding: ***2022-035***

OMB agrees with this finding. The expenditures referenced in this audit finding were incurred by agencies prior to the period in which the federal funds were included in the quarterly expenditure reports for the State and Local Fiscal Recovery Fund. 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. However, until reimbursement occurs, the expenditure is charged to a funding source other than SLFRF. All expenditures reimbursed through SLFRF are included in federal reports for the period in which the reimbursement occurred.

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 reports covering the period of reimbursement.

Contact Person: Joe Goplin, Director of State Financial Services
Anticipated Completion Date: Not Applicable.

State of North Dakota
OFFICE OF STATE TREASURER
Thomas Beadle, State Treasurer

Office of State Treasurer
Finding: 2022-0036

Office of State Treasurer Response/Corrective Action Plan:
The Office of State Treasurer does agree with finding that we were not in compliance with federal regulations related to providing required information to subrecipients of Coronavirus Relief Funds (CRF).

Corrective action planned:

1. The Office of State Treasurer will work with ND Office of Management and Budget (OMB) to communicate to subrecipients timely and create a template for future use that includes the required information that was missed as detailed on the schedule of federal findings and questions costs.

2. The Office of State Treasurer has discussed with OMB that the information will not be recommunicated to the subrecipients as OMB has been in contact with subrecipients in guiding them to necessary information and assisting with any needs. It has been determined that communicating the information retroactively would cause more confusion and issues among the subrecipients.

Contact Person:
Nicole Krivoruchka
Director of Finance

Anticipated Completion Date September 3, 2023

Finding: 2022-037

Office of State Treasurer Response/Corrective Action Plan:
The Office of State Treasurer does agree with finding that we were not in compliance with federal regulations as an overpayment to the county for reimbursement for law enforcement payroll is not an allowable use of federal funds.

The corrective action plan as follows:

1. The Office of State Treasurer will work with ND Office of Management and Budget to determine county contact information and any prior data requested to keep records consistent.

2. The Office of State Treasurer will contact the county to request support from the county supporting allowable expenditures incurred during the period beginning March 1, 2020 and ending on December 31, 2021 to offset the overpayment as stated in recommendation A on the Schedule of Federal Findings and Questioned Costs sent to the Office of State Treasurer on February 9, 2023.

Contact Person:
Nicole Krivoruchka
Director of Finance

Anticipated Completion Date: March 23, 2023

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Office of the
State Auditor



State of North Dakota

Summary Schedule of Prior Audit Findings

Fiscal Years Ended June 30, 2021 and 2022

March 16, 2023

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, 2022 and 2021

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, 2022 and 2021. 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

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2022 and 2021

By State Agency

DEPARTMENT OF COMMERCE

Finding 2020-001	Page D-9
CFDA # 14.228	U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
14.239	Community Development Block Grants
81.042	Community Services Block Grant
93.569	HOME Investment Partnerships Program
	Weatherization Assistance for Low-Income Persons
Questioned Cost:	$0
Recommendation:	We recommend the Department of Commerce accurately prepare and perform an independent review of the Schedule of Expenditures of Federal Awards.
Status:	The finding was implemented in accordance with the corrective action plan.

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STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2022 and 2021

By State Agency

DEPARTMENT OF HUMAN SERVICES

Finding 2020-002	Page D-11
Recurring:	Year of initial finding was 2016 - 2015
CFDA # 93.777 93.778 93.767	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Centers for Medicare and Medicaid Services Medicaid Cluster and Children's Insurance Program
Questioned Cost:	$4,782
Recommendation:	We recommend the Department of Human Services ensure eligibility determinations for the Medicaid and CHIP programs are proper.
Status:	This recommendation was implemented. Spaces release 3 was implemented June 2020 which includes edits to assist with eligibility. Ongoing training has been implemented by both Medicaid Policy Unit and PaSS Unit.

State of North Dakota

Summary Schedule of Prior Audit Findings

Fiscal Years Ended June 30, 2021 and 2022

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2022 and 2021

By State Agency

Finding 2020-003	Page D-13
CFDA # 93.777 93.778	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Centers for Medicare and Medicaid Services Medicaid Cluster and Children's Health Insurance Program
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services perform reconciliations between the Federal reports and PeopleSoft on a consistent basis.
Status:	This recommendation was implemented. The Department has completed the reconciliations between PeopleSoft and the Quarterly Children's Health Insurance Program Statement of Expenditures for Title XX1 report (CMS-21). The Medical Assistance expenditures reported expenditures reported on the Quarterly Statement of Expenditures for the Medical Assistance Program (MAP) (CMS-64 Report) are based on payment data from MMIS. This data is summarized and grouped according to CMS reporting requirements. MAP expenditure data at this detail does not exist in PeopleSoft, therefore the PeopleSoft system is not used for federal reporting, however part of the federal reporting process includes balancing PeopleSoft check write amounts to MMIS 64 reports generated from MMIS. DHS continues balance PeopleSoft check write amounts to MMIS 64 reports generated from MMIS as part of the quarterly reporting process. Adjustments related to MAP reporting are completed timely in PeopleSoft to ensure fiscal yearend financial reporting is reflective of what has been reported.

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STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2022 and 2021

By State Agency

Finding 2020-004	Page D-14
Recurring:	Year of Initial Finding is 2016 - 2015
CFDA # 93.777 93.778	U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Centers for Medicare and Medicaid Services Medicaid Cluster
Questioned Cost:	$8,460
Recommendation:	We recommend the Department of Human Services strengthen procedures and controls to prevent duplicate payments.
Status:	This recommendation was implemented. The Department has implemented additional MMIS edits to enhance the identification of potential duplicate payments when Medicaid should not be the primary payer. The State has implemented a process to conduct a monthly review of paid claims to identify duplicate payments.

Finding 2020-005	Page D-15
CFDA # 93.777 93.778	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Centers for Medicare and Medicaid Services Medicaid Cluster
Questioned Cost:	$493
Recommendation:	We recommend the Department of Human Services ensure providers retain the proper documentation and are coding claims correctly for Medicaid claims and adjustments.
Status:	This recommendation was implemented. The Department provides ongoing training to providers, update our provider manual with documentation requirements, and continue to audit providers to review documentation.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2022 and 2021

By State Agency

Finding 2020-006	Page D-16
Recurring:	Year of initial finding was 2012 - 2011
CFDA # 93.767	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Centers for Medicare & Medicaid Services Medicaid Cluster
Questioned Cost:	Unknown
Recommendation:	We recommend the Department of Human Services ensure the Program Integrity Unit fully executes their Audit Oversight policy.
Status:	This recommendation was implemented. The Program Integrity Unit revised the language in the Audit Overview Oversight document to better reflect the new rehabilitation provider process. It is not a formal audit but rather an educational review process meant to assist the providers in billing correctly. The Program Integrity Unit reassigned the layperson ambulance reviews to the Utilization Review team due to no longer having a layperson in the PIU. The PIU will pull the applicable claims data for the UR team to conduct the review. Prior to reassigning to the UR team, a temporary enrollment staff helped get the late ambulance claim reviews caught up.

Finding 2020-007	Page D-18
CFDA # 93.777 93.778	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Centers for Medicare and Medicaid Services Medicaid Cluster
Questioned Cost:	Unknown
Recommendation:	We recommend the Department of Human Services ensure a confidentiality agreement is in place with Cotiviti in regards to National Correct Coding Initiative.
Status:	This recommendation was implemented. An agreement between Cotiviti and the Department was signed 2/23/21.

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State of North Dakota

Summary Schedule of Prior Audit Findings

Fiscal Years Ended June 30, 2021 and 2022

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2022 and 2021

By State Agency

Finding 2020-008	Page D-20
CFDA # 93.777 93.778 93.563	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Centers for Medicare and Medicaid Services Medicaid Cluster and Child Support Enforcement.
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services ensures SOC reports are obtained on all outside service organizations on a regular, consistent basis.
Status:	This recommendation was implemented. SOC reports have been obtained on all outside service organizations on a regular, consistent basis.

Finding 2020-009	Page D-21
Recurring:	Year of initial finding was 2018 - 2017
CFDA # 93.575 93.596	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Administration for Children and Families CCDF Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services develop procedures to ensure required child care records are maintained by the child care provider.
Status:	This recommendation was implemented. Early Childhood Services has received Technical Assistance from the regional office (OCC) regarding childcare records. Their recommendations according to CCDF requirements, were to update our compliance checklist (see below) and to eliminate the childcare record (SFN 1426) which is not a required form. All specialists have been using the updated compliance checklist since May of 2021.

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STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2022 and 2021

By State Agency

Finding 2020-010	Page D-23
Recurring:	Year of initial finding was 2016 - 2015
CFDA # 93.575 93.596	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Administration for Children and Families CCDF Cluster
Questioned Cost:	$34,782
Recommendation:	We recommend the Department of Human Services ensure that child care providers have met all necessary licensing requirements prior to issuing Child Care Assistance payments.
Status:	This recommendation was partially implemented. In June 2020 all Licensing Specialists reverted back to using the full-length Compliance Checklists to assure all Health and Safety standards are being met. In September 2020 DHS began the work of implementing a comprehensive Early Childhood Licensing database that will greatly improve the ability to properly license providers. The database will be live August 2022. In January 2022 Early Childhood Rules (NDAC) updated the definition of "application" for all license types: "Application" means all forms the department requires when applying or reapplying for a license.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2022 and 2021

By State Agency

Finding 2020-011	Page D-24
Recurring:	Year of initial finding was 2016 - 2015
CFDA # 93.575 93.596	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Administration for Children and Families CCDF Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services develop procedures to monitor and ensure the resolution of corrective orders including that resolution occurs within specified time frames.
Status:	This recommendation was not implemented due to staffing issues. The Department is working on developing procedures to monitor and ensure the resolution of correction orders within specific time frames. As part of the Early Childhood Services Redesign, all Licensing Specialists are assigned specific caseloads, which helps them keep track of any correction orders. The Licensing Specialists consistently follow up on all corrective orders by performing rechecks and collecting the appropriate paperwork and signatures as part of this process. All current provider files are now accessible by all Licensing Specialists, Licensing Supervisors and Licensing Administrators so Licensing Supervisors and Licensing Administrators can review current corrective orders. A new database is planned for August 2022 which will give notifications to the Licensing Specialists when a reinspection is necessary and notifications to the Licensing Supervisor if the reinspection is not done.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2022 and 2021

By State Agency

Finding 2020-012	Page D-24
Recurring:	Year of initial finding was 2016 - 2015
CFDA # 93.575 93.596	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Administration for Children and Families CCDF Cluster
Questioned Cost:	$1,347
Recommendation:	We recommend the Department of Human Services develop and implement procedures to detect and prevent duplicate and other improper payments from being issued under the Child Care Assistance program.
Status:	This recommendation was implemented. SPACES has validation checks in place to ensure payments do not exceed the state maximum rate. An additional warning message is in place and is received when a payment already exists for the child and provider for a service month and a new payment with the same criteria is entered. Workers are able to by-pass this warning message as there are instances where a second payment may be needed. A system enhancement went into SPACES in March 2022 so workers now receive a pop-up letting them know of an already approved payment.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2022 and 2021

By State Agency

Finding 2020-013	Page D-27
Recurring:	Year of initial finding was 2008 - 2007
CFDA # 93.575 93.596	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Administration for Children and Families CCDF Cluster
Questioned Cost:	$1,698
Recommendation:	We recommend the Department of Human Services: 1. Development and implement controls to ensure that all eligibility workers are collecting and maintaining all applicable information for Child Care Assistance eligibility determinations, and 2. Properly determine eligibility for individuals receiving Child Care Assistance and issue payments that comply with requirements set in the Code of Federal Regulations for Child Care Development Funds.
Status:	This recommendation has not been implemented. DHS provides policy and system trainings, tips and tricks and policy and processing reminders as needed through periodic statewide trainings, monthly newsletters and online help resources. This effort is done in collaboration with the Policy and System Support (PaSS) Training unit in Economic Assistance. The training unit will begin conducting CCAP New Worker Training annually beginning the summer of 2022. The training will cover all aspects of CCAP eligibility.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2022 and 2021

By State Agency

Finding 2020-014	Page D-29
Recurring:	Year of initial finding was 2016 - 2015
CFDA # 93.575 93.596	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Administration for Children and Families CCDF Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services: 1. Update the licensing study to include requirements for all necessary health and safety standards for child care centers, self-declared, group, preschool and school-age providers, and; 2 Ensure providers meet all health and safety standards required to be licensed.
Status:	This recommendation was implemented. As of May 2021, monitoring checklists do include all health and safety standards.

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STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2022 and 2021

By State Agency

Finding 2020-015	Page D-29
Recurring:	Year of initial finding was 2016 - 2015
CFDA # 93.575 93.596	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Administration for Children and Families CCDF Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services perform annual unannounced inspections of self-declared child care providers in operation as required by the Code of Federal Regulations and Department policy.
Status:	This recommendation was partially implemented. As of May 2021, annual unannounced visits are completed consistently throughout the state. Self-Declaration Certificates are not approved unless an unannounced visit is completed and placed in the provider's file. The Child Care Licensing Database will be complete by August 2022. Once the database is complete all provider files will be on the database and dates for unannounced visits will automatically generate based self-declaration certification dates.

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STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2022 and 2021

By State Agency

Finding 2020-016	Page D-32
Recurring:	Year of initial finding was 2016 - 2015
CFDA # 93.575 93.596	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Administration for Children and Families CCDF Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services perform effective monitoring procedures to ensure all functions of the Child Care Assistance program are properly completed including monitoring correction orders, completing unannounced visits, and properly licensing providers.
Status:	This recommendation was implemented. The quality assurance form SFN 116 was updated to ensure that the licensing supervisors were reviewing the licensing specialist. This form was used throughout the state in 2021. Supervisors reviewed Specialists during a home visit and a center visit, reviewed provider files to ensure all proper paperwork was in the file and filled out the quality assurance form and reviewed with the Specialist.

Finding 2020-017	Page D-33
CFDA # 93.558	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES TANF Cluster
Questioned Cost:	Unknown
Recommendation:	We recommend the Department of Human Services ensure compliance with the Work Verification Plan. This includes the JOBS verification of TANF cases and maintenance of results for work participation status accuracy.
Status:	This recommendation was implemented. As of December 2020, the Random Sampling Reports have been sent out monthly to JOBS contractors.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2022 and 2021

By State Agency

Finding 2020-018	Page D-35
Recurring:	Year of initial finding is 2016 - 2015
CFDA # 93.658	U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Administration for Children and Families Foster Care – Title IV-E
Questioned Cost:	$0
Recommendation:	We recommend the Department of Human Services ensure subrecipient risk assessments are used to determine the nature and extent of subrecipient monitoring.
Status:	This recommendation was implemented. The Child and Family Services (CFS) policy Foster Care Eligibility Quality Assurance Reviews 447-10-18 has been revised to accommodate the changes of the eligibility unit implementation and how to apply review for high risk of agencies. FCSA Eligibility Unity continues to monitor overpayments and authorized payments to providers monthly. In addition, on December 27, 2021 (PI 21-26) was created to highlight the quality assurance phases (Phase 1: Initial eligibility, Phase 2: monthly payments, Phase 3: Peer File Review). The phases are detailed in the policy. The phases will ensure such decisions were made successfully by the assigned worker with secondary over sight by a lead worker and overall administration by the Children and Family Services Division. CFS will continue to engage in analysis and review as per established policy.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2022 and 2021

By State Agency

Finding 2020-019	Page D-36
Recurring:	Year of initial finding was 2016 - 2015
CFDA # 84.126	U.S. DEPARTMENT OF EDUCATION Rehabilitation Services – Vocational Rehabilitation Grants to States
Questioned Cost:	$94,081
Recommendation:	We recommend the Department of Human Services implement procedures to prevent and detect Vocational Rehabilitation payments from occurring outside the period of performance.
Status:	This recommendation was implemented. The Department created a procedure manual for Vocational Rehabilitation for the end of the period of performance, to identify charges that need to be applied to the appropriate grant year.

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STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2022 and 2021

By State Agency

DEPARTMENT OF PUBLIC INSTRUCTION

Finding 2020-020	Page D-38
CFDA # 84.027 84.173	U. S. DEPARTMENT OF EDUCATION Special Education Cluster
Questioned Cost:	$0
Recommendation:	We recommend the Department of Public Instruction strengthen fiscal subrecipient monitoring procedures for the Special Education Cluster to ensure timely and appropriate action is taken on deficiencies noted during the fiscal review.
Status:	The finding was implemented in accordance with the corrective action plan. We have made updates to our procedures and increased the emphasis on reviewing subrecipient audit reports.

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STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2022 and 2021

By State Agency

Finding 2020-021	Page D-39
Recurring:	Year of initial finding was 2018 - 2017
CFDA # 10.565 10.568 10.553 10.555 10.558 10.559 10.560 10.582	U.S. DEPARTMENT OF AGRICULTURE Commodity Supplemental Food Program, Emergency Food Assistance Program, School Breakfast Program, National School Lunch Program, Child and Adult Care Food Program, Summer Food Services Program for Children, Fresh Fruit and Vegetable Program.
Questioned Cost:	$0
Recommendation:	We recommend the Department of Public Instruction: 1. Ensure all subrecipients obtain audits in accordance with 2 CFR 200 Subpart F if they meet the requirements, 2. Issue management decision within a timely manner, and, 3. Ensure subrecipients took timely corrective action on deficiencies identified in the audits.
Status:	The finding was implemented in accordance with the corrective action plan. We have made updates to our procedures and increased the emphasis on reviewing subrecipient audit reports.

State of North Dakota

Summary Schedule of Prior Audit Findings

Fiscal Years Ended June 30, 2021 and 2022

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2022 and 2021

By State Agency

Finding 2020-022	Page D-41
Recurring:	Year of initial finding was 2016 - 2015
CFDA # 84.010 84.287 84.027 84.173 10.553 10.555 10.556 10.559 10.558 84.367	U.S. DEPARTMENT OF PUBLIC INSTRUCTION U.S. Department of Education U.S. Department of Agriculture Title I Grants to Local Educations Agencies, Twenty-First Century Community Learning Centers, Special Education Cluster, Child Nutrition Cluster, Child and Adult Care Food Program, Supporting Effective Instructions State Grant
Questioned Cost:	$0
Recommendation:	We recommend the Department of Public Instruction ensure that subrecipients are made aware of all required grant award information.
Status:	The finding was implemented in accordance with the corrective action plan. The Fiscal Director reviews all grant award templates before they are used to make sure all required information is included.

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STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2022 and 2021

By State Agency

Finding 2020-023	Page D-44
Recurring:	Year of initial finding was 2018 - 2017
CFDA # 10.553 10.555 10.559	U.S. DEPARTMENT PUBLIC INSTRUCTION U.S. Department of Agriculture Child Nutrition Cluster
Questioned Cost:	$32,523
Recommendation:	We recommend the Department of Public Instruction ensure Child Nutrition Cluster obligations occur within the period of performance and that payments are not made after the period of performance.
Status:	The finding was implemented in accordance with the corrective action plan. Our procedures were updated to make sure all payments are made within the period of performance.

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STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2022 and 2021

By State Agency

DEPARTMENT OF TRANSPORTATION

Finding 2020-024	Page D-46
CFDA # 20.513 20.505 20.526 20.600 20.616 20.205 20.509	U.S. DEPARTMENT OF TRANSPORTATION Federal Transit Administration Enhanced Mobility of Seniors and Individuals with Disabilities, Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research, Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs, State and Community Highway Safety, National Priority Safety Programs, Highway Planning and Construction, Formula Grants for Rural Areas and Tribal Transit Program
Questioned Cost:	Unknown
Recommendation:	We recommend the Department of Transportation identify annually, based on the subrecipient's fiscal year, all subrecipients that spent $750,000 or more in Federal awards from all sources through developed certification procedures. We also recommend the Department of Transportation ensure the certification tracking method is completed, to ensure all required audits are completed within nine months of the subrecipient's fiscal year end, management decisions are issued within six months of receiving the audit report, and timely and appropriate correction action of all findings.
Status:	The finding was implemented in accordance with the corrective action plan. NDDOT's Quality Assurance and Internal Review Division has implemented a continuous screening process for subrecipient audit reports and will be working with the program managers to ensure adequate tracking and enforcement of audit requirements and follow up on management decisions to ensure accountability of subrecipients with timely and appropriate corrective action.

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STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2022 and 2021

By State Agency

Finding 2020-025	Page D-48
CFDA # 20.509	U.S. DEPARTMENT OF TRANSPORTATION Federal Transit Administration Formula Grants for Rural Areas
Questioned Cost:	$0
Recommendation:	We recommend the Department of Transportation evaluate each subrecipient's risk of noncompliance with Federal statues, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring.
Status:	The finding was implemented in accordance with the corrective action plan. The Local Government Division is also currently working with the NDDOT Quality Assurance and Internal Review Division and the consultant they hired for the internal audit to determine if any additional follow-up is needed in these areas. Program managers have been assigned the responsibility to ensure that all subrecipient certifications are obtained and reviewed, all required audits are completed and provided to NDDOT and/or the audit clearinghouse in accordance with established time requirements, all management decisions are issued as required, a corrective action plan is developed and implemented, and follow up occurs as necessary.

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STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2022 and 2021

By State Agency

Finding 2020-026	Page D-49
CFDA # 20.509	U.S. DEPARTMENT OF TRANSPORTATION Federal Transit Administration Formula Grants for Rural Areas
Questioned Cost:	$0
Recommendation:	We recommend the Department of Transportation ensure subrecipients are provided all required information related to Federal award identification.
Status:	The finding was implemented in accordance with the corrective action plan. The Local Government Division is also currently working with the NDDOT Quality Assurance and Internal Review Division and the consultant they hired for the internal audit to determine if any additional follow-up is needed in these areas. Program managers have been assigned the responsibility to ensure that all subrecipient certifications are obtained and reviewed, all required audits are completed and provided to NDDOT and/or the audit clearinghouse in accordance with established time requirements, all management decisions are issued as required, a corrective action plan is developed and implemented, and follow up occurs as necessary.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2022 and 2021

By State Agency

STATE TREASURER'S OFFICE

Finding 2020-027	Page D-51
CFDA # 15.433 15.437	U.S. DEPARTMENT OF INTERIOR Flood Control Act Lands and Minerals Leasing Act
Questioned Cost:	$0
Recommendation:	We recommend the State Treasurer's Office identify annually, through a certification process, all subrecipients that spent $750,000 or more in Federal awards from all sources during their fiscal year. We also recommend the State Treasurer's Office enhance their existing tracking procedures to ensure all required audits are completed within nine months of the subrecipient's fiscal year end, management decisions are issued within six months of receiving the audit report, and timely and appropriate corrective action is taken on all applicable findings.
Status:	The State Treasurer's Office has implemented the recommendations in accordance with the corrective action plan.

STATE OF NORTH DAKOTA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the fiscal years ended June 30, 2022 and 2021

By State Agency

UNIVERSITY SYSTEM

Finding 2020-028	Page D-53
CFDA # 84.425	U.S. DEPARTMENT OF EDUCATION Higher Education Emergency Relief Fund
Questioned Cost:	$0
Recommendation:	We recommend that Lake Region State College, Mayville State University, North Dakota State College of Science, and Williston State College comply with the reporting requirements of the Higher Education Emergency Relief Fund.
Status:	The recommendation for Lake Region State College, Mayville State University and North Dakota State College of Science was implemented in accordance with the corrective action plan.

Office of the
State Auditor



State of North Dakota

North Dakota State Agencies – Codes and Names

Fiscal Years Ended June 30, 2022 and 2021

Agency Code	Agency Name
10800	Secretary of State
11000	Office of Management and Budget
11200	Information Technology
11700	Office of the State Auditor
12000	Office of the State Treasurer
12500	Attorney General's Office
12700	Office of the State Tax Commissioner
14000	Office of Administrative Hearings
15000	Legislative Assembly
16000	Legislative Council
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 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
47500	Mill and Elevator
50400	Highway Patrol
53000	Department of Corrections and Rehabilitation

State of North Dakota

North Dakota State Agencies – Codes and Names

Fiscal Years Ended June 30, 2022 and 2021

Agency Code	Agency Name
54000	Office of the Adjutant General
60100	Department of Commerce
60200	Department of Agriculture
70100	State Historical Society
70900	Council on the Arts
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
MISU	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

NORTH Dakota

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2021 ACFR

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

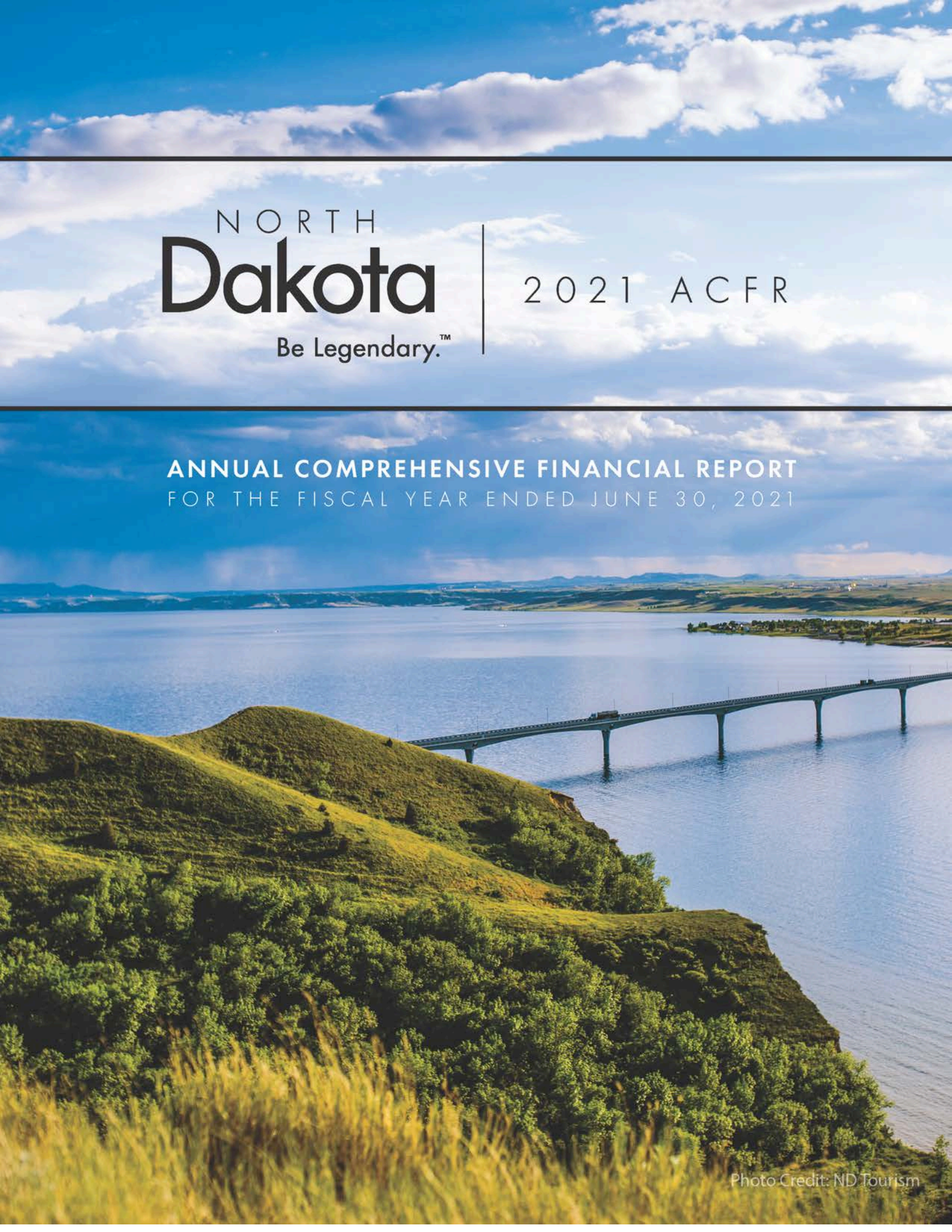


Photo Credit: ND Tourism

STATE OF NORTH DAKOTA

Annual Comprehensive Financial Report

FOR THE FISCAL YEAR ENDED

June 30, 2021

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:
https://www.omb.nd.gov/financial-transparency/annual-comprehensive-financial-reports-acfr

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
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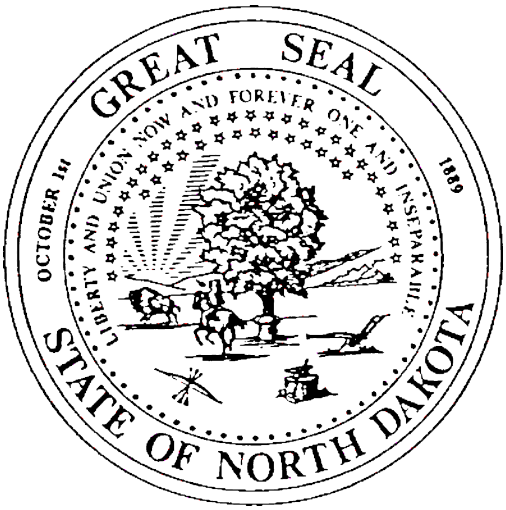
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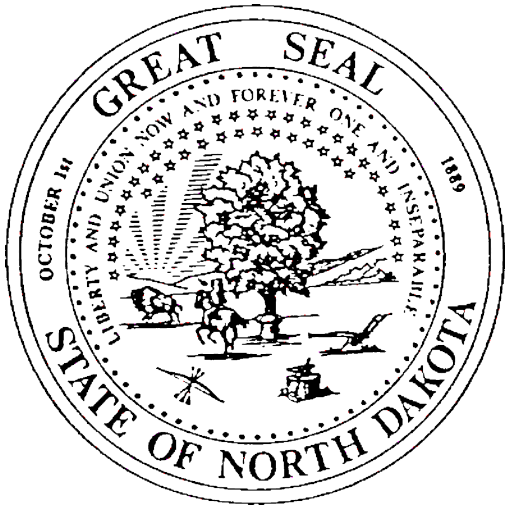
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Introductory Section



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December 16, 2021

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, 2021. 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, 2021 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, 2021, 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

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.

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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 wheat, spring wheat, Durum wheat, all dry edible beans, pinto beans, canola, flaxseed, all sunflowers, non-oil sunflowers, rye and honey for 2020. North Dakota also ranked second in the production of black beans, navy beans, pink beans, small red beans, lentils and all 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 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 at the end of fiscal year 2020 when North Dakota producers were receiving prices below $15 per barrel. Prices are averaging around $65 per barrel to start off the 2021-23 biennium which is above the estimated price of $50 used for budgeting purposes.

According to the United States Census Bureau, the state's resident population for 2020 was approximately 779,000 people, which is an all-time high. 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 September 2021 was 2.6%, compared to 4.6% for the U.S.

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 and banking companies, U.S. postal service and retail companies.

Uncertainty within international markets, resulted in a decrease in exporting in North Dakota in 2020. The United States Census Bureau showed that North Dakota's exports were down overall by about $1.8 billion for a total of $5.2 billion in 2020. This represents a decrease of 25.6% over 2019.

LONG-TERM FINANCIAL PLANNING

The long-term financial plan for the state of North Dakota was outlined by Governor Burgum as part of the 2021-23 executive budget address, presented to the legislature in December 2020. The governor's long-term financial plan includes the following key components:-

- Limiting growth in general fund spending.
- Maintaining healthy reserves.
- Avoiding any tax increases.
- Investing in priorities, like technology, education, and behavioral health.
- Ensuring solvency for the state pension fund.

North Dakota is required by its constitution to have a balanced budget. However, ongoing revenues and ongoing expenses have not always been in balance. In those instances where ongoing revenues did not meet the obligations of ongoing expenses of state government, one-time transfers from accumulated reserves and fund balances were used to fill the gap. In nearly all cases, those accumulated reserves and fund balances were directly attributable to oil and natural gas extraction and production tax revenue. In the 2021-23 biennium executive budget, the governor laid out a financial plan that not only balanced ongoing revenues and expenses, but did so by adding transparency to the use of oil tax revenue. In the executive budget, the state general fund allocation of oil and gas taxes increased from $400 million to $500 million per biennium.

The legislature did not approve the proposed transfer of $500 million per biennium from oil tax revenues to the general fund, opting to continue it at the level of $400 million per biennium. The legislature instead chose to balance the general fund budget with transfers from accumulated oil tax revenues. Although this approach provides less transparency, it ensures overall revenue sources are adequate to fund ongoing government expenses. It provides a conservative approach to funding the budget as the accumulated balances transferred to the general fund are balances on hand at the start of the biennium and not dependent on forecasted tax revenues.

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. Due to conservative budget management and strong revenues, the fund was not used during the COVID-19 pandemic which began 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.

Another component of the state's long-term financial plan is ensuring the solvency of the state's pension fund. The governor proposed restoring solvency to the fund through an increase in employer and employee contributions. The legislature did not endorse this proposal but recognized the need to address the state's unfunded pension liability through a study that will develop proposals for the 2023 legislature.

The backbone of the state's financial plan is a revenue forecasting process 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 Office of State Tax Commissioner 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% of current biennium general fund 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 $752 million.

The 2019-21 biennium ended with the budget stabilization fund meeting the cap so no general fund transfer was made to the fund.

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% of oil extraction tax collections. The foundation aid stabilization fund is expected to have a June 30, 2023 balance in excess of $397 million.

MAJOR INITIATIVES

Major initiatives proposed by Governor Burgum and approved by the legislature for the 2021-23 biennium include the following:

- Investing in infrastructure and other priorities.
- Supporting K-12 education.
- Investing in behavioral health issues.
- Investing in cybersecurity and upgrading technology.
- Maintaining reserves and the rainy-day fund.

INFRASTRUCTURE INVESTMENTS

The 2021-23 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 the following:

- $1.13 billion to rebuild and repair state highways.
- $220.0 million for city road projects.
- $145.5 million dedicated to the repair and rebuilding of county and township roads.
- $7.9 million for projects across the state park system.
- $540.8 million for water-related projects, including $125.0 million for water supply, $59.6 million for rural water supply, $48.0 million for flood control, $14.2 million for general water projects, $148.5 million for state-owned water projects and $6.0 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.

- $111.2 million for technology projects across numerous agencies for the 2021-23 biennium.
- $19.5 million to enhance the state's cybersecurity program; and
- 29.0 FTE to support the growing need for cybersecurity.

EDUCATION

K-12 education initiatives include the following:

- $2.13 billion in state funding for K-12 schools through integrated funding formula;
- $58.1 million to assist districts in the provision of transportation services;
- $27 million to go towards special education contracts.

Higher Education initiatives include the following:

- $11.2 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.
- $64.9 million to be invested for capital projects across the system, with funding from revenue bonds, private donations, capital building funds and carryover authority.

RESERVES

It is anticipated that by June 30, 2023, there will be a total ending balance of approximately $1.63 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 2021-23 biennium totals $4.99 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, 2020. This was the 30th 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,



Joe Morrissette
Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

State of North Dakota

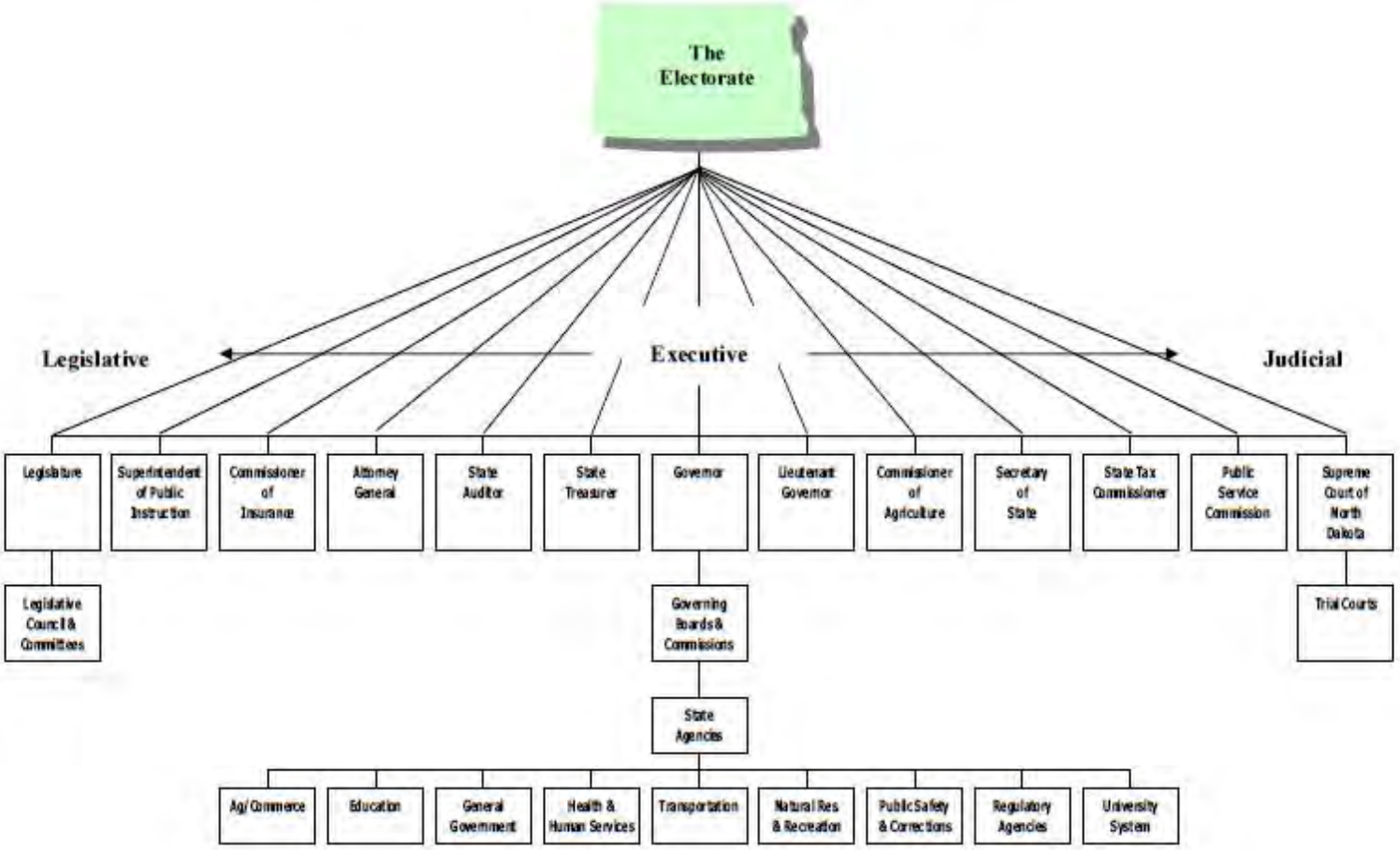
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020



Executive Director/CEO

STATE OF NORTH DAKOTA ORGANIZATIONAL CHART



NORTH DAKOTA

PRINCIPAL STATE OFFICIALS

June 30, 2021

ELECTED OFFICIALS

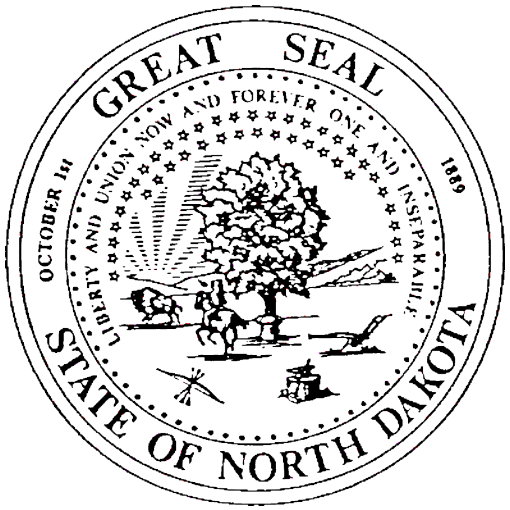
Doug Burgum, Governor
Brent Sanford, Lieutenant Governor
Alvin A. Jaeger, Secretary of State
Wayne Stenehjem, Attorney General
Julie Fedorchak, Public Service Commissioner
Randel Christmann, Public Service Commissioner
Brian Kroshus, Public Service Commissioner
Doug Goehring, Commissioner of Agriculture
Josh Gallion, State Auditor
Jon Godfread, Commissioner of Insurance
Kirsten Baesler, Superintendent of Public Instruction
Ryan Rauschenberger, Tax Commissioner
Kelly Schmidt, State Treasurer

LEGISLATIVE

Lawrence R. Klemin, Speaker of the House
Chet Pollert, House Majority Leader
Joshua A. Boschee, House Minority Leader
Lt. Gov. Brent Sanford, President of the Senate
Rich Wardner, Senate Majority Leader
Joan Heckaman, Senate Minority Leader

JUDICIAL

Jon Jensen, Chief Justice, North Dakota Supreme Court
Gerald W. VandeWalle, Justice
Daniel J. Crothers, Justice
Lisa K Fair McEvers, Justice
Jerod Tufte, Justice



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Financial Section

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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 Financial Statements

We have audited the accompanying 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, 2021, and the related notes to the financial statements, which collectively comprise the State's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the following state entities and discretely presented component units:

- Addiction Counselor Internship Loan Program
- Bank of North Dakota
- Beginning Farmer Revolving Loan Fund
- Building Authority
- College SAVE
- Community Water Facility Loan Fund
- 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
- Small Employer Loan Fund
- State Fair Association
- State Historical Society of North Dakota Foundation
- Student Loan Trust
- Workforce Safety and Insurance

The financial statements of the above entities reflect total assets, net position or fund balance, and revenues of the government-wide financial statements and fund financial statements as follows:

	Percent of Assets	Percent of Net Position or Fund Balance	Percent of Revenues
Government-Wide Financial Statements			
Governmental Activities	27%	29%	22%
Business-Type Activities	81%	65%	60%
Aggregate Discretely Presented Component Units	100%	100%	100%
Fund Financial Statements			
Major Governmental Funds			
General Fund	1%	0%	0%
Federal Fund	2%	93%	1%
State Special Revenue Fund	76%	79%	55%
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%
Unemployment Compensation	100%	100%	100%
Aggregate Remaining Fund Statements	99%	100%	87%

The financial statements for these entities were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for these entities, are based solely on the reports of the other auditors. We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the North Dakota University System's discretely presented component units (foundations) were not audited in accordance with *Government Auditing Standards.*

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements 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, 2021, 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.

Emphasis of Matter

The actuary for the North Dakota Public Employees Retirement System has determined that the Fund's unfunded actuarial accrued liability is approximately $1.44 billion as of July 1, 2021. The funding for the actuarial accrued liability is predicated on employer and employee funding rates mandated by North Dakota statutes. The actuary has determined that the current statutory rates are insufficient compared to the actuarially determined contribution rate needed to fund the actuarial accrued liability. Note 6 to the basic financial statements 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 84 *Fiduciary Activities*, GASB 89 *Accounting for Interest Cost Incurred Before the End of a Construction Period*, GASB 90 *Majority Equity Interests, and* GASB 98 *The Annual Comprehensive Financial Report*. Our opinion is not modified with respect to this matter.

Other Matters

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, 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.

Other 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 listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements listed in the table of contents 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. Such 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 combining and individual fund financial statements and schedules listed in the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections, as listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2021 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 16, 2021

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, 2021. 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 $29.6 billion (reported as net position), an increase of $3.5 billion from the previous year. The net position of governmental activities increased by 14.6% while the net position of the business-type activities showed an increase of 7.8%.

As a result of implementing GASB Statement 68, *Accounting and Financial Reporting for Pensions*, the State recorded $31 million net pension asset, $1 billion deferred outflows of resources, $1.7 billion net pension liability, and $268.7 million deferred inflows of resources for the primary government. The State increased its net pension liability by $1.07 billion during the year. The increase in the pension liability is due to the fact that beginning in FY21 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.

Fund Level:
As of the close of fiscal year 2021 the State's governmental funds reported combined ending fund balances of $19.7 billion, an increase of $3.2 billion. Of this amount, $144.1 million is non-spendable, primarily for Permanent Trust Funds. Spendable fund balance consists of $7.5 billion restricted for specific purposes such as common schools, highway projects, and state education aid, $2 billion committed and $386.3 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 $9.7 billion, which is primarily made up of the legacy fund with a balance of $8.2 billion.

The enterprise funds reported net position at year-end of $4.9 billion, an increase of $358.1 million during the year.

Long-term Debt:
The State's total debt (bonds, certificates of participation, and notes payable) decreased approximately 13.4% during the fiscal year to $2.1 billion, a decrease of 329 million, which represents the net difference between new issuances and payments. During the year the State issued $386.6 million in bonds, $2.7 thousand in certificates of participation, and $1.14 billion in notes.

More detailed information regarding these activities and funds is included in Note 3L.

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 4 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, 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 $29.6 billion at the end of fiscal year 2021. Net position increased $3.5 billion from the prior fiscal year.

State of North Dakota's Net Position
(Expressed in Thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Current and Other Assets	$ 22,565,246	$ 18,654,826	$ 12,569,352	$ 11,623,390	$ 35,134,598	$ 27,051,115
Capital Assets	5,672,796	5,462,057	1,831,512	1,683,761	7,504,308	7,145,817
Total Assets	28,238,042	24,116,882	14,400,864	13,307,151	42,638,906	34,196,932
Deferred Outflows of Resources	818,346	227,184	324,902	122,739	1,143,249	349,923
Long-Term Liabilities Outstanding	1,499,474	576,130	3,578,253	3,783,572	5,077,728	4,359,702
Other Liabilities	2,643,749	1,966,512	6,162,443	4,979,632	8,802,964	3,719,043
Total Liabilities	4,143,223	2,542,642	9,740,696	8,763,204	13,880,692	8,078,745
Deferred Inflows of Resources	204,200	252,367	69,260	96,983	273,461	349,350
Net Position						
Net Investment in Capital Assets	5,558,197	5,427,965	1,339,863	1,243,098	6,898,060	6,671,063
Restricted	7,676,069	6,543,042	1,670,770	1,374,339	9,346,838	7,917,381
Unrestricted	11,474,698	9,578,050	1,905,178	1,952,266	13,379,876	11,530,316
Total Net Position	$ 24,708,964	$ 21,549,057	$ 4,915,810	$ 4,569,703	$ 29,624,775	$ 26,118,760

The largest component (45%) 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-two percent (32%) 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-three percent (23%) 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 below was 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	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program Revenues:						
Charges for Services	$ 354,695	$ 347,155	$ 2,281,020	$ 2,214,200	$ 2,635,715	$ 2,561,355
Operating Grants & Contributions	4,178,132	2,028,278	855,176	596,060	5,033,308	2,624,338
Capital Grants & Contributions	—	2	17,610	17,502	17,610	17,504
General Revenues:						
Income Taxes	581,766	513,419	—	—	581,766	513,419
Sales Taxes	1,327,568	1,364,665	—	—	1,327,568	1,364,665
Oil, Gas and Coal Taxes	1,746,983	1,949,036	—	—	1,746,983	1,949,036
Other Taxes	128,553	107,173	—	—	128,553	107,173
Investment Earnings	1,676,824	333,528	—	—	1,676,824	333,528
Tobacco Settlement	22,586	21,159	—	—	22,586	21,159
Other	185,658	190,047	337	3,577	185,995	193,624
Total Revenues	10,202,765	6,854,462	3,154,143	2,831,339	13,356,908	9,685,801
Expenses:						
General Government	1,214,720	1,034,053	—	—	1,214,720	1,034,053
Education	1,440,183	1,288,935	—	—	1,440,183	1,288,935
Health and Human Services	2,429,626	2,077,950	—	—	2,429,626	2,077,950
Regulatory	262,055	78,442	—	—	262,055	78,442
Public Safety and Corrections	303,434	249,751	—	—	303,434	249,751
Agriculture and Commerce	235,626	107,574	—	—	235,626	107,574
Natural Resources	292,876	217,546	—	—	292,876	217,546
Transportation	518,412	429,801	—	—	518,412	429,801
Interest on Long Term Debt	4,268	1,691	—	—	4,268	1,691
Bank of North Dakota	—	—	93,811	103,391	93,811	103,391
Housing Finance	—	—	60,546	56,537	60,546	56,537
Loan Programs	—	—	11,288	16,396	11,288	16,396
State Lottery	—	—	23,632	18,929	23,632	18,929
Unemployment Compensation	—	—	731,053	611,219	731,053	611,219
University System	—	—	1,349,698	1,227,858	1,349,698	1,227,858
Workforce Safety and Insurance	—	—	208,717	220,279	208,717	220,279
Other	—	—	652,042	616,265	652,042	616,265
Total Expenses	$ 6,701,200	$ 5,485,743	$ 3,130,787	$ 2,870,874	$ 9,831,987	$ 8,356,617
Increase (decrease) in Net Position Before Contributions, Loss & Transfers	3,501,565	1,368,719	23,356	(39,535)	3,524,921	1,329,184
Contributions to Permanent Fund Principal	11,163	9,516	—	—	11,163	9,516
Transfers	(365,979)	(440,250)	334,081	485,109	(31,898)	44,859
Change in Net Position	3,146,749	937,985	357,437	445,574	3,504,186	1,383,559
Net Position - Beginning	21,549,057	20,612,163	4,569,703	4,124,129	26,118,761	24,736,292
Prior Period Adjustment *	13,158	(1,091)	(11,330)	—	1,828	(1,091)
Net Position- Ending	$24,708,964	$21,549,057	$ 4,915,810	$ 4,569,703	$29,624,774	$26,118,760

* More detailed information regarding the prior period adjustments can be found in Note 2.

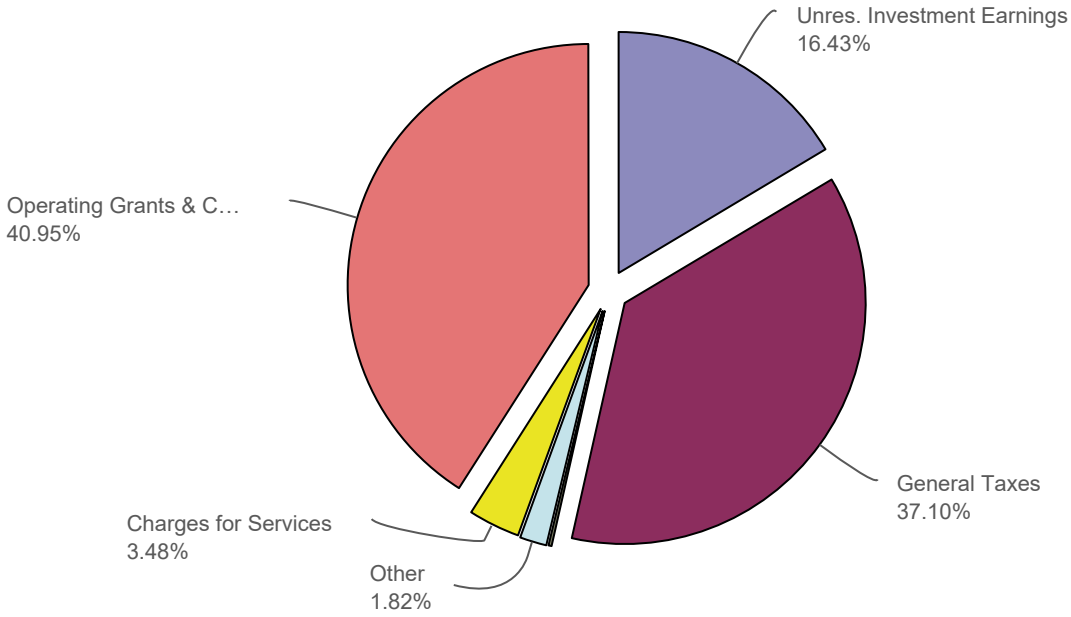
Governmental Activities

Governmental Activities increased the State's net position by $3.1 billion. Revenues increased 48.8%, with the largest dollar increases in the State's revenues for fiscal year 2021 coming from operating grants and contributions with an increase of $2.1 billion. This increase is mainly due to an increase in federal grants to the state due to the Covid-19 pandemic. The State did also see some slight increases in Individual and Corporate income taxes due to a change in the due date for 2019 tax returns from April 15th to July 15th, 2020 as a federal and state response to the global pandemic. This tax revenue would have been less in FY20 and made up for in FY21. We saw decreases in Sales and Use Tax as well as Oil, Gas and Coal Taxes. These decreases were primarily due to the nationwide recession caused by the global pandemic.

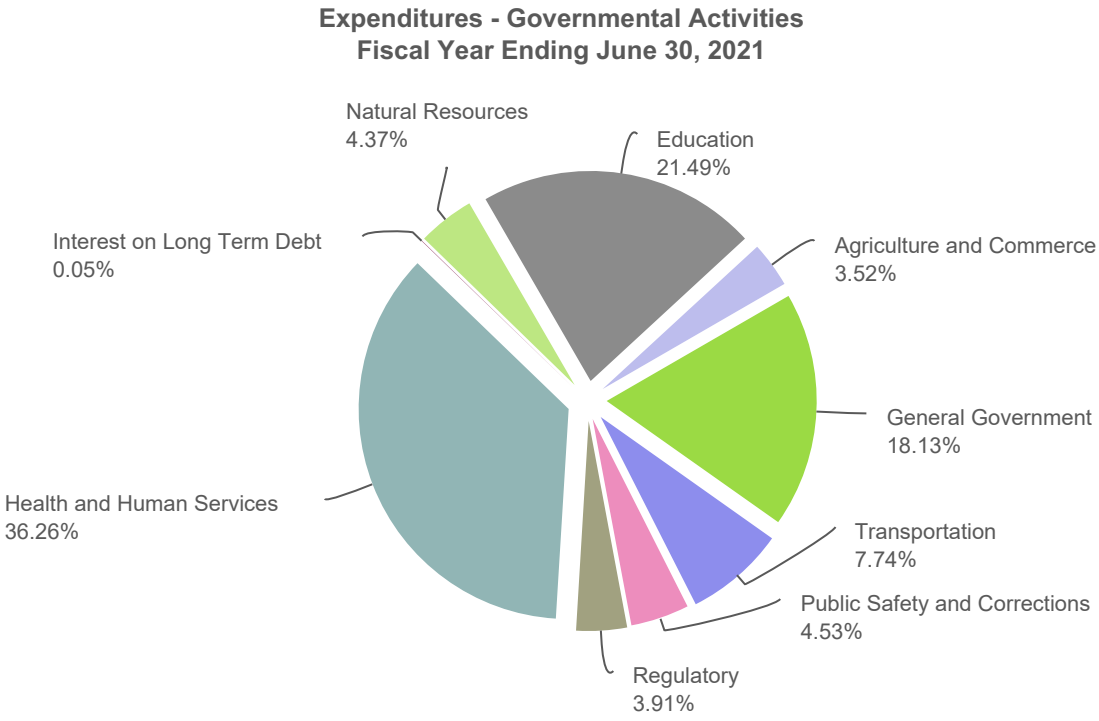
Expenses for governmental activities remained relatively consistent.

The following chart depicts revenues of the governmental activities for the fiscal year:

Revenues - Governmental Activities
Fiscal Year Ending June 30, 2021



The chart on the following page depicts expenses of the governmental activities for the fiscal year:



Business-type Activities

Net position of the business-type activities increased by $357.4 million during the fiscal year.

Workforce Safety and Insurance's (WSI) net position increased $225.4 million. Fiscal year 2021 shows decreases in earned premiums, incurred losses, and the number of filed claims. There was a slight increase in the number of policy holders. Policyholder count increased by 204 policies in fiscal year 2021. WSI's financial position remains stable. Earned premium net of discounts and reinsurance totaled $176 million, $221 million, and $238 million for fiscal years 2021, 2020, and 2019, respectively. Total claims filed for fiscal year 2021 is 17,845. This is a decrease of 968 from the previous fiscal year 2020 total of 18,813. A dividend credit of 50% was declared in fiscal year 2021, 2020 and 2019. Net earned premium from fiscal year 2021 of $176 million is down from the fiscal year 2020 total of $221 million. The strong investment return in the past three years contributed to the positive change in net position.

The Bank of North Dakota net position increased $17.6 million. The loan portfolio increased by $205 million to $4.6 billion at December 31, 2020. Interest-bearing deposits totaled $5 billion at December 31, 2020 compared to $4.5 billion at December 31, 2019. The increase in 2020 was primarily attributable to $1.25 billion of Federal CARES Act dollars, higher bank deposits related to PPP loans and government issued COVID-19 relief payments. The Bank has a tier one capital leverage ratio of 11.97% as of December 31, 2020. 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 $90.5 million. The increase in current assets is mainly attributed to increases in cash of $55.3 million, current investments of $12.6 million and grants and contracts receivable of $44.7 million. Capital assets also increased due to several different building projects going on at the campuses. Grants and contracts revenue (operating revenues) increased mainly due to an increase in federal grants and contracts revenue associated with the unmanned aircraft system program at UND and an overall increase in grant revenue at NDSU spread over various programs. Non-operating federal grants and contracts increased as a result of the Covid related Higher Education Emergency Relief Act (HEERF) grants received by the institution.

Housing Finance net position increase of $6.2 million as a result of the year's program operations and financing activities. Operating revenues in FY21 were down as a result of lower mortgage and investment rates than in prior years. In addition, prepayments on the outstanding mortgage loans have been a at very high rate. Between new loans funded and older loans paying off, the agency's portfolio stayed fairly even from last year to this year, however the interest rates are substantially lower on the new loans than those that are paying off early. Operating expenses were up from prior year operating expenses as a result of higher pension expense, bond admin expenses and higher SRP amortization expenses than incurred in the prior year.

Unemployment Compensation net position decreased by $961.9 thousand. As of June 30, 2021 charges for service revenue increased by $225.83 million over the prior year due to an increase of $114.77 million in Federal Benefit Reimbursements for the Federal UI programs in the CARES Act. These are offset by a $24.08 million decrease in Unemployment Insurance contribution, an increase of $.42 million Unemployment Insurance Overpayments interest, and an increase of $19.56 million increase of unemployment insurance relief funding for certain non-profits and state/local governments.The unemployment insurance contribution decrease is due to a decrease in the average unemployment insurance tax rates to employers. As of June 30, 2021 operating grants decreased by $28 million due in large part due to a decrease in transfer of funds from the Coronavirus Relief Fund to mitigate the impact on employers for increased unemployment insurance claims due to the COVID-19 pandemic.

FINANCIAL ANALYSIS OF THE STATE'S FUNDS

Governmental Funds

As the State completed the year, its governmental funds reported combined fund balances of $19.7 billion, an increase of $3.2 billion from the prior fiscal year. Of the $19.7 billion in net position, $144.1 million is non-spendable, $7.5 billion is restricted, $2 billion is committed, $386.3 million is assigned, and $9.7 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 $9.7 billion, non-spendable was $7.6 million, and $1 billion was committed for expenditure by various governmental functions.

Total General Fund balance increased during the fiscal year by $2 billion. Revenues increased approximately 27.2%, due to an increase in interest and investment income of $1.3 billion. This increase was primarily due to an increase in investment returns for the legacy fund which is 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. The State Investment Board is responsible for the investment of the fund. This fund continues to grow with a current fund balance of $8.2 billion. The state also saw increases in individual and corporate income taxes and decreases in sales and use taxes and oil, gas and coal taxes as previously discussed in the Governmental Activities Net Pension increase explanation.

General fund expenditures decreased by $169.3 million or 8.3% with the largest decrease in Health and Human Services. However, total expenditures for the general fund and special revenue fund remained relatively consistent from FY20. The decrease in Health and Human Services was due to reallocating more expenses to the special revenue fund in the second year of the biennium as their overall expenses had a slight increase from FY20.

The State Special Revenue ending fund balance increased by $1.1 billion resulting in $8.8 billion fund balance. Revenues increased by 78.2% in the state special revenue fund primarily due to an increase in interest and investment income. This increase is primarily due to increased investment income as a result of a strong market rally after the country reopened following COVID restrictions as we saw with investments previously discussed in the general fund. Special fund expenditures increased by 11.2% primarily due to a increase in Health and Human Services spending. Increases to the special fund expenditures were previously discussed under the general fund expenditures.

The Federal Fund balance of $31.9 million consists primarily of non-spendable items such as prepaids and inventory. Revenues increased by $1 billion and expenditures increased by $1 billion primarily due to the increase in federal funding for the global pandemic. The federal fund balance increased by $20.0 million due to additional funding for the state to combat the global pandemic.

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 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 $5.8 billion or 19.3% higher than the final budget, primarily because of actual legacy fund transfer was more than the final budgeted amount. The State has a biennial appropriated budget. The fiscal year ending June 30, 2021, was the second year of the 2019-21 budget cycle. The original budget increased $251.9 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, $55.1 million, the Department of Human Services, $5.8 million, Secretary of State, $1.3 million, the Department of Commerce, $30.8 million, the Parks and Recreation department, $2.1 million, the Department of Transportation, $13 million, Legislative Council and Assembly, $4.7 million, and Office of Management & Budget, $3.6 million.

Of the $6.4 million in capital construction carryover dollars, $5.5 million was for the Department of Human Services and $804 thousand for the Department of Transportation.

During the 2021 Legislative Session the legislature increased budgets by $123.2 million in several agencies for different reasons. The Office of Management and Budget received an increase in general fund budget of $100 million in order to transfer $100 million to the highway fund. The highway fund was to use the $100 million for the purpose of matching federal discretionary funds received in excess of the regular federal funding amounts. The Bank of ND received an increase in general fund budget of $17.5 million for a loan repayment for the Theodore Roosevelt presidential library endowment fund. Other increases were the Tax Commissioner of $4 million for the homestead tax and disabled veterans tax credit and Mayville State of $1.6 million for a natural gas boiler project.

There were no expenditures in excess of general fund authority.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets: At the end of the fiscal year 2021, the State had invested $6.9 billion, net of accumulated depreciation, in a broad range of capital assets. Depreciation charges for this fiscal year totaled $283 million.

(Net of Depreciation, Expressed in Thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Land and Land Improvements	$ 162,417	$ 163,127	$ 25,710	$ 25,552	$ 188,127	$ 188,679
Building & Building Improvements	424,808	421,917	1,224,720	1,143,267	1,649,528	1,565,184
Equipment	190,739	174,562	170,286	165,976	361,025	340,538
Intangibles						
Software	224,875	229,559	1,380	754	226,255	230,313
Other	10,957	9,653	10,229	10,031	21,186	19,685
Infrastructure	4,069,886	2,971,696	168,155	118,047	4,238,041	3,089,743
Construction in Progress	589,114	1,491,541	231,032	220,134	820,146	1,711,676
Total	$ 5,672,796	$ 5,462,055	$ 1,831,512	$ 1,683,761	$ 7,504,308	$ 7,145,816

* Beginning capital asset balances were adjusted for certain reclassifications for FY2020 in the Governmental activities.

The total increase in the State's investments in capital assets for the current fiscal year was 5% in terms of net book value. However, actual expenditures to purchase or construct capital assets were approximately $2 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, 2021.

The State does have a number of revenue bonds outstanding at June 30, 2021. Current state statutes empower certain state agencies and the Building Authority, a component unit of the State, 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.

The Bank of North Dakota has advances from the Federal Home Loan Bank in the amounts of $186 million. The advances have a fixed rate of interest, ranging from 2.22 % to 5.56 %.

More detailed information regarding the State's long-term obligations is presented in Note 3L to the financial statements.

State of North Dakota's Outstanding Debt
(Expressed in Thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Revenue Bonds	$ 112,488	$ 19,730	$ 1,692,519	$ 1,666,599	$ 1,805,007	$ 1,686,329
Certificate of Participation	—	—	104,123	104,120	104,123	104,120
Notes Payable	16,405	14,817,054	198,740	648,266	215,145	663,083
Total	$ 128,893	$ 34,547	$ 1,995,382	$ 2,418,985	$ 2,124,275	$ 2,453,532

The State's total debt decreased approximately 13.4% 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 2021 publication. The report depicts an economy in recovery, still coming out of the COVID-19 recession. The progress in the oil industry will help drive the recovery forward.

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 29. The most recent North Dakota average price per barrel of oil was at $64.97, which is above the estimated price of $50.00 used for budgeting purposes. On the agriculture side, the transportation woes across the country have had an impact, but higher crop prices and the reopening of global chains will lead to increased farm income.

North Dakota's employment growth has slowed and continues to lag the national pace, but the pace is expected to pick up and match the national average by the end of the year. The unemployment rate in North Dakota hit a high in 2020 that hadn't been seen in decades, but is currently at 3.8% and is expected to continue to improve. Even though there has been a decline in the labor force the expectation for above-average population growth will help alleviate worker supply issues.

Per capita income for North Dakota remains slightly ahead of the national average while the median household income currently lags and saw a 9% decrease from 2020. For 2021, median household income in North Dakota was at $63,657 compared to $67,521 for the U.S. Per capita income for 2020 was $61,530 for North Dakota, while $59,510 for the U.S.

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.

Basic Financial Statements

Statement of Net Position
June 30, 2021

	Primary Government			Component Units (GASB Based)
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and Cash Equivalents	$ 217,131,148	$ 1,422,568,070	$ 1,639,699,218	$ 21,380,835
Investments	16,160,215,455	4,223,883,900	20,384,099,355	250,000
Accounts Receivable - Net	174,826,832	123,033,649	297,860,481	135,212
Taxes Receivable - Net	601,869,033	—	601,869,033	—
Interest Receivable - Net	48,063,081	68,090,813	116,153,894	156,210
Intergovernmental Receivable - Net	359,281,167	34,727,813	394,008,980	—
Internal Receivable	4,692,776,501	—	997,335,849	—
Due from Component Units	—	36,746,290	36,746,290	—
Due from Primary Government	—	—	—	10,000
Prepaid Items	32,015,899	2,024,767	34,040,666	—
Inventory	38,487,897	38,372,432	76,860,329	—
Loans and Notes Receivable - Net	173,637,905	5,024,063,101	5,197,701,006	10,452,600
Pension Assets	31,122,000	—	31,122,000	—
Other Assets	5,965,000	25,719,569	31,684,569	—
Restricted Assets:				
Cash and Cash Equivalents	29,853,701	285,451,000	315,304,701	45,089,073
Investments	—	55,012,911	55,012,911	1,007,576,000
Interest Receivable - Net	—	5,499,000	5,499,000	5,530,000
Loans and Notes Receivable - Net	—	1,224,159,000	1,224,159,000	—
Capital Assets:				
Nondepreciable	751,531,988	256,742,236	1,008,274,224	1,115,389
Depreciable, Net	4,921,264,102	1,574,769,428	6,496,033,530	185,101
Total Assets	28,238,041,709	14,400,863,979	38,943,465,036	1,091,880,420
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Loss on Bond Refunding	1,186,000	3,654,220	4,840,220	2,428,000
Decrease in Fair Value of Hedging Derivatives	—	497,649	497,649	—
Financial Derivative Instrument	—	10,361,000	10,361,000	—
Unrealized Loss on Interest Rate Swap	—	67,504,000	67,504,000	—
Derived from Pensions	805,332,890	239,278,330	1,044,611,220	258,000
Derived from OPEB	11,827,495	3,607,283	15,434,778	—
Total Deferred Outflows of Resources	818,346,385	324,902,482	1,143,248,867	2,686,000

* **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.**

The Accompanying Notes are an Integral Part of the Financial Statements

STATE OF NORTH DAKOTA

Statement of Net Position

June 30, 2021

	Primary Government			Component Units (GASB Based)
	Governmental Activities	Business-Type Activities	Total	
LIABILITIES				
Accounts Payable	364,107,698	91,740,052	455,847,750	448,540
Accrued Payroll	81,412,241	52,398,304	133,810,545	—
Securities Lending Collateral	331,220,195	6,368,408	337,588,603	—
Interest Payable	1,964,898	23,214,715	25,179,613	4,293,000
Intergovernmental Payable	219,951,472	9,897,821	229,849,293	—
Tax Refunds Payable	156,871,900	—	156,871,900	—
Internal Payable	—	3,695,440,652	—	—
Due to Component Units	—	31,567,724	31,567,724	—
Contract Retainage Payable	15,264,707	9,244,463	24,509,170	—
Federal Funds Purchased	—	775,005,000	775,005,000	—
Other Deposits	—	1,219,820,743	1,219,820,743	—
Amounts Held In Custody for Others	—	19,428,000	19,428,000	—
Unearned Revenue	1,472,955,903	118,637,968	1,591,593,871	82,919
Financial Derivative Instrument	—	10,858,650	10,858,650	—
Other Liabilities	—	98,820,010	98,820,010	—
Long-Term Liabilities				
Due within one year	15,319,846	352,710,685	368,030,531	26,724,800
Due in more than one year	178,452,416	2,817,864,840	2,996,317,256	463,891,950
Net Pension Liability	1,273,761,612	397,502,658	1,671,264,270	431,000
Net OPEB Liability	31,940,576	10,174,964	42,115,540	—
Total Liabilities	4,143,223,464	9,740,695,657	10,188,478,469	495,872,209
DEFERRED INFLOWS OF RESOURCES				
Grant Received Prior to Time Requirements	—	947,298	947,298	—
Derived from Pensions	201,243,904	67,460,760	268,704,664	91,000
Derived from OPEB	2,956,434	852,376	3,808,810	—
Total Deferred Inflows of Resources	204,200,338	69,260,434	273,460,772	91,000
NET POSITION				
Net Investment in Capital Assets	5,558,196,905	1,339,862,982	6,898,059,887	185,101
Restricted for:				
General Government	5,672,860	—	5,672,860	—
Education	6,452,086,820	—	6,452,086,820	—
Health and Human Services	18,571,044	—	18,571,044	—
Regulatory Purposes	66,315,787	—	66,315,787	—
Public Safety & Corrections	4,528,676	—	4,528,676	—
Agriculture and Commerce	67,853,967	—	67,853,967	—
Cultural and Natural Resources	422,083,260	—	422,083,260	—
Transportation	466,882,040	—	466,882,040	—
Capital Projects	29,403,645	—	29,403,645	—
Debt Service	834,977	208,914,955	209,749,932	116,110,000
Loan Purposes	—	30,718,187	30,718,187	458,578,179
Pledged Assets	—	1,127,804,000	1,127,804,000	—
Unemployment Compensation	—	261,955,855	261,955,855	—
Pension Benefits	31,122,000	—	31,122,000	—
Permanent Fund and University System - Nonexpendable	78,885,101	20,943,249	99,828,350	2,155,492
University System - Expendable	—	18,425,969	18,425,969	—
Other	31,828,796	2,007,305	33,836,101	—
Unrestricted	11,474,698,414	1,905,177,868	13,379,876,282	21,574,439
Total Net Position	$ 24,708,964,292	$ 4,915,810,370	$ 29,624,774,662	$ 598,603,211

The Accompanying Notes are an Integral Part of the Financial Statements

STATE OF NORTH DAKOTA

Statement of Activities

For the Fiscal Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General Government	$ 1,214,720,174	$ 39,724,160	$ 200,479,959	$ —
Education	1,440,183,047	11,240,158	1,541,275,916	—
Health and Human Services	2,429,626,253	40,135,912	1,649,504,895	—
Regulatory	262,054,990	43,663,963	103,201,945	—
Public Safety and Corrections	303,434,122	18,539,074	175,927,758	—
Agriculture and Commerce	235,626,424	37,917,725	121,722,110	—
Natural Resources	292,875,625	41,529,095	36,157,754	—
Transportation	518,412,351	121,945,135	349,861,237	—
Interest on Long Term Debt	4,267,910	—	—	—
Total Governmental Activities	6,701,200,896	354,695,222	4,178,131,574	—
Business-Type Activities:				
Bank of North Dakota	93,811,024	248,655,000	—	—
Housing Finance	60,546,134	49,989,561	16,754,000	—
Loan Programs	11,287,518	15,543,719	192,563	—
State Lottery	23,631,524	30,501,286	7,049	—
Unemployment Compensation	731,052,695	549,743,788	180,346,984	—
University System	1,349,698,370	546,245,171	403,630,937	17,610,105
Workforce Safety & Insurance	208,717,011	185,328,576	248,456,646	—
Other	652,042,298	655,012,904	5,788,008	—
Total Business-Type Activities	3,130,786,574	2,281,020,005	855,176,187	17,610,105
Total Primary Government	$ 9,831,987,470	$ 2,635,715,227	$ 5,033,307,761	$ 17,610,105
Component Units (GASB Based):	$ 32,047,203	$ 6,817,876	$ 45,118,760	$ —
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				
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				

***Transfers will not zero out due to different year ends of agencies included in the ACFR. See Note 3G for detail.**

The Accompanying Notes are an Integral Part of the Financial Statements

Net (Expense) Revenue and Change in Net Position			
Primary Government			
Governmental Activities	Business-Type Activities	Total	Component Units (GASB Based)
$ (974,516,055)		$ (974,516,055)	
112,333,027		112,333,027	
(739,985,446)		(739,985,446)	
(115,189,082)		(115,189,082)	
(108,967,290)		(108,967,290)	
(75,986,589)		(75,986,589)	
(215,188,776)		(215,188,776)	
(46,605,979)		(46,605,979)	
(4,267,910)		(4,267,910)	
(2,168,374,100)		(2,168,374,100)	
	154,843,976	154,843,976	
	6,197,427	6,197,427	
	4,448,764	4,448,764	
	6,876,811	6,876,811	
	(961,923)	(961,923)	
	(382,212,157)	(382,212,157)	
	225,068,211	225,068,211	
	8,758,614	8,758,614	
—	23,019,723	23,019,723	
(2,168,374,100)	23,019,723	(2,145,354,377)	
			$ 19,889,433
581,766,062	—	581,766,062	—
1,327,568,100	—	1,327,568,100	—
1,746,983,327	—	1,746,983,327	—
128,552,656	—	128,552,656	—
1,676,824,486	—	1,676,824,486	—
22,586,170	—	22,586,170	—
185,658,136	336,679	185,994,815	—
11,162,710	—	11,162,710	—
(365,978,579)	334,080,678	(31,897,901)	—
5,315,123,068	334,417,357	5,649,540,425	—
3,146,748,968	357,437,080	3,504,186,048	19,889,433
21,562,215,324	4,558,373,290	26,120,588,614	578,713,778
$ 24,708,964,292	$ 4,915,810,370	$ 29,624,774,662	$ 598,603,211

The Accompanying Notes are an Integral Part of the Financial Statements

STATE OF NORTH DAKOTA

Statement of Net Assets
Component Units
FASB Basis
June 30, 2021

	Major University System Foundation	Nonmajor University System Foundation	State Historical Society Foundation
ASSETS			
Current Assets:			
Cash and Cash Equivalents	$ 73,180,925	$ 7,150,647	$ 478,833
Receivable from Primary Institution	8,408,948	48,166	—
Investments	33,043,044	31,504,678	—
Accounts Receivable - Net	7,940,496	2,287,831	—
Notes receivable	64,368	246,194	—
Unconditional Promises to Give - Net	20,458,291	742,938	84,926
Net investment in Direct Financing Leases	1,572,399	—	—
Inventory	1,621,300	—	—
Other Assets	1,847,043	58,564	—
Total Current Assets	148,136,814	42,039,018	563,759
Noncurrent Assets:			
Restricted Cash and Cash Equivalents	6,739,005	393,513	—
Investments:			
Investments, Net of Current Portion	678,472,743	51,462,724	953,083
Investments, Restricted	3,651,000	—	—
Investments Held In Trust	29,714,820	3,869,216	—
Beneficial Interest In Trust	19,077,423	—	—
Charitable Gift Annuity Investments	6,454,383	—	—
Charitable Remainder Trust Account Investments	20,901,427	—	—
Real Estate and Equipment Held for Investment - Net	17,936,340	—	—
Other Long-Term Investments	23,062,180	225,641	—
Contracts for Deed & Notes Receivable, Net of Current Portion	647,572	—	—
Long-Term Pledges Receivable/ Unconditional Promises to Give - Net	61,569,908	9,091,340	45,680
Other Receivables	1,025,123	—	—
Receivable from Primary Institution	24,255,205	—	—
Net investment in Direct Financing Leases, Net of Current Portion	10,507,405	—	—
Other noncurrent assets	1,981,486	3,747,255	84,953
Notes Receivable - Net	8,585,000	—	—
Capital Assets - Net	138,254,460	35,874,692	1,221
Total Noncurrent Assets	1,052,835,480	104,664,381	1,084,937
Total Assets	1,200,972,294	146,703,399	1,648,696
LIABILITIES			
Current Liabilities:			
Accounts Payable and Accrued Liabilities	2,619,906	267,519	2,615
Compensated Absences Payable	—	—	11,783
Payable to Primary Institution	9,046,811	373,243	—
Accrued Payroll	1,348,653	7,829	5,850
Gift Annuities & Life Income Agreements	2,819,566	55,842	—
Unearned Revenue	11,312,633	1,602,500	55,928
Other Liabilities	3,040,305	—	—
Current Potion of Long-Term Liabilities	3,709,697	3,499,832	—
Total Current Liabilities	33,897,571	5,806,765	76,176
Noncurrent Liabilities:			
Deposits	22,970,033	—	—
Investments Held on Behalf of Institutions	—	3,869,216	—
Gift Annuities & Life Income Agreements, Net of Current Portion	17,230,547	852,128	—
Obligations Under Split-Interest Agreement	8,213,931	—	—
Payable to Primary Institution	—	34,011	—
Other Liabilities	623,346	—	66,669
Long-Term Liabilities	56,763,797	16,103,019	—
Total Noncurrent Liabilities	105,801,654	20,858,374	66,669
Total Liabilities	139,699,225	26,665,139	142,845
Net Assets			
With Donor Restriction	822,494,367	110,340,353	602,776
Without Donor Restriction	238,778,702	9,697,907	903,075
Total Net Asset	1,061,273,069	120,038,260	1,505,851
Total Liabilities and Net Assets	$ 1,200,972,294	$ 146,703,399	$ 1,648,696

The Accompanying Notes are an Integral Part of the Financial Statements

STATE OF NORTH DAKOTA

Statement of Revenues, Expenses and Changes in Fund Net Assets
Component Units
FASB Basis
For the Fiscal Year Ended June 30, 2021

	Major University System Foundation	Nonmajor University System Foundation	State Historical Society Foundation
Support and Revenue			
Gifts and Contributions	$ 49,217,168	$ 23,490,601	$ 113,538
Investment Income	22,120,877	13,850,752	17,331
Grant Revenue	2,181,098	421,282	—
Net Realized and Unrealized Gains (Losses) on Investment Securities	91,892,178	2,694,692	176,507
Program and Event Income	39,007,125	1,809,513	118,871
SBA/PPP Loans Forgiven	—	—	111,650
Other Income	7,582,490	4,161,199	53,232
Total Support and Revenue	212,000,936	46,428,039	591,129
EXPENSES			
Program Services	$ 46,840,098	$ 8,638,376	$ 48,981
Supporting Services	49,195,523	4,666,079	322,779
Fund Raising Expense	6,197,941	437,423	5,194
Total Expenses	102,233,562	13,741,878	376,954
Changes in Net Assets	$ 109,767,374	$ 32,686,161	$ 214,175
Total Net Assets - Beginning of Year , as Restated	$ 951,505,695	$ 87,352,099	$ 1,291,676
Total Net Assets - End of Year	$ 1,061,273,069	$ 120,038,260	$ 1,505,851

The Accompanying Notes are an Integral Part of the Financial Statements

Balance Sheet
Governmental Funds
June 30, 2021

	General	Special Revenue Federal	Special Revenue State	Nonmajor Governmental Funds	Total
ASSETS					
Cash Deposits at the Bank of ND	$ 787,711,245	$ 1,309,505,103	$ 2,248,884,366	$ 35,795,022	$ 4,381,895,736
Cash and Cash Equivalents	194,290,816	7,717	22,411,702	64,834	216,775,069
Restricted Cash and Cash Equivalents	1,189,782	28,178,889	485,030	—	29,853,701
Investments at the Bank of ND	—	—	325,275,297	693,000	325,968,297
Investments	9,627,173,538	—	6,485,224,898	39,677,789	16,152,076,225
Accounts Receivable - Net	19,524,704	42,314,793	111,171,309	16	173,010,822
Taxes Receivable - Net	442,395,161	—	159,367,174	106,698	601,869,033
Interest Receivable - Net	30,544,656	—	17,384,981	81,284	48,010,921
Intergovernmental Receivable - Net	—	346,556,943	12,088,512	—	358,645,455
Due from Other Funds	194,211,231	41,793,899	85,769,529	20	321,774,679
Due from Fiduciary Funds	144,396	576,044	145,161	—	865,601
Prepaid Items	4,258,238	16,280,695	6,365,713	—	26,904,646
Inventory	3,236,355	24,671,532	10,456,305	—	38,364,192
Loans and Notes Receivable - Net	66,396	184,234	133,741,229	39,646,046	173,637,905
Other Assets	—	—	5,965,000	—	5,965,000
Total Assets	11,304,746,518	1,810,069,849	9,624,736,206	116,064,709	22,855,617,282
DEFERRED OUTFLOWS OF RESOURCES					
Total Deferred Outflows of Resources	—	—	—	—	—
Total Assets and Deferred Outflows of Resources	$ 11,304,746,518	$ 1,810,069,849	$ 9,624,736,206	$ 116,064,709	$ 22,855,617,282
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	92,600,798	180,516,711	87,965,145	13,896	361,096,550
Accrued Payroll	54,838,227	9,917,215	13,227,064	105	77,982,611
Securities Lending Collateral	52,819,246	—	277,718,779	653,760	331,191,785
Interest Payable	458,984	—	1,025,360	—	1,484,344
Intergovernmental Payable	1,193,026	34,055,434	184,703,012	—	219,951,472
Tax Refunds Payable	136,084,158	—	20,787,742	—	156,871,900
Due to Other Funds	124,709,099	123,198,051	124,130,188	5,946,191	377,983,529
Contract Retainage Payable	275,561	5,922,230	9,066,916	—	15,264,707
Unearned Revenues	—	1,422,457,699	50,459,583	—	1,472,917,282
Total Liabilities	462,979,099	1,776,067,340	769,083,789	6,613,952	3,014,744,180
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	103,946,268	2,070,182	14,687,533	—	120,703,983
Unpaid Penalty and Interest	—	—	893,634	—	893,634
Total Deferred Inflows of Resources	103,946,268	2,070,182	15,581,167	—	121,597,617
Fund Balances:					
Nonspendable					
Inventory	3,236,355	24,671,532	10,456,305	—	38,364,192
Long - Term Receivables	66,396	—	—	—	66,396
Prepaid Expenditures	4,258,238	16,280,695	6,365,713	—	26,904,646
Permanent Trust Fund	—	—	—	78,777,587	78,777,587
Restricted	1,189,782	—	7,484,140,366	30,153,645	7,515,483,793
Committed	1,020,424,743	—	952,816,399	519,525	1,973,760,667
Assigned	—	—	386,292,467	—	386,292,467
Unassigned	9,708,645,637	(9,019,900)	—	—	9,699,625,737
Total Fund Balances	10,737,821,151	31,932,327	8,840,071,250	109,450,757	19,719,275,485
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 11,304,746,518	$ 1,810,069,849	$ 9,624,736,206	$ 116,064,709	$ 22,855,617,282

The Accompanying Notes are an Integral Part of the Financial Statements

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

June 30, 2021

Total Fund Balances-Governmental Funds		$ 19,719,275,485
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 $9,489,750,758 and the accumulated depreciation is $3,909,941,289.		5,579,809,469
Other assets not available in the current period and therefore are not reported in the governmental funds:		
Net Pension Asset		31,122,000
Deferred outflows of resources are not reported in the governmental funds:		
Loss on bond refunding	1,189,000	
Related to OPEB	10,926,762	
Related to pensions	755,188,351	
Total Deferred Outflows		767,304,113
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.		120,665,362
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.		89,574,280
Deferred inflows of resources are not reported in the governmental funds:		
Unpaid penalty and interest	893,634	
Related to OPEB	(2,832,236)	
Related to pensions	(189,515,167)	(191,453,769)
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	(112,488,000)	
Notes Payable	(16,405,610)	
Accrued Interest on Long-Term Liabilities	(471,300)	
Compensated Absences	(49,117,376)	
Intergovernmental Payable	—	
Capital Leases	(1,320,264)	
Other Post-employment Benefit Obligation	(29,934,733)	
Net Pension Liability	(1,196,238,886)	
Claims and Judgments	(1,353,479)	
Total Long-Term Liabilities		(1,407,329,648)
Net Position of Governmental Activities		$ 24,708,967,292

The Accompanying Notes are an Integral Part of the Financial Statements

STATE OF NORTH DAKOTA

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2021

	General	Special Revenue Federal	Special Revenue State	Nonmajor Governmental Funds	Total
REVENUES					
Individual and Corporate Income Taxes	$ 568,578,886	$ —	$ 12,054,349	$ 25,391	$ 580,658,626
Sales and Use Taxes	1,049,848,144	10,317	276,155,012	—	1,326,013,473
Oil, Gas, and Coal Taxes	557,025,690	—	1,188,141,758	1,468,023	1,746,635,471
Business and Other Taxes	64,971,188	—	60,084,554	—	125,055,742
Licenses, Permits and Fees	9,681,484	5,373	195,503,829	14,130	205,204,816
Intergovernmental	1,000,090	2,931,372,899	22,338,058	—	2,954,711,047
Sales and Services	3,651,026	5,463,658	51,986,954	7,430	61,109,068
Royalties and Rents	18,668,831	1,812	334,730,607	—	353,401,250
Fines and Forfeits	4,322,710	16,629	32,615,563	—	36,954,902
Interest and Investment Income	1,674,078,872	631,439	1,059,273,987	2,280,242	2,736,264,540
Tobacco Settlement	5,371	—	22,580,799	—	22,586,170
Commodity Assessments	—	—	27,911,971	—	27,911,971
Miscellaneous	3,838,655	4,525,647	19,282,317	25,365	27,671,984
Total Revenues	3,955,670,947	2,942,027,774	3,302,659,758	3,820,581	10,204,179,060
EXPENDITURES					
Current:					
General Government	170,464,495	175,079,062	75,996,947	82,049	421,622,553
Education	836,916,038	310,771,245	270,256,812	—	1,417,944,095
Health and Human Services	652,031,664	1,552,597,450	141,557,959	144,493	2,346,331,566
Regulatory	42,246,545	141,317,051	54,245,533	562,000	238,371,129
Public Safety and Corrections	87,369,878	144,970,498	16,062,647	—	248,403,023
Agriculture and Commerce	43,076,136	120,165,392	67,390,119	—	230,631,647
Natural Resources	17,886,009	24,739,403	221,801,399	—	264,426,811
Transportation	2,737,708	180,525,374	196,801,676	—	380,064,758
Intergovernmental - Revenue Sharing	4,613,494	—	756,718,531	—	761,332,025
Capital Outlay	13,854,725	217,722,190	165,320,818	4,928,000	401,825,733
Debt Service:					
Principal	970,014	813,873	30,128	4,620,000	6,434,015
Interest and Other Charges	701,785	8,309	17,780	3,300,000	4,027,874
Total Expenditures	1,872,868,491	2,868,709,847	1,966,200,349	13,636,542	6,721,415,229
Revenues over (under) Expenditures	2,082,802,456	73,317,927	1,336,459,409	(9,815,961)	3,482,763,831
OTHER FINANCING SOURCES (USES)					
Bonds and Notes Issued	1,793,686	—	669,575	87,265,006	89,728,267
Capital Lease Acquisitions	110,672	1,193,474	6,414	—	1,310,560
Sale of Capital Assets	6,326	—	185,486	—	191,812
Transfers In	498,325,328	1,825,303	237,207,989	5,309,000	742,667,620
Transfers Out	(573,995,531)	(56,312,898)	(430,069,662)	(48,322,977)	(1,108,701,068)
Total Other Financing Sources (Uses)	(73,759,519)	(53,294,121)	(192,000,198)	44,251,029	(274,802,809)
Net Change in Fund Balances	2,009,042,937	20,023,806	1,144,459,211	34,435,068	3,207,961,022
Fund Balances - Beginning of Year, as Restated	8,728,778,214	11,908,521	7,695,612,039	75,015,689	16,511,314,463
Fund Balances - End of Year	$ 10,737,821,151	$ 31,932,327	$ 8,840,071,250	$ 109,450,757	$ 19,719,275,485

The Accompanying Notes are an Integral Part of the Financial Statements

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, 2021

Net Change in Fund Balances-Total Governmental Funds		$ 3,207,961,022
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	397,294,269	
Depreciation expense	(184,444,075)	
Excess of capital outlay over depreciation expense		212,850,194
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.		(2,340,006)
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.		37,195
Some of the assets acquired this year were financed through capital leases. The amount financed is reported in the governmental funds as a source of financing. However, capital leases are reported as long-term liabilities in the statement of net position.		(2,838,150)
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.		6,185,333
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		(7,459,560)
Bonds proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position.		(97,715,000)
Note proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position.		(2,463,261)
The pension assets resulting from contributions in excess of annual required contribution are not financial resources and, therefore, are not reported in the funds.		115,694
Deferred outflows of resources do not provide current financial resources		
Amortization of deferred loss on bond refunding	(578,000)	
Related to OPEB	2,202,300	
Related to pension	550,985,390	
Total deferred outflows		552,609,690
Deferred pension inflows are not considered current cash expenses and are not reported as an expenditure in the funds		
Unpaid penalty and interest	269,560	
Related to OPEB	(445,500)	
Related to pension	46,267,517	
Total deferred outflows		46,091,577
The net OPEB liability relating to retirement plans		(1,161,097)
The net pension liability relating to retirement plans		(772,582,207)
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	4,957,000	
Note payments	874,705	
Capital lease payments	744,310	
Total long-term debt repayment		6,576,015
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	(245,017)	
Compensated Absences	761,768	
Claims and Judgments	364,778	
Total additional expenditures		881,529
Change in Net Position of Governmental Activities		$ 3,146,748,968

The Accompanying Notes are an Integral Part of the Financial Statements

STATE OF NORTH DAKOTA

Statement of Net Position
Proprietary Funds
June 30, 2021

	Business-Type Activities - Enterprise Funds							Governmental Activities
	Bank of North Dakota	Housing Finance	University System	Workforce Safety and Insurance	Unemployment Compensation	Other Enterprise Funds	Total	Internal Service Funds
ASSETS								
Current Assets:								
Cash Deposits at the Bank of ND		$ 13,600,000	$ 290,026,665	$ 3,337,285	$ 15,051	$ 202,510,010	$ 509,489,011	$ 37,822,766
Cash and Cash Equivalents		—	4,735,182	—	248,165,203	6,187,685	259,088,070	356,079
Investments at the Bank of ND		—	158,303,604	—	—	2,000,000	160,303,604	188,710
Investments		—	71,084	2,307,795,839	—	55,292,875	2,363,159,798	8,139,231
Accounts Receivable - Net		625,000	28,397,190	17,059,888	22,305,944	54,645,627	123,033,649	950,410
Interest Receivable - Net		30,000	—	9,871,271	1,465,529	2,531,013	13,897,813	52,160
Intergovernmental Receivable - Net		215,000	33,376,370	—	1,131,814	4,629	34,727,813	635,712
Due from Other Funds		57,000	45,089,941	67,432	—	676,808	45,891,181	12,636,866
Due from Component Units		—	12,673,623	—	—	—	12,673,623	—
Prepaid Items		66,000	—	547,115	—	1,411,652	2,024,767	5,111,253
Inventory		—	6,194,993	—	—	32,177,439	38,372,432	123,705
Loans and Notes Receivable - Net		—	5,254,632	—	—	31,114,721	36,369,353	—
Other Assets		1,095,000	5,180,373	—	—	105,582	6,380,955	—
Restricted Cash at the Bank of ND		19,428,000	—	—	—	7,424,412	26,852,412	—
Restricted Cash and Cash Equivalents		284,916,000	—	—	—	535,000	285,451,000	—
Restricted Investments at the Bank of ND		—	—	—	—	1,000,000	1,000,000	—
Restricted Interest Receivable - Net		5,499,000	—	—	—	—	5,499,000	—
Restricted Loans Receivable - Net		30,801,000	—	—	—	189,000	30,990,000	—
Total Current Assets		356,332,000	589,303,657	2,338,678,830	273,083,541	397,806,453	3,955,204,481	66,016,892
Noncurrent Assets:								
Restricted Cash at the Bank of ND		—	19,266,668	—	—	—	19,266,668	—
Restricted Investments at the Bank of ND		—	3,071,460	—	—	—	3,071,460	—
Restricted Investments		54,215,000	797,911	—	—	—	55,012,911	—
Investments at the Bank of ND		—	104,946,000	—	—	—	104,946,000	—
Investments		—	11,115,102	—	—	—	11,115,102	—
Due from Component Units		—	24,072,667	—	—	—	24,072,667	—
Loans and Notes Receivable - Net		—	12,614,426	—	—	448,895,322	461,509,748	—
Restricted Loans Receivable - Net		1,193,169,000	—	—	—	—	1,193,169,000	—
Other Noncurrent Assets		6,093,000	99,017	—	—	2,190,597	8,382,614	—
Capital Assets:								
Nondepreciable		—	215,632,791	3,394,745	—	35,265,700	254,293,236	154,838
Depreciable, Net		11,000	1,422,755,808	15,189,276	—	129,703,344	1,567,659,428	92,831,783
Total Noncurrent Assets		1,253,488,000	1,814,371,850	18,584,021	—	616,054,963	3,702,498,834	92,986,621
Bank Related Assets:								
Cash and Cash Equivalents	$ 1,163,480,000						1,163,480,000	—
Investments	1,849,609,000						1,849,609,000	—
Interest Receivable - Net	54,193,000						54,193,000	—
Due from Other Funds	107,491,000						107,491,000	—
Loans and Notes Receivable - Net	4,526,184,000						4,526,184,000	—
Other Assets	10,956,000						10,956,000	—
Capital Assets:								
Nondepreciable	2,449,000						2,449,000	—
Depreciable, Net	7,110,000						7,110,000	—
Total Bank Related Assets	7,721,472,000						7,721,472,000	
Total Assets	7,721,472,000	1,609,820,000	2,403,675,507	2,357,262,851	273,083,541	1,013,861,416	15,379,175,315	159,003,513
DEFERRED OUTFLOWS OF RESOURCES								
Deferred Loss on Bond Refunding	—	—	3,654,220	—	—	—	3,654,220	—
Decrease in Fair Value of Hedging Derivatives	—	—	—	—	—	497,649	497,649	—
Financial Derivative Instrument	—	10,361,000	—	—	—	—	10,361,000	—
Unrealized Loss on Interest Rate Swap	67,504,000	—	—	—	—	—	67,504,000	—
Derived from Pensions	18,327,000	4,086,000	169,014,970	26,496,389	—	21,353,971	239,278,330	50,144,539
Derived from OPEB	227,000	61,000	2,517,025	398,988	—	403,270	3,607,283	900,733
Total Deferred Outflows of Resources	86,058,000	14,508,000	175,186,215	26,895,377	—	22,254,890	324,902,482	51,045,272

The Accompanying Notes are an Integral Part of the Financial Statements

	Business-Type Activities - Enterprise Funds							Governmental Activities
	Bank of North Dakota	Housing Finance	University System	Workforce Safety and Insurance	Unemployment Compensation	Other Enterprise Funds	Total	Internal Service Funds
LIABILITIES								
Current Liabilities:								
Accounts Payable		921,000	48,700,738	7,586,893	7,565,107	26,966,314	91,740,052	3,023,421
Accrued Payroll		339,000	50,635,542	—	—	1,423,762	52,398,304	3,432,134
Securities Lending Collateral		—	—	6,288,417	—	79,991	6,368,408	28,410
Interest Payable		17,826,000	4,310,300	—	—	23,418	22,159,718	9,254
Intergovernmental Payable		68,000	734,092	—	3,422,906	6,411,451	10,636,449	—
Due to Other Funds		14,000	3,286,360	180,524	139,673	95,910,942	99,531,499	979,289
Due to Component Units		—	5,204,489	—	—	—	5,204,489	—
Contract Retainage Payable		—	9,244,463	—	—	—	9,244,463	—
Other Deposits		—	5,665,354	—	—	—	5,665,354	—
Others		19,428,000	—	—	—	—	19,428,000	—
Claims/Judgments Payable		—	—	120,011,880	—	1,942,910	121,954,790	889,372
Dividends Payable		—	—	92,172,920	—	—	92,172,920	—
Compensated Absences Payable		—	3,096,466	1,606,723	—	179,585	4,882,774	326,643
Notes Payable		—	1,217,002	—	—	—	1,217,002	—
Capital Leases Payable		—	3,878,493	—	—	—	3,878,493	834,882
Bonds Payable		36,524,000	12,403,078	—	—	130,000	49,057,078	—
Unearned Revenue		57,000	26,275,268	92,039,810	—	265,890	118,637,968	—
Other Current Liabilities		—	—	—	—	—	—	—
Total Current Liabilities		75,177,000	174,651,645	319,887,167	11,127,686	133,334,263	714,177,761	9,523,405
Noncurrent Liabilities:								
Intergovernmental Payable		—	19,346,785	—	—	—	19,346,785	—
Due to Component Units		—	26,353,235	—	—	—	26,353,235	—
Claims/Judgments Payable		—	—	880,087,120	—	—	880,087,120	6,321,908
Compensated Absences Payable		361,000	32,072,360	261,559	—	1,289,644	33,984,563	3,569,106
Notes Payable		—	11,475,616	—	—	—	11,475,616	—
Capital Leases Payable		—	31,566,482	—	—	—	31,566,482	1,145,623
Bonds Payable		1,308,683,000	421,674,000	—	—	2,297,274	1,732,654,274	—
Financial Derivative Instrument		10,361,000	—	—	—	497,650	10,858,650	—
Net Pension Liability		6,775,000	281,834,777	43,558,302	—	34,422,579	366,590,658	77,522,726
Net OPEB Liability		178,000	7,143,671	1,148,141	—	876,152	9,345,964	2,005,843
Other Noncurrent Liabilities		4,659,000	74,034	—	—	23,337,976	28,071,010	—
Total Noncurrent Liabilities		1,331,017,000	831,540,960	925,055,122	—	62,721,275	3,150,334,357	90,565,206
Bank Related Liabilities:								
Interest Payable	1,052,076						1,052,076	—
Due to Other Funds	1,452,924						1,452,924	—
Due to Component Units	10,000						10,000	—
Federal Funds Purchased	775,005,000						775,005,000	—
Deposits Held for Other Funds	4,641,873,215						4,641,873,215	—
Other Deposits	1,153,598,785						1,153,598,785	—
Other Liabilities	70,749,000						70,749,000	—
Long Term Liabilities:								
Due within one year	78,809,000						78,809,000	—
Due in more than one year	108,750,000						108,750,000	—
Net Pension Liability	30,912,000						30,912,000	—
Net OPEB Liability	829,000						829,000	—
Total Bank Related Liabilities	6,863,041,000						6,863,041,000	
Total Liabilities	6,863,041,000	1,406,194,000	1,006,192,605	1,244,942,289	11,127,686	196,055,538	10,727,553,118	100,088,611
DEFERRED INFLOWS OF RESOURCES								
Requirements	—	—	947,298	—	—	—	947,298	—
Derived from Pensions	4,862,000	1,200,000	48,417,938	7,536,303	—	5,444,519	67,460,760	11,728,737
Derived from OPEB	55,000	23,000	629,618	108,111	—	36,647	852,376	124,198
Total Deferred Inflows of Resources	4,917,000	1,223,000	49,994,854	7,644,414	—	5,481,166	69,260,434	11,852,935
NET POSITION								
Net Investment in Capital Assets	9,559,000	11,000	1,148,167,191	18,584,021	—	163,541,770	1,339,862,982	90,946,461
Restricted for:								
Debt Service	—	201,116,000	7,074,955	—	—	724,000	208,914,955	—
Loan Purposes	—	—	30,718,187	—	—	—	30,718,187	—
Pledged Assets	1,127,804,000	—	—	—	—	—	1,127,804,000	—
Unemployment Compensation	—	—	—	—	261,955,855	—	261,955,855	—
Nonexpendable	—	—	20,943,249	—	—	—	20,943,249	—
University System-Expendable	—	—	18,425,969	—	—	—	18,425,969	—
Other	—	—	637,899	—	—	1,369,406	2,007,305	—
Unrestricted	(197,791,000)	15,784,000	296,706,813	1,112,987,504	—	668,944,426	1,896,631,743	7,160,778
Total Net Position	$ 939,572,000	$ 216,911,000	$ 1,522,674,263	$ 1,131,571,525	$ 261,955,855	$ 834,579,602	$ 4,907,264,245	$ 98,107,239

Reconciliation of the Proprietary Funds Statement of Net Position to the Statement of Net Position
June 30, 2021

Total Net Position - Enterprise Funds	4,907,264,245
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	8,546,125
Net Position of Business-Type Activities	4,915,810,370

The Accompanying Notes are an Integral Part of the Financial Statements

STATE OF NORTH DAKOTA

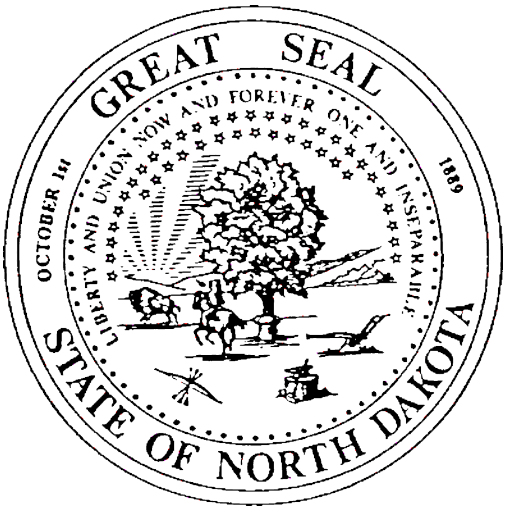
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2021

	Business-Type Activities - Enterprise Funds							Governmental Activities
	Bank of North Dakota	Housing Finance	University System	Workforce Safety and Insurance	Unemployment Compensation	Other Enterprise Funds	Total	Internal Service Funds
OPERATING REVENUES								
Sales and Services	$ 29,541,000	$ 4,362,561	$ 80,239,071	$ 180,029,445	$ 549,743,788	$692,000,307	$1,535,916,172	$ 117,480,526
Auxiliary Sales Pledges for	—	—	89,614,904	—	—	—	89,614,904	—
Tuition and Fees	—	—	369,794,806	—	—	—	369,794,806	—
Grants and Contributions	—	—	205,221,513	856,698	174,157,345	221,961	380,457,517	—
Royalties and Rents	—	—	—	891,835	—	180,283	1,072,118	—
Fines and Forfeits	—	—	—	1,507,979	—	—	1,507,979	—
Interest and Investment	219,114,000	45,627,000	—	—	—	8,288,881	273,029,881	—
Miscellaneous	—	—	536,669	2,899,317	—	357,320	3,793,306	72,636
Total Operating Revenues	248,655,000	49,989,561	745,406,963	186,185,274	723,901,133	701,048,752	2,655,186,683	117,553,162
OPERATING EXPENSES								
Cost of Sales and Services	—	—	22,551,690	—	—	219,307,371	241,859,061	1,073,995
Salaries and Benefits	22,855,000	4,971,000	830,035,563	31,639,328	—	31,518,866	921,019,757	53,998,807
Operating	29,171,000	7,250,000	325,682,001	798,348	—	420,619,780	783,521,129	58,936,688
Claims	—	—	—	95,769,984	731,052,695	4,348,731	831,171,410	1,889,643
Scholarships and Fellowships	—	—	55,575,828	—	—	—	55,575,828	—
Interest	41,017,000	32,069,000	—	—	—	8,000	73,094,000	—
Depreciation	470,000	6,000	74,825,948	2,619,013	—	9,306,453	87,227,414	11,573,556
Miscellaneous	—	—	—	—	—	78,393	78,393	40,876
Total Operating Expenses	93,513,000	44,296,000	1,308,671,030	130,826,673	731,052,695	685,187,594	2,993,546,992	127,513,565
Operating Income (Loss)	155,142,000	5,693,561	(563,264,067)	55,358,601	(7,151,562)	15,861,158	(338,360,309)	(9,960,403)
NONOPERATING								
Grants and Contracts	—	16,697,000	130,698,395	—	—	634,710	148,030,105	—
Gifts	—	—	51,179,994	—	—	—	51,179,994	—
Interest and Investment	—	57,000	16,531,035	247,599,948	6,189,639	5,124,187	275,501,809	1,291,411
Interest Expense	—	—	(20,027,738)	(5,182,163)	—	(1,673,978)	(26,883,879)	(42,721)
Dividends Expense	—	—	—	(72,370,330)	—	—	(72,370,330)	—
Gain (Loss) on Sale of	—	—	(3,468,828)	—	—	7,981	(3,460,847)	1,021,285
Tax Revenue	—	—	6,059,721	—	—	—	6,059,721	—
Grant Expense	—	(16,233,000)	(7,270,192)	—	—	—	(23,503,192)	—
Other	—	—	(10,079,691)	—	—	256,309	(9,823,382)	264,038
Total Nonoperating Revenues	—	521,000	163,622,696	170,047,455	6,189,639	4,349,209	344,729,999	2,534,013
Income (Loss) Before Transfers	155,142,000	6,214,561	(399,641,371)	225,406,056	(961,923)	20,210,367	6,369,690	(7,426,390)
Capital Grants and	—	—	17,610,105	—	—	—	17,610,105	—
Transfers In	—	9,439	475,411,987	—	—	15,000,000	490,421,426	221,933
Transfer Out	(137,550,000)	(33,000)	(2,924,000)	—	—	(15,833,748)	(156,340,748)	—
Changes in Net Position	17,592,000	6,191,000	90,456,721	225,406,056	(961,923)	19,376,619	358,060,473	(7,204,457)
Total Net Position - Beginning of Year, as restated	921,980,000	210,720,000	1,432,217,542	906,165,469	262,917,778	815,202,983	4,549,203,772	105,311,696
Total Net Position - End of Year	$ 939,572,000	$216,911,000	$1,522,674,263	$1,131,571,525	$ 261,955,855	$834,579,602	$4,907,264,245	$ 98,107,239

Reconciliation of Statement of Revenues, Expenses and Changes in Fund Net Position of Proprietary Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2021

Net Change in Net Position-Total Enterprise Funds	$ 358,060,473
Amounts reported for business-type activities in the statement of net position are different because:	
Expenses were reduced based on the allocation of internal service fund's net income	(623,393)
Change in Net Position of Business-Type Activities	$ 357,437,080

The Accompanying Notes are an Integral Part of the Financial Statements



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STATE OF NORTH DAKOTA

Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2021

	Business-Type Activities - Enterprise Funds		
	Bank of North Dakota	Housing Finance	Unemployment Compensation
Cash Flows from Operating Activities:			
Receipts from Customers and Users	$ 10,566,000	$ 464,557,000	$ 312,090,790
Receipts from Tuition and Fees	—	—	—
Interest Income on Loans	—	—	—
Receipts from Loan Principal Repayments	—	—	—
Receipts from Federal and Local Agencies	—	(52,000)	44,171,208
Receipts from Other Funds	—	—	—
Receipts from Grants and Contracts	—	—	—
Receipts from Others	—	—	792,380
Payments to Other Funds	—	13,004,000	—
Payments for Loan Funds	—	—	—
Payments for Scholarships and Fellowships	—	—	—
Payments to Suppliers	(18,560,000)	(377,638,000)	(19,954,898)
Payments to Employees	(17,869,000)	(3,746,000)	(4,526,150)
Claim Payments	—	—	(240,489,284)
Payments to Others	—	(166,000)	(754,217)
Other	—	—	—
Net Cash Provided by (Used for) Operating Activities	(25,863,000)	95,959,000	91,329,829
Cash Flows from Noncapital Financing Activities:			
Proceeds from Bonds	—	252,694,000	—
Proceeds from Sale of Notes and Other Borrowings	1,125,001,000	—	—
Principal Payments - Bonds	—	(233,210,000)	—
Principal Payments - Notes and Other Borrowings	(1,570,021,000)	—	—
Interest Payments - Bonds	—	(33,530,000)	—
Interest Payments - Notes and Other Borrowings	(14,274,000)	—	—
Tax Collections	—	—	—
Transfers In	—	—	—
Transfers Out	(137,550,000)	(33,000)	—
Net Decrease in Non-Interest Bearing Deposits	122,485,000	—	—
Net Increase in Interest Bearing Deposits	583,895,000	—	—
Payments of Interest on Deposits	(24,912,000)	—	—
Interest Paid on Federal Funds and Reverse Repurchase Agreements	(2,026,000)	—	—
Net Increase in Federal Funds and Reverse Repurchase Agreements	409,670,000	—	—
Collection of Advances Made	4,339,000	—	—
Loan Proceeds from Due To Other Funds	—	17,289,000	—
Principal Payments on Due To Other Funds	—	(17,289,000)	—
Grants and Gifts Received for Other than Capital Purposes	—	16,697,000	—
State Appropriations	—	—	—
Grants Given for Other than Capital Purposes	—	(16,233,000)	—
Net Cash Provided by (Used for) Noncapital Financing Activities	496,607,000	(13,615,000)	—
Cash Flows from Capital and Related Financing Activities:			
Acquisition and Construction of Capital Assets	(256,000)	—	—
Proceeds from Sale of Capital Assets	—	—	—
Proceeds from Sale of Notes and Other Borrowings	—	—	—
Principal Payments - Bonds	—	—	—
Principal Payments - Notes and Other Borrowings	—	—	—
Interest Payments - Bonds	—	—	—
Interest Payments - Notes and Other Borrowings	—	—	—
Capital Appropriations	—	—	—
Capital Contributions	—	—	—
Payment of Bond Issue Costs	—	—	—
Payment on Capital Leases	—	—	—
Interest Payments - Capital Leases	—	—	—
Operating Transfers In from Other Funds	—	—	—
Capital Grants and Gifts Received	—	—	—
Insurance Proceeds	—	—	—
Net Cash Provided by (Used for) Capital and Related Financing Activities	(256,000)	—	—
Cash Flows from Investing Activities:			
Proceeds from Sale and Maturities of Investment Securities	709,298,000	20,778,000	—
Purchase of Investment Securities	(517,843,000)	(30,806,000)	—
Interest and Dividends on Investments	42,174,000	150,000	5,712,256
Proceeds from Sale of Other Real Estate	2,571,000	—	—
Term Federal Funds Sold	—	—	—
Net Decrease in Loans	(225,073,000)	—	—
Disbursements for Loans and Loan Purchases	—	—	—
Receipt of Loan Principal Repayments	—	—	—
Proceeds from Collection of Loans and Notes Receivable	—	—	—
Loan Income Received	183,491,000	—	—
Net Cash Provided by (Used for) Investing Activities	194,618,000	(9,878,000)	5,712,256

The Accompanying Notes are an Integral Part of the Financial Statements

(Continued on Next Page)

Business-Type Activities - Enterprise Funds			Governmental Activities	
University System	Workforce Safety and Insurance	Other Enterprise	Total	Internal Service Funds
$ 173,811,625	$ 101,117,499	$ 749,719,274	$ 1,811,862,188	$ 4,200,960
370,222,530	—	—	370,222,530	—
—	—	37,779	37,779	—
5,442,325	—	2,089,829	7,532,154	—
—	—	—	44,119,208	—
—	—	(234,955)	(234,955)	111,801,481
163,242,622	—	—	163,242,622	—
1,351,700	384,785	—	2,528,865	—
—	(3,023,803)	(234,853)	9,745,344	(2,726,806)
(11,618,378)	—	(1,939,158)	(13,557,536)	—
(44,782,242)	—	—	(44,782,242)	—
(319,601,264)	—	(688,881,758)	(1,424,635,920)	(60,501,572)
(788,989,942)	(23,873,044)	(25,512,681)	(864,516,817)	(41,687,457)
—	(128,645,124)	(3,645,040)	(372,779,448)	(639,705)
(7,668,515)	(680,412)	(961,105)	(10,230,249)	—
—	—	(243,361)	(243,361)	—
(458,589,539)	(54,720,099)	30,193,971	(321,689,838)	10,446,901
—	—	—	252,694,000	—
—	—	77,349,165	1,202,350,165	—
—	—	—	(233,210,000)	—
—	—	(62,598,807)	(1,632,619,807)	—
—	—	(8,000)	(33,538,000)	—
—	—	(1,268,465)	(15,542,465)	—
6,059,722	—	—	6,059,722	—
13,124,102	—	15,000,000	28,124,102	—
(2,924,000)	—	(12,697,351)	(153,204,351)	—
—	—	—	122,485,000	—
—	—	—	583,895,000	—
—	—	—	(24,912,000)	—
—	—	—	(2,026,000)	—
—	—	—	409,670,000	—
—	—	—	4,339,000	—
210,951,912	—	—	228,240,912	—
(210,942,139)	—	(2,738,249)	(230,969,388)	—
177,967,329	—	634,710	195,299,039	—
384,428,078	—	—	384,428,078	—
(7,270,193)	—	—	(23,503,193)	—
571,394,811	—	13,673,003	1,068,059,814	—
(178,601,806)	(2,664,724)	(34,163,036)	(215,685,566)	(12,499,628)
4,651,736	—	—	4,651,736	4,760,408
42,518,803	—	—	42,518,803	—
—	—	(125,000)	(125,000)	—
(26,018,512)	—	—	(26,018,512)	(793,622)
—	—	(52,700)	(52,700)	—
(20,177,507)	—	—	(20,177,507)	—
74,666,155	—	—	74,666,155	—
—	—	—	—	20,000
—	—	(12,923)	(12,923)	—
—	—	—	—	(57,982)
—	—	—	—	(22,602)
(10,255,000)	—	—	(10,255,000)	213,286
11,281,215	—	—	11,281,215	—
(111,719)	—	—	(111,719)	—
(102,046,635)	(2,664,724)	(34,353,659)	(139,321,018)	(8,380,140)
134,082,062	57,500,000	(233,722,245)	687,935,817	1,777,485
(149,763,774)	(5,139)	228,649,682	(469,768,231)	—
15,406,152	—	5,066,553	68,508,961	442,778
—	—	—	2,571,000	—
—	—	14,731	14,731	—
—	—	—	(225,073,000)	—
—	—	(80,087,547)	(80,087,547)	—
—	—	26,503,000	26,503,000	—
—	—	16,421,025	16,421,025	—
—	—	8,115,982	191,606,982	—
(275,560)	57,494,861	(29,038,819)	218,632,738	2,220,263

The Accompanying Notes are an Integral Part of the Financial Statements

STATE OF NORTH DAKOTA

Statement of Cash Flows
Proprietary Funds (Continued)
For the Fiscal Year Ended June 30, 2021

	Business-Type Activities - Enterprise Funds		
	Bank of North Dakota	Housing Finance	Unemployment Compensation
Net Change In Cash:			
Net Increase (Decrease) in Cash and Cash Equivalents	665,106,000	72,466,000	97,042,085
Cash and Cash Equivalents at June 30, 2020	498,374,000	245,478,000	151,138,169
Cash and Cash Equivalents at June 30, 2021	$ 1,163,480,000	$ 317,944,000	$ 248,180,254
Reconciliation:			
Current:			
Cash Deposits at the Bank of North Dakota	—	13,600,000	15,051
Cash and Cash Equivalents	1,163,480,000	—	248,165,203
Restricted Cash Deposits at the Bank of North Dakota	—	19,428,000	
Restricted Cash and Cash Equivalents	—	284,916,000	—
Noncurrent:			
Restricted Cash Deposits At The Bank of North Dakota	—	—	—
Restricted Cash and Cash Equivalents	—	—	—
Cash and Cash Equivalents	$ 1,163,480,000	$ 317,944,000	$ 248,180,254
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Operating Income (Loss)	155,142,000	5,703,000	(7,151,562)
Adjustments to Reconcile Operating			
Income to Net Cash Provided by Operating Activities:			
Depreciation	471,000	6,000	—
Amortization/Accretion	—	(4,111,000)	—
Reclassification of Interest Revenue\Expense	(178,098,000)	32,036,000	—
(Gain) Loss on Sale of Real Estate	867,000	—	
Net Increase in Fair Value of Investments	(24,938,000)	343,000	—
Interest Received on Program Loans	—	—	—
Dividend Credit Applied to Receivable	—	—	—
Receipt of Loan Principal Repayments	—	—	—
Provision for Losses	16,800,000	—	—
Other	—	—	—
Deferred Outflows	—	(2,800,000)	—
Deferred Inflows	—	(269,000)	—
Change in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	—	61,965,000	15,129,861
(Increase) Decrease in Interest Receivable	—	(321,000)	—
(Increase) Decrease in Due From	4,222,000	(54,000)	82,443,049
(Increase) Decrease in Intergovernmental Receivable	—	17,000	10,088,796
(Increase) Decrease in Notes Receivable	—	—	—
(Increase) Decrease in Prepaid Items	—	(4,000)	—
(Increase) Decrease in Inventories	—	—	—
(Increase) Decrease in Other Assets	(41,484,000)	(2,675,000)	—
Increase (Decrease) in Accounts Payable	—	—	(5,342,847)
Increase (Decrease) in Interest Payable	—	—	—
Increase (Decrease) in Claims\Judgments Payable	—	—	—
Increase (Decrease) in Intergovernmental Payable	—	48,000	(1,836,064)
Increase (Decrease) in Accrued Payroll	—	—	—
Increase (Decrease) in Compensated Absences Payable	—	42,000	—
Increase (Decrease) in Amounts Held for Others	—	2,029,000	—
Increase (Decrease) in Other Deposits	—	—	—
Increase (Decrease) in Due To	—	21,000	(2,001,404)
Increase (Decrease) in Unavailable Revenue	—	—	—
Increase (Decrease) in Net Pension Liability	—	4,004,000	—
Increase (Decrease) in Net OPEB Liability			—
Increase (Decrease) in Other Liabilities	41,155,000	(21,000)	—
Increase (Decrease) in Dividends Payable	—	—	—
Total Adjustments	(181,005,000)	90,256,000	98,481,391
Net Cash Provided by (Used for) Operating Activities	$ (25,863,000)	$ 95,959,000	$ 91,329,829
Noncash Transactions:			
Net Change in Fair Value of Investments	24,938,000	(432,000)	—
Transfers from Net Position to Transfers Payable	128,614,000	—	—
Reduction in pension and OPEB liability	—	—	—
Reinstatement of Debt Expense	—	—	—
Change in Securities Lending Collateral	—	—	—
Investment Income	—	—	—
Dividends Credited to Premium Billing	—	—	—
Accounts Receivable Premium Reduction	—	—	—
Assets Acquired Through Capital Lease	—	—	—
Assets Acquired Through Special Assessments	—	—	—
Expenses Paid by Capital Lease	—	—	—
Value Received on Trade of Capital Asset	—	—	—
Gifts of Capital Assets	—	—	—
Total Noncash Transactions	$ 153,552,000	$ (432,000)	$ —

The Accompanying Notes are an Integral Part of the Financial Statements

Business-Type Activities - Enterprise Funds				Governmental
University System	Workforce Safety and Insurance	Other Enterprise Funds	Total	Internal Service Funds
10,483,077	110,038	(19,525,504)	825,681,696	4,287,024
283,631,083	3,227,247	236,182,611	1,418,031,110	33,891,821
$ 294,114,160	$ 3,337,285	$ 216,657,107	$ 2,243,712,806	$ 38,178,845
270,112,310	3,337,285	202,510,010	489,574,656	37,822,766
4,735,182	—	6,187,685	1,422,568,070	356,079
	—	7,424,412	26,852,412	—
—	—	535,000	285,451,000	—
19,266,668	—	—	19,266,668	—
—	—	—	—	—
$ 294,114,160	$ 3,337,285	$ 216,657,107	$ 2,243,712,806	$ 38,178,845
(563,264,074)	55,358,600	15,745,468	(338,466,568)	(9,960,403)
74,825,954	2,619,013	9,306,453	87,228,420	11,573,556
—	—	—	(4,111,000)	—
—	—	(6,055,677)	(152,117,677)	—
	—	—	867,000	—
—	—	—	(24,595,000)	—
—	—	(2,094,000)	(2,094,000)	—
—	(72,370,330)	—	(72,370,330)	—
—	—	159,000	159,000	—
—	—	6,279,610	23,079,610	—
(5,800,097)	20,015	361,366	(5,418,716)	—
(118,226,658)	(17,406,490)	(4,474,683)	(142,907,831)	(38,552,476)
(14,172,792)	(1,810,305)	(366,423)	(16,618,520)	(2,344,501)
6,437,148	7,992,955	1,723,250	93,248,214	(677,551)
—	—	(2,426)	(323,426)	—
—	133,203	(240,457)	86,503,795	(690,614)
—	—	(4,628)	10,101,168	(218,140)
(38,402,568)	—	1,352,650	(37,049,918)	—
—	(117,368)	397,495	276,127	(989,460)
903,064	—	(2,644,025)	(1,740,961)	24,293
(2,405,091)	—	(193,971)	(46,758,062)	—
24,682,099	1,349,183	6,624,225	27,312,660	163,541
—	—	—	—	(254,407)
—	(29,693,000)	777,676	(28,915,324)	(1,473,811)
—	—	230,644	(1,557,420)	—
(50,017)	—	1,232,944	1,182,927	73,852
1,753,691	109,973	(33,866)	1,871,798	540,845
—	—	(7,687,798)	(5,658,798)	—
1,351,694	—	—	1,351,694	—
—	(10,029)	121,474	(1,868,959)	638,403
1,250,688	(12,175,531)	—	(10,924,843)	—
172,420,657	26,139,150	9,987,930	212,551,737	52,222,405
106,763	2,443	4,009	113,215	371,369
—	—	(312,269)	40,821,731	—
—	(14,861,581)	—	(14,861,581)	—
104,674,535	(110,078,699)	14,448,503	16,776,730	20,407,304
$ (458,589,539)	$ (54,720,099)	$ 30,193,971	$ (321,689,838)	$ 10,446,901
1,358,291	90,030,253	1,427,318	117,321,862	832,695
—	—	—	128,614,000	—
—	—	(371,767)	(371,767)	—
—	—	316,792	316,792	—
—	(204,381)	—	(204,381)	11,072
—	(157,482,406)	—	(157,482,406)	—
—	87,231,911	—	87,231,911	—
—	(87,231,911)	—	(87,231,911)	—
3,965,126	—	—	3,965,126	—
13,228,764	—	—	13,228,764	—
5,214,638	—	—	5,214,638	—
—	—	17,919	17,919	—
439,126	—	—	439,126	—
$ 24,205,945	$ (67,656,534)	$ 1,390,262	$ 111,059,673	$ 843,767

The Accompanying Notes are an Integral Part of the Financial Statements

Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2021

	Pension and Other Employee Funds Benefit Trust	Investment Trust Funds	Private-Purpose Trust Funds	Custodial Funds
ASSETS				
Cash Deposits at the Bank of ND	$ 43,681,802	$ —	$ 5,813,602	$ 41,764,975
Cash and Cash Equivalents	93,147	—	1,087,606	1,354,833
Receivables:				
Contributions Receivable	43,471,500	—	—	—
Accounts Receivable - Net	—	—	303,753	1,189,793
Taxes Receivable for Other Governments - Net	—	—	—	39,505,854
Interest Receivable - Net	19,716,147	552,059	5,333	37
Due from Other Funds	282	—	—	6,792
Due from Component Units	—	—	—	591
Total Receivables	63,187,929	552,059	309,086	40,703,067
Investments, at Fair Value:				
Investments at the Bank of ND	—	—	—	50,000
Equities	1,843,851,776	166,944,221	—	—
Equity Pool	2,561,562,701	—	—	—
Fixed Income Pool	1,943,983,191	104,836,072	1,436,653	—
Cash and Cash Pool	67,124,776	2,221,380	—	—
Real Estate Pool	1,106,178,889	55,332,913	—	—
Mutual Funds	199,982,730	—	599,892,315	—
Total Investments	7,722,684,063	329,334,586	601,328,968	50,000
Invested Securities Lending Collateral	29,798,783	1,298,472	48,796	—
Capital Assets (Net of Depreciation)	230,148	—	—	—
Total Assets	7,859,675,872	331,185,117	608,588,058	83,872,875
DEFERRED OUTFLOWS OF RESOURCES				
Derived from Pensions	1,547,047	—	—	—
Total deferred outflows of resources	1,547,047	—	—	—
LIABILITIES				
Accounts Payable	10,906,823	277,684	1,478,970	4,383,605
Accrued Payroll	187,807	—	—	178,294
Securities Lending Collateral	29,798,783	1,298,472	48,796	—
Due to Local Governments	—	—	—	65,913,957
Tax Refunds Payable	—	—	—	3,971
Due to Other Funds	39,532	—	—	865,681
Amounts Held in Custody for Others	3,322	—	—	—
Other Deposits	—	—	—	164,146
Compensated Absences Payable	185,798	—	—	—
Total Liabilities	41,122,065	1,576,156	1,527,766	71,509,654
DEFERRED INFLOWS OF RESOURCES				
Derived from Pensions	442,740	—	—	—
Unavailable Revenue	—	—	—	5,308,407
Total deferred inflows of resources	442,740	—	—	5,308,407
NET Position				
Net Position Restricted for:				
Pension Benefits	7,818,836,128	—	—	—
Other Employee Benefits	821,986	—	—	—
External Investment Pool Participants	—	329,608,961	—	—
Individuals, Organizations, and Other Governments	—	—	—	7,054,814
Other Purposes	—	—	607,060,292	—
Total Net Position Restricted for Pension Benefits and Other Purposes	7,819,658,114	329,608,961	607,060,292	7,054,814

The Accompanying Notes are an Integral Part of the Financial Statements

STATE OF NORTH DAKOTA

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2021

	Pension and Other Employee Benefit Trust Funds	Investment Trust Funds	Private-Purpose Trust Funds	Custodial Funds
ADDITIONS				
Contributions:				
Child Support Collections	$ —	$ —	$ —	$ 135,601,990
Collections for District Courts	—	—	—	2,246,695
Employer	205,415,831	—	—	—
Employee	198,387,050	—	—	—
From Participants	—	—	50,478,295	18,569
Student, Patient, and Inmate Accounts	—	—	—	5,847,154
Tax Collections for Local Governments	—	—	—	296,399,300
Transfers from Other Funds	633,418	—	—	—
Transfers from Other Plans	2,057,007	—	—	—
Donations	—	—	—	2,471,794
Total Contributions	406,493,306	—	50,478,295	442,585,502
Investment Income:				
Net Change in Fair Value of Investments	1,533,207,551	58,626,824	50,223,647	—
Interest and Dividends	121,628,377	5,579,022	12,184,771	37
Less Investment Expense	20,672,858	885,729	2,286	—
Net Investment Income	1,634,163,070	63,320,117	62,406,132	37
Securities Lending Activity:				
Securities Lending Income	445,789	21,490	125	—
Less Securities Lending Expense	44,740	4,298	—	—
Net Securities Lending Income	401,049	17,192	125	—
Repurchase Service Credit	10,464,179	—	—	—
Miscellaneous Income	1,080,825	—	2,906	807,359
Total Additions	2,052,602,429	63,337,309	112,887,458	443,392,898
DEDUCTIONS				
Benefits Paid to Participants	478,721,424	—	—	8,413
Child Support Distributions	—	—	—	135,601,990
Distributions to District Courts	—	—	—	2,143,061
Distributions of Taxes to Local Governments	—	—	—	294,974,626
Student, Patient, and Inmate Accounts	—	—	—	5,259,232
Refunds	18,892,975	—	—	42,691
Prefunded Credit Applied	12,879,074	—	—	—
Transfer to Other Plans	633,418	—	—	—
Payments in Accordance with Trust Agreements	—	—	45,000,803	—
Administrative Expenses	6,993,957	—	3,709,855	4,514,649
Total Deductions	518,120,848	—	48,710,658	442,544,662
Redemption of Units at $1.00 Per Unit	—	(8,866,005)	—	—
Net Increase in Fiduciary Net Position	1,534,481,581	54,471,304	64,176,800	848,236
Net Position - Beginning of Year, as Restated	6,285,176,533	275,137,657	542,883,492	6,206,578
Net Position - End of Year	$ 7,819,658,114	$ 329,608,961	$ 607,060,292	$ 7,054,814

The Accompanying Notes are an Integral Part of the Financial Statements

Combining Statement of Net Position
Component Units - Proprietary Funds
(Excludes FASB Based Component Units)
June 30, 2021

	CHAND	Public Finance Authority	ND Development Fund	State Fair Foundation	Total
ASSETS					
Current Assets:					
Cash and Cash Equivalents	$ 1,443,850	$ —	$ 19,653,987	$ 282,998	$ 21,380,835
Accounts Receivable - Net	85,212	—	—	50,000	135,212
Interest Receivable - Net	—	—	156,210	—	156,210
Due from Primary Government	—	10,000	—	—	10,000
Loans and Notes Receivable - Net	—	—	3,156,924	—	3,156,924
Restricted Cash and Cash Equivalents	—	45,077,000	—	12,073	45,089,073
Restricted Investments	—	127,442,000	—	—	127,442,000
Restricted Interest Receivable - Net	—	5,530,000	—	—	5,530,000
Total Current Assets	1,529,062	178,059,000	22,967,121	345,071	202,900,254
Noncurrent Assets:					
Restricted Investments	—	880,134,000	—	—	880,134,000
Investments	—	—	250,000	—	250,000
Loans and Notes Receivable - Net	—	—	7,260,676	35,000	7,295,676
Capital Assets:					
Nondepreciable	—	—	—	1,115,389	1,115,389
Depreciable, Net	—	—	185,101	—	185,101
Total Noncurrent Assets	—	880,134,000	7,695,777	1,150,389	888,980,166
Total Assets	1,529,062	1,058,193,000	30,662,898	1,495,460	1,091,880,420
DEFERRED OUTFLOWS OF RESOURCES					
Deferred loss on bond refunding	—	2,428,000	—	—	2,428,000
Derived from Pensions	—	258,000	—	—	258,000
Total Deferred Outflows of Resources	—	2,686,000	—	—	2,686,000
LIABILITIES					
Current Liabilities:					
Accounts Payable	408,000	34,000	6,540	—	448,540
Interest Payable	—	4,293,000	—	—	4,293,000
Notes Payable	—	—	—	4,800	4,800
Bonds Payable	—	26,720,000	—	—	26,720,000
Unearned Revenue	32,926	—	—	49,993	82,919
Total Current Liabilities	440,926	31,047,000	6,540	54,793	31,549,259
Noncurrent Liabilities:					
Notes Payable	—	—	—	64,950	64,950
Bonds Payable	—	463,827,000	—	—	463,827,000
Net Pension Liability	—	431,000	—	—	431,000
Total Noncurrent Liabilities	—	464,258,000	—	64,950	464,322,950
Total Liabilities	440,926	495,305,000	6,540	119,743	495,872,209
DEFERRED INFLOWS OF RESOURCES					
Derived from Pensions	—	91,000	—	—	91,000
Total Deferred Inflows of Resources	—	91,000	—	—	91,000
Net Position					
Net Investment in Capital Assets	—	—	185,101	—	185,101
Restricted for:					
Debt Service	—	116,110,000	—	—	116,110,000
Loan Purposes	—	447,432,000	11,146,179	—	458,578,179
Endowment Funds-Nonexpendable	—	—	—	2,155,492	2,155,492
Unrestricted	1,088,136	1,941,000	19,325,078	(779,775)	21,574,439
Total Net Position	$ 1,088,136	$ 565,483,000	$ 30,656,358	$ 1,375,717	$ 598,603,211

The Accompanying Notes are an Integral Part of the Financial Statements

Combining Statement of Activities
Component Units - Proprietary Funds
(Excludes FASB Based Component Units)
For the Fiscal Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue	Change in Net Position	Net Position Beginning of Year	Net Position End of Year
CHAND	$ 2,617,580	$ 1,896,172	$ 1,009,037	$ 287,629	$ 287,629	$ 800,507	$ 1,088,136
Public Finance Authority	27,773,000	3,875,000	44,032,000	20,134,000	20,134,000	545,349,000	565,483,000
ND Development Fund	1,597,497	988,616	45,330	(563,551)	(563,551)	31,219,909	30,656,358
State Fair Foundation	59,126	58,088	32,393	31,355	31,355	1,344,362	1,375,717
Total Component Units	$ 32,047,203	$ 6,817,876	$ 45,118,760	$ 19,889,433	$ 19,889,433	$ 578,713,778	$ 598,603,211

The Accompanying Notes are an Integral Part of the Financial Statements

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NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

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, 2021, 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 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, 2020, 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, 2020, and their report has been previously issued under a separate cover.

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, 2021, 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, 2020, 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, 2021, 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
600 E. Boulevard Ave., 14th Floor
Bismarck, ND 58505-0840

Public Finance Authority
1200 Memorial Highway
Bismarck ND 58504

Comprehensive Health Associations
4510 13th Ave. South
Fargo, ND 58121

North Dakota Development Fund, Inc.
1600 E. Century Ave., #2
Bismarck, ND 58503

State Historical Society of North Dakota Foundation
P.O. Box 1976
Bismarck, ND 58502-1976

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, net of accumulated depreciation and reduced by outstanding balances for bonds, notes, 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 (custodial funds are excluded as they have no measurement focus) 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.

The Unemployment Compensation Fund accounts for State unemployment taxes collected from employers and federal funds for the purpose of paying unemployment benefits.

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.

Special Revenue Funds 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.

Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Capital Projects Funds 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.

Permanent Funds 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

Enterprise Funds 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

Pension and Other Employee Benefits Trust Funds 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, 3442 East Century Avenue, Bismarck, North Dakota 58503. Investment Trust Funds are accounted for in essentially the same manner as Proprietary Funds.

Private Purpose Trust Funds 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.

Custodial Funds account for assets held by the State as an agent for other governmental units, or other organizations, and do not involve measurement of results of operations. 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 2019-2021 biennium, there were general, federal and other funds supplemental appropriations totaling $3,966,192,100.

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, 2021.

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 statements of net position. 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, 2021, 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 139 days as of June 30, 2021. Cash open collateral is invested in a short term investment pool, which had an interest sensitivity of 19 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.

Other government fund inventories and prepaid items are reflected as a reservation of fund balance on the balance sheet.

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 and infrastructure 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:

Assets	Years
Buildings	10-50
Infrastructure	10-50
Furniture, Automobiles, and Equipment	3-20
Intangibles	3-99

L. DEFERRED OUTFLOWS OF RESOURCES

Deferred outflow of resources represents a consumption of net position 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. LEASE COMMITMENTS

The State leases land, office facilities, office and computer equipment, and other assets. Leases are classified according to GASB 62. Many of these leases have fiscal funding clauses; however, these clauses have no effect on classifying these leases for accounting purposes. Leases which represent acquisitions are classified as capital leases, and the related assets and liabilities

are recorded in the financial statements at the inception of the lease. Other leases are classified as operating leases with the lease payments recorded as expenditures or expenses during the life of the lease.

N. 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.

O. 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.

P. 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.

Q. 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.

R. 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.

S. 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.

T. DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources represent an acquisition of net position 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.

U. 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 restricted fund balance 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 committed fund balance 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.

Assigned fund balance 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.

Unassigned fund balance 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, 2021 was $749,374,748.

V. 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 capitalized 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.

W. 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	Governmental Fund - State Fund	Proprietary Funds - University Systems	Proprietary Funds - Other Funds	Custodial Funds
June30,2020, net position,as previously reported	$ 21,549,057	$ 4,569,703	$ 7,682,454	$ 1,430,582	$ 828,168	$ —
Prior period adjustments:						
GASB 84	193	1,635	193	1,635	—	6,207
Change in accounting method	12,965	(12,965)	12,965	—	(12,965)	—
June30,2020, net position, as restated	$ 21,562,215	$ 4,558,373	$ 7,695,612	$ 1,432,217	$ 815,203	$ 6,207

A. GASB 84 IMPLEMENTATION

As a result of implementing GASB Statement No. 84, *Fiduciary Activities,* the State reclassified funds based on the guidance of GASB 84. The School for Deaf Scholarship Trust fund and School for Deaf Student Trust fund were reclassified to the State Fund. This resulted in an increase of $193,000 to the State Fund and Governmental Activities. Several Funds were reclassified to the Proprietary Fund - University Systems. The resulted in an increase of $1,635,000 to the Proprietary Fund - University Systems net position and Government-Wide Business Type Activities net position.

In addition, Agency Funds were reclassified to Custodial Funds. This resulted in an increase of $6,207,000 to Fiduciary Net Position for the following funds: District Court Collection Fund, Prisoner's Accounts, Youth Correctional Center Student Accounts, Developmental Center Residents' Funds, State Hospital Patients, Veteran's Home-Custodial, School for the Deaf Students.

B. CORRECTION OF ERRORS

The Beginning Farmer Revolving Loan fund was reclassified from a proprietary fund to a governmental fund. This resulted in a decrease in the Proprietary Fund - Other Funds fund balance and Government Wide Business-type Activities net position of $12,965,000 and an increase in Governmental Fund - State fund balance and Government Wide Governmental Activities net position of $12,965,000.

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, 2021, the bank balance of the primary government's deposits was $1,441,850,614. Of the bank amount, $954,513,000 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, 2021. Their uninsured and uncollateralized deposits totaled $954.5 million and $274 thousand, and their bank deposits totaled $955.9 million and $5.8 million, respectively.

At June 30, 2021, the bank balance of the major component units' deposits was $66,469,908. Of the bank amount, $64,730,987 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, 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, 2021: 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, 2021, 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	$ 623,569	$ 980	$ 182,079	$ 158,052	$ 282,458	$ —
Bank Loans	5,593	—	—	5,593	—	—
Bonds	5,029	—	—	2,930	2,099	—
Commercial Mortgage-Backed	1,092,951	5	742,637	7,144	343,165	—
Commercial Paper	12,998	12,998	—	—	—	—
Corporate Bonds	3,052,827	208,121	1,574,401	671,312	598,993	—
Corporate Convertible Bonds	22,924	—	12,756	159	10,009	—
Government Agencies	1,288,040	83,882	1,186,756	8,024	9,378	—
Government Bonds	1,134,683	83,379	327,603	265,024	458,677	—
Government Issued CMB	30,923	16	5,421	21,953	3,533	—
Government Mortgage-Backed	746,561	3	6,671	34,260	705,627	—
Repurchase Agreements	25,300	25,300	—	—	—	—
Index-Linked Government Bonds	848,500	77,720	283,042	286,237	201,501	—
Municipal/ Provincial Bonds	129,086	20,911	73,173	12,738	22,264	—
Government-Backed CMOs	254,415	10,844	14,548	63,768	165,255	—
Short Term Bills and Notes	303,306	303,306	—	—	—	—
Pooled Investments	1,814,562	28,877	940,491	490,666	354,528	—
Funds - Other Fixed Income	732,625	(127,967)	490,243	136,191	231,584	2,574
Funds - Short Term	22,974	22,974	—	—	—	—
Total Debt Securities	$ 12,146,866	$ 751,349	$ 5,839,821	$ 2,164,051	$ 3,389,071	$ 2,574

Major Component Units

Investment Type	Total Fair Value	Less Than 1 Year	1 - 6 Years	6 - 10 Years	More Than 10 Years
Commercial Paper	$ 23,634	$ 23,634	$ —	$ —	$ —
Corporate Notes	18,181	12,301	5,880	—	—
Government Agencies	11,079	1,044	10,035	—	—
Government Bonds	14,127	4,904	9,223	—	—
Short Term Bills and Notes	12,272	12,272	—	—	—
Total Debt Securities	$ 79,293	$ 54,155	$ 25,138	$ —	$ —

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 $6.5 million and held IOs valued at $26.4 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, 2021 (expressed in thousands):

	Amount	Percent
Federal Agency		
Federal Home Loan Bank	$ 167,666	9.2 %
Small Business Administration	176,672	9.6 %
Farm Credit	277,693	15.1 %
Freddie Mac	20,039	1.1 %
Fannie Mae	45,557	2.5 %
Mortgage-backed		
Fannie Mae	714,495	39.0 %
Freddie Mac	380,364	20.7 %
Others less than 5%	51,213	2.8 %
	$ 1,833,699	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.

STATE OF NORTH DAKOTA

As of June 30, 2021, 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	A	BBB	BB	B	CCC	CC	C	D	Not Rated
Asset Backed Securities	623,569	$ 302,166	$ 62,525	$ 61,185	$ 56,636	$ 3,515	$ 2,927	$ 5,413	$ 1,909	$—	$ 889	$ 126,404
Bank Loans	5,592		—	—	—	2,002	1,049	—	—	—	—	2,541
Collateralized Bonds	5,029	2,930	—	—	—	—	—	—	—	—	—	2,099
Commercial Mortgage-Backed	1,092,951	980,185	10,311	14,175	9,431	5,090	4,316	1,885	160	27	—	67,371
Commercial Paper	12,998	—	—	—	—	—	—	—	—	—	—	12,998
Corporate Bonds	3,052,827	17,004	97,461	791,871	1,635,388	318,993	125,301	40,974	97	—	—	25,738
Corporate Convertible Bonds	22,924	—	—	172	3,108	6,661	2,338	3,139	—	—	—	7,506
Government Agencies	1,268,000	1,102,792	134,149	12,998	14,532	1,712	—	422	—	—	—	1,395
Government Bonds	121,718	—	9,987	5,697	52,361	34,007	9,234	2,026	—	—	—	8,406
Government Mortgage Backed	547,468	—	516,452	—	9,049	13,368	7,671	—	—	—	—	928
Government Issued CMB	30,698	1,813	27,945	—	940	—	—	—	—	—	—	—
Index Linked Government Bonds	19,224	19,224	—	—	—	—	—	—	—	—	—	—
Municipal/ Provincial Bonds	128,086	25,948	74,244	15,936	4,366	1,583	—	—	218	—	800	4,991
Non-Government Backed CMOs	254,415	43,233	19,603	31,423	21,306	8,123	2,589	1,258	1,116	—	47	125,717
Repurchase Agreements	25,300	—	25,300	—	—	—	—	—	—	—	—	—
Short-Term Investment Funds	10,817	—	9,339	1,478	—	—	—	—	—	—	—	—
Funds - Other Fixed Income	732,567	—	—	—	—	—	—	—	—	—	—	732,567
Funds - Short Term Investment	23,030	23,028	—	—	—	—	—	—	—	—	—	2
Pooled Investments	1,727,181	504,809	300,577	613,389	214,815	12,949	41,080	—	—	—	—	39,562
Total Credit Risk Debt Securities	9,704,394	$3,023,132	$1,287,893	$1,548,324	$2,021,932	$408,003	$196,505	$55,117	$ 3,500	$ 27	$ 1,736	$1,158,225
US Gov't & Agencies**	2,189,751											
Mutual Funds	252,721											
Total Debt Securities	$12,146,866											

Major Component Units

	Total Fair Value	AA	A	BBB
Commercial Paper	$ 23,634	$ —	$ 23,634	0
Short Term Bills & Notes	12,272	—	12,272	—
Government Agencies	11,079	11,079	—	—
Corporate Notes	18,181	920	11,629	5,632
Total Credit Risk Debt Securities	65,166	$ 11,999	$ 47,535	$ 5,632
US Gov't & Agencies	14,127			
Total Debt Securities	$ 79,293			

*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.

**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 *Asset Backed, Commercial Mortgage Backed, Gov't Issued Commercial & Gov't Mortgage Backed, Gov't Agencies, Gov't Bonds, Index Linked Gov't Bonds and Short Term Bills and Notes* categories are issued by FNMA, FHLB, FHLMC, and SLMA.

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, 2021, foreign currency risk exposure on investments managed by the Department of Trust Lands and State Investment Board were as follows (expressed in thousands).

Primary Government (includes Pension and Investment Trust Funds)

Currency	Short-Term	Debt	Equity	Real Estate	Total
Argentine peso	$ 65	$ 364	$ —	$ —	$ 429
Australian dollar	1,305	322	145,410	—	147,037
Brazilian real	(10,006)	18,335	14,798	—	23,127
British pound sterling	(45,730)	52,698	387,477	—	394,445
Canadian dollar	(624)	561	104,843	—	104,780
Chilean peso	822	9,562	749	—	11,133
Chinese yuan renminbi	427	119	72,331	—	72,877
Columbian peso	(508)	4,135	216	—	3,843
Czech koruna	—	—	917	—	917
Danish krone	575	—	108,609	—	109,184
Egyptian pound	—	—	51	—	51
Euro	(35,762)	46,160	859,425	651	870,474
Greed drachma	—	—	254	—	254
Hong Kong dollar	816	—	212,060	—	212,876
Hungarian forint	(335)	3,658	3,167	—	6,490
Indian rupee	—	427	17,575	—	18,002
Indonesian rupiah	—	229	9,822	—	10,051
Israeli shekel	—	—	5,582	—	5,582
Japanese yen	1,604	—	495,477	—	497,081
Kenyan shiling	—	—	1,496	—	1,496
Malaysian ringgit	—	4,334	1,980	—	6,314
Mexican peso	(825)	9,619	7,932	—	16,726
New Israeli shekel	(492)	491	3,605	—	3,604
New Taiwan dollar	334	—	7,660	—	7,994
New Zealand dollar	(245)	—	10,342	—	10,097
Norwegian krone	232	—	32,173	—	32,405
Peruvian neuvo sol	(2,183)	2,065	89	—	(29)
Philippine peso	(224)	—	990	—	766
Polish zloty	—	9,701	1,463	—	11,164
Qatari riyal	—	—	343		343
Russian ruble	7	4,234	1,167	—	5,408
Saudi Arabian riyal	—	—	3,350		3,350
Singapore dollar	303	—	21,410	—	21,713
South African rand	638	417	8,488	—	9,543
South Korean won	—	—	36,343	—	36,343
Swedish krona	237	—	142,888	—	143,125
Swiss franc	4	—	247,775	—	247,779
Taiwan dollar	—	—	34,081	—	34,081
Thai baht	—	974	6,755	—	7,729
Turkish lira	—	—	1,892	—	1,892
UAE dirham	—	—	482		482
International commingled funds (various currencies)	—	—	1,353,624	34,534	1,388,158
Total international investment securities	$ (89,565)	$ 168,405	$ 4,365,091	$ 35,185	$ 4,479,116

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, 2021, 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 $232.5 million for the year ended June 30, 2021. At June 30, 2021, the State investment portfolio had the notional futures shown below (expressed in thousands).

Futures	Notional Value
Cash and cash equivalent derivative futures	
Long	$ 172,043
Short	(653,875)
Commodity Derivatives Futures	
Long	—
Short	(31,463)
Equity derivative futures	
Long	662,160
Short	—
Fixed income derivative futures	
Long	771,100
Short	(1,213,556)
Total futures	$ (293,591)

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 $0.6 million. At June 30, 2021, the State had the following option balances (expressed in thousands):

Options	Fair Value
Cash & Other Options	
Call	$ 99
Put	767
Fixed Income Options	
Call	(220)
Put	(170)
Total options	$ 476

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 $(3.0) million for the year ended June 30, 2021. The maximum loss that would be recognized at June 30, 2021, if all counterparties failed to perform as contracted is $2.3 million. Swap fair values are determined by a third party pricing source.

At June 30, 2021, the States' investment portfolio had the swap fair value balances as shown below (expressed in thousands).

Credit Default Swaps

Counterparty/Moody's Rating	Notional Amount	Expiration Date	Fair Value
Bank of America / Aa2 (3 contracts)	$ (3,400)	2021	$ 10
Citibank / Aa3 (27 contracts)	(3,000)	2023 - 2024	(12)
Citigroup Global Markets / A1 (5 contracts)	(6,804)	2024 - 2026	623
Credit Suisse First Boston / A1 (12 contracts)	(18,361)	2022 - 2026	1,505
Goldman Sachs / A2 (4 contracts)	(1,700)	2023 - 2024	8
JP Morgan Chase / Aa2 (1 contract)	26,110	2026	(667)
Morgan Stanley / A1 (1 contract)	(100)	2024	1
Total credit default swaps	$ (7,255)		$ 1,468

Interest Rate Swaps

Counterparty/Moody's Rating	Notional Amount	Expiration Date Range	Fair Value
Citigroup Global Markets / A1 (17 contracts)	$ 55,438	2022 - 2051	$ (41)
Credit Suisse First Boston / A1 (13 contracts)	132,778	2023 - 2051	1,145
JP Morgan Chase / Aa2 (129 contracts)	160,807	2023 - 2035	(4,026)
Total Interest Rate Swaps	$ 349,023		$ (2,922)

Inflation Swaps

Counterparty/Moody's Rating	Notional Amount	Expiration Date Range	Fair Value
Citigroup Global Markets / A1 (4 contracts)	$ 13,240	2026	$ (402)
JP Morgan Chase / Aa2 (21 contracts)	17,220	2026 - 2031	(369)
Total Interest Rate Swaps	$ 30,460		$ (771)

Total Return Swaps

Counterparty/Moody's Rating	Notional Amount	Expiration Date	Fair Value
Credit Suisse International / Aa3 (2 contracts)	$ 2,764	2041	$ 7
Total Return Swaps	$ 2,764		$ 7

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 ($3.9 million). At June 30, 2021, the States' investment portfolio included the currency forwards balances shown below (expressed in thousands).

Currency	Cost	Purchases	Sales	Fair Value
Australian dollar	$ (131)	$ —	$ (131)	$ (128)
Brazilian real	(8,393)	6,733	(15,126)	(9,541)
British pound sterling	(66,012)	24,676	(90,688)	(64,811)
Canadian dollar	(399)	—	(399)	(404)
Columbian peso	1,733	1,733	—	1,702
Euro	(151,358)	89,763	(240,998)	(147,854)
Great Britain pound sterling	(24,366)	—	(24,150)	(24,150)
Japanese yen	(521)	—	(521)	(516)
New Israeli shekel	(1,953)	—	(1,953)	(1,970)
Peruvian nuevo sol	(2,236)	—	(2,236)	(2,183)
Russian ruble	6	6	—	7
South African rand	(1,032)	—	(1,032)	(986)
United States dollar	254,662	377,588	(122,926)	254,662
Total forwards subject to currency risk				$ 3,828

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, 2021, the tables below show the States' derivative investments subject to interest rate risk (expressed in thousands).

	Total Notional Value	3 Months or Less	3 to 6 Months	6 to 12 Months	1-5 Years	Greater Than 5 Years
Futures-interest rate contracts	$ (924,288)	$ (675,150)	$ (403,466)	$ (17,715)	$ 172,043	$ —
Total	$ (924,288)	$ (675,150)	$ (403,466)	$ (17,715)	$ 172,043	$ —

	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
Options - Interest rate contracts	$ 818	$ (20)	$ —	$ —	$ —	$ —	$ 838
Options on futures	(342)	(371)	—	29	—	—	—
Swaps - interest rate contracts	(3,693)	—	—	—	(760)	(3,095)	162
Swaps - credit contracts	1,468	—	10	—	1,458	—	—
Total	$ (1,749)	$ (391)	$ 10	$ 29	$ 698	$ (3,095)	$ 1,000

Mill and Elevator Derivative Financial Instruments – The fair value balances and notional amounts of derivative instruments outstanding at June 30, 2021, and the changes in fair value of such derivative instruments for the year then ended as reported in the State's financial statements are $497,650, classified as derivative instrument (one contract equals 5,000 bushels) and $497,650, 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 margin requirement is $0.60 per bushel, unless the market price changes the limit for two consecutive days, then the margin requirement is $0.90 per bushel. 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, 2021.

Month	# of Contracts Long (Short)	Average Cost	Fair Value	Average Cost	Market Value
Sept 2021	-353	$ 7.7650	$ 8.4975	$ (13,684,038)	$ (14,998,088)
Dec 2021	193	7.7137	8.4075	7,391,675	8,113,238
Mar 2022	22	7.8850	8.3300	867,350	916,300
May 2022	15	7.6770	8.2475	575,775	618,563
July 2022	1	7.5300	8.1500	37,650	40,750
				$ (4,811,588)	$ (5,309,237)

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, 2021, the table below shows the hedge ratio by futures month going forward:

Period	Hedge Ratio
Sept 2021	1.0
Dec 2021	1.1
Mar 2022	1.0
May 2022	1.0
July 2022	1.2
Net Position	1.0

C. SECURITIES LENDING

The following represents the balances relating to the securities lending transactions at June 30, 2021 (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	$ 45,457	$ —	$ 46,301
US government securities	125,937	9,525	128,438
US corporate fixed income securities	94,863	2,012	97,221
US equities	72,801	11,018	75,024
Global government fixed income securities	3,551	—	3,781
Global government securities	1,137	—	1,207
Global equities	16,043	—	17,218
Lent for non-cash collateral:			
Fair value of securities on loan against non-cash collateral	231,921	216,842	—
Total	$ 591,710	$ 239,397	$ 369,190

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, 2021:

			Reflected in net position as:
North Dakota State University	$	566,447	Expendable scholarships & fellowships
University of North Dakota		608,224	Non-expendable scholarships & fellowships
Total NDUS	$	1,174,671	

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, 2021 are approximately $223.7 million and $7.3 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, 2020.

Beginning endowment	$	2,155,492
Endowment contributions		—
Ending endowment	$	2,155,492

E. RECEIVABLES

Receivables at June 30, 2021, consist of the following (expressed in thousands):

	General	Federal	State	Other Governmental Funds	Bank of North Dakota	Housing Finance
Receivables:						
Accounts	$ 30,834	$ 59,160	$ 323,967	$ —	$ —	$ 625
Less Allowance	(11,309)	(16,845)	(212,796)	—	—	—
Taxes	575,014	—	161,006	107	—	—
Less Allowance	(132,619)	—	(1,638)	—	—	—
Interest	30,545	—	27,171	81	54,193	5,529
Less Allowance	—	—	(9,786)	—	—	—
Intergovernmental	—	346,557	12,089	—	—	215
Less Allowance	—	—	—	—	—	—
Current Loans and Notes	—	—	8,556	39,646	768,721	30,801
Less Allowance	—	—	(482)	—	—	—
Noncurrent Loans and Notes	66	184	125,667	—	3,863,766	1,193,169
Less Allowance	—	—	—	—	(106,303)	—
Net Receivables	$ 492,531	389,056	$ 433,754	$ 39,834	$ 4,580,377	$ 1,230,339

	University System	Workforce Safety & Insurance	Unemployment Compensation	Other Enterprise Funds	Internal Service Funds	Major Component Units	Total
Receivables:							
Accounts	$ 35,166	$ 24,060	43,526	$ 57,474	$ 950	$ 135	$ 575,898
Less Allowance	(6,769)	(7,000)f	(21,220)	(2,829)	—	—	(278,768)
Taxes	—	—	—	—	—	—	736,127
Less Allowance	—	—	—	—	—	—	(134,258)
Interest	—	9,871	1,466	2,531	52	5,686	137,125
Less Allowance	—	—	—	—	—	—	(9,786)
Intergovernmental	33,376	—	1,132	5	636	—	394,009
Less Allowance	—	—	—	—	—	—	—
and Notes	6,010	—	—	31,304	—	3,157	888,195
Less Allowance	(755)	—	—	—	—	—	(1,238)
Noncurrent Loans and Notes	15,119	—	—	459,448	—	27,912	5,685,332
Less Allowance	(2,504)	—	—	(10,552)	—	(20,617)	(139,976)
Net Receivables	$ 79,643	$ 26,931	24,903	$ 537,381	$ 1,638	$ 16,273	$7,852,660

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, 2021, the State had and average daily balance of $3,000 of repurchase agreements with a 0.00% interest rate and a 0.00% weighted average interest rate paid during the year.

G. INTERFUND ACCOUNTS AND TRANSFERS

DUE FROM OTHER FUNDS/DUE TO OTHER FUNDS

Interfund balances at June 30, 2021 of the following (expressed in thousands):

Due To General Fund From:	
Federal Fund	$ 99,524
State Fund	65,394
Bank of North Dakota	506
Nonmajor Enterprise Funds	28,470
All Others	462
Total Due To General Fund	$ 194,356

Included in the Nonmajor Enterprise Funds amount is a loan to the Rebuilder's Loan Program for $15,619,484. This is not expected to be repaid within one year.

Due To Federal Fund From:		Due To State Fund From:	
General Fund	$ 6,074	General Fund	$ 69,238
State Fund	35,669	Federal Fund	15,503
All Others	627	Internal Service Funds	167
Total Due To Federal Fund	$ 42,370	Nonmajor Enterprise Funds	687
		All Others	320
		Total Due To State Fund	$ 85,915

Due To Internal Service Funds From:		Due To Bank of North Dakota From:	
General Fund	$ 5,940	State Fund	$ 14,572
State Fund	4,230	Nonmajor Enterprise Funds	55,815
University System	1,135	University System	2,046
Federal Fund	879	All Others	42
All Others	453	Total Due To Bank of North Dakota	$ 107,491
	$ 12,637		

Included in the Nonmajor Enterprise Funds amount is a loan to the Rebuilder's Loan Program for $3,606,486 of which $1,890,691 is not expected to be repaid within one year.

Due To University System From:	
General Fund	$ 25,818
Federal Fund	7,291
State Fund	5,316
Bank of North Dakota	784
Building Authority	5,796
All Others	85
Total Due To University System	$ 45,090
Due To All Other Funds From:	
All Other	$ 807

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, 2021.

A reconciliation of Due From's and Due To's is presented below (expressed in thousands):

Due From's		$ 488,666
General Fund/Bank of ND	(18,022)	
Bank of ND/ Mill and Elevator	12,200	
Bank of ND/Rebuilder's Loan	(1,380)	
Bank of ND/University System	(861)	
Bank of ND/Guaranteed Student Loan	97	
Governmental Agencies/Bank of ND	45	
Bank of ND/Enterprise Funds	107	
Total Differences		(7,814)
Due To's		$ 480,852

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, 2021, 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	$ —	$ 1,798	$ 170,823	$ —	$ 399,590	$ —	$ 1,784	$ —	$ —	$ 573,995
Special Revenue-Federal	15,574	—	40,454	—	—	—	285	—	—	56,313
Special Revenue-State	399,258	24	—	4,704	25,589	9	264	—	222	430,070
Non-major Governmental	800	—	1,028	—	46,443	—	52	—	—	48,323
Bank of North Dakota	70,000	—	18,860	—	3,790	—	—	44,900	—	137,550
Housing Finance	—	—	33	—	—	—	—	—	—	33
University System	—	—	—	—	—	—	2,924	—	—	2,924
Non-Major Enterprise	12,694	—	1,840	1,300	—	—	—	—	—	15,834
Total	$ 498,325	$ 1,822	$ 233,038	$ 6,004	$ 475,412	$ 9	$ 5,309	$ 44,900	$ 222	$1,265,042

(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, 2021, legislatively-mandated transfers were made to the general fund of $6,300,000 from the State Lottery, $6,393,652 from Mill and Elevator, $4,716,224 from the Insurance Regulatory Trust Fund, $382,200,000 from Strategic Investment and Improvement Fund, $70,000,000 from BND, $2,240,479 from the Multistate Audit Fund, $871,687,384 from the Legacy Fund, $5,944,245 from the Budget Stabilization Fund, $90,275,000 from the Tax Relief Fund and $9,052,998 from the Securities Dept. Special Fund.

A reconciliation of Transfers In and Transfers Out is presented below (expressed in thousands):

		$ (1,233,311)
Differences:		
Special Rev - Housing Finance Agency	(20)	
Special Rev - Ag PACE / Bank of North Dakota	250	
Special Rev - PACE / Bank of North Dakota	1,200	
Beginning Farmer Revolving Loan Fund / Bank of North Dakota	1,000	
Ag PACE / Beginning Farmer Revolving Loan Fund	1,740	
Small Employer Loan Fund (SELF) / Bank of North Dakota	(20,000)	
Innovation Loan Fund / Bank of North Dakota	(9,900)	
School Construction Assistance Loan Fund / Bank of North Dakota	(1,300)	
State Water Commission Revolving Loan Fund / Bank of North Dakota	(4,704)	
Federal fund	3	
Total Differences		(31,731)
Transfers Out		$ (1,265,042)

The above timing differences of (31,730,837) 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, 2020	Increases	Decreases	Balance June 30, 2021
Governmental Activities:				
Capital Assets Not Being Depreciated				
Land	$ 163,127	$ 1,023	$ (1,733)	$ 162,417
Construction in Progress	1,491,541	275,567	(1,177,994)	589,114
Total Capital Assets Not Being Depreciated	1,654,668	276,590	(1,179,727)	751,531
Capital Assets Being Depreciated:				
Buildings and Improvements	759,573	22,736	(148)	782,161
Equipment	353,500	45,457	(22,389)	376,568
Intangibles				
Software	379,781	23,013	(2,084)	400,710
Other	39,322	2,114	—	41,436
Infrastructure	6,108,976	1,221,382	(2,018)	7,328,340
Total Capital Assets Being Depreciated	7,641,152	1,314,702	(26,639)	8,929,215
Less Accumulated Depreciation for:				
Buildings and Improvements	(337,656)	(19,818)	121	(357,353)
Equipment	(178,938)	(24,515)	17,624	(185,829)
Intangibles				
Software	(150,222)	(27,692)	2,079	(175,835)
Other	(29,669)	(810)	—	(30,479)
Infrastructure	(3,137,279)	(123,183)	2,008	(3,258,454)
Total Accumulated Deprecation	(3,833,764)	(196,018)	21,832	(4,007,950)
Total Capital Assets Being Depreciated, Net	3,807,388	1,118,684	(4,807)	4,921,265
Governmental Activities Capital Assets, Net	$ 5,462,056	$ 1,395,274	$ (1,184,534)	$ 5,672,796

Description	Balance July 1, 2020	Increases	Decreases	Balance June 30, 2021
Business-Type Activities:				
Capital Assets Not Being Depreciated				
Land	$ 25,552	$ 158	$ —	$ 25,710
Construction in Progress	220,134	167,332	(156,434)	231,032
Total Capital Assets Not Being Depreciated	245,686	167,490	(156,434)	256,742
Capital Assets Being Depreciated:				
Buildings and Improvements	1,856,639	134,916	(18,735)	1,972,820
Equipment	554,972	35,436	(14,321)	576,087
Intangibles				
Software	28,985	951	(56)	29,880
Other	27,713	3,432	(63)	31,082
Infrastructure	243,363	58,194	(20)	301,537
Total Capital Assets Being Depreciated	2,711,672	232,929	(33,195)	2,911,406
Less Accumulated Depreciation for:				
Buildings and Improvements	(713,372)	(46,151)	11,423	(748,100)
Equipment	(388,996)	(29,496)	12,691	(405,801)
Intangibles				
Software	(28,231)	(325)	56	(28,500)
Other	(17,682)	(3,171)	—	(20,853)
Infrastructure	(125,316)	(8,086)	20	(133,382)
Total Accumulated Deprecation	(1,273,597)	(87,229)	24,190	(1,336,636)
Total Capital Assets Being Depreciated, Net	1,438,075	145,700	(9,005)	1,574,770
Business-Type Activities Capital Assets, Net	$ 1,683,761	$ 313,190	$ (165,439)	$ 1,831,512

Major Component Units

Description	Balance July 1, 2020	Increases	Decreases	Balance June 30, 2021
Capital Assets Not Being Depreciated				
Land	$ 7,074	$ —	$ (5)	$ 7,069
Construction in Progress	146	1,992	(146)	1,992
Total Capital Assets Not Being Depreciated	7,220	1,992	(151)	9,061
Capital Assets Being Depreciated:				
Buildings and Improvements	171,668	2,130	(71)	173,727
Equipment	55,498	2,853	(4,960)	53,391
Intangibles	78	174	(48)	204
Infrastructure	12,642	21	—	12,663
Total Capital Assets Being Depreciated	239,886	5,178	(5,079)	239,985
Less Accumulated Depreciation for:				
Buildings and Improvements	(77,346)	(5,587)	71	(82,862)
Equipment	(24,302)	(4,280)	2,682	(25,900)
Intangibles	(78)	$ (25)	85	(18)
Infrastructure	(672)	(38)	—	(710)
Total Accumulated Deprecation	(102,398)	(9,930)	2,838	(109,490)
Total Capital Assets Being Depreciated, Net	137,488	(4,752)	(2,241)	130,495
Major Component Unit Capital Assets, Net	$ 144,708	$ (2,760)	$ (2,392)	$ 139,556

Depreciation expense was charged to functions/programs of the primary government as follows (expressed in thousands):

Governmental Activities:	
General Government	$ 10,006
Education	1,127
Health and Human Services	25,857
Regulatory	1,134
Public Safety and Corrections	14,336
Agriculture and Commerce	136
Natural Resources	18,550
Transportation	124,872
Total Governmental Activities Depreciation Expense	$ 196,018

Construction In Progress is composed of the following (expressed in thousands):

Project Description:

Governmental Activities	Amount Authorized	Amount Expended Through June 30, 2021	Balance Authorized
Attorney General	$ 667	$ 366	$ 301
Office of Management and Budget	62	55	7
Secretary of State	1,869	1,177	692
Department of Health	4,142	2,946	1,196
Department of Human Services	19,421	4,670	14,751
Industrial Commission	5,650	5,173	477
Adjutant General	36,456	32,752	3,704
State Historical Society	48	19	29
Game and Fish	1,094	111	983
Department of Transportation	662,947	537,660	125,287
Parks & Recreation	5,638	1,395	4,243
ND School for the Deaf	334	264	70
Total Governmental Activities	$ 738,328	$ 586,588	$ 151,740

Business-Type Activities	Amount Authorized	Amount Expended Through June 30, 2021	Balance Authorized
Mill and Elevator	$ 36,360	$ 22,370	$ 13,990
University System*	430,102	199,435	230,667
Workforce Safety and Insurance	31,700	10,600	21,100
Total Business-Type Activities	$ 498,162	$ 232,405	$ 265,757

I. OPERATING LEASES

PAYMENTS ON OPERATING LEASES

The State is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations, and therefore, the resulting expenditures are recognized as incurred. Lease expenditures for the year ended June 30, 2021, amounted to $23.3 million for governmental activities and $17.4 million for business-type activities.

Future minimum rental payments required under operating leases that have initial or remaining non-cancelable lease terms in excess of one year as of June 30, 2021, for all fund types are as follows (expressed in thousands):

Year Ending June 30	Governmental Activities	Business-type Activities
2022	$ 10,603	$ 10,583
2023	8,773	8,063
2024	5,160	4,772
2025	4,667	2,883
2026	2,447	1,675
2027-2031	4,809	1,950
2032-2036	3,138	646
2037-2041	—	—
Total Minimum Lease Payments	$ 39,597	$ 30,572

J. CAPITAL LEASES

The State is obligated under certain leases accounted for as capital leases. In the government-wide and proprietary fund statements, capital assets and a corresponding liability are recorded at the inception of the lease. The liability is reduced by payments of principal, with a portion of the payment allocated to interest expense. For capital leases in governmental funds, other financing sources and expenditures are recorded at lease inception. Lease payments are recorded as debt service expenditures.

The schedule below lists the future minimum lease payments under these capital leases and the present value of the net minimum lease payments at June 30, 2021 (expressed in thousands):

Year Ending June 30	Governmental Activities	Business-type Activities	Major Component Units
2022	$ 1,354	$ 7,011	$ 128
2023	1,245	6,680	128
2024	416	6,335	128
2025	351	6,512	128
2026	198	5,251	128
2027-2031	23	17,776	638
2032-2036	—	8,162	319
2037-2041	—	2,104	—
2042-2046	—	1,711	—
2047-2051	—	1,983	—
2052-2056	—	9	
Total Minimum Lease Payments	3,587	63,534	1,597
Less: Amount Representing Interest	(286)	(13,584)	(410)
Present Value of Future Minimum Lease Payments	$ 3,301	$ 49,950	$ 1,187

The historical costs of assets acquired under capital leases, and included as capital assets on the government-wide Statement of Net Position at June 30, 2021, is as follows (expressed in thousands):

	Governmental Activities	Business-Type Activities	Major Component Units
Infrastructure	$ —	$ 60	$ —
Buildings	—	52,438	1,979
Intangibles	24	188	—
Equipment	7,453	19,667	—
Less: Accumulated Depreciation	(2,844)	(22,402)	(1,159)
Total	$ 4,633	$ 49,951	$ 820

K. 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.

L. 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, 2021, 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 2010 Series B, the 2012 Series A, the 2017 Series A bonds and the 2020 Series A are not subject to optional and/or extraordinary optional redemption prior to maturity upon the occurrence of certain events. The Authority shall issue bonds to refund the note on or before maturity. 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 2021 were $101.6 million. For fiscal year 2021, principal and interest paid by the Authority on the bonds was $16.1 million. The total principal and interest remaining to be paid as of June 30, 2021, is $153.2 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.

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 LIBOR 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 2021, revenue pledged and total principal and interest paid by Student Loan Trust were $30,000 and $8,000, respectively.

Housing Finance

Housing Finance Bonds were issued to provide financing to purchase mortgage loans to finance multifamily 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 $1.35 billion maturing at various times from July 1, 2021 through January 1, 2052. 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 $100.5 million and $30.0 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 2021 were $30.2 million. Principal and interest paid for the current fiscal year were $30.2 million, with total remaining principal and interest of $423.63 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, 2029 are not subject to optional redemption prior to maturity except under extraordinary circumstances. 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 2021 were $21.2 million. Principal and interest paid for the current fiscal year were $49.0 million, with total remaining principal and interest of $634.7 million payable through June 2045.

Revenue Bonds outstanding (expressed in thousands):

Primary Government

	Maturities	Interest Rates	Balance 6/30/21	
Governmental-Type Activities:				
Building Authority	2022-2041	1.50-6.25	$ 112,488	
Business-Type Activities:				
Student Loan Trust	6/1/2029	0.83	1,000	1)
Housing Finance:				
Homeownership	2022-2052	0.10-4.5	1,345,207	1)
University System:				2)
BSC—Bismarck	2022-2033	2.00-4.00	6,764	
MaSU—Mayville	2022-2030	1.25-6.63	2,652	
MiSU–Minot	2022-2041	2.00-6.60	10,779	
NDSCS—Wahpeton	2022-2037	3.76	6,725	
NDSU—Fargo	2022-2047	1.50-5.00	119,634	
UND—Grand Forks	2022-2050	0.75-5.00	187,948	
VCSU—Valley City	2022-2046	3.35-4.00	5,035	
Williston State College	2022-2041	3.10	5,347	
State Fair Association	2022-2029	3.00	1,427	
Total Revenue Bonds Payable—Primary Government			$ 1,805,006	

1) Entire amount of bonds payable are not associated with capital assets of the State.

2) At June 30, 2021, NDSU had pledged $12.0 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.

The BSC 2012 and the MISU bond issues are subject to redemption in the event of any loss, damage or destruction.

The MiSU 2010 bonds contain an additional provision that bonds are subject to extraordinary redemption at a redemption price equal to 104 percent of the outstanding principal amount plus accrued interest on or after the occurrence of a determination of ineligibility.

The MaSU, NDSCS, 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.

MiSU 2010 bond issue contains a provision that terminates the bond issue at a redemption price equal to 104 percent of the outstanding principal amount plus accrued interest upon the occurrence of one or more of the following events:

- Enactment of legislation or the adoption of final regulations that would deem or render the bonds not qualified for Build America Bonds.
- The federal government discontinues the Build America Bond program retroactively applied to bonds issued prior to determination.
- A written opinion by bond counsel that the bonds aren't qualified Build America Bonds.

Major Component Units

	Maturities	Interest Rates	Balance 6/30/21
Public Finance Authority	2022-2045	0.24-6.00	$ 490,547
University System Foundation	2022-2040	0.75-5.25	41,308
Total Revenue Bonds Payable—Major Component Units			$ 531,855

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
2022	$ 6,443	$ 4,633	$ 44,518	$ 50,422
2023	5,625	4,327	61,570	50,322
2024	5,465	4,035	56,510	48,872
2025	2,900	3,822	57,561	47,455
2026	3,055	3,662	58,958	45,986
2027 - 2031	18,070	15,616	287,872	205,670
2032 - 2036	22,500	10,376	291,363	163,136
2037 - 2041	30,311	3,839	296,965	116,670
2042 - 2046	—	—	292,102	68,622
2047 - 2051	—	—	217,255	17,941
2052 - 2056	—	—	4,850	88,500
Bond Premium	18,119	(18,119)	22,994	(22,994)
Total	$112,488	$32,191	$1,692,518	$880,602

Major Component Units

	Principal	Interest
2022	$ 27,520	$ 21,530
2023	29,144	20,975
2024	29,845	19,644
2025	29,215	18,280
2026	30,056	16,919
2027 - 2031	143,832	61,521
2032 - 2036	142,405	30,115
2037 - 2041	42,980	7,226
2042 - 2046	11,176	1,356
Bond Premium	45,682	(45,682)
Total	$ 531,855	$ 151,884

Refunding and Defeased Bonds

Valley City State University
VCSU issued $3.2 million of Housing and Auxiliary Facilities bonds with an interest rate of 6.98 percent. The bonds were used to recall $3.125 million of outstanding 2010 Housing and Auxiliary Facilities bonds. The bonds were refunded to reduce total debt service payments over the next twelve years by $50,000. The economic gain realized as a result of the refunding was $63,000.

Williston State College
WSC issued $5.3 million of Housing and Auxiliary Facilities bonds with an interest rate of 6.33 percent. The bonds were used to recall $7.2 million of outstanding 2010 Housing and Auxiliary Facilities bonds. The bonds were refunded to reduce total debt service payments over the next twenty years by $578,000. The economic gain realized as a result of the refunding was $578,000.

2. NOTES PAYABLE

The following is a schedule of notes payable outstanding at June 30, 2021 (expressed in thousands):

Primary Government

	Maturities	Interest Rates	6/30/2021	
Governmental Activities:				
Office of Management and Budget	2022-2034	2.43	$ 10,804	
Department of Human Services	2022-2035	3.00	2,084	
Health Department	2022-2035	3.65	580	
Environmental Quality	2022-2035	3.65	475	
Attorney General's Office	2022-2035	2.05	203	
Human Services	2022-2036	2.05	413	
Veteran's Home	2022-2036	2.05	670	
Corrections	2022-2036	2.05	999	
Historical Foundation	2022-2033	2.05	178	
Proprietary Activities:				
Bank of North Dakota	2022-2024	2.22-5.56	186,000	1)
University System	2022-2035	1.75-5.15	12,740	
Total Revenue Bonds Payable—Primary Government			$ 212,683	

Major Component Units

	Maturities	Interest Rates	Balance 6/30/21
University System Foundation	2022-2036	1.00-4.35	$ 17,419
State Fair Foundation	2022-2022	4.22	70
Total Revenue Bonds Payable—Major Component Units			$ 17,489

1) 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 $1.3 billion are currently being used as security to meet these minimum levels.

Short Term Borrowings:

The Bank of North Dakota issued short-term debt to fund loans on a short-term basis.

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 $21.3 million as of June 30, 2021. In addition, borrowings are collateralized by $30.56 million of loans receivable and $145,000 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

	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2022	$ 953	$ 437	$ 79,311	$ 6,022
2023	1,035	386	54,336	3,383
2024	1,084	361	48,506	9,399
2025	1,121	332	15,762	1,000
2026	1,160	304	403	544
2027 - 2031	6,418	1,052	414	1,213
2032 - 2036	4,539	236	8	316
2037 - 2041	95	2	—	—
Total	$ 16,405	$ 3,110	$ 198,740	$ 21,877

Major Component Units

	Principal	Interest
2022	$ 5	$ 264
2023	1,079	389
2024	7,252	318
2025	1,361	197
2026	1,624	163
2027 - 2031	1,964	127
2032 - 2036	4,047	180
2037 - 2041	159	18
Total	$ 17,491	$ 1,656

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 August 22, 2019, Williston State College (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. WSC will make an interest semi-annual principal and interest payment beginning FY2021 through FY2048.

The following is a schedule of certificates of participation outstanding at June 30, 2021 (expressed in thousands):

Primary Government

	Maturities	Interest Rates	Balance 6/30/21
Proprietary Activities:			
University System	2022-2057	3.55 – 5.00	$104,123

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

	Business-type Activities				
	Principal	Interest		Principal	Interest
2022	$120	$4,493	2032 - 2036	$5,658	$21,323
2023	170	4,489	2037 - 2041	12,884	19,473
2024	237	4,484	2042 - 2046	14,694	16,378
2025	343	4,476	2047 - 2051	25,376	12,247
2026	448	4,464	2052 - 2056	33,033	5,905
2027 - 2031	2,985	22,020	2057 - 2061	8,175	345
			Total	$104,123	$120,097

Changes in General Long-Term Liabilities

Changes in Long-Term Liabilities for the year ended June 30, 2021, are summarized as follows (expressed in thousands):

Primary Government

	Beginning Balance	Additions	Reductions*	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Notes Payable	$ 14,817	$ 2,463	$ (875)	$ 16,405	$ 952
Bonds Payable	19,730	97,715	(4,957)	112,488	6,443
Capital Leases Payable	834	3,269	(802)	3,301	1,203
Compensated Absences	51,711	38,228	(36,925)	53,014	4,648
Claims/Judgments Payable	9,674	2,254	(3,363)	8,565	2,074
Net Pension Liability (Note 6)	448,957	824,805	—	1,273,762	—
Net OPEB Liability (Note 7)	30,408	1,533	—	31,941	—
Total Long-Term Liabilities	$ 576,131	$ 970,267	$ (46,922)	$ 1,499,476	$ 15,320
Business-Type Activities:					
Notes Payable	$ 648,266	$ 1,142,290	$ (1,591,816)	$ 198,740	$ 79,264
Bonds Payable	1,666,599	288,932	(263,012)	1,692,519	50,767
Certificates of Participation	104,120	3	—	104,123	120
Capital Leases Payable	51,662	4,072	(5,784)	49,950	5,130
Intergovernmental Payable	4,441	18,450	(2,806)	20,085	739
Compensated Absences	38,222	5,563	(3,358)	40,427	5,692
Dividends Payable	1,037,035	92,173	(1,037,035)	92,173	92,173
Claims/Judgments Payable	1,030,957	5,351	(34,266)	1,002,042	121,955
Net Pension Liability (Note 6)	154,931	242,572	—	397,503	—
Net OPEB Liability (Note 7)	10,036	139	—	10,175	—
Total Long-Term Liabilities	$ 4,746,269	$ 1,799,545	$ (2,938,077)	$ 3,607,737	$ 355,840

Major Component Units

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Notes Payable	$ 14,407	$ 6,566	$ (3,484)	$ 17,489	$ 343
Bonds Payable	567,928	119	(36,193)	531,854	29,984
Capital Leases Payable	1,253	—	(68)	1,185	71
Intergovernmental Payable	546	50	(34)	562	36
Compensated Absences	—			—	—
Net Pension Liability (Note 6)	191	240	—	431	—
Total Long-Term Liabilities	$ 584,325	$ 6,975	$ (39,779)	$ 551,521	$ 30,434

* Bonds payable reductions include amortization of premium and discount of $337,000.

**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-Type Activities		Major Component Units	
	Total	Current	Total	Current
Notes Payable	$ 47	$ 47	$ 17,419	$ 339
Bonds Payable	14,930	1,830	41,308	3,264
Capital Leases Payable	14,505	1,252	1,185	71
Intergovernmental Payable	—	—	562	36
Total	$ 29,482	$ 3,129	$ 60,474	$ 3,710

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 $1,980,506 of capital leases payable, $3,895,749 of compensated absences and $7,211,280 of claims and judgments. In addition, payments on long term debt (notes payable, bonds payable and capital leases payable) for capital leases payable for internal service funds of $57,982 is included above along with additions to capital leases for internal service funds of $1,958,783.

Other governmental activities compensated absences generally have been liquidated by the General Fund (64.4%), the Highway Fund (13.5%), the Federal Fund (10.7%), and other various funds. Other governmental activities claims and judgments have all been liquidated by the Petroleum Release Compensation Fund.

The General Fund, federal fund, state fund, and internal service funds that account for the salaries, wages, and employer pension contributions of the related employees will liquidate the net pension and other post-employment benefit liabilities.

M. 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, 2021.

N. 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.

O. 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, 2021, unfunded commitments in one of its two distressed debt funds totaled $75.0 million. This fund is not eligible for redemptions. The other fund is eligible for redemptions with quarterly liquidity and 60 days notice, and has no unfunded commitment.

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, 2021.

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 unfunded commitments of $8.5 million as of June 30, 2021.

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 $181.2 million as of June 30, 2021.

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 $862.0 million in unfunded private equity commitments as of June 30, 2021.

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 10 different real estate funds in the portfolio. Four 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, 2021. Two of the four open-ended funds had unfunded commitments totaling $45 million as of June 30, 2021. The remaining five funds are closed-ended limited partnerships that are not eligible for redemptions. Those five funds have a combined unfunded commitment of $263.3 million as of June 30, 2021.

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 1-5 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, 2021, include both open and closed-ended funds. The open-ended funds have no unfunded commitments and are eligible for redemptions quarterly with 90 days notice. There may be a 3-12 month queue for receiving redemptions. The closed- ended funds have unfunded commitments of $167.1 million at June 30, 2021 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

INVESTMENTS MEASURED AT FAIR VALUE	Fair Value 6/30/21	Level 1	Level 2	Level 3
Short term securities:				
Commercial paper	$ 12,998	$ —	$ 12,998	$ —
Short term bills and notes	318,955	15,649	303,306	—
Total short term securities	331,953	15,649	316,304	—
Fixed income investments:				
Asset backed securities	573,163	—	572,065	1,098
Bank loans	21,715	—	21,715	—
Collateralized bonds	2,930	—	2,930	—
Collateralized mortgage obligations	94,612	—	92,260	2,352
Commercial mortgage-backed	359,795	—	356,088	3,707
Corporate bonds	3,038,244	—	3,037,821	423
Corporate convertible bonds	17,733	—	17,733	—
Funds - Fixed Income ETF	141,240	18,595	122,645	—
Government Agencies	842,010	734,518	107,492	—
Government Bonds	1,223,643	111	1,223,532	—
Government MBS	1,921,989	—	1,921,989	—
Government - issued Commercial Mortgage-Backed	30,923	—	30,923	—
Index Linked Government Bonds	683,160	—	683,160	—
Municipal / Provincial Bonds	40,237	—	35,000	5,237
Non- Government Backed C.M.O.s	157,823	—	156,720	1,103
Sukak	2,787	—	2,787	—
Collateralized Debt	49,266	—	48,080	1,186
Total fixed income investments	9,201,270	753,224	8,432,940	15,106
Equity Investments:				
Common stock	6,556,870	6,556,721	149	—
Convertible equity	12,908	12,908	—	—
Funds - Equities ETF	358,649	110,129	248,520	—
Preferred stock	3,946	2,047	1,899	—
Rights / Warrants	87	87	—	—
Stapled securities	3,360	3,360	—	—
Total equity investments	6,935,820	6,685,252	250,568	—
Other Investments:				
Currency	1,192	1,192	—	—
FX Contracts	307	307	—	—
Global Tactical Asset Allocation MF	878,936	—	878,936	—
Master Limited Partnership	1,086	1,086	—	—
REITs	12,543	12,543	—	—
Real Estate	9,949	—	—	9,949
Total other investments	904,013	15,128	878,936	9,949
Derivative Investments:				
Exchange cleared swaps	(1,441)	—	(1,441)	—
Options	476	(341)	817	—
Swaps	(57,920)	—	(57,920)	—
Grain future contracts	498	498	—	—
Total derivative investments	(58,387)	157	(58,544)	—
Total investments measured at fair value	$ 17,314,669	$ 7,469,410	$ 9,820,204	$ 25,055

INVESTMENTS MEASURED AT THE NET ASSET VALUE (NAV)	Fair Value 6/30/21	Unfunded Commitments	Redemption Frequency (If currently eligible)	Redemption Notice Period
Commingled Funds - Debt	$ 1,708,277	$ —	Daily, monthly	1 - 15 days
Commingled Funds - Equities	3,271,765	—	Daily, monthly	1 - 15 days
Commingled Funds - Fixed Income	138,536	—	Daily	< 5 days
Distressed Debt	225,536	75,000	Quarterly, not eligible	60 days
Long / short	365,032	—	Monthly	15 days
Mezzanine Debt	205	8,499	Not eligible	Not eligible
Private Credit	476,410	181,200	Not eligible	Not eligible
Private Equity	562,244	1,110,976	Not eligible	Not eligible
Real Assets	2,817,597	430,427	Quarterly, not eligible	30 - 90 days
Private Debt Fund	283,256	296,000		
Total investments measured at the NAV	9,848,858	$ 2,102,102		
Total investments	$ 27,163,527			

Major Component Units

INVESTMENTS MEASURED AT FAIR VALUE	Fair Value 6/30/21	Level 1	Level 2	Level 3
Short term securities				
Certificates of deposit	$ 12,272	$ —	$ 12,272	$ —
Short term bills and notes	41,815	—	41,815	—
Total short term securities	54,087	—	54,087	—
Fixed income investments:				
Gov't Agencies	25,206	25,206	—	—
Other Fixed Income	318	318	—	—
Total fixed income investments	25,524	25,524	—	—
Equity Investments:				
Stock	30	30	—	—
Other equities	605	605	—	—
Total equity investments	635	635	—	—
Other Investments:				
Mineral acres	18	—	—	18
Total other Investments	18	—	—	18
Total investments	$ 80,264	$ 26,159	$ 54,087	$ 18

NOTE 4 - NET POSITION

The government-wide Governmental Activities Statement of Net Position reports $7,673,701,786 of restricted net position, of which $947,491,232 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 $8,215,164,936 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)

	General	Special Revenue Federal	Special Revenue State	Nonmajor Governmental	Total
Fund Balances:					
Nonspendable:					
Inventory	$ 3,236	$ 24,671	$ 10,456	$ —	$ 38,363
Long - Term Receivables	66	—	—	—	66
Prepaid Expenditures	4,258	16,281	6,366	—	26,905
Permanent Trust Fund for Veteran's Postwar	—	—	—	7,767	7,767
Permanent Trust Fund for Coal Dev.	—	—	—	71,010	71,010
Total Nonspendable	7,560	40,952	16,822	78,777	144,111
Restricted for:					
Distribution to Common Schools	—	—	6,057,564	—	6,057,564
State Education Aid	—	—	388,940	—	388,940
Lignite Research	—	—	20,592	—	20,592
Water Projects and Energy Conservation	—	—	377,908	—	377,908
Well Plugging and Site Reclamation	—	—	14,242	—	14,242
Agriculture & Commerce	—	—	68,606	—	68,606
Natural Resources	—	—	31,818	—	31,818
Highway Projects	—	—	429,202	—	429,202
Transportation	—	—	34,551	—	34,551
Petroleum Tank Release Compensation	—	—	6,568	—	6,568
Debt Service	—	—	—	750	750
Capital Improvement Projects	1,190	—	—	29,404	30,594
Other	—	—	54,149	—	54,149
Total Restricted	1,190	—	7,484,140	30,154	7,515,484
Committed to:					
Strategic Investments & Improvements	—	—	641,685	—	641,685
Oil and Gas Impact Grants	—	—	1,257	—	1,257
Buydown Interest Programs	—	—	78,447	—	78,447
Human Services & Health Operations	—	—	39,875	—	39,875
Outdoor Heritage Grants	—	—	34,465	—	34,465
Water Development & Management Projects	—	—	23,836	—	23,836
Oil, Gas, and Energy Research	—	—	16,804	—	16,804
Judicial & Legal	—	—	14,556	—	14,556
Public Safety & Corrections	15,047	—	2,692	—	17,739
Agriculture & Commerce	1,064	—	8,247	—	9,311
State Rail and Special Roads	—	—	17,518	—	17,518
Insurance Regulatory Operations	—	—	7,536	—	7,536
Parks and Recreation Operations	—	—	8,574	—	8,574
Economic Assistance & Social Services	10,604	—	—	—	10,604
Tax Relief	200,199	—	—	—	200,199
Stabilization	749,353	—	—	—	749,353
Theodore Roosevelt Presidential Library & Museum	38,447	—	—	—	38,447
Veteran's Postwar	—	—	—	412	412
Other	5,711	—	57,324	108	63,143
Total Committed	1,020,425	—	952,816	520	1,973,761

	General	Special Revenue Federal	Special Revenue State	Nonmajor Governmental	Total
Assigned to:					
Education	$ —	$ —	$ 4,126	$ —	$ 4,126
Human Services & Health Operations	—	—	130,173	—	130,173
Judicial & Legal	—	—	9,458	—	9,458
Correction and Rehabilitation Operations	—	—	6,138	—	6,138
Strategic Investments & Improvements	—	—	218,780	—	218,780
Agriculture & Commerce	—	—	2,475	—	2,475
Environmental Quality	—	—	2,179	—	2,179
Securities Regulations	—	—	3,077	—	3,077
Other	—	—	9,887	—	9,887
Total Assigned	—	—	386,293	—	386,293
Unassigned	9,708,646	(9,020)	—	—	9,699,626
Total Fund Balances	$ 10,737,821	$ 31,932	$ 8,840,071	$ 109,451	$ 19,719,275

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, 400 East Broadway, Suite 505, Bismarck, North Dakota 58501.

At June 30, 2021 number of participating political subdivisions in PERS was:

Cities	98
Counties	51
School Districts	131
Other	88
Total Participating Local Political Subdivisions	368

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

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 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.

The monthly pension benefit for National Guard 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 changed to the greater of (i) lump sum payment of accumulated contributions, and (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 Board in the North Dakota Administrative Code.

For Judges only, the disability benefit formula is changed to 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.

Members that made a qualifying election under Senate Bill 2015 to move from the Defined Contribution Plan back to the Defined Benefit Plan have a 2% increase on employee contributions. 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 for both the PERS plan as well as the defined contribution plan.

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. Contribution rates are established as a percent of covered compensation as follows:

	Member Contributions	Employer Contributions
PERS		
Members first enrolled prior to 1/1/20	7.00 %	7.12 %
Members first enrolled after to 1/1/20	7.00 %	8.26 %
Members returning to the Defined Benefit Plan as a result of Senate Bill 2015	9.00 %	7.12 %
Judges Retirement System	8.00 %	17.52 %
Law Enforcement with previous service		
State – BCI Plan	6.00 %	9.81 %
State – National Guard	5.50 %	9.81 %
Political subdivisions	5.50 %	9.81 %
Law Enforcement without previous service	5.50 %	7.93 %

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, 400 East Broadway, Suite 505, Bismarck, North Dakota 58501.

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 accrued 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 13.3% and the employer rate is 19.7%. Both the member and the employer contribution rate will increase by 0.5% in January 2022, 2023, 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, 400 East Broadway, Suite 505, Bismarck, North Dakota 58501.

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. 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, 3442 East Century Avenue, P.O. Box 7100, Bismarck, North Dakota 58507-7100.

At June 30, 2021, the number of participating employer units in TFFR was:

Type	Number
Public School Districts	173
County Superintendents	6
Special Education Units	20
Vocational Education Units	4
Other	9
Total	212

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:	13,575	135	177	9,262
Terminated Employees:				
Vested	7,877	28	—	1,754
Inactive	7,094	21	—	1,213
Active Employees:				
Vested	17,160	73	3	8,306
Nonvested	7,434	78	—	3,321
Total plan membership	53,140	335	180	23,856
Date of annual valuation	July 1, 2021	July 1, 2021	July 1, 2021	July 1, 2021

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, 2021:

	Target Allocation			
	PERS and NDHPRS	JSND	TFFR	RHIC*
Domestic equities	30.0 %	2.0 %	— %	39.0 %
International equities	21.0 %	18.0 %	— %	26.0 %
Private equity	7.0 %	6.0 %	— %	— %
Domestic fixed income	23.0 %	74.0 %	— %	35.0 %
International fixed income	— %	— %	— %	— %
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 %

*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, 2021:

PERS	27.43 %
NDHPRS	23.90 %
JSND	6.81 %
TFFR	26.36 %
RHIC*	25.58 %

*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.

REALIZED GAINS AND LOSSES

Realized gains and losses on sales of investments are components of net change in fair value of investments and are computed as described in note 1. For the year ended June 30, 2021, the following are the net realized gains (losses):

PERS	$301,304,554
NDHPRS	7,191,804
JSND	2,375,571
TFFR	236,376,522
Retiree Health Insurance Credit (RHIC)	6,384,582
Defined Contribution Plan	401,039
Deferred Compensation Plan	7,861,634

C. FUNDING STATUS AND PROGRESS

NET PENSION LIABILITY OF THE PLANS

The components of the net pension liability of the Plans at June 30, 2021 were as follows (expressed in thousands):

	PERS	NDHPRS	JSND	TFFR
Total pension liability	$ 4,991,543	$ 123,371	$ 64,844	$ 4,336,060
Plan fiduciary net position	(3,949,723)	(100,076)	(96,603)	(3,282,405)
Net pension liability (asset)	$ 1,041,820	$ 23,295	$ (31,759)	$ 1,053,655
Plan fiduciary net position as a percentage of the total pension liability	79.13 %	81.12 %	148.98 %	75.70 %

ACTUARIAL ASSUMPTIONS

PERS

The total pension liability was determined by an actuarial valuation as of July 1, 2021, 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 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 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 the Public Safety with prior Main System, and 7.93% for the Public Safety without prior Main System service System.

The actuarial assumptions used in the actuarial valuation as of July 1, 2021 were based on an experience review for the period from July 1, 2014 to July 1, 2019, and were adopted for use commencing with the actuarial valuation as of July 1, 2020.

HPRS

The total pension liability was determined by an actuarial valuation as of July 1, 2021, 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 July 1, 2014 through July 1, 2019.

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.

JSND

The total pension liability was determined by an actuarial valuation as of July 1, 2021, 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 specify to the type of eligible condition. Investment Rate of Return: 4.25%

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 4.25% to 3.75%, first effective July 1, 2021.

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, 2021, using the following actuarial assumptions:

Actuarial Cost Method: Entry Age Normal

Asset Valuation Method: 5 year smoothed market

Inflation: 2.30%

Salary Increase (Payroll Growth): 3.80% - 14.80%; varying by service, including inflation and productivity.

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 expense.

Cost of Living Adjustment: None

Mortality Rates: For the July 1, 2020, 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. The pre-retirement mortality table was updated to the Pub T-2010 Employee table projected with generational improvement using Scale MP- 2019.The actuarial assumptions used were based on the results of an experience study dated March 19, 2020.

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, 2021 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	6.00 %	Domestic equities	5.50 %	Global equity	6.90 %
International equity	6.70 %	Core fixed income	0.07 %	Global fixed income	0.70 %
Private equity	9.50 %	Limited duration fixed income	(0.34)%	Global real assets	4.80 %
Domestic fixed income	0.73 %	Global equity	5.24 %	Cash equivalents	(1.00)%
International fixed income	0.00 %	Diversified short-term fixed income	(0.21)%		
Global real assets	4.77 %	Short-term corporate fixed income	(0.89)%		
Cash equivalents	0.00 %	US high yield	3.11 %		
		Emerging market debt	5.26 %		

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 7.00%; the municipal bond rate is 1.92%; and the resulting Single Discount Rate is 7.00%.

For HPRS, the expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 1.92%; and the resulting Single Discount Rate is 7.00%.

For JSND, the discount rate was 3.75% as of June 30, 2021. 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, 2021 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, 2021. 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, 2021.

For TFFR, the discount rate was 7.25% as of June 30, 2021. 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, 2021 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, 2021. 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, 2021.

SENSITIVITY OF NET PENSION LIABILITY

The following presents the net pension liability of the Plans as of June 30, 2021, calculated using the discount rate of 7.00% for PERS, 7.00% for NDHPRS, 3.75% 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

Net Pension Liability (Asset) As of June 30, 2021	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
PERS	$ 1,686,774,453	$ 1,041,820,297	$ 505,489,341

Net Pension Liability (Asset) As of June 30, 2021	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
NDHPRS	$ 40,084,617	$ 23,295,192	$ 9,514,031

Net Pension Liability (Asset) As of June 30, 2021	1% Decrease (2.75%)	Current Discount Rate (3.75%)	1% Increase (4.75%)
JSND	$ (25,814,168)	$ (31,759,726)	$ (38,151,410)

Net Pension Liability (Asset) As of June 30, 2021	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
TFFR	$ 1,582,102,595	$ 1,053,655,311	$ 614,833,478

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, 2021*

	JSND	NDHPRS
Total pension liability (asset)		
Service cost	$ 57,560	$ 2,877
Interest	3,038,156	7,870
Change of benefit terms	—	—
Difference between expected and actual experience	(1,122,296)	729
Changes of assumptions	539,852	66,143
Benefit payments, including refund of employee contributions	(4,581,575)	(5,705)
Net change in total pension liability (asset)	(2,068,303)	71,914
Total pension liability (asset) - beginning	66,196,940	106,315
Total pension liability (asset) - ending (a)	$ 64,128,637	$ 178,229
Plan fiduciary net position		
Contributions - employer	$ —	$ 2,177
Contributions - employee	27,047	1,470
Contributions - service credit repurchase	—	205
Transfers and other income	—	—
Net investment income	2,621,067	2,667
Benefit payments, including refund of employee contributions	(4,581,575)	(5,705)
Administrative expense	(19,148)	(46)
Net change in plan fiduciary net position	(1,952,609)	768
Plan fiduciary net position - beginning	97,203,246	81,416
Plan fiduciary net position - ending (b)	$ 95,250,637	$ 82,184
Net pension liability (asset) - ending (a) - (b)	$ (31,122,000)	$ 96,045
Plan fiduciary net position as a percentage of the total pension liability (asset)	148.53 %	46.11 %
Covered payroll	$ 314,607	$ 11,410
Plan net pension liability (asset) as a percentage of covered payroll	-9892.34 %	841.78 %

*The 2021 information presented has a measurement date of June 30, 2020.

JOB SERVICE NORTH DAKOTA (JSND)

Net Pension Asset

At June 30, 2021, the State recorded a net pension asset of $31,122,000 for all of the Job Service North Dakota pension plan. The net pension asset was measured as of June 30, 2020 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, 2021 the State recognized pension expense of ($865,905). At June 30, 2021 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	1,703,699	—	—	—
Changes in proportion and differences between employer contributions and proportionate share of contributions	—	—	—	—
Employer contributions subsequent to the measurement date	—	—	—	—
Total	$ 1,703,699	$ —	$ —	$ —

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
2022	$ 790,196	$ —
2023	517,517	—
2024	18,243	—
2025	377,743	—
Total	$ 1,703,699	$ —

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 4.25 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 (3.25 percent) or 1-percentage-point higher (5.25 percent) than the current rate:

	1% Decrease (3.25%)	Current Discount Rate (4.25%)	1% Increase (5.25%)
State’s proportionate share of the net pension asset	(24,661,696)	(31,122,000)	(36,644,730)

NORTH DAKOTA HIGHWAY PATROLMEN’S RETIREMENT SYSTEM (NDHPRS)

Net Pension Liability

At June 30, 2021, the State recorded a net pension liability of $96,044,891 for all of the North Dakota Highway Patrolmen’s Retirement System pension plan. The net pension liability was measured as of June 30, 2020 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, 2021 the State recognized pension expense of $17,728,227. At June 30, 2021 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	$ 791,647	$ (365,625)	$ —	$ —
Changes of assumptions	57,689,027	—	—	—
Net difference between projected and actual earnings on pension plan investments	2,690,731	—	—	—
Changes in proportion and differences between employer contributions and proportionate share of contributions	—	—	—	—
Employer contributions subsequent to the measurement date	2,292,521	—	—	—
Total	$ 63,463,926	$ (365,625)	$ —	$ —

$2,292,521 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, 2022.

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
2022	$ 13,671,438	$ —
2023	14,013,115	—
2024	13,619,206	—
2025	13,150,967	—
2026	6,351,054	—
Total	$ 60,805,780	$ —

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 4.09 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 (3.09 percent) or 1-percentage-point higher (5.09 percent) than the current rate:

	1% Decrease (3.09%)	Current Discount Rate (4.09%)	1% Increase (5.09%)
State’s proportionate share of the net pension liability	$ 127,280,387	$ 96,044,891	$ 71,396,917

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, 2021, the State recorded a net pension liability of $1,566,154,858 for all of the PERS system. The net pension liability was measured as of June 30, 2020 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, 2020 the State's proportion was 49.782089 percent, which is an increase of 1.14209 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, 2021, the discrete component units recorded a net pension liability of $431,000 for all of the PERS system. The net pension liability was measured as of June 30, 2020 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, 2020 the discrete component unit's proportion was 0.013698 percent, which is a decrease of 0.002611 percent from the prior year.

Deferred Inflows and Outflows of Resources

For the year ended June 30, 2021 the State recognized pension expense of $272,302,193 and the component unit recognized pension expense of $67,000. At June 30, 2021 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	$ 6,685,783	$ (79,664,147)	$ 2,000	$ (21,000)
Changes of assumptions	850,885,274	(140,410,251)	231,000	(39,000)
Net difference between projected and actual earnings on pension plan investments	52,176,289	—	14,000	—
Changes in proportion and differences between employer contributions and proportionate share of contributions	25,691,112	(46,885,612)	—	(31,000)
Employer contributions subsequent to the measurement date	42,131,183	—	11,000	—
Total	$ 977,569,641	$ (266,960,010)	$ 258,000	$ (91,000)

$42,131,183 and $11,000 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, 2022.

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
2022	$ 195,440,803	$ 46,000
2023	170,970,192	40,000
2024	140,798,699	32,000
2025	160,281,996	38,000
2026	869,238	—
Thereafter	117,520	—
Total	$ 668,478,448	$ 156,000

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 4.64 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 (3.64 percent) or 1-percentage-point higher (5.64 percent) than the current rate:

	1% Decrease (3.64%)	Current Discount Rate (4.64%)	1% Increase (5.64%)
State's proportionate share of the net pension liability	$ 2,037,570,604	$ 1,566,154,858	$ 1,180,336,929
Component's proportionate share of the net pension liability	559,000	431,000	326,000

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, 2021, the State recorded a net pension liability of $9,064,521 for all of the TFFR. The net pension liability was measured as of June 30, 2020 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, 2020 the State's proportion was 0.59226 percent, which is a decrease of 0.0344 percent from the prior year.

Deferred Inflows and Outflows of Resources

For the year ended June 30, 2021 the State recognized pension expense of $894,408. At June 30, 2021 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	$ 1,869	$ (340,172)	$ —	$ —
Changes of assumptions	407,982	—	—	—
Net difference between projected and actual earnings on pension plan investments	559,564	—	—	—
Changes in proportion and differences between employer contributions and proportionate share of contributions	361,370	(1,038,857)	—	—
Employer contributions subsequent to the measurement date	543,169	—	—	—
Total	$ 1,873,954	$ (1,379,029)	$ —	$ —

$543,169 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, 2022.

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
2022	$ 104,633	$ —
2023	(22,363)	—
2024	40,146	—
2025	2,525	—
2026	(132,737)	—
Thereafter	(40,448)	—
Total	$ (48,244)	$ —

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	$ 12,073,455	$ 9,064,521	$ 6,563,943

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, 2021.

Pension Plan	Net Pension Asset	Deferred Outflows of Resources Pension	Net Pension Liability	Deferred Inflows of Resources Pension	Pension Expense
Job Service ND	$ (31,122,000)	$ 1,703,699	$ —	$ —	$ (865,905)
ND Highway Patrolmen's Retirement System	—	63,463,926	96,044,891	365,625	17,728,227
ND Public Employees' Retirement System	—	977,569,641	1,566,154,858	266,960,010	272,302,193
ND Teachers' Fund for Retirement	—	1,873,954	9,064,521	1,379,029	894,408
Total	$ (31,122,000)	$ 1,044,611,220	$ 1,671,264,270	$ 268,704,664	$ 290,058,923

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. Employees under the judicial branch or the Board of Higher Education and State Institutional under jurisdiction of the Board of Higher Education are not eligible to participate in the plan. The 2013 Legislative Assembly passed legislation to expand eligibility to the plan to include all new state employees hired on or after October 1, 2013 through July 31, 2017. The Defined Contribution Plan had 89 participants as of June 30, 2021.

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 $481,934 for the year ended June 30, 2021.

The Board, or vendors contracted by the Board, has exclusive authority to invest and manage the assets of the Defined Contribution Retirement Plan. State statute allows each participating employee to direct the investment of the individual's employer and employee contributions and earnings to one or more investment options within the available categories of investment as established by the Board.

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 TIAA-CREF, Denver Regional Office, 1700 Broadway, Suite 770, Denver, Colorado 80290 or by calling 800-842-2009.

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.

Employment Class	Years Of Service	By The Participant	By The Institution	Total
I and III	0 thru 10	4.50%	12.50%	17.00%
	over 10	5.00%	13.00%	18.00%
II	0 thru 2	3.50%	7.50%	11.00%
	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 (additional employer contribution)	less than 3	0.00%	0.00%	0.00%
	3 to less than 6	0.00%	4.00%	4.00%
	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 $44.1 million to TIAA-CREF during the fiscal year ending June 30, 2021.

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.

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	13,697
Active participants	21,067
Total Membership	34,764

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, 2021 is as follows (expressed in thousands):

	RHIC
Total OPEB liability	$ 237,952
Plan fiduciary net position	(182,335)
Net OPEB liability (asset)	$ 55,617
RHIC fiduciary net position as a percentage of the total OPEB liability	73.63 %

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: 6.50%.

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 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, 2021 is summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Large Cap Domestic Equities	5.85 %
Small Cap Domestic Equities	6.75 %
International equities	6.25 %
Core-Plus Fixed Income	0.50 %

Discount Rate

The discount rate used to measure the total OPEB liability was 6.5%. 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, 2021 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, 2021, calculated using the single discount rate of 6.50%, 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:

Net OPEB Liability (Asset) As of June 30, 2021	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
RHIC	$ 82,487,616	$ 55,617,289	$ 32,880,996

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, 2021, the State reported a liability of $40,900,219 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2020, 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, 2020, the State's proportion was 51.92239 percent, which is an increase of 2.14404 percent from the prior year.

Deferred Inflows and Outflows of Resources

For the year ended June 30, 2021 the State recognized OPEB expense of $5,677,788. At June 30, 2021, the State reported deferred outflows of resources and deferred inflows of resources related to OPEB 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	$ 907,898	$ (980,444)	$ —	$ —
Changes of assumptions	5,465,669	—	—	—
Net difference between projected and actual earnings on OPEB plan investments	1,405,879	—	—	—
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,262,075	(2,828,366)	—	—
Employer contributions subsequent to the measurement date	6,393,257	—	—	—
Total	$ 15,434,778	$ (3,808,810)	$ —	$ —

$6,393,257 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, 2022.

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:

	Primary Government	Component Units
2022	$ 1,069,778	$ —
2023	1,396,074	—
2024	1,338,380	—
2025	990,994	—
2026	400,344	—
Thereafter	37,141	—
Total	$ 5,232,711	$ —

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, 2021, calculated using the discount rate of 6.50%, 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 (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 OPEB liability	$ 51,843,221	$ 40,891,219	$ 31,542,244

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, 2020. 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, 2021. Requests to obtain or review the actuary report should be addressed to the Finance Manager – P.O. 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	155
Terminated employees entitled to benefits but not yet receiving them	—
Current vested employees	5
Total	160

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The Employer reported a liability of $1,215,321 at June 30, 2021 for its net OPEB liability. The net OPEB liability was measured as of July 1, 2020, 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, 2021, the Employer recognized OPEB expense of $32,352. The Employer reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following:

	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 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, 2021
Inflation	none
Salary increases	5%
Discount rate	2.66% 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, 2021, calculated using the discount rate of 2.66%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.66 percent) or 1-percentage-point higher (3.66 percent) than the current rate:

Net OPEB Liability As of June 30, 2021	1% Decrease (1.66%)	Current Discount Rate (2.66%)	1% Increase (3.66%)
Met Life	$ 1,351,583	$ 1,215,321	$ 1,100,247

Schedule of Changes in Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Net Position (b)	Net OPEB Liability (a) - (b)
Balances at 7/1/20	$ 1,265,603	$ —	$ 1,265,603
Changes for the Year:			
Service cost	862	—	862
Interest	31,490	—	31,490
Benefit changes	—	—	—
Experience losses (gains)	—	—	—
Changes of assumptions	—	—	—
Contributions - Employer	—	82,634	82,634
Benefits paid	(82,634)	(82,634)	(165,268)
Administrative expenses	—	—	—
Net changes	(50,282)	—	(50,282)
Balances at 6/30/21	$ 1,215,321	$ —	$ 1,215,321

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, 2020.

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, 2021.

OPEB Plan	Deferred Outflows of Resources - OPEB	Net OPEB Liability	Deferred Inflows of Resources - OPEB	OPEB Expense
ND Public Employees' Retirement System	$ 15,434,778	$ 40,900,219	$ 3,808,810	$ 5,677,788
JSND Met Life Insurance Benefit	—	1,215,321	—	(32,352)
Total	$ 15,434,778	$ 42,115,540	$ 3,808,810	$ 5,645,436

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 $19,500 or 100% of gross annual compensation for calendar year 2021. 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 14,559 active participants as of June 30, 2021.

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	$	173,169	93 %
Other Jurisdictions		13,397	7 %
Total Value	$	186,566	100 %

NOTE 9 - PERS UNIFORM GROUP INSURANCE PROGRAM

The PERS Uniform Group Insurance Program, an enterprise fund, contracts with Sanford Health Plan to provide health care insurance to the employees of the State of North Dakota, or any of its political subdivision, 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 coming in 2022. In the event of a loss, the system does not have any risk. For this period claims exceed premiums, therefore, no gain is being returned to the State.

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, 2021, was as follows (expressed in thousands):

	Home-Ownership Bond Funds
Condensed Statement of Net Position	
Current assets – other	$ 323,826
Noncurrent assets – other	1,242,287
Total Assets	1,566,113
Deferred outflow of resources	10,361
Current liabilities – other	56,314
Noncurrent liabilities – other	1,319,044
Total Liabilities	1,375,358
Net position – restricted	201,116
Total Net Position	$ 201,116
Condensed Statement of Revenues, Expenses and Change in Fund Net Position	
Operating revenues	$ 45,677
Operating expenses	(40,912)
Operating income	4,765
Change in net position	4,765
Total net position, beginning of year, restated	196,441
Equity transfer out	(90)
Total net position, end of year	$ 201,116
Condensed Statement of Cash Flows	
Net cash provided by operating activities	$ 91,997
Net cash used for noncapital financing activities	(14,620)
Net cash used for investing activities	(9,450)
Net change in cash and cash equivalents	67,927
Cash and cash equivalents, beginning of year	216,924
Cash and cash equivalents, end of year	$ 284,851

NOTE 11 - MAJOR COMPONENT UNIT TRANSACTIONS

BISMARCK STATE COLLEGE AND BISMARCK STATE COLLEGE FOUNDATION

On January 25, 2007, BSC and BSC Foundation entered into a 15-year lease agreement to facilitate the construction of a Mechanical Maintenance 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 $1.4 million debt service retirement. Upon payment of all the bonds, BSC will have the option to purchase the premises for $100. On August 15, 2013, an addendum was made to the lease agreement to facilitate an addition to the facility.

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.

	BSC	BSC Foundation
NECE Building	$ 9,548,989	$ 10,846,116
Accumulated Depreciation	(2,797,407)	(3,476,230)
Net Value of NECE Building	$ 6,751,582	$ 7,369,886

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 an operating lease on BSC financial statements and Student Housing, LLC financial statements includes the capitalized asset.

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 June 30, 2032. During fiscal year 2021, total annual rent of $312,000 was paid by NDSU for these two buildings, in addition to the $1.78 million of principal and interest paid by NDSU directly to the bond trustee. NDSU reimbursed NDSU RTP $36,644 for property insurance on the two buildings and directly pays the utility costs under these agreements. The annual rent will be re-adjusted by mutual agreement every two years. These agreements are subject to funding and legislative appropriations.

NDSU FOUNDATION

Fargodome Lease and Improvements

In fiscal year 2006, the Foundation financed the construction and equipping of office space, locker rooms, meetings rooms, and related facilities in the Fargodome for use by NDSU through the sale of revenue bonds issued by Cass County. The Foundation has leased the space in the Fargodome from the City of Fargo and subleased the space, furniture, fixtures and equipment to NDSU. Under the agreement, NDSU will pay rent to the NDSUFAA for use of the premises. The amount of the rent is tied to the $3.5 million debt service retirement plus the Fargodome annual space rent and all costs incurred by the Foundation incident to the lease, less any contributions received by the Foundation for the project. Under this agreement in fiscal year 2021, the Foundation paid the debt service and other fees on behalf of NDSU in the amount of $331,567.

The facility is included in long-term investments and the debt is included in long-term liabilities on the financial reports of the Foundation. Since the foundation is a discretely presented component unit of the System and the component unit and the System are reporting the same assets and debt for the Fargodome improvements, a reclassification entry was made to ending balances in the component unit consolidating financial statements to show the appropriate due from primary institution.

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 $414,000 in fiscal year 2021 for debt service under this agreement. As of June 30, 2020, the outstanding balance on the bonds, reflected as “Due to Component Units” by NDSU, is $3.3 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 2021, NDSU paid $767,000 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, 2021, the outstanding balance on the bonds, reflected as “Due to Component Units” by NDSU, is $7.7 million.

Other Transactions

The Foundation provides meeting space rental and database support service to NDSU for an annually negotiated fee.
NDSU paid the foundation $831,000 for the fiscal year ending December 31, 2020.

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 $115,000 during the fiscal year ending December 31, 2020.

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, 2021.

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 $7.3 million in fiscal year 2021. 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 $4.7 million in fiscal year 2021, 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, 2021, the UND AF had recorded accounts payable to UND of $1.8 million for reimbursable costs and services. As of June 30, 2021, the UND AF had recorded accounts receivable from UND of approximately $1.5 million, 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. Under this noncancellable sublease with UND, UND AF will receive future minimum rentals of $1.6 million over the next five years.

UNIVERSITY OF NORTH DAKOTA AND RE ARENA, INC.

RE Arena Inc. and UND, enter into an annual operating agreement from July 1, 2017 to June 30, 2020. 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 64 percent of such sponsorship revenue, net of direct costs, and remits 36 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 2021, gross tickets sales were $701,000 of which RE Arena, Inc. recognized revenue of $365,000 with a net due to UND $337,000.

At the end of the fiscal year 2021 UND owed REA $776,000 due to the prepayment of their ticket sales allocation. Gross tickets sales for the next athletic season year are recorded in deferred revenue at gross by REA for a total of $3.5 million.

RE Arena, Inc. recognized net sponsorship (advertising) revenue of approximately $81,000 and the net due UND in sponsorship (advertising) income of approximately $45,000. REA allocated $0 of net income to UND athletic department. REA expensed $699,000 to UND for utilities, maintenance staff, phone service and other. At the end of the fiscal year REA owed UND $44,798 for monthly services. At the end of the fiscal year REA, owed UND $5,600 for revenue for the 50/50 settlement.

Amounts are reported on the accrual basis of accounting, which may or may not be the same as that used by UND. RE Arena Inc.'s fiscal year end is May 31st, UND's fiscal year end is June 30th. Amounts may differ between entity financial statement 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, 2021, UND provided approximately $1.5 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 $251,000 in investment management fees during the year ended June 30, 2021. These fees and support are reported as operations, fees and miscellaneous revenue on the Statement of Revenue, Expenses and Changes in Fund Net Assets for Component Units (FASB Basis) – University System Foundation.

The Foundation has accounts payable due to UND related to miscellaneous services and payments of approximately $235,000.

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 2021 was $4,500.

The UND Foundation has other receivables from UND related to the renovation of an existing building for the Energy and Environmental Research Center (EERC) and the construction of the Minot Center for Family Practice for $2.9 million and $1.6 million, respectively.

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, 2021 were $3.4 million. The bonds are secured by a lease with UND. The terms for the repayment are the same as the payment terms of the related bonds. During fiscal year ended June 30, 2021, the UND Foundation recorded payment of principal and interest of $430,000 and approximately $132,436, respectively. The interest is included in program and event income on the statement of activities.

On October 24, 2003, the UND Foundation issued $4.4 million of tax-exempt lease revenue bonds to finance the purchase of land and the construction of a facility for occupancy by the Minot Center for Family Practice in Minot, North Dakota. The center is a department of the School of Medicine & Health Sciences at UND. The UND Foundation recorded a receivable from UND of $4.4 million due under the direct-financing lease agreement. In June 2008, the $3.7 million remaining balance of the 2003 bonds was refinanced with Lease Revenue Refunding Bonds, Series 2008. In April 2018, the $2.2 million remaining balance of the 2008 bonds was refinanced with Lease Revenue Refunding Bonds, Series 2018. The bond matures as of April 1, 2028. The interest rate is fixed at 3.50 percent until 2028. Payments of $133,333 are required semi-annually through 2028. The bonds are secured by a lease with UND. Annual principal and semiannual interest payments as of June 30, 2021 was $266,669.

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	$ 1,242,214
Financial standby letters of credit	442,641
Guarantees provided	8,515

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 seventeen months to twenty nine 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, 2020 were $104,150,000.

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, 2020 were $4,746,000.

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 $333,745,000 at December 31, 2020. 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, 2020.

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 $47,333,000 at June 30, 2021.

MEDICAL FACILITY INFRASTRUCTURE LOAN FUND

The Fund's exposure to loan loss is represented by the contractual amount of these commitments. There was one pending loan commitment totaling $3,000,000 as of June 30, 2021.

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 $90,155,000 at June 30, 2021.

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 $102,833,000 at June 30, 2021.

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 $187,872,000 at December 31, 2020.

NOTE 13 - INTEREST RATE SWAP

BANK OF NORTH DAKOTA

The Bank has outstanding interest rate swap agreements with a notional amount $545,000,000 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 LIBOR
April 5, 2017	May 1, 2032	$50,000,000	2.39%	1 Month LIBOR
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 3, 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, 2020:

		Fair Value		Changes in Fair Value	
Swap	National Amount	Classification	Amount	Classification	Amount
June 2014	$ 50,000,000	Other liabilities	$ (9,461,000)	Deferred outflow	$ (3,993,000)
April 2015	50,000,000	Other liabilities	(5,717,000)	Deferred outflow	(4,439,000)
August 2016	50,000,000	Other liabilities	(3,274,000)	Deferred outflow	(4,996,000)
April 2017	50,000,000	Other liabilities	(8,223,000)	Deferred outflow	(5,050,000)
June 2017	50,000,000	Other liabilities	(6,492,000)	Deferred outflow	(4,892,000)
March 2018	50,000,000	Other liabilities	(9,509,000)	Deferred outflow	(5,016,000)
June 2018	50,000,000	Other liabilities	(9,895,000)	Deferred outflow	(5,069,000)
April 2019	50,000,000	Other liabilities	(9,248,000)	Deferred outflow	(5,247,000)
Sept 2019	50,000,000	Other liabilities	(1,288,000)	Deferred outflow	(5,291,000)
Oct 2019	50,000,000	Other liabilities	(2,851,000)	Deferred outflow	(5,313,000)
Dec 2019	45,000,000	Other liabilities	(1,546,000)	Deferred outflow	(1,740,000)

At December 31, 2020, 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 LIBOR-BBA interest rates decrease.

Using rates as of December 31, 2020, the interest expense of the variable rate federal funds, variable rate 1 month LIBOR and the net swap payments are as follows. As rates vary, the federal fund and 1 month LIBOR interest expense and the net swap payments will vary.

	Pay Fixed	Receive Variable		
Year Ended December 31:	Contract Interest	Federal Fund Interest	1-Month LIBOR Interest	Interest Rate Swap, net
2021	$ 10,856,000	$ 401,000	$ 154,000	$ 10,301,000
2022	10,856,000	401,000	154,000	10,301,000
2023	10,706,000	391,000	154,000	10,161,000
2024	10,258,000	360,000	154,000	9,744,000
2025	10,258,000	360,000	154,000	9,744,000
2026-2030	48,474,000	4,934,000	770,000	42,770,000
2031-2035	18,239,000	3,252,000	154,000	14,833,000
	$ 119,647,000	$ 10,099,000	$ 1,694,000	$ 107,854,000

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, 2021, the Agency no swaps with a positive fair value. 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 Bank of New York Mellon, the 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, 2021, the Agency owed the swap providers a fixed rate on the notional amount of the swaps of $2,367,000 and the swap providers owed the Agency a variable rate on the notional amounts of $140,000 making the net payment that the Agency owed the swap providers $2,227,000.

Due to the difference in the variable rate indices, the swaps had a net negative fair value of $10,361,000 as of June 30, 2021. 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 outflow at June 30, 2021. 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, 2021. 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, 2021 are as follows:

1. Bond Series	2014 B	2015 C	2015 E	2015 F
2. Issuance Date	6/24/2014	6/23/2015	5/1/2016	12/8/2015
3. Maturity Date	7/1/2044	1/1/2046	7/1/2036	1/1/2047
4. Notional Amount	$ 27,055,000	$ 17,700,000	$ 22,410,000	$ 17,435,000
5. Variable-rate Bonds	$ 27,055,000	$ 17,700,000	$ 22,410,000	$ 17,435,000
6. Fixed Rate	2.890 %	2.486 %	2.257 %	2.320 %
7. LIBOR Percentage	65.80 %	66.20 %	66.40 %	100.00 %
8. Additional Percentage	0.17 %	0.10 %	0.22 %	0.00 %
9. Bonds Variable-rate	0.00400 %	0.02000 %	0.02000 %	0.09000 %
10. Fair Value	$ (357,000)	$ (299,000)	$ (744,000)	$ (866,000)
11. Percentage of LIBOR	0.23613 %	0.16653 %	0.28673 %	10.05000 %
12. Synthetic Rate	2.69387 %	2.33947 %	1.99027 %	2.30950 %
13. Actual Synthetic Rate	2.79407 %	3.05960 %	2.02055 %	2.30046 %
14. Change in Fair Value	$520,000	$ 379,000	$ (154,000)	$ 650,000
15. Optional Termination Date	N/A	N/A	N/A	1/1/2025

1. Bond Series	2017 C	2017 H	2018 C	2019 B	2019E
2. Issuance Date	5/10/2017	12/21/2017	6/14/2018	2/13/2019	6/25/2019
3. Maturity Date	7/1/2047	7/1/2039	1/1/2049	1/1/2043	1/1/1950
4. Notional Amount	$ 20,545,000	$ 28,250,000	$ 9,355,000	$ 25,000,000	$ 12,265,000
5. Variable-rate Bonds	$ 20,545,000	$ 28,250,000	$ 9,355,000	$ 25,000,000	$ 12,265,000
6. Fixed Rate	2.783 %	2.266 %	3.515 %	2.693 %	3.171 %
7. LIBOR Percentage	100.00 %	66.40 %	100.00 %	70.00 %	100.00 %
8. Additional Percentage	0.00 %	0.09 %	0.00 %	0.00 %	0.00 %
9. Bonds Variable-rate	2.73904 %	0.03000 %	0.08000 %	0.43000 %	0.08000 %
10. Fair Value	$ (2,070,000)	$ (1,687,000)	$ (1,451,000)	$ (1,395,000)	$ (1,492,000)
11. Percentage of LIBOR	0.10050 %	0.15673 %	0.10050 %	0.07035 %	10.05000 %
12. Synthetic Rate	5.42104 %	2.13927 %	3.49450 %	3.05215 %	3.15050 %
13. Actual Synthetic Rate	2.74587 %	2.22825 %	3.49081 %	3.09063 %	3.18969 %
14. Change in Fair Value	$ 1,208,000	$ 813,000	$ 638,000	$ 734,000	$ 983,000
15. Optional Termination Date	7/1/2027	7/1/2023	7/1/2027	1/1/2024	7/1/2028

Using rates as of June 30, 2021, 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, 2021. As rates vary, variable-rate bond interest payments and net swap payments will vary. (Expressed in thousands.)

Fiscal Year Ending June 30	Variable-Rate Bond Principal	Variable-Rate Bond Interest	Interest Rate Swap, Net	Total
2022	$ 1,670	$ 730	$ 4,437	$ 6,837
2023	1,530	728	4,393	6,651
2024	1,405	727	4,361	6,493
2025	2,330	711	4,318	7,359
2026	3,125	656	4,238	8,019
2027-2031	24,535	2,589	19,642	46,766
2032-2036	46,415	1,718	15,603	63,736
2037-2041	56,825	922	8,747	66,494
2042-2046	35,595	238	2,630	38,463
2047-2051	6,585	14	356	6,955
	$ 180,015	$ 9,033	$ 68,725	$ 257,773

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 2021, a total of $94,913,286 in claims was recognized. The liability of $1,000,099,000 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, 2021 and 2020:

Fiscal Year	Beginning Balance	Current Year Claims and Changes In Estimates	Claims Payments	Ending Balance
2021	$ 3,746,363	$ 641,476	$ (639,530)	$ 3,748,309
2020	3,767,002	979,298	(999,937)	3,746,363

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 $14,982,091.

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, 2021 and 2020:

Fiscal Year	Beginning Balance	Current Year Claims and Changes In Estimates	Claims Payments	Ending Balance
2021	$ 4,938,728	$ 1,248,167	$ (2,723,924)	$ 3,462,971
2020	4,358,636	3,669,716	(3,089,624)	4,938,728

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 1,197 policies to participating entities for a total building and content coverage of $17.4 billion. The Bonding Fund is used to provide fidelity bonding of public employees and officials. The Fund has issued 2,102 policies to participating entities. The total coverage for the Bonding Fund is $791.9 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, 2021 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, 2021, coverage extended to the following employers:

Annual Premium	
$250 - $5,000	20,269
$5,001 - $50,000	3,896
$50,001 - $100,000	329
Over $100,000	284
Total Employers	24,778

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, 2021, 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	Central Value	High
Full value basis, undiscounted	$ 1,386,532	$ 1,508,257	$ 1,602,757
Present value basis, discounted at 4%	922,493	1,000,099	1,060,916

WSI has adjusted the estimated liability for unpaid loss and loss adjustment expense to the actuary's 4 percent discounted expected value of $1,000,099,000 at June 30, 2021.

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 2021 calendar year has two coverage levels, with retention limits of $10 million and $20 million. For the year ended June 30, 2021 WSI recorded ceded losses of $(8,595,236) and ceded premiums of ($767,031).

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 & Ins	
	2021	2020	2021	2020	2021	2020
Unpaid claims and claims adjustment expenses at the beginning of the year	$ 1,031	$ 678	$ 134	$ 98	$1,029,792	$1,090,944
Incurred claims and claims adjustment expenses:						
Provision for current fiscal year	3,511	2,576	59	(2)	144,856	176,999
Change in provision for prior fiscal year	(2,645)	30	—	—	(141,790)	(88,508)
Payments and claims and adjustment expenses attributable to:						
Current fiscal year insured events	(3,705)	(2,253)	(193)	136	(32,823)	(41,898)
Prior fiscal years' insured events	—	—	134	(98)	(91,783)	(143,212)
Total Payments	(3,705)	(2,253)	(59)	38	(124,606)	(185,110)
Change in provision for discount	—	—	—	—	91,847	35,467
Total unpaid claims and claims adjustment expenses at the end of the year	$ (1,808)	$ 1,031	$ 134	$ 134	$1,000,099	$1,029,792

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, 2021, the total outstanding balance on these contracts was $74.9 million.

MILL AND ELEVATOR

As of June 30, 2021, the Mill had commitments to purchase 4,417,779 bushels of spring wheat and 518,161 bushels of durum.

JOB SERVICE NORTH DAKOTA

As of June 30, 2021, the Agency has commitments to pay $1,811,978 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 $5,607,792 of signed commitments for construction projects as of June 30, 2021. The Fund had an $10,265,335 of HIF funds awarded for construction projects as of June 30, 2021. The total paid on these commitments as of June 30, 2020 was $4,657,543.

DEPARTMENT OF HUMAN SERVICES

As of June 30, 2021, the Department of Human Services had significant commitments for the purchase of various types of services totaling $701,375,803.

NORTH DAKOTA LOTTERY

The Lottery contracts with a third party to provide an online gaming system and related services through June 30, 2022. Total payment for these services during the year ended June 30, 2021 were $3.2 million based on 10.473% of ticket sales. The Lottery's future obligation through June 30, 2022 is based on 10.473% of ticket sales, there is no minimum fee or retainer fee.

NORTH DAKOTA DEPARTMENT OF TRANSPORTATION

At June 30, 2021, the North Dakota Department of Transportation (Special Revenue Fund) had non-construction contract commitments of approximately $79 million. Construction commitments at June 30, 2021 totaled approximately $277 million, of which $212 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, 2021, for which funds have not been disbursed or written agreements entered into in the amount of $1,783,362.

NORTH DAKOTA SOYBEAN COUNCIL

As of June 30, 2021, the North Dakota Soybean Council had significant commitments of approximately $2.8 million. This amount mainly consists of grants for the research and development of soybeans.

STATE WATER COMMISSION

As of June 30, 2021, the State Water Commission had long-term commitments of $288.1 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):

	Original Issue	Paid To Date	Amount To Be Paid
DCB	$ 3,283	$ 1,267	$ 2,016
DSU	4,274	3,510	764
LRSC	—	—	—
MaSU	651	187	464
MiSU	429	155	274
NDSCS	1,011	660	351
NDSU	101,691	55,333	46,358
UND	246,070	189,948	56,122
VCSU	30,608	19,098	11,510
WSC	8,433	8,432	1
Total	$ 396,450	$ 278,590	$ 117,860

OTHER CONSTRUCTION COMMITMENTS

That State has entered into construction commitments. As of June 30, 2021, the following commitment exists on other construction contracts, in thousands:

Office of Management and Budget	$ 10
Secretary of State	892
Attorney General	301
School for the Deaf	70
Health Department	843
Department of Human Services	14,751
Industrial Commission	477
Corrections and Rehab	267
Adjutant General	3,704
Game and Fish	983
Parks and Recreation	2,248
Department of Transportation	121,953

B. LITIGATION

The State is liable for two judgements in the amount $876,000. These judgements will be satisfied by funds appropriated by the 2021 Legislature.

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, 2020, was completed and issued in March of 2021. As a result of this audit, approximately $178,000 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 $539.87 million as of June 30, 2021. The State recognized revenue of $22.6 million of tobacco settlement revenue during the year ended June 30, 2021. 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

PUBLIC FINANCE AUTHORITY

Subsequent to year end, the Authority issued $2.13 million of capital financing program bonds payable. The bonds have an interest rate ranging from 2.125% to 5.00% and mature between 2022 and 2041.

WATER INFRASTRUCTURE REVOLVING LOAN FUND

As of July 1, 2021, the Community Water Facility Loan Program merged with the State Water Commission Revolving Loan Fund to create the Water Infrastructure Revolving Loan Fund. The outstanding loans total $35.4 million to 57 borrowers.

MEDICAL FACILITY INFRASTRUCTURE LOAN FUND

The Fund has $3.0 million of outstanding loan commitments.

FUEL PRODUCTION GUARANTEE PROGRAM

The 2019 legislature approved $50 million from the Strategic Investment and Improvement Fund to be used to guarantee loans made under this program. The Bank of North Dakota received loan applications from 4 borrowers totaling $49.9 million due to the impact the pandemic had on ethanol production facilities in North Dakota. The 2021 legislature Special Session approved $21 million of debt reduction for the 4 borrowers that were provided loans in this program. These funds are to be distributed in December 2021.

UNIVERSITY SYSTEMS

In August 2021, MiSU refunded its Student Services Facilities Revenue Bonds, Series 2010, with a current outstanding principal balance of $8.4 million. The principal balance for the new Student Services Facilities Revenue Refunding Bonds, Series 2021, is $7.4 million. In addition, using funds on hand, MiSU established an escrow fund with the Bank of North Dakota sufficient to defease the Student services Facilities Revenue Refunding bonds, Series 2015. The 2015 issue has a current outstanding principal balance of $2.3 million. The escrow agent will use the funds to pay principal and interest for the 2022 through 2024 maturities and then, redeem the bonds on the optional redemption date of August 1, 2025.

In August, 2021, UND issued Tax Exempt Certificates of Participation, Series 2021A for $133 million and Taxable Refunding Certificates of Participation, Series 2021B for $18.3 million.

The proceeds of Series 2021A will be used to fund the cost of major renovations to Brannon Hall, and minor renovations to Noren Hall and Selke Hall; demolition of the following residence halls (based upon student demand): Bek Hall, Hancock Hall, Squires Hall, Walsh Hall, Fulton Hall, Johnston Hall, Smith Hall, McVey Hall, and West Hall; demolition of certain University-owned apartments representing up to 548 total units (based upon student demand), constructing a 400-bed student housing facility to be named McVey Hall, which will replace the existing McVey Hall; and constructing a 477-bed student housing facility to be called West Hall, which will replace the University's existing West Hall. The certificates mature in 2061 with a net interest cost of 2.972 percent.

The proceeds of the Series 2O21B will advance refund the outstanding principal and accrued interest of UND's Housing and Auxiliary Facilities Revenue Bonds, Series 2012 (Wellness Center) and Series 2013 bonds (Hamline Square). The 2021B matures in 2023 with a net interest cost of 1.996 percent.

NOTE 21 - NEW PRONOUNCEMENTS

The State implemented the following new pronouncement for fiscal year 2021:

GASB Statement No. 84, *Fiduciary Activities*, provides guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, establishes accounting requirements for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged.

GASB Statement No. 90, *Majority Equity Interests*, provides guidance for reporting when a government has majority equity interest in legally separate organizations. An equity interest is explicit and measurable if the government has a present or future claim to the net resources of the entity and the method for measuring the government's share of the entity's net resources is determinable. If government's holding of that equity interest meets the definition of an investment, as defined by GASB No. 72, the equity interest should be reported as an investment and measured using the equity method and not as a component unit of the government. If a government's holding of a majority interest in a legally separate organization does not meet the definition of an investment, the holding of the majority equity interest results in the government being financially accountable for the organization and therefore, the government should report the legally separate organization as a component unit. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged.

GASB Statement No. 98, *The Annual Comprehensive Financial Report*, was implemented during fiscal year 2021 by renaming the State's annual report to the "Annual Comprehensive Financial Report" or "ACFR" for short.

Management has not yet determined the effect these Statements will have on the State's financial statements.

The State will implement the following new pronouncements for fiscal years ending after 2021:

GASB Statement No. 87, *Leases*, establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. This Statement requires recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. This Statement is effective for reporting periods beginning after June 15, 2021. Earlier application is encouraged.

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. 92, *Omnibus 2020*, provides additional guidance to improve consistency of authoritative literature by addressing practice issues identified during the application of certain GASB statements. This statement provides accounting and financial reporting requirements for specific issues related to leases, intra-entity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activity of public entity risk pools, fair value measurements and derivative instruments. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Earlier application is encouraged.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*, provides guidance to address accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR), most notable, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. This statement provides exceptions and clarifications regarding hedging derivative instruments for such transactions that result from the replacement of IBOR. The requirements of this Statement are effective for reporting periods beginning after June 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* Arrangements provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs). 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 SBITAs 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.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32* provides additional guidance for determining whether a primary government is financially accountable for a potential component unit. This Statement requires that the financial burden criterion in paragraph 7 of Statement No. 84, *Fiduciary Activities,* be applicable to only defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement No. 67, *Financial Reporting for Pension Plans,* or paragraph 3 of Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans,* respectively. This Statement (1) requires that a Section 457 plan be classified as either a pension plan or an other employee benefit plan depending on whether the plan meets the definition of a pension plan and (2) clarifies that Statement 84, as amended, should be applied to all arrangements organized under IRC Section 457 to determine whether those arrangements should be reported as fiduciary activities. The requirements of this Statement that (1) exempt primary governments that perform the duties that a governing board typically performs from treating the absence of a governing board the same as the appointment of a voting majority of a governing board in determining whether they are financially accountable for defined contribution pension plans, defined contribution OPEB plans, or other employee benefit plans and (2) limit the applicability of the financial burden criterion in paragraph 7 of Statement 84 to defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement 67 or paragraph 3 of Statement 74, respectively, are effective immediately. The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021.

Required Supplementary Information

STATE OF NORTH DAKOTA

Required Supplemental Information
Budgetary Comparison Schedule
General Fund
For the Biennium Ended June 30, 2021

	Approved Budget 2019-2021 Biennium	Appropriation Adjustments 2019-2021 Biennium	Adjusted Budget 2019-2021 Biennium	Actual Biennium To Date Thru 6-30-21	Difference Uncollected/ Unspent Thru 6-30-21
Budgetary Fund Balance, July 1	$ 65,000,000	$ —	$ 65,000,000	$ 801,236,291	$ 736,236,291
Resources (Inflows):					
Sales and Use Tax	1,868,262,000	(83,262,000)	1,785,000,000	1,823,991,775	38,991,775
Income Tax	935,573,000	18,427,000	954,000,000	1,055,963,854	101,963,854
Oil And Gas Production Tax	198,930,000	38,925,277	237,855,277	238,369,403	514,126
Oil Extraction Tax	201,070,000	(38,925,277)	162,144,723	161,630,597	(514,126)
Insurance Premium Tax	72,944,050	21,576,169	94,520,219	102,357,095	7,836,876
Cigarette, Cigar and Tobacco Tax	47,838,000	1,194,505	49,032,505	49,907,878	875,373
Wholesale Liquor Tax	18,703,000	(730,266)	17,972,734	18,727,698	754,964
Coal Conversion Tax	41,438,000	960,724	42,398,724	42,665,908	267,184
Gaming Tax	7,511,200	19,293,038	26,804,238	30,860,614	4,056,376
Lottery	12,245,000	(2,022,500)	10,222,500	10,400,000	177,500
Department Fees and Collections	91,521,566	(11,606,684)	79,914,882	89,199,565	9,284,683
Mineral Leasing Fees	38,000,000	(1,589,632)	36,410,368	41,163,048	4,752,680
Motor Vehicle Excise Tax	249,951,800	(3,951,800)	246,000,000	259,690,121	13,690,121
Interest on Public Funds	10,000,000	34,244,338	44,244,338	22,170,598	(22,073,740)
Gas Tax Administration	1,991,024	394	1,991,418	1,991,418	—
Transfers In	1,026,981,000	572,505,764	1,599,486,764	1,802,814,750	203,327,986
Total Revenue Inflows	4,822,959,640	565,039,050	5,387,998,690	5,751,904,322	363,905,632
Amounts Available for Appropriation	4,887,959,640	565,039,050	5,452,998,690	6,553,140,613	1,100,141,923
Charges to Appropriations (Outflows):					
General Government:					
Governor's Office	4,492,106	10,817	4,502,923	4,321,617	181,306
Secretary of State	5,365,785	1,258,207	6,623,992	5,975,997	647,995
Secretary of State Public Printing	257,278	—	257,278	242,566	14,712
Office of Management and Budget	33,215,852	103,454,674	136,670,526	132,107,957	4,562,569
Information Technology	28,565,311	15,000	28,580,311	28,527,799	52,512
State Auditor	10,122,860	(5,528)	10,117,332	8,903,745	1,213,587
State Treasurer	1,746,370	20,000	1,766,370	1,649,119	117,251
Attorney General	45,804,596	198,890	46,003,486	45,477,859	525,627
Tax Department	54,071,616	4,040,000	58,111,616	54,264,250	3,847,366
Legislative Assembly	15,825,515	814,987	16,640,502	15,488,334	1,152,168
Legislative Council	13,045,074	3,897,587	16,942,661	10,352,291	6,590,370
Supreme Court	107,503,043	—	107,503,043	105,059,878	2,443,165
Legal Counsel for Indigents	18,384,627	—	18,384,627	17,538,788	845,839
Ethics Commission	517,155	—	517,155	432,135	85,020
Education:					
Public Instruction	1,721,361,137	860,137	1,722,221,274	1,636,490,559	85,730,715
State Library	5,781,419	—	5,781,419	5,323,325	458,094
School for the Deaf	7,528,850	209,115	7,737,965	7,612,182	125,783
School for the Blind	4,717,989	—	4,717,989	4,664,512	53,477
Vocational Education	40,064,988	—	40,064,988	39,147,971	917,017
Health & Human Services:					
Dept. of Health	36,360,590	(10,197)	36,350,393	34,306,043	2,044,350
Dept. of Environmental Quality	12,480,922	—	12,480,922	11,863,682	617,240
Veteran's Home	5,679,324	—	5,679,324	5,678,768	556
Indian Affairs Commission	1,098,639	—	1,098,639	983,298	115,341
Veteran's Affairs	1,416,430	50,000	1,466,430	1,294,987	171,443
Dept. of Human Services-Management	64,690,274	7,318,313	72,008,587	68,009,046	3,999,541
Dept. of Human Services-Program and Policy	1,182,910,545	23,184,506	1,206,095,051	1,044,096,077	161,998,974
Dept. of Human Services-Centers	127,690,608	(26,632,924)	101,057,684	97,428,114	3,629,570
Dept. of Human Services-Institutions	87,372,060	7,529,264	94,901,324	94,729,502	171,822
Protection and Advocacy	3,312,565	—	3,312,565	3,303,334	9,231
Job Service	430,624	—	430,624	417,567	13,057
Regulatory:					
Industrial Commission	27,449,198	—	27,449,198	24,377,997	3,071,201
Labor Commission	2,395,169	—	2,395,169	2,014,578	380,591
Public Service Commission	6,714,928	—	6,714,928	6,184,746	530,182
Public Safety and Corrections:					
Highway Patrol	44,295,405	—	44,295,405	23,039,821	21,255,584
Corrections & Rehab	229,678,076	2,249,968	231,928,044	178,796,637	53,131,407
Adjutant General	27,571,197	1,034,626	28,605,823	24,529,590	4,076,233
Agriculture & Commerce:					
Department of Commerce	40,191,721	30,934,701	71,126,422	56,162,884	14,963,538
Department of Agriculture	10,910,429	1,400	10,911,829	10,667,235	244,594
State Fair	542,833	—	542,833	271,417	271,416
Racing Commission	399,072	3,958	403,030	403,030	—
Natural Resources:					
Historical Society	18,965,691	673,342	19,639,033	18,461,458	1,177,575
Council on the Arts	1,606,204	21,588	1,627,792	1,627,772	20
Parks and Recreation	14,343,129	2,937,368	17,280,497	16,181,001	1,099,496
Transportation:					
Aeronautics Commission	500,000	—	500,000	500,000	—
Department of Transportation	2,500,000	13,000,000	15,500,000	15,500,000	—
Transfers Out	773,685,962	74,808,401	848,494,363	811,547,780	36,946,583
Total Charges to Appropriations	4,843,563,166	251,881,943	5,095,445,109	4,675,957,248	419,487,861
Ending Budgetary Fund Balance	$ 44,396,474	$ 313,157,107	$ 357,553,581	$ 1,877,183,365	$ 1,519,629,784

Required Supplemental Information
Budgetary Comparison Schedule
Budget to GAAP Reconciliation General Fund
For the Biennium Ended June 30, 2021

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	5,751,904,322
Backing out 2020 Activity	(2,549,891,716)
Differences-Budget to GAAP:	
The period of availability for revenue recognition for budget purposes differs from the GAAP basis.	(882,649,954)
Funds considered General funds for GAAP but not for Budget	2,122,200,523
Certain due from other funds are recorded under GAAP, but not Budget	1,368,459
Reimbursement activity between state agencies is eliminated only for GAAP	(3,619,773)
Proceeds are recorded for new capital leases on GAAP, but not for Budget	110,672
Repayment received on loan receivable are revenue for Budget to GAAP	16,484,426
Total revenues, capital lease acquisitions, and transfers as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds	$ 4,455,906,959

Uses/Outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	4,675,957,248
Backing out Expenditures from FY2020	(2,347,140,466)
Differences-Budget to GAAP:	
Estimated liabilities are recorded as expenditures for GAAP but not for Budget	42,805,752
Funds considered General funds for GAAP but not for Budget	102,335,220
New capital leases are recorded as expenditures for GAAP, but not for Budget	110,672
Certain due to other funds are recorded under GAAP, but not for Budget	(27,204,404)
Total expenditures, sale of capital assets, and transfers as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds	$ 2,446,864,022

STATE OF NORTH DAKOTA

Required Supplemental Information
Budgetary Comparison Schedule
Federal Fund
For the Biennium Ended June 30, 2021

	Approved Budget 2019-2021 Biennium	Appropriation Adjustments 2019-2021 Biennium	Adjusted Budget 2019-2021 Biennium	Actual Biennium To Date Thru 6-30-21	Difference Uncollected/ Unspent Thru 6-30-21
Budgetary Fund Balance, July 1	$ —	$ —	$ —	$ —	$ —
Resources (Inflows):					
Other Budgeted Income	3,860,384,849	3,352,626,163	7,213,011,012	4,850,532,685	(2,362,478,327)
Total Revenue Inflows	3,860,384,849	3,352,626,163	7,213,011,012	4,850,532,685	(2,362,478,327)
Amounts Available for Appropriation	3,860,384,849	3,352,626,163	7,213,011,012	4,850,532,685	2,362,478,327
Charges to Appropriations (Outflows):					
General Government:					
Governor's Office	—	18,083	18,083	18,083	—
Secretary of State	3,000,000	3,049,216	6,049,216	3,050,992	2,998,224
Office of Management and Budget	—	15,686,416	15,686,416	11,251,261	4,435,155
Information Technology	2,078,179	61,868,226	63,946,405	60,551,742	3,394,663
State Auditor	1,337,614	10,866	1,348,480	1,307,823	40,657
State Treasurer	—	173,440,257	173,440,257	123,240,515	50,199,742
Attorney General	15,052,872	5,270,743	20,323,615	9,199,807	11,123,808
Legislative Council	—	100,000	100,000	38,627	61,373
Supreme Court	1,659,596	672,212	2,331,808	1,602,300	729,508
Education:					
Public Instruction	322,916,553	601,973,428	924,889,981	461,853,406	463,036,575
Land Department	—	97,145	97,145	95,521	1,624
State Library	2,287,102	2,586,726	4,873,828	2,284,063	2,589,765
School for the Deaf	100,512	—	100,512	70,293	30,219
School for the Blind	11,498,147	593,675	12,091,822	10,820,353	1,271,469
Health & Human Services:					
Dept. of Health	102,021,319	449,730,068	551,751,387	300,281,661	251,469,726
Dept. of Environmental Quality	28,085,602	(252,756)	27,832,846	21,414,527	6,418,319
Veteran's Home	—	3,312,771	3,312,771	1,682,397	1,630,374
Indian Affairs Commission	—	20,915	20,915	20,915	—
Veteran's Affairs	1,377,157	402,860	1,780,017	1,235,642	544,375
Dept. of Human Services-Management	95,048,395	49,253,281	144,301,676	124,334,080	19,967,596
Dept. of Human Services-Program and Policy	2,093,626,737	798,767,718	2,892,394,455	2,231,264,429	661,130,026
Dept. of Human Services-Centers	57,430,698	4,951,287	62,381,985	56,748,551	5,633,434
Dept. of Human Services-Institutions	29,584,449	2,269,085	31,853,534	31,834,564	18,970
Dept. of Human Services-County Social Service	—	251,600	251,600	250,949	651
Protection and Advocacy	3,994,135	—	3,994,135	3,235,876	758,259
Job Service	64,364,900	14,081,213	78,446,113	61,456,955	16,989,158
Regulatory:					
Insurance Department	177,500	21,916,924	22,094,424	22,091,204	3,220
Industrial Commission	238,004	71,553,761	71,791,765	54,067,832	17,723,933
Labor Commission	480,681	49,000	529,681	529,514	167
Public Service Commission	10,894,458	—	10,894,458	7,419,752	3,474,706
Public Safety and Corrections:					
Highway Patrol	6,610,415	22,008,003	28,618,418	27,865,282	753,136
Corrections & Rehab	16,663,970	55,421,558	72,085,528	70,724,198	1,361,330
Adjutant General	105,408,847	271,477,217	376,886,064	244,375,124	132,510,940
Agriculture & Commerce:					
Department of Commerce	44,070,416	182,277,282	226,347,698	128,037,701	98,309,997
Department of Agriculture	12,213,665	20,907,550	33,121,215	23,099,799	10,021,416
Racing Commission	—	1,000	1,000	1,000	—
Natural Resources:					
Historical Society	3,194,252	18,999	3,213,251	1,372,768	1,840,483
Council on the Arts	1,675,407	1,980,760	3,656,167	2,695,117	961,050
Game and Fish	36,873,632	502,993	37,376,625	33,455,266	3,921,359
Parks and Recreation	7,321,876	250,985	7,572,861	3,779,441	3,793,420
Water Commission	39,123,284	—	39,123,284	26,242,316	12,880,968
Transportation:					
Aeronautics Commission	935,000	—	935,000	121,525	813,475
Department of Transportation	738,914,475	512,975,973	1,251,890,448	682,530,537	569,359,911
Total Charges to Appropriations	3,860,259,849	3,349,497,040	7,209,756,889	4,847,553,708	2,362,203,181.00
Ending Budgetary Fund Balance	$ 125,000	$ 3,129,123	$ 3,254,123	$ 2,978,977	$ (275,146)

STATE OF NORTH DAKOTA

Required Supplemental Information
Budgetary Comparison Schedule
Budget to GAAP Reconciliation
Federal Fund
For the Biennium ended June 30, 2021

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	4,850,532,685
Backing out 2020 activity	(1,888,466,071)
Differences-Budget to GAAP:	
The period of availability for revenue recognition for budget purposes differs from the GAAP basis.	(17,020,063)
Total revenues, capital lease acquisitions, and transfers as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds	$ 2,945,046,551
Uses/Outflows of resources	
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	4,850,532,685
Backing out Expenditures from FY2020	(1,888,466,071)
Differences-Budget to GAAP:	
Estimated liabilities are recorded as expenditures for GAAP but not for Budget	1,005,221,438
New Loans issued are expenditures for Budget but not for GAAP	(12,683,928)
GAAP, but not Budget expenditures are reduced by year end inventory balances	11,596,697
Intrafund activity eliminated for GAAP	(1,041,747,857)
Certain due to other funds are recorded under GAAP, but not for Budget	569,781
Total expenditures, sale of capital assets, and transfers as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds	$ 2,925,022,745

STATE OF NORTH DAKOTA

Required Supplemental Information
Budgetary Comparison Schedule
State Fund
For the Biennium Ended June 30, 2021

	Approved Budget 2019-2021 Biennium	Appropriation Adjustments 2019-2021 Biennium	Adjusted Budget 2019-2021 Biennium	Actual Biennium To Date Thru 6-30-21	Difference Uncollected/ Unspent Thru 6-30-21
Budgetary Fund Balance, July 1	$ —	$ —	$ —	$ —	$ —
Resources (Inflows):					
Other Budgeted Income	3,236,641,019	361,683,994	3,598,325,013	2,441,692,736	(1,156,632,277)
Total Revenue Inflows	3,236,641,019	361,683,994	3,598,325,013	2,441,692,736	(1,156,632,277)
Amounts Available for Appropriation	3,236,641,019	361,683,994	3,598,325,013	2,441,692,736	(1,156,632,277)
Charges to Appropriations (Outflows):					
General Government:					
Governor's Office	—	375,448	375,448	348,944	26,504
Secretary of State	12,431,641	—	12,431,641	9,565,895	2,865,746
Office of Management & Budget	17,136,515	(1,240,983)	15,895,532	11,693,711	4,201,821
Information Technology	318,954,155	43,555,133	362,509,288	213,818,468	148,690,820
State Auditor	2,835,564	—	2,835,564	2,390,091	445,473
State Treasurer	35,000	—	35,000	20,537	14,463
Attorney General	24,051,368	1,026,695	25,078,063	19,562,722	5,515,341
Tax Department	—	17,540	17,540	17,540	—
Administrative Hearings	2,830,664	—	2,830,664	2,365,257	465,407
Legislative Assembly	140,000	—	140,000	129,277	10,723
Legislative Council	70,000	—	70,000	48,664	21,336
Supreme Court	1,452,701	—	1,452,701	1,382,617	70,084
Legal Counsel for Indigents	1,990,035	—	1,990,035	1,701,676	288,359
Education:					
Public Instruction	494,637,190	—	494,637,190	494,454,815	182,375
Land Department	10,458,401	42,589,772	53,048,173	34,130,629	18,917,544
State Library	87,259	—	87,259	85,714	1,545
School for the Deaf	2,599,846	116,912	2,716,758	1,597,419	1,119,339
School for the Blind	1,332,815	—	1,332,815	860,119	472,696
Vocational Education	3,204,974	—	3,204,974	3,049,621	155,353
Health & Human Services:					
Dept. of Health	21,897,914	3,562,000	25,459,914	20,843,441	4,616,473
Dept. of Environmental Quality	18,147,972	1,197,914	19,345,886	13,407,490	5,938,396
Veteran's Home	19,275,822	165,500	19,441,322	17,773,517	1,667,805
Dept. of Human Services-Management	8,758,351	6,940,217	15,698,568	9,441,873	6,256,695
Dept. of Human Services-Program and Policy	138,941,401	237,050	139,178,451	135,810,861	3,367,590
Dept. of Human Services-Centers	19,579,837	(1,531,395)	18,048,442	11,655,169	6,393,273
Dept. of Human Services-Institutions	27,490,636	(113,211)	27,377,425	13,727,564	13,649,861
Dept. of Human Services-County Social Service	173,700,000	—	173,700,000	163,095,815	10,604,185
Job Service	890,670	—	890,670	161,161	729,509
Regulatory:					
Insurance Department	28,557,203	(428,574)	28,128,629	26,671,080	1,457,549
Industrial Commission	17,755,786	2,124,810	19,880,596	18,381,053	1,499,543
Public Service Commission	1,714,018	—	1,714,018	579,006	1,135,012
Financial Institutions	9,135,872	—	9,135,872	8,148,978	986,894
Securities Commission	2,757,119	—	2,757,119	2,666,114	91,005
Public Safety and Corrections:					
Highway Patrol	10,588,283	80,000	10,668,283	7,356,873	3,311,410
Corrections & Rehab	25,291,919	935,907	26,227,826	19,510,873	6,716,953
Adjutant General	15,076,195	44,606,512	59,682,707	13,953,517	45,729,190
Agriculture & Commerce:					
Department of Commerce	14,352,877	2,660,636	17,013,513	7,872,872	9,140,641
Department of Agriculture	18,108,741	342,071	18,450,812	9,197,632	9,253,180
Racing Commission	165,965	—	165,965	87,478	78,487
Natural Resources:					
Historical Society	85,000	—	85,000	85,000	—
Council of Arts	63,515	62,500	126,015	67,349	58,666
Game and Fish	48,430,000	2,270,311	50,700,311	40,882,899	9,817,412
Parks and Recreation	21,369,977	3,654,276	25,024,253	13,703,336	11,320,917
Water Commission	929,030,807	(33,136,750)	895,894,057	367,924,601	527,969,456
Transportation:					
Aeronautics Commission	47,896,082	2,362,337	50,258,419	10,214,320	40,044,099
Department of Transportation	723,330,929	239,251,366	962,582,295	711,249,148	251,333,147
Total Charges to Appropriations	3,236,641,019	361,683,994	3,598,325,013	2,441,692,736	1,156,632,277
Ending Budgetary Fund Balance	$ —	$ —	$ —	$ —	$ —

STATE OF NORTH DAKOTA

Required Supplemental Information
Budgetary Comparison Schedule
Budget to GAAP Reconciliation
State Fund
For the Biennium ended June 30, 2021

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	2,441,692,736
Backing out 2020 activity	(1,121,500,763)
Differences-Budget to GAAP:	
The period of availability for revenue recognition for budget purposes differs from the GAAP basis.	2,220,537,247
Total revenues, capital lease acquisitions, and transfers as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds	$ 3,540,729,220
Uses/Outflows of resources	
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	2,441,692,736
Backing out Expenditures from FY2020	(1,121,500,763)
Differences-Budget to GAAP:	
Estimated liabilities are recorded as expenditures for GAAP but not for Budget	1,551,240,889
New Loans issued are expenditures for Budget but not for GAAP	(8,746,419)
GAAP, but not Budget expenditures are reduced by year end inventory balances	27,709
Intrafund activity eliminated for GAAP	(470,361,568)
Certain due to other funds are recorded under GAAP, but not for Budget	3,917,427
Total expenditures, sale of capital assets, and transfers as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds	$ 2,396,270,011

Note To Required Supplemental Information - Budgetary Reporting

For the Biennium Ended June 30, 2021

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 2019-2021 Biennium Budget and Actual Detail (Budgetary Basis) For the Biennium Ended June 30, 2021." This budget information is available through the Office of Management and Budget, 600 East Boulevard Ave Dept. 110, Bismarck, ND 58505. For the 2019-2021 biennium there were general, federal, and special fund supplemental appropriations of $3,966,192,100.

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, 2021, 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)	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
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%

*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
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%

*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)	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
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%

*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
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 %

*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	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
2021	100.00%	$ (31,122)	$ 386	$ 95,251	(9892)%	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 %

*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
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
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%

*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 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
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%

*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	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percentage of covered payroll
2021	$ 543	$ (543)	$ —	$ 4,260	12.75%
2020	535	(535)	—	4,196	12.75%
2019	542	(542)	—	4,252	12.75%
2018	561	(561)	—	4,397	12.75%
2017	547	(547)	—	4,294	12.75%
2016	528	(528)	—	4,329	12.75%
2015	532	(532)	—	4,173	12.75%

*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
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 %

*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)

	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
2021	$ 6,563	$ (6,549)	$ 14	$ 571,568	1.15 %
2020	6,631	(6,626)	5	571,617	1.16 %
2019	6,425	(6,413)	12	561,580	1.14 %
2018	6,434	(6,424)	10	563,479	1.14 %

*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*
(Dollars in thousands)

	2021	2020	2019	2018
Total pension liability (asset)				
Service cost	$ 242,751	$ 135,139	$ 172,184	$ 164,018
Interest	296,285	317,129	294,701	279,835
Change of benefit terms	—	—	—	—
Difference between expected and actual experience	47,336	213,457	(210,896)	(65,346)
Changes of assumptions	(1,743,329)	1,663,289	(464,473)	125,225
Benefit payments, including refund of employee contributions	(231,300)	(218,554)	(197,758)	(182,522)
Net change in total pension liability (asset)	(1,388,257)	2,110,460	(406,242)	321,210
Total pension liability (asset) - beginning	6,379,800	4,269,340	4,675,582	4,354,372
Total pension liability (asset) - ending (a)	$ 4,991,543	$ 6,379,800	$ 4,269,340	$ 4,675,582
Plan fiduciary net position				
Contributions - employer	$ 91,266	$ 85,504	$ 81,588	$ 80,727
Contributions - employee	85,915	81,478	78,213	77,486
Contributions - service credit repurchase	7,129	10,819	7,220	19,985
Contributions - other	—	—	—	—
Net investment income	844,933	101,106	159,824	249,165
Transfers from other plans	(2)	(3)	(5)	(24)
Benefit payments, including refund of employee contributions	(231,300)	(218,554)	(197,758)	(182,522)
Administrative expense	(2,569)	(2,730)	(2,531)	(2,473)
Net change in plan fiduciary net position	795,372	57,620	126,551	242,344
Plan fiduciary net position - beginning	3,154,351	3,096,731	2,970,180	2,727,836
Plan fiduciary net position - ending (b)	$ 3,949,723	$ 3,154,351	$ 3,096,731	$ 2,970,180
Net pension liability (asset) - ending (a) - (b)	$ 1,041,820	$ 3,225,449	$ 1,172,609	$ 1,705,402
Plan fiduciary net position as a percentage of the total pension liability (asset)	79.13%	49.44%	72.53%	63.53%
Covered payroll	$ 1,213,676	$ 1,167,768	$ 1,098,416	$ 1,075,958
Plan net pension liability (asset) as a percentage of covered payroll	85.84%	276.21%	106.75%	158.50%

*Complete data for this schedule is not available prior to 2014.

2017	2016	2015	2014
$ 113,148	$ 126,444	$ 104,158	$ 94,611
269,771	243,285	236,420	218,719
—	—	2	—
(3,612)	15,915	4,396	25,783
741,492	108,139	(76,152)	—
(162,992)	(149,664)	(134,930)	(119,886)
957,807	344,119	133,894	219,227
3,396,565	3,052,446	2,918,552	2,699,325
$ 4,354,372	$ 3,396,565	$ 3,052,446	$ 2,918,552
$ 78,934	$ 77,080	$ 70,842	$ 61,661
76,007	74,219	68,392	59,394
11,805	9,179	6,652	8,325
—	—	—	—
311,761	11,334	81,537	316,630
32	23,575	—	—
(162,992)	(149,664)	(134,930)	(119,886)
(2,607)	(2,538)	(2,365)	(2,211)
312,940	43,185	90,128	323,913
2,414,896	2,371,711	2,281,583	1,957,670
$ 2,727,836	$ 2,414,896	$ 2,371,711	$ 2,281,583
$ 1,626,536	$ 981,669	$ 680,735	$ 636,969
62.65%	77.70%	77.70%	78.18%
$ 1,063,372	$ 973,536	$ 973,536	$ 888,452
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*

(Dollars in thousands)

	2021	2020	2019	2018
Total pension liability (asset)				
Service cost	$ 6,693	$ 2,878	$ 2,818	$ 2,738
Interest	7,305	7,869	7,527	7,203
Change of benefit terms	(135)	—	—	—
Difference between expected and actual experience	(2,197)	729	(68)	(621)
Changes of assumptions	(60,572)	66,142	3,043	—
Benefit payments, including refund of employee contributions	(5,952)	(5,704)	(5,391)	(4,981)
Net change in total pension liability (asset)	(54,858)	71,914	7,929	4,339
Total pension liability (asset) - beginning	178,229	106,315	98,386	94,047
Total pension liability (asset) - ending (a)	$ 123,371	$ 178,229	$ 106,315	$ 98,386
Plan fiduciary net position				
Contributions - employer	$ 2,294	$ 2,177	$ 2,091	$ 2,153
Contributions - employee	1,548	1,470	1,412	1,453
Contributions - service credit repurchase	401	205	168	282
Contributions - other	—	—	—	—
Net investment income	19,638	2,667	4,251	6,716
Benefit payments, including refund of employee contributions	(5,952)	(5,705)	(5,391)	(4,981)
Administrative expense	(37)	(46)	(44)	(30)
Net change in plan fiduciary net position	17,892	768	2,487	5,593
Plan fiduciary net position - beginning	82,184	81,416	78,929	73,336
Plan fiduciary net position - ending (b)	$ 100,076	$ 82,184	$ 81,416	$ 78,929
Net pension liability (asset) - ending (a) - (b)	$ 23,295	$ 96,045	$ 24,899	$ 19,457
Plan fiduciary net position as a percentage of the total pension liability (asset)	81.12%	46.11%	76.58%	80.22%
Covered payroll	$ 11,516	$ 11,410	$ 10,354	$ 10,737
Plan net pension liability (asset) as a percentage of covered payroll	202.28%	841.78%	240.48%	181.21%

*Complete data for this schedule is not available prior to 2014.

2017	2016	2015	2014
$ 2,701	$ 2,226	$ 2,038	$ 1,894
6,951	6,311	6,008	5,750
—	—	—	—
22	40	984	(300)
1,257	3,946	395	—
(4,806)	(4,713)	(4,746)	(3,784)
6,125	7,810	4,679	3,560
87,922	80,112	75,433	71,873
$ 94,047	$ 87,922	$ 80,112	$ 75,433
$ 2,156	$ 2,127	$ 2,002	$ 1,865
1,456	1,436	1,352	1,243
249	—	97	87
—	—	—	—
8,500	317	2,335	9,240
(4,806)	(4,713)	(4,746)	(3,784)
(30)	(32)	(31)	(28)
7,525	(865)	1,009	8,623
65,811	66,676	65,667	57,044
$ 73,336	$ 65,811	$ 66,676	$ 65,667
$ 20,711	$ 22,111	$ 13,436	$ 9,766
77.98 %	74.85 %	83.23 %	87.05 %
$ 10,629	$ 10,527	$ 10,146	$ 9,348
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*

(Dollars in thousands)

	2021	2020	2019	2018
Total pension liability (asset)				
Service cost	$ 58	$ 57	$ 70	$ 80
Interest	2,629	3,038	3,130	3,501
Change of benefit terms	—	—	—	—
Difference between expected and actual experience	(201)	(1,122)	(505)	(310)
Changes of assumptions	2,899	540	—	5,812
Benefit payments, including refund of employee contributions	(4,669)	(4,582)	(4,627)	(4,583)
Net change in total pension liability (asset)	716	(2,069)	(1,932)	4,500
Total pension liability (asset) - beginning	64,128	66,197	68,129	63,629
Total pension liability (asset) - ending (a)	$ 64,844	$ 64,128	$ 66,197	$ 68,129
Plan fiduciary net position				
Contributions - employer	$ —	$ —	$ —	$ —
Contributions - employee	14	27	29	33
Contributions - service credit repurchase	—	—	—	—
Contributions - other	—	—	—	—
Net investment income	6,025	2,621	6,230	2,919
Benefit payments, including refund of employee contributions	(4,669)	(4,582)	(4,627)	(4,583)
Administrative expense	(17)	(19)	(17)	(46)
Net change in plan fiduciary net position	1,353	(1,953)	1,615	(1,677)
Plan fiduciary net position - beginning	95,250	97,203	95,588	97,265
Plan fiduciary net position - ending (b)	$ 96,603	$ 95,250	$ 97,203	$ 95,588
Net pension liability (asset) - ending (a) - (b)	$ (31,759)	$ (31,122)	$ (31,006)	$ (27,459)
Plan fiduciary net position as a percentage of the total pension liability (asset)	148.98 %	148.53 %	146.84 %	140.30 %
Covered payroll	$ 175	$ 315	$ 417	$ 417
Plan net pension liability (asset) as a percentage of covered payroll	-18130.18%	-9892.34%	-7443.56%	-6590.37%

*Complete data for this schedule is not available prior to 2014.

2017	2016	2015	2014
$ 56	$ 71	$ 128	$ 88
4,130	4,281	5,026	5,107
—	—	—	—
(1,648)	(2,007)	(1,806)	(1,607)
4,421	70	(310)	—
(4,534)	(4,601)	(4,694)	(4,595)
2,425	(2,186)	(1,656)	(1,007)
61,204	63,390	65,046	66,053
$ 63,629	$ 61,204	$ 63,390	$ 65,046
$ —	$ —	$ —	$ —
39	44	50	56
—	—	—	—
—	—	—	—
5,239	4,840	3,260	11,888
(4,534)	(4,601)	(4,694)	(4,595)
(13)	(32)	(30)	(31)
731	251	(1,414)	7,318
96,534	96,283	97,697	90,379
$ 97,265	$ 96,534	$ 96,283	$ 97,697
$ (33,636)	$ (35,330)	$ (32,893)	$ (32,651)
152.86 %	157.72 %	151.89 %	150.20 %
$ 499	$ 567	$ 791	$ 843
-6746.56 %	-6256.45 %	-4160.24 %	-3874.93 %

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)

	2021	2020	2019	2018
Total pension liability (asset)				
Service cost	$ 87,088	$ 80,591	$ 77,756	$ 78,041
Interest	300,698	306,791	296,876	287,375
Change of benefit terms	—	—	—	—
Difference between expected and actual experience	8,366	(20,732)	(23,495)	(27,939)
Changes of assumptions	—	51,813	—	—
Benefit payments, including refund of employee contributions	(241,128)	(230,851)	(221,228)	(207,979)
Net change in total pension liability (asset)	155,024	187,612	129,909	129,498
Total pension liability (asset) - beginning	4,181,036	3,993,424	3,863,515	3,734,017
Total pension liability (asset) - ending (a)	$ 4,336,060	$ 4,181,036	$ 3,993,424	$ 3,863,515
Plan fiduciary net position				
Contributions - employer	$ 98,264	$ 93,032	$ 89,445	$ 86,676
Contributions - employee	90,557	85,735	82,429	79,878
Contributions - service credit repurchase	2,559	2,175	1,917	2,181
Contributions - other	126	159	159	194
Net investment income	684,173	86,206	135,043	211,345
Benefit payments, including refund of employee contributions	(241,128)	(230,851)	(221,228)	(207,979)
Administrative expense	(2,678)	(2,095)	(2,251)	(2,129)
Net change in plan fiduciary net position	631,873	34,361	85,514	170,166
Plan fiduciary net position - beginning	2,650,532	2,616,171	2,530,657	2,360,491
Plan fiduciary net position - ending (b)	$ 3,282,405	$ 2,650,532	$ 2,616,171	$ 2,530,657
Net pension liability (asset) - ending (a) - (b)	$ 1,053,655	$ 1,530,504	$ 1,377,253	$ 1,332,858
Plan fiduciary net position as a percentage of the total pension liability (asset)	75.70 %	63.40 %	65.50 %	65.50 %
Covered payroll	$ 770,700	$ 729,661	$ 701,528	$ 679,809
Plan net pension liability (asset) as a percentage of covered payroll	136.70 %	209.80 %	196.10 %	196.10 %

*Complete data for this schedule is not available prior to 2014.

**Restated in 2015 due to GASB 68 implementation.

2017	2016	2015	2014
$ 75,476	$ 68,239	$ 60,618	$ 56,752
276,412	265,440	249,064	237,821
—	—	—	—
(10,749)	(8,093)	2,209	9,347
—	—	171,325	—
(196,516)	(185,969)	(172,239)	(162,259)
144,623	139,617	310,977	141,661
3,589,394	3,449,777	3,138,800	2,997,139
$ 3,734,017	$ 3,589,394	$ 3,449,777	$ 3,138,800
$ 86,059	$ 82,840	$ 78,422	$ 62,355
79,309	76,343	72,268	56,555
2,553	2,768	1,601	2,034
236	45	172	48
266,688	8,239	73,205	294,246
(196,516)	(185,969)	(172,239)	(162,259)
(2,173)	(1,852)	(1,923)	(1,586)
236,156	(17,586)	51,506	251,393
2,124,335	2,141,921	2,090,415	1,839,584
$ 2,360,491	$ 2,124,335	$ 2,141,921	$ 2,090,977
$ 1,373,526	$ 1,465,059	$ 1,307,856	$ 1,047,823
63.20 %	59.20 %	62.10 %	66.60 %
$ 674,971	$ 649,725	$ 615,105	$ 580,053
203.50 %	225.50 %	212.60%	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*
(Dollars in thousands)

	2021	2020	2019	2018
Total OPEB liability (asset)				
Service cost	$ 4,273	$ 4,042	$ 3,828	$ 3,767
Interest	14,658	15,498	15,217	14,485
Change of benefit terms	—	—	—	—
Difference between expected and actual experience	2,165	315	(1,374)	2,732
Changes of assumptions	—	4,372	5,002	—
Benefit payments, including refund of employee contributions	(12,885)	(12,317)	(11,505)	(11,016)
Net change in total OPEB liability (asset)	8,211	11,910	11,168	9,968
Total OPEB liability (asset) - beginning	229,741	217,831	206,663	196,695
Total OPEB liability (asset) - ending (a)	$ 237,952	$ 229,741	$ 217,831	$ 206,663
Plan fiduciary net position				
Contributions - employer	$ 13,111	$ 13,392	$ 12,977	$ 12,834
Contributions - employee	16	16	16	16
Contributions - service credit repurchase	375	557	377	747
Net investment income	36,527	6,905	8,178	8,211
Benefit payments, including refund of employee contributions	(12,885)	(12,317)	(11,505)	(11,016)
Administrative expense	(431)	(454)	(437)	(480)
Other	—	10	—	—
Net change in plan fiduciary net position	36,713	8,109	9,606	10,312
Plan fiduciary net position - beginning	145,621	137,512	127,906	117,594
Plan fiduciary net position - ending (b)	$ 182,334	$ 145,621	$ 137,512	$ 127,906
Net OPEB liability (asset) - ending (a) - (b)	$ 55,618	$ 84,120	$ 80,319	$ 78,757
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	76.63 %	63.38 %	63.13 %	61.89 %
Covered payroll	$ 1,090,258	$ 1,139,971	$ 1,115,858	$ 1,094,217
Plan net OPEB liability (asset) as a percentage of covered employee payroll	5.10 %	7.38 %	7.20 %	7.20 %

*Complete data for this schedule is not available prior to 2017.

2017
$ 3,430
14,327
—
(2,231)
8,861
(10,014)
14,373
182,322
$ 196,695
$ 12,576
16
464
12,074
(10,014)
(443)
—
14,673
102,921
$ 117,594
$ 79,101
59.78 %
$ 1,081,841
7.31 %

*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)

	2021	2020	2019	2018
Total OPEB liability (asset)				
Service cost	$ —	$ —	$ 4	$ 4
Interest	32	37	42	43
Change of benefit terms		—	—	—
Difference betw een expected and actual experience		(192)	—	—
Changes of assumptions		46	—	—
Benefit payments, including refund of employee contributions	(83)	(78)	(84)	(80)
Net change in total OPEB liability (asset)	(51)	(187)	(38)	(33)
Total OPEB liability (asset) - beginning	1,266	1,453	1,491	1,524
Total OPEB liability (asset) - ending (a)	$ 1,215	$ 1,266	$ 1,453	$ 1,491
Plan fiduciary net position				
Contributions - employer	$ 83	$ 78	$ 84	$ 80
Contributions - employee	—	—	—	—
Contributions - service credit repurchase	—	—	—	—
Contributions - other	—	—	—	—
Net investment income	—	—	—	—
Benefit payments, including refund of employee contributions	(83)	(78)	(84)	(80)
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)	$ 1,266	$ 1,266	$ 1,453	$ 1,491
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

*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 Employees Retirement System

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contribution	$157,543	$140,537	$127,129	$125,714	$116,564	$124,336	$107,514	$107,864	$97,985	$91,458
Contribution in relation to the actuarially determined contribution	91,266	85,504	81,588	80,727	78,934	77,081	70,843	61,661	48,847	38,006
Contribution deficiency (excess)	$66,277	$55,033	$45,541	$44,987	$37,630	$47,255	$36,671	$46,203	$49,138	$53,452
Covered payroll	1,213,676	1,167,768	1,098,416	1,075,958	1,063,372	1,048,548	973,536	888,452	800,878	804,169
Contributions as a percentage of covered payroll	7.52 %	7.32 %	7.43 %	7.50 %	7.42 %	7.35 %	7.28 %	6.94 %	6.10 %	4.73 %

Highway Patrolmen's Retirement System

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contribution	$ 4,081	$ 3,256	$ 2,936	$ 2,949	$ 3,060	$ 2,307	$ 2,201	$ 2,348	$ 2,191	$ 2,171
Contribution in relation to the actuarially determined contribution	2,293	2,177	2,091	2,153	2,156	2,127	2,002	1,865	1,586	1,423
Contribution deficiency (excess)	$ 1,788	$ 1,079	$ 845	$ 796	$ 904	$ 180	$ 199	$ 483	$ 605	$ 748
Covered payroll	11,516	11,410	10,354	10,737	10,629	10,527	10,146	9,348	8,167	8,002
Contributions as a percentage of covered payroll	19.91 %	19.08 %	20.20 %	20.05 %	20.28 %	20.21 %	19.73 %	19.95 %	19.42 %	17.78 %

Job Service North Dakota

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contribution	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Contribution in relation to the actuarially determined contribution	—	—	—	—	—	—	—	—	—	—
Contribution deficiency (excess)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Covered payroll	200	386	417	417	499	565	674	843	1,011	1,163
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

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contribution	$101,655	$93,688	$90,778	$88,307	$89,231	$84,724	$71,168	$59,513	$52,396	$69,374
Contribution in relation to the actuarially determined contribution	98,264	93,032	89,445	86,676	86,059	82,840	78,422	62,355	59,301	46,126
Contribution deficiency (excess)	$ 3,391	$ 656	$ 1,333	$ 1,631	$ 3,172	$ 1,884	$(7,254)	$(2,842)	$(6,905)	$23,248
Covered payroll	770,700	729,661	701,528	679,809	674,971	649,725	615,105	580,053	551,656	527,156
Contributions as a percentage of covered payroll	12.75 %	12.75 %	12.75 %	12.75 %	12.75 %	12.75 %	12.75 %	10.75 %	10.75 %	8.75 %

Retiree Health Insurance Credit Plan

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contribution	$13,340	$12,145	$12,707	$12,252	$11,696	$ 7,544	$ 6,439	$ 7,014	$ 7,411	$ 7,263
Contribution in relation to the actuarially determined contribution	13,111	13,392	12,977	12,835	12,575	12,350	11,479	10,710	9,960	9,388
Contribution deficiency (excess)	$ 229	$(1,247)	$ (270)	$ (583)	$ (879)	$(4,806)	$(5,040)	$(3,696)	$(2,549)	$(2,125)
Covered payroll	1,090,258	1,139,971	1,115,858	1,094,217	1,081,841	1,142,375	1,052,657	1,001,204	914,368	824,855
Contributions as a percentage of covered payroll	1.20 %	1.17 %	1.16 %	1.17 %	1.16 %	1.08 %	1.09 %	1.07 %	1.09 %	1.14 %

Required Supplementary Information
Information About the State's Pension and Other Post Employment Benefit Plans
For the Fiscal Year Ended June 30, 2021

ND Public Employees Retirement System

Benefit Changes	The interest rate earned on member contributions decreased from 7.00 percent to 6.50 percent effective January 1, 2021 (based on the adopted decrease in the investment return assumption). There have been no other changes in plan provisions since the previous actuarial valuation as of July 1, 2020.
Changes of Assumptions	All actuarial assumptions used in the July 1, 2021 valuation are the same as the last actuarial valuation as of July 1, 2020.

Highway Patrolmen's Retirement System

Benefit Changes	There were no benefit changes during the year.
Changes of Assumptions	All actuarial assumptions used in the July 1, 2021 valuation are the same as the last actuarial valuation as of July 1, 2020.

Job Service North Dakota

Benefit Changes	There were no changes made in the plan provisions since the prior valuation.
Changes of Assumptions	The Board approved the following changes to the actuarial assumptions beginning with the July 1, 2021 actuarial valuation: • The investment return assumption was lowered from 4.25 to 3.75 percent for the July 1, 2020 valuation. All other actuarial assumptions used in the July 1, 2021 are the same as the last actuarial valuation as of July 1, 2020.

ND Teachers' Fund for Retirement

Changes of Assumptions	In 2020, amounts reported as changes of assumptions resulted primarily from a decrease in the investment return assumption from 7.75% to 7.25%, the inflation assumption lowered from 2.75% to 2.30%, lower individual salary increases, and an updated mortality improvement scale. In 2015, amounts reported as changes of assumptions resulted primarily from a decrease in the investment return assumption from 8% to 7.75% and an updated mortality improvement scale.

Retiree Health Insurance Credit Plan

Benefit Changes	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.
Changes of Assumptions	All other actuarial assumptions used in the July 1, 2021 are the same as the last actuarial valuation as of July 1, 2020.

Required Supplementary Information
Information About the State's Pension and Other Post Employment Benefit Plans
For the Fiscal Year Ended June 30, 2021

Schedule of Employer Contributions

PERS

Valuation Date	July 1, 2020
Actuarial Cost Method	Entry Age Normal Method
Amortization Method	Level Percentage of Payroll, Open Period Assumed annual payroll growth of 3.50% (3.00% for Judges)
Remaining Amortization Period	20 Years
Asset Valuation Method	5-Year smoothed marked
Inflation	2.50%
Salary Increases	3.50% to 17.75% including inflation
Investment Rate of Return	7.0%
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 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 7.50% to 7.00% beginning with the actuarial valuation as of July 1, 2020. Other updates to actuarial assumptions since the July 1, 2019 valuation include changes to mortality tables used for the valuation as well as changes to rates of annual salary increases, separation for active membership, disability, and retirement. The actuarial assumptions were based on an experience review for the period from July 1, 2014 to July 1, 2019 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, 2021

HPRS

Valuation Date	July 1, 2021
Actuarial Cost Method	Entry Age Normal Method
Amortization Method	Level Percentage of Payroll, Open Period Assumed annual payroll growth of 3.75%
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	For June 30, 2021, 7.0%. For June 30, 2020, 7.5%
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), 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 economic assumptions were updated beginning with the actuarial valuation as of July 1, 2020 based on a review performed by GRS. The investment return assumption was decreased from 7.50% to 7.00% 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 2014 through June 30 2019. The employer rate to the System is the statutory contribution rate of 19.70% of payroll.

Required Supplementary Information
Information About the State's Pension and Other Post Employment Benefit Plans
For the Fiscal Year Ended June 30, 2021

JSND

Valuation Date	July 1, 2021
Actuarial Cost Method	Frozen Initial Liability (Aggregate since no initial Liability remains)
Amortization Method	Not Applicable
Asset Valuation Method	5-Year smoothed marked
Inflation	As of June 30, 2021, 2.25. As of June 30, 2020, 2.5%.
COLA	As of June 30, 2021, 2.25%. As of June 30, 2020, 2.5%.
Salary Increases	3.50%
Investment Rate of Return	As of June 30, 2021, 4.25%. As of June 30, 2020, 4.75%.
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	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 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, 2021

TFFR:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, closed
Remaining amortization Period	22 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, 2021

RHIC

Valuation Date	July 1, 2020
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	6.50%
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 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
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 %
2013	13.52 %	13.38 %	12.07 %	13.60 %	0.00 %

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Required Supplementary Information
Information About the State's Pension and Other Post Employment Benefit Plans
For the Fiscal Year Ended June 30, 2021

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, 2020: • The discount rate is 2.66 percent based on the S&P Municipal Bond 20 Year High Grade Rate Index as of June 30, 2020, compared to the prior discount rate of 2.98%. • Mortality was updated from table RP-2-14 adjusted to 2006 and projected using scale MP-2017 to table RP-2014 adjusted to 2006 and projected using scale MP-2019.

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.

BUILDING AUTHORITY
960 - Building Authority Capital Projects Fund 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.

BUILDING AUTHORITY
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.

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

	Perm Trust Fund			Debt Service Funds	Capital Proj. Fund	
	Coal Development Trust Fund	Veteran's Postwar Trust Fund	Total	Building Authority	Building Authority	Total Nonmajor Governmental Funds
ASSETS						
Cash Deposits at the Bank of ND	$ 326,192	$ 182,185	$ 508,377	$ 87,000	$35,199,645	$ 35,795,022
Cash and Cash Equivalents	—	64,834	64,834	—	—	64,834
Investments at the Bank of ND	—	30,000	30,000	663,000	—	693,000
Investments	31,776,485	7,901,304	39,677,789	—	—	39,677,789
Accounts Receivable - Net	—	16	16	—	—	16
Taxes Receivable - Net	106,344	354	106,698	—	—	106,698
Interest Receivable - Net	66,970	14,314	81,284	—	—	81,284
Due from Other Funds	—	20	20	—	—	20
Loans and Notes Receivable - Net	39,646,046	—	39,646,046	—	—	39,646,046
Total Assets	71,922,037	8,193,027	80,115,064	750,000	35,199,645	116,064,709
DEFERRED OUTFLOWS OF RESOURCES						
Total Deferred Outflows of Resources	—	—	—	—	—	—
Total Assets and Deferred Outflows of Resources	$ 71,922,037	$ 8,193,027	$80,115,064	$ 750,000	$35,199,645	$ 116,064,709
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts Payable	310	13,586	13,896	—	—	13,896
Accrued Payroll	105	—	105	—	—	105
Securities Lending Collateral	653,760	—	653,760	—	—	653,760
Due to Other Funds	150,191	—	150,191	—	5,796,000	5,946,191
Total Liabilities	804,366	13,586	817,952	—	5,796,000	6,613,952
DEFERRED INFLOWS OF RESOURCES						
Total Deferred Inflows of Resources	—	—	—	—	—	—
Fund Balances:						
Nonspendable	71,010,157	7,767,430	78,777,587	—	—	78,777,587
Restricted	—	—	—	750,000	29,403,645	30,153,645
Committed	107,514	412,011	519,525	—	—	519,525
Total Fund Balances	71,117,671	8,179,441	79,297,112	750,000	29,403,645	109,450,757
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 71,922,037	$ 8,193,027	$80,115,064	$ 750,000	$35,199,645	$ 116,064,709

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2021

	Perm Trust Fund			Debt Service Funds	Capital Proj. Fund	
	Coal Development Trust Fund	Veteran's Postwar Trust Fund	Total	Building Authority	Building Authority	Total Nonmajor Governmental Funds
REVENUES						
Individual and Corporate Income Taxes	$ —	$ 25,391	$ 25,391	$ —	$ —	$ 25,391
Oil, Gas, and Coal Taxes	1,468,023	—	1,468,023	—	—	1,468,023
Licenses, Permits and Fees	—	14,130	14,130	—	—	14,130
Sales and Services	—	7,430	7,430	—	—	7,430
Interest and Investment Income	746,814	1,473,428	2,220,242	5,000	55,000	2,280,242
Miscellaneous	—	25,365	25,365	—	—	25,365
Total Revenues	2,214,837	1,545,744	3,760,581	5,000	55,000	3,820,581
EXPENDITURES						
Current:						
General Government	20,127	61,922	82,049	—	—	82,049
Health and Human Services	—	144,493	144,493	—	—	144,493
Regulatory	—	—	—	562,000	—	562,000
Capital Outlay	—	—	—	—	4,928,000	4,928,000
Debt Service:						
Principal	—	—	—	4,620,000	—	4,620,000
Interest and Other Charges	—	—	—	3,300,000	—	3,300,000
Total Expenditures	20,127	206,415	226,542	8,482,000	4,928,000	13,636,542
Revenues over (under) Expenditures	2,194,710	1,339,329	3,534,039	(8,477,000)	(4,873,000)	(9,815,961)
OTHER FINANCING SOURCES (USES)						
Bonds and Notes Issued	—	—	—	3,215,000	84,050,006	87,265,006
Transfers In	—	—	—	5,309,000	—	5,309,000
Transfers Out	(1,827,616)	—	(1,827,616)	—	(46,495,361)	(48,322,977)
Total Other Financing Sources (Uses)	(1,827,616)	—	(1,827,616)	8,524,000	37,554,645	44,251,029
Net Change in Fund Balances	367,094	1,339,329	1,706,423	47,000	32,681,645	34,435,068
Fund Balances - Beginning of Year	70,750,577	6,840,112	77,590,689	703,000	(3,278,000)	75,015,689
Fund Balances - End of Year	$ 71,117,671	$ 8,179,441	$79,297,112	$ 750,000	$29,403,645	$ 109,450,757

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.

909 – Small Employer Loan Fund (SELF)
The Small Employer Loan Fund was established by Bank of North Dakota to assist local financial institutions and certified development corporations in providing loans to assist very small North Dakota businesses in their recovery from the negative impacts caused by the COVID-19 pandemic.

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 Loan Program

Fund used to make loans to North Dakota 2011 flood-damaged homeowners to provide financial assistance needed to repair their home.

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 - Community Water Facility 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.

STATE OF NORTH DAKOTA

Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2021

	Addiction Counselor Internship Loan	Bonding	Community Water Facility Loan	Edutech	Fire and Tornado	Guaranteed Student Loan
ASSETS						
Current Assets:						
Cash Deposits at the Bank of ND	$ 95,922	$ 65,624	$ 22,232,000	$ 1,008,103	$ 312,262	$ 50,011,804
Cash and Cash Equivalents	—	1,731,443	—	—	2,283,236	—
Investments at the Bank of ND	—	—	—	—	—	—
Investments	—	2,101,781	—	—	20,474,754	—
Accounts Receivable - Net	—	151,219	—	2,730	5,749	—
Interest Receivable - Net	616	23,096	137,000	—	135,086	—
Intergovernmental Receivable - Net	—	—	—	4,629	—	—
Due from Other Funds	—	—	—	—	—	—
Prepaid Items	—	—	—	—	342,065	—
Inventory	—	—	—	—	—	—
Loans and Notes Receivable - Net	7,331	—	601,000	—	—	—
Other Assets	—	—	—	—	—	—
Restricted Cash at the Bank of ND	—	—	—	—	—	4,536
Restricted Cash and Cash Equivalents	—	—	—	—	—	—
Restricted Investments at the Bank of ND	—	—	—	—	—	—
Restricted Loans Receivable - Net	—	—	—	—	—	—
Total Current Assets	103,869	4,073,163	22,970,000	1,015,462	23,553,152	50,016,340
Noncurrent Assets:						
Loans and Notes Receivable - Net	84,265	—	13,466,000	—	—	—
Other Noncurrent Assets	—	—	—	—	—	—
Capital Assets:						
Nondepreciable	—	—	—	—	—	—
Depreciable, Net	—	—	—	—	—	—
Total Noncurrent Assets	84,265	—	13,466,000	—	—	—
Total Assets	188,134	4,073,163	36,436,000	1,015,462	23,553,152	50,016,340
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	—	266	—	7,688	399	—
Accrued Payroll	—	—	—	15,383	—	—
Securities Lending Collateral	—	5,979	—	—	74,012	—
Interest Payable	—	1,756	—	—	21,662	—
Intergovernmental Payable	—	—	—	—	4,415	6,004,536
Due to Other Funds	—	—	18,000	45,647	—	151,626
Claims/Judgments Payable	—	134,068	—	—	1,808,842	—
Compensated Absences Payable	—	—	—	—	—	—
Bonds Payable	—	—	—	—	—	—
Unearned Revenue	—	—	—	—	—	—
Total Current Liabilities	—	142,069	18,000	68,718	1,909,330	6,156,162
Noncurrent Liabilities:						
Compensated Absences Payable	—	—	—	—	—	—
Bonds Payable	—	—	—	—	—	—
Financial Derivative Instrument	—	—	—	—	—	—
Net Pension Liability	—	—	—	—	—	—
Net Pension OPEB	—	—	—	—	—	—
Other Noncurrent Liabilities	—	—	—	—	—	23,337,976
Total Noncurrent Liabilities	—	—	—	—	—	23,337,976
Total Liabilities	—	142,069	18,000	68,718	1,909,330	29,494,138
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	—	—	—	—	—	—
Other	—	—	—	—	—	—
Unrestricted	188,134	3,931,094	36,418,000	946,744	21,643,822	20,522,202
Total Net Position	$ 188,134	$ 3,931,094	$ 36,418,000	$ 946,744	$ 21,643,822	$ 20,522,202

(Continued on Next Page)

HIT Planning Loan 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 Loan Program	Roughrider Industries
$ —	$ 24,772,000	$ 21,286,111	$ 1,514,000	$ 4,795,000	$ 1,854,533	$ 1,699,735	$ 442,738	$ 11,282,844
—	—	—	—	—	—	1,719,117	—	500
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	32,716,340	—	—
—	—	470,580	—	—	52,803,836	182,412	—	772,677
1,716	750,000	—	—	29,000	—	—	33,499	—
—	—	—	—	—	—	—	—	—
—	—	511,556	—	—	—	—	—	159,252
—	—	—	—	—	980,493	—	—	24,217
—	—	—	—	—	29,934,013	—	—	2,243,426
716,417	6,160,000	—	—	2,018,000	—	—	1,706,973	—
—	—	—	—	—	—	105,400	—	182
7,419,876	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
8,138,009	31,682,000	22,268,247	1,514,000	6,842,000	85,572,875	36,423,004	2,183,210	14,483,098
1,228,301	95,209,000	—	12,714,000	43,428,000	—	—	17,183,756	—
—	—	—	—	—	821,191	—	—	—
—	—	10,370,210	—	—	24,153,988	—	—	—
—	—	2,482,411	—	—	103,429,574	92,841	—	1,366,766
1,228,301	95,209,000	12,852,621	12,714,000	43,428,000	128,404,753	92,841	17,183,756	1,366,766
9,366,310	126,891,000	35,120,868	14,228,000	50,270,000	213,977,628	36,515,845	19,366,966	15,849,864
—	—	—	—	—	497,649	—	—	—
—	—	—	—	—	16,142,741	—	—	2,521,582
—	—	—	—	—	325,138	—	—	42,811
—	—	—	—	—	16,965,528	—	—	2,564,393
3,036	—	6,772,566	—	—	18,625,855	196,195	3,785	140,758
—	—	19,397	—	—	804,410	85,798	—	406,227
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	400,500	—	—	—	—	—	—
—	128,000	33,174	16,000	57,000	69,467,879	13,480	19,225,970	14,536
—	—	—	—	—	—	—	—	—
—	—	—	—	—	102,865	6,720	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
3,036	128,000	7,225,637	16,000	57,000	89,001,009	302,193	19,229,755	561,521
—	—	—	—	—	1,117,359	73,663	—	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	497,650	—	—	—
—	—	—	—	—	25,807,034	—	—	4,124,686
—	—	—	—	—	653,232	—	—	106,723
—	—	—	—	—	—	—	—	—
—	—	—	—	—	28,075,275	73,663	—	4,231,409
3,036	128,000	7,225,637	16,000	57,000	117,076,284	375,856	19,229,755	4,792,930
—	—	—	—	—	3,923,167	—	—	628,430
—	—	—	—	—	15,661	—	—	5,077
—	—	—	—	—	3,938,828	—	—	633,507
—	—	12,852,620	—	—	127,583,562	92,841	—	1,366,767
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
9,363,274	126,763,000	15,042,611	14,212,000	50,213,000	(17,655,518)	36,047,148	137,211	11,621,053
$ 9,363,274	$ 126,763,000	$ 27,895,231	$ 14,212,000	$ 50,213,000	$ 109,928,044	$ 36,139,989	$ 137,211	$ 12,987,820

Combining Statement of Net Position
Nonmajor Enterprise Funds (Continued)
June 30, 2021

	School Construction Assistance Loan Fund	Small Employer Loan Fund	State Fair	State Lottery Fund	Student Loan	Total
ASSETS						
Current Assets:						
Cash Deposits at the Bank of ND	$ 47,077,000	$ 1,808,000	$ 4,038,851	$ 8,213,483	$ —	$ 202,510,010
Cash and Cash Equivalents	—	—	—	453,389	—	6,187,685
Investments at the Bank of ND	—	—	2,000,000	—	—	2,000,000
Investments	—	—	—	—	—	55,292,875
Accounts Receivable - Net	—	—	111,531	144,893	—	54,645,627
Interest Receivable - Net	1,396,000	25,000	—	—	—	2,531,013
Intergovernmental Receivable - Net	—	—	—	—	—	4,629
Due from Other Funds	—	—	—	—	6,000	676,808
Prepaid Items	—	—	54,877	10,000	—	1,411,652
Inventory	—	—	—	—	—	32,177,439
Loans and Notes Receivable - Net	16,971,000	2,934,000	—	—	—	31,114,721
Other Assets	—	—	—	—	—	105,582
Restricted Cash at the Bank of ND	—	—	—	—	—	7,424,412
Restricted Cash and Cash Equivalents	—	—	—	—	535,000	535,000
Restricted Investments at the Bank of ND	—	—	—	—	1,000,000	1,000,000
Restricted Loans Receivable - Net	—	—	—	—	189,000	189,000
Total Current Assets	65,444,000	4,767,000	6,205,259	8,821,765	1,730,000	397,806,453
Noncurrent Assets:						
Loans and Notes Receivable - Net	242,250,000	22,840,000	—	—	492,000	448,895,322
Other Noncurrent Assets	—	—	—	1,369,406	—	2,190,597
Capital Assets:						
Nondepreciable	—	—	741,502	—	—	35,265,700
Depreciable, Net	—	—	22,319,911	11,841	—	129,703,344
Total Noncurrent Assets	242,250,000	22,840,000	23,061,413	1,381,247	492,000	616,054,963
Total Assets	307,694,000	27,607,000	29,266,672	10,203,012	2,222,000	1,013,861,416
DEFERRED OUTFLOWS OF RESOURCES						
Decrease in Fair Value of Hedging Derivatives	—	—	—	—	—	497,649
Derived from Pensions	—	—	1,558,665	1,130,983	—	21,353,971
Derived from OPEB	—	—	17,601	17,720	—	403,270
Total Deferred Outflows of Resources	—	—	1,576,266	1,148,703	—	22,254,890
LIABILITIES						
Current Liabilities:						
Accounts Payable	—	36,000	25,102	1,154,664	—	26,966,314
Accrued Payroll	—	—	—	92,547	—	1,423,762
Securities Lending Collateral	—	—	—	—	—	79,991
Interest Payable	—	—	—	—	—	23,418
Intergovernmental Payable	—	—	—	—	2,000	6,411,451
Due to Other Funds	333,000	—	—	6,406,630	—	95,910,942
Claims/Judgments Payable	—	—	—	—	—	1,942,910
Compensated Absences Payable	—	—	70,000	—	—	179,585
Bonds Payable	—	—	130,000	—	—	130,000
Unearned Revenue	—	—	—	265,890	—	265,890
Total Current Liabilities	333,000	36,000	225,102	7,919,731	2,000	133,334,263
Noncurrent Liabilities:						
Compensated Absences Payable	—	—	20,693	77,929	—	1,289,644
Bonds Payable	—	—	1,297,274	—	1,000,000	2,297,274
Financial Derivative Instrument	—	—	—	—	—	497,650
Net Pension Liability	—	—	2,606,290	1,884,569	—	34,422,579
Net Pension OPEB	—	—	67,435	48,762	—	876,152
Other Noncurrent Liabilities	—	—	—	—	—	23,337,976
Total Noncurrent Liabilities	—	—	3,991,692	2,011,260	1,000,000	62,721,275
Total Liabilities	333,000	36,000	4,216,794	9,930,991	1,002,000	196,055,538
DEFERRED INFLOWS OF RESOURCES						
Derived from Pensions	—	—	607,572	285,350	—	5,444,519
Derived from OPEB	—	—	13,052	2,857	—	36,647
Total Deferred Inflows of Resources	—	—	620,624	288,207	—	5,481,166
Net Position						
Net Investment in Capital Assets	—	—	21,634,139	11,841	—	163,541,770
Restricted for:						
Debt Service	—	—	—	—	724,000	724,000
Other	—	—	—	1,369,406	—	1,369,406
Unrestricted	307,361,000	27,571,000	4,371,381	(248,730)	496,000	668,944,426
Total Net Position	$ 307,361,000	$ 27,571,000	$ 26,005,520	$ 1,132,517	$ 1,220,000	$ 834,579,602



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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, 2021

	Addiction Counselor Internship Loan	Bonding	Community Water Facility Loan	Edutech	Fire and Tornado	Guaranteed Student Loan
OPERATING REVENUES						
Sales and Services	$ —	$ 1,240	$ —	$ 216,689	$ 1,046,989	$ 6,973,189
Grants and Contributions	—	—	—	—	—	—
Royalties and Rents	—	—	—	—	—	—
Interest and Investment Income	3,229	—	503,000	—	—	—
Miscellaneous	—	19,875	—	—	—	—
Total Operating Revenues	3,229	21,115	503,000	216,689	1,046,989	6,973,189
OPERATING EXPENSES						
Cost of Sales and Services	—	—	—	—	—	—
Salaries and Benefits	—	—	—	182,762	—	—
Operating	5,950	—	90,000	142,134	653,522	6,364,286
Claims	—	58,691	—	—	4,290,040	—
Interest	—	—	—	—	—	—
Depreciation	—	—	—	—	—	—
Miscellaneous	—	—	—	—	73,985	—
Total Operating Expenses	5,950	58,691	90,000	324,896	5,017,547	6,364,286
Operating Income (Loss)	(2,721)	(37,576)	413,000	(108,207)	(3,970,558)	608,903
NONOPERATING REVENUES (EXPENSES)						
Grants and Contracts	—	—	—	—	—	—
Interest and Investment Income	90	67,139	28,000	—	3,489,505	71,430
Interest Expense	—	(4,432)	—	—	(52,794)	—
Gain (Loss) on Sale of Capital Assets	—	—	—	—	—	—
Other	—	—	121,000	—	—	—
Total Nonoperating Revenues (Expenses)	90	62,707	149,000	—	3,436,711	71,430
Income (Loss) Before Contributions and Transfers	(2,631)	25,131	562,000	(108,207)	(533,847)	680,333
Transfers In	—	—	—	—	—	—
Transfer Out	—	—	—	—	—	—
Change in Net Position	(2,631)	25,131	562,000	(108,207)	(533,847)	680,333
Total Net Position - Beginning of Year, as Restated	190,765	3,905,963	35,856,000	1,054,951	22,177,669	19,841,869
Total Net Position - End of Year	$ 188,134	$ 3,931,094	$ 36,418,000	$ 946,744	$ 21,643,822	$ 20,522,202

(Continued on Next Page)

HIT Planning Loan 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 Loan Program	Roughrider Industries
$ —	$ —	$ 8,183,045	$ —	$ —	$ 267,825,234	$ 367,921,342	$ —	$ 8,267,781
—	—	—	—	—	116,689	—	—	—
—	—	—	—	—	—	—	—	180,283
36,975	2,094,000	—	—	463,000	—	—	226,677	—
—	—	—	—	—	—	47	288,411	48,987
36,975	2,094,000	8,183,045	—	463,000	267,941,923	367,921,389	515,088	8,497,051
—	—	—	—	—	214,408,384	—	—	4,898,987
—	—	154,264	—	—	24,026,759	1,005,078	—	2,869,236
14,381	583,000	8,508,247	498,000	237,000	8,790,276	367,684,839	234,110	806,957
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	1,308,128	—	—	6,236,827	101,221	—	194,432
—	—	—	—	—	—	4,408	—	—
14,381	583,000	9,970,639	498,000	237,000	253,462,246	368,795,546	234,110	8,769,612
22,594	1,511,000	(1,787,594)	(498,000)	226,000	14,479,677	(874,157)	280,978	(272,561)
—	—	—	—	—	—	—	—	—
—	22,000	67,427	4,000	5,000	4,431	1,276,946	281	—
—	—	—	—	—	(1,247,260)	—	(316,792)	—
—	—	—	—	—	—	—	—	(6,750)
—	—	—	—	—	223,472	(87,500)	—	—
—	22,000	67,427	4,000	5,000	(1,019,357)	1,189,446	(316,511)	(6,750)
22,594	1,533,000	(1,720,167)	(494,000)	231,000	13,460,320	315,289	(35,533)	(279,311)
—	—	—	5,000,000	—	—	—	—	—
—	—	—	—	—	(7,113,748)	—	—	—
22,594	1,533,000	(1,720,167)	4,506,000	231,000	6,346,572	315,289	(35,533)	(279,311)
9,340,680	125,230,000	29,615,398	9,706,000	49,982,000	103,581,472	35,824,700	172,744	13,267,131
$ 9,363,274	$ 126,763,000	$ 27,895,231	$ 14,212,000	$ 50,213,000	$ 109,928,044	$ 36,139,989	$ 137,211	$ 12,987,820

Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Nonmajor Enterprise Funds (Continued)
For the Fiscal Year Ended June 30, 2021

	School Construction Assistance Loan Fund	Small Employer Loan Fund	State Fair	State Lottery Fund	Student Loan	Total
OPERATING REVENUES						
Sales and Services	$ —	$ —	$ 1,063,512	$ 30,501,286	$ —	$ 692,000,307
Grants and Contributions	—	—	105,272	—	—	221,961
Royalties and Rents	—	—	—	—	—	180,283
Interest and Investment Income	4,656,000	262,000	—	—	44,000	8,288,881
Miscellaneous	—	—	—	—	—	357,320
Total Operating Revenues	4,656,000	262,000	1,168,784	30,501,286	44,000	701,048,752
OPERATING EXPENSES						
Cost of Sales and Services	—	—	—	—	—	219,307,371
Salaries and Benefits	—	—	1,990,811	1,289,956	—	31,518,866
Operating	1,508,000	1,410,000	732,264	22,338,814	18,000	420,619,780
Claims	—	—	—	—	—	4,348,731
Interest	—	—	—	—	8,000	8,000
Depreciation	—	—	1,463,092	2,753	—	9,306,453
Miscellaneous	—	—	—	—	—	78,393
Total Operating Expenses	1,508,000	1,410,000	4,186,167	23,631,523	26,000	685,187,594
Operating Income (Loss)	3,148,000	(1,148,000)	(3,017,383)	6,869,763	18,000	15,861,158
NONOPERATING REVENUES (EXPENSES)						
Grants and Contracts	—	—	634,710	—	—	634,710
Interest and Investment Income	48,000	4,000	25,889	7,049	3,000	5,124,187
Interest Expense	—	—	(52,700)	—	—	(1,673,978)
Gain (Loss) on Sale of Capital Assets	—	—	14,731	—	—	7,981
Other	—	—	(663)	—	—	256,309
Total Nonoperating Revenues (Expenses)	48,000	4,000	621,967	7,049	3,000	4,349,209
Income (Loss) Before Contributions and Transfers	3,196,000	(1,144,000)	(2,395,416)	6,876,812	21,000	20,210,367
Transfers In	—	10,000,000	—	—	—	15,000,000
Transfer Out	(1,300,000)	—	—	(7,420,000)	—	(15,833,748)
Change in Net Position	1,896,000	8,856,000	(2,395,416)	(543,188)	21,000	19,376,619
Total Net Position - Beginning of Year, as Restated	305,465,000	18,715,000	28,400,936	1,675,705	1,199,000	815,202,983
Total Net Position - End of Year	$ 307,361,000	$ 27,571,000	$ 26,005,520	$ 1,132,517	$ 1,220,000	$ 834,579,602



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Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2021

	Addiction Counselor Internship Loan Program	Bonding	Community Water Facility Loan	Edutech	Fire and Tornado
Cash Flows from Operating Activities:					
Receipts from Customers and Users	$ —	$ 16,868	$ —	$ 215,021	$ 1,046,042
Interest Income on Loans	—	—	—	—	—
Receipts from Loan Principal Repayments	—	—	—	—	—
Receipts from Other Funds	—	—	—	—	—
Payments to Other Funds	—	—	—	—	(7,916)
Payments for Loan Funds	—	—	—	—	—
Payments to Suppliers	—	—	(97,000)	(95,867)	(766,512)
Payments to Employees	—	(219)	—	(182,237)	—
Claim Payments	—	(58,691)	—	—	(3,586,349)
Payments to Others	(5,950)	—	—	—	—
Other	—	—	—	—	—
Net Cash Provided by (Used for) Operating Activities	(5,950)	(42,042)	(97,000)	(63,083)	(3,314,735)
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	—	—	—	—	—
Contributions	—	—	—	—	—
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	—	—	—	—	—
Principal Payments - Bonds	—	—	—	—	—
Interest Payments - Bonds	—	—	—	—	—
Payment of Bond Issue Costs	—	—	—		—
Net Cash Provided by (Used for) Capital and Related Financing Activities	—	—	—	—	—
Cash Flows from Investing Activities:					
Proceeds from Sale and Maturities of Investment Securities	—	—	—	—	—
Purchase of Investment Securities	—	(24,370)	—	—	16,462
Interest and Dividends on Investments	90	56,895	28,000	—	3,444,981
Proceeds from Sale of Other Real Estate	—	—	—	—	—
Disbursements for Loans and Loan Purchases	(22,500)	—	—	—	—
Receipt of Loan Principal Repayments	—	—	5,884,000	—	—
Proceeds from Collection of Loans and Notes Receivable	37,998	—	—	—	—
Loan Income Received	2,681	—	638,000	—	—
Net Cash Provided by (Used for) Investing Activities	18,269	32,525	6,550,000	—	3,461,443
Net Change in Cash:					
Net Increase (Decrease) in Cash and Cash Equivalents	12,319	(9,517)	6,453,000	(63,083)	146,708
Cash and Cash Equivalents at June 30, 2020	83,603	1,806,584	15,779,000	1,071,186	2,448,790
Cash and Cash Equivalents at June 30, 2021	$ 95,922	$ 1,797,067	$ 22,232,000	$ 1,008,103	$ 2,595,498
Reconciliation:					
Current:					
Cash Deposits at the Bank of North Dakota	95,922	65,624	22,232,000	1,008,103	312,262
Cash and Cash Equivalents	—	1,731,443	—	—	2,283,236
Restricted Cash Deposits at the Bank of North Dakota	—	—	—	—	—
Restricted Cash and Cash Equivalents	—	—	—	—	—
Noncurrent:					
Restricted Cash Deposits at The Bank of North Dakota	—	—	—	—	—
Restricted Cash and Cash Equivalents	—	—	—	—	—
Cash and Cash Equivalents	$ 95,922	$ 1,797,067	$ 22,232,000	$ 1,008,103	$ 2,595,498

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Guaranteed Student Loan	HIT Planning Loan Fund	Infrastructure Revolving Loan Fund	Interoperable Radio	Innovation Technology Loan Fund	Medical Facility Infrastructure Loan Fund	Mill and Elevator	PERS Uniform Group Insurance	Rebuilders Loan Program	Roughrider Industries
$ 7,541,704	$ —	$ —	$ 7,558,455	$ —	$ —	$ 333,304,199	$ 367,330,340	$ —	$ 8,360,163
—	37,779	—	—	—	—	—	—	—	—
737,179	1,352,650	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	(234,955)
—	—	—	—	—	—	—	—	(122,404)	(104,533)
(1,939,158)	—	—	—	—	—	—	—	—	—
(396,212)	(16,024)	—	(2,776,332)	—	—	(296,320,842)	(367,641,635)	—	(5,537,124)
—	—	—	(145,197)	—	—	(19,221,119)	(989,484)	—	(2,284,783)
—	—	—	—	—	—	—	—	—	—
—	—	(518,000)	—	(84,000)	—	—	—	(125,113)	—
—	—	—	—	—	(239,000)	—	(4,361)	—	—
5,943,513	1,374,405	(518,000)	4,636,926	(84,000)	(239,000)	17,762,238	(1,305,140)	(247,517)	198,768
—	—	—	—	—	—	77,349,165	—	—	—
—	—	—	—	—	—	(62,598,807)	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	(1,268,465)	—	—	—
—	—	—	—	5,000,000	—	—	—	—	—
—	—	—	—	—	—	(6,041,851)	(87,500)	—	—
—	—	—	—	—	—		—	(2,738,249)	—
—		—		—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	5,000,000	—	7,440,042	(87,500)	(2,738,249)	—
—	—	—	(10,420,814)	—	—	(23,352,403)	(42,850)	—	(160,026)
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—		—	—	—	—	—	—	—	—
—	—	—	(10,420,814)	—	—	(23,352,403)	(42,850)	—	(160,026)
—	—	—	—	—	—	—	(235,722,245)	—	—
—	—	—	—	—	—	—	231,657,590	—	—
71,430	—	22,000	67,427	4,000	5,000	4,431	1,276,946	281	—
—	—						—	—	—
—	—	(15,655,000)	—	(8,092,000)	(1,300,000)	—	—	(180,047)	—
—	—	—	—	—	—	—	—	—	—
—	—	11,375,000	—	—	1,956,000	—	—	3,052,027	—
—	—	2,095,000	—	—	463,000	—	—	222,301	—
71,430	—	(2,163,000)	67,427	(8,088,000)	1,124,000	4,431	(2,787,709)	3,094,562	—
6,014,943	1,374,405	(2,681,000)	(5,716,461)	(3,172,000)	885,000	1,854,308	(4,223,199)	108,796	38,742
44,001,397	6,045,471	27,453,000	27,002,572	4,686,000	3,910,000	225	7,642,051	333,942	11,244,602
$ 50,016,340	$ 7,419,876	$ 24,772,000	$ 21,286,111	$ 1,514,000	$ 4,795,000	$ 1,854,533	$ 3,418,852	$ 442,738	$ 11,283,344
50,011,804	—	24,772,000	21,286,111	1,514,000	4,795,000	1,854,533	1,699,735	442,738	11,282,844
—	—	—	—	—	—	—	1,719,117	—	500
4,536	7,419,876	—	—	—	—	—	—	—	—
—	—	—		—	—	—	—	—	—
—	—	—		—	—	—	—	—	—
—	—	—		—	—	—	—	—	—
$ 50,016,340	$ 7,419,876	$ 24,772,000	$ 21,286,111	$ 1,514,000	$ 4,795,000	$ 1,854,533	$ 3,418,852	$ 442,738	$ 11,283,344

Combining Statement of Cash Flows
Nonmajor Enterprise Funds (Continued)
For the Fiscal Year Ended June 30, 2021

	School Construction Assistance Revolving Loan	Small Employer Loan Fund	State Fair	State Lottery Fund	Student Loan	Total
Cash Flows from Operating Activities:						
Receipts from Customers and Users	$ —	$ —	$ 1,435,939	$ 22,697,543	$ 213,000	$749,719,274
Interest Income on Loans	—	—	—	—	—	37,779
Receipts from Loan Principal Repayments	—	—	—	—	—	2,089,829
Receipts from Other Funds	—	—	—	—	—	(234,955)
Payments to Other Funds	—	—	—	—	—	(234,853)
Payments for Loan Funds	—	—	—	—	—	(1,939,158)
Payments to Suppliers	(1,266,000)	—	(754,978)	(13,196,232)	(17,000)	(688,881,758)
Payments to Employees	—	(110,000)	(1,571,813)	(1,007,829)	—	(25,512,681)
Claim Payments	—	—	—	—	—	(3,645,040)
Payments to Others	—	(165,000)	—	(63,042)	—	(961,105)
Other	—	—	—	—	—	(243,361)
Net Cash Provided by (Used for) Operating Activities	(1,266,000)	(275,000)	(890,852)	8,430,440	196,000	30,193,971
Cash Flows from Noncapital Financing Activities:						
Proceeds from Sale of Notes and Other Borrowings	—	—	—	—	—	77,349,165
Principal Payments - Notes and Other Borrowings	—	—	—	—	—	(62,598,807)
Interest Payments - Bonds	—	—	—	—	(8,000)	(8,000)
Interest Payments - Notes and Other Borrowings	—	—	—	—	—	(1,268,465)
Transfers In	—	10,000,000	—	—	—	15,000,000
Transfers Out	(1,300,000)	—	—	(5,220,000)	(48,000)	(12,697,351)
Principal Payments on Due To Other Funds	—	—	—	—	—	(2,738,249)
Grants Received	—	—	634,710	—	—	634,710
Net Cash Provided by (Used for) Noncapital Financing Activities	(1,300,000)	10,000,000	634,710	(5,220,000)	(56,000)	13,673,003
Cash Flows from Capital and Related Financing Activities:						
Acquisition and Construction of Capital Assets	—	—	(181,413)	(5,530)	—	(34,163,036)
Principal Payments - Bonds	—	—	(125,000)	—	—	(125,000)
Interest Payments - Bonds	—	—	(52,700)	—	—	(52,700)
Payment of Bond Issue Costs	—	—	(12,923)	—	—	(12,923)
Net Cash Provided by (Used for) Capital and Related Financing Activities	—	—	(372,036)	(5,530)	—	(34,353,659)
Cash Flows from Investing Activities:						
Proceeds from Sale and Maturities of Investment Securities	—	—	—	—	2,000,000	(233,722,245)
Purchase of Investment Securities	—	—	(1,000,000)	—	(2,000,000)	228,649,682
Interest and Dividends on Investments	48,000	4,000	25,889	4,183	3,000	5,066,553
Proceeds from Sale of Other Real Estate	—		14,731	—	—	14,731
Disbursements for Loans and Loan Purchases	(39,151,000)	(15,687,000)	—	—	—	(80,087,547)
Receipt of Loan Principal Repayments	18,696,000	1,923,000	—	—	—	26,503,000
Proceeds from Collection of Loans and Notes Receivable	—	—	—	—	—	16,421,025
Loan Income Received	4,445,000	250,000	—	—	—	8,115,982
Net Cash Provided by (Used for) Investing Activities	(15,962,000)	(13,510,000)	(959,380)	4,183	3,000	(29,038,819)
Net Change in Cash:						
Net Increase (Decrease) in Cash and Cash Equivalents	(18,528,000)	(3,785,000)	(1,587,558)	3,209,093	143,000	(19,525,504)
Cash and Cash Equivalents at June 30, 2020	65,605,000	5,593,000	5,626,409	5,457,779	392,000	236,182,611
Cash and Cash Equivalents at June 30, 2021	$ 47,077,000	$ 1,808,000	$ 4,038,851	$ 8,666,872	$ 535,000	$216,657,107
Reconciliation:						
Current:						
Cash Deposits at the Bank of North Dakota	47,077,000	1,808,000	4,038,851	8,213,483	—	202,510,010
Cash and Cash Equivalents	—	—	—	453,389	—	6,187,685
Restricted Cash Deposits at the Bank of North Dakota	—	—	—		—	7,424,412
Restricted Cash and Cash Equivalents	—	—		—	535,000	535,000
Cash and Cash Equivalents	$ 47,077,000	$ 1,808,000	$ 4,038,851	$ 8,666,872	$ 535,000	$216,657,107

(Continued on Next Page)

Combining Statement of Cash Flows
Nonmajor Enterprise Funds (Continued)
For the Fiscal Year Ended June 30, 2021

	Addiction Counselor Internship Loan Program	Bonding	Community Water Facility Loan	Edutech	Fire and Tornado
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used for) Operating Activities:					
Operating Income (Loss)	$ (2,721)	$ (37,576)	$ 413,000	$ (108,208)	$ (3,970,558)
Adjustments to Reconcile Operating					
Income to Net Cash Provided by Operating Activities:					
Depreciation	—	—	—	—	—
Reclassification of Interest Revenue\Expense	—	—	(503,000)	—	—
Interest Received on Program Loans	—	—	—	—	—
Receipt of Loan Principal Repayments	—	—	—	—	—
Provision for Losses	—	—	—	—	—
Other	—	—	—	—	—
Deferred Outflows	—	(200)	—	—	—
Deferred Inflows	—	(19)	—	—	—
Change in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	—	(4,247)	—	2,960	(947)
(Increase) Decrease in Interest Receivable	(3,229)	—	—	—	—
(Increase) Decrease in Due From	—	—	—	—	—
(Increase) Decrease in Intergovernmental Receivable	—	—	—	(4,628)	—
(Increase) Decrease in Notes Receivable	—	—	—	—	—
(Increase) Decrease in Prepaid Items	—	—	—	—	—
(Increase) Decrease in Inventories	—	—	—	—	—
(Increase) Decrease in Other Assets	—	—	—	—	—
Increase (Decrease) in Accounts Payable	—	—	—	4,766	(54)
Increase (Decrease) in Claims\Judgments Payable	—	—	—	—	777,676
Increase (Decrease) in Intergovernmental Payable	—	—	—	—	(7,916)
Increase (Decrease) in Accrued Payroll	—	—	—	525	—
Increase (Decrease) in Compensated Absences Payable	—	—	—	—	—
Increase (Decrease) in Amounts Held for Others	—	—	—	—	—
Increase (Decrease) in Due To	—	—	(7,000)	41,502	—
Increase (Decrease) in Net Pension Liability	—	—	—	—	—
Increase (Decrease) in Net OPEB Liability	—	—	—	—	—
Increase (Decrease) in Other Liabilities	—	—	—	—	(112,936)
Total Adjustments	(3,229)	(4,466)	(510,000)	45,125	655,823
Net Cash Provided by (Used for) Operating Activities	$ (5,950)	$ (42,042)	$ (97,000)	$ (63,083)	$ (3,314,735)
Noncash Transactions:					
Net Change in Fair Value of Investments	$ —	$ (6,711)	$ —	$ —	$ 1,434,029
Reduction in pension and OPEB liability	—	—	—	—	(371,767)
Reinstatement of Debt Expense	—	—	—	—	—
Value Received on Trade of Capital Asset	—	—	—	—	—
Total Noncash Transactions	$ —	$ (6,711)	$ —	$ —	$ 1,062,262

Combining Statement of Cash Flows
Nonmajor Enterprise Funds (Continued)
For the Fiscal Year Ended June 30, 2021

	Guaranteed Student Loan	HIT Planning Loan Fund	Infrastructure Revolving Loan Fund	Interoperable Radio	Infrastructure Revolving Loan Fund	Medical Facility Infrastructure Loan Fund
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used for) Operating Activities:						
Operating Income (Loss)	$ 608,903	$ 22,595	$ 1,511,000	$ (1,787,593)	$ (498,000)	$ 226,000
Adjustments to Reconcile Operating						
Income to Net Cash Provided by Operating Activities:						
Depreciation	—	—	—	1,308,128	—	—
Reclassification of Interest Revenue\Expense	—	—	—	—	—	(463,000)
Interest Received on Program Loans	—	—	(2,094,000)	—	—	—
Receipt of Loan Principal Repayments	—	—	—	—	—	—
Provision for Losses	4,798,021	—	55,000	—	404,000	—
Other	—	—	—	—	—	—
Deferred Outflows	—	—	—	—	—	—
Deferred Inflows	—	—	—	—	—	—
Change in Assets and Liabilities:						
(Increase) Decrease in Accounts Receivable	616,392	—	—	(163,733)	—	—
(Increase) Decrease in Interest Receivable	—	803	—		—	—
(Increase) Decrease in Due From	—	—	10,000	(460,857)	—	(2,000)
(Increase) Decrease in Intergovernmental Receivable	—	—	—	—	—	—
(Increase) Decrease in Notes Receivable	—	1,352,650	—	—	—	—
(Increase) Decrease in Prepaid Items	—	—	—	—	—	—
(Increase) Decrease in Inventories	—	—	—	—	—	—
(Increase) Decrease in Other Assets	—	—	—	—	—	—
Increase (Decrease) in Accounts Payable	—	(1,643)	—	5,468,141	—	—
Increase (Decrease) in Claims\Judgments Payable	—	—	—	—	—	—
Increase (Decrease) in Intergovernmental Payable	—	—	—	234,000	—	—
Increase (Decrease) in Accrued Payroll	—	—	—	9,067	—	—
Increase (Decrease) in Compensated Absences Payable	—	—	—	—	—	—
Increase (Decrease) in Amounts Held for Others	—	—	—	—	—	—
Increase (Decrease) in Due To	(31,926)	—	—	29,773	10,000	—
Increase (Decrease) in Net Pension Liability	—	—	—	—	—	—
Increase (Decrease) in Net OPEB Liability	—	—	—	—	—	—
Increase (Decrease) in Other Liabilities	(47,877)	—	—	—	—	—
Total Adjustments	5,334,610	1,351,810	(2,029,000)	6,424,519	414,000	(465,000)
Net Cash Provided by (Used for) Operating Activities	$ 5,943,513	$ 1,374,405	$ (518,000)	$ 4,636,926	$ (84,000)	$ (239,000)
Noncash Transactions:						
Net Change in Fair Value of Investments	$ —	$ —	$ —	$ —	$ —	$ —
Reduction in pension and OPEB liability	—	—	—	—	—	—
Reinstatement of Debt Expense	—	—	—	—	—	—
Value Received on Trade of Capital Asset	—	—	—	—	—	—
Total Noncash Transactions	$ —	$ —	$ —	$ —	$ —	$ —

Mill and Elevator	PERS Uniform Group Insurance	Rebuilders Loan Program	Roughrider Industries	School Construction Assistance Revolving Loan	Infrastructure Revolving Loan Fund	State Fair	State Lottery Fund	Student Loan	Total
$ 14,362,988	$ (874,157)	$ 280,978	$ (272,561)	$ 3,148,000	$ (1,148,000)	$ (3,017,383)	$ 6,869,761	$ 19,000	$ 15,745,468
6,236,827	101,221	—	194,432	—	—	1,463,092	2,753	—	9,306,453
—	—	(226,677)	—	(4,656,000)	(262,000)	—	—	55,000	(6,055,677)
—	—	—	—	—	—	—	—	—	(2,094,000)
—	—	—	—	—	—	—	—	159,000	159,000
—	—	(288,411)	—	205,000	1,106,000	—	—	—	6,279,610
361,366	—	—	—	—	—	—	—	—	361,366
(934,047)	—	—	(1,853,818)	—	—	(890,521)	(796,097)	—	(4,474,683)
—	—	—	(220,617)	—	—	(47,091)	(98,696)	—	(366,423)
(6,218,179)	7,044,072	—	(432,214)	—	—	267,155	611,991	—	1,723,250
—	—	—	—	—	—	—	—	—	(2,426)
—	—	—	202,400	—	—	—	—	10,000	(240,457)
—	—	—	—	—	—	—	—	—	(4,628)
—	—	—	—	—	—	—	—	—	1,352,650
410,660	—	—	(17,030)	—	—	(853)	4,718	—	397,495
(2,492,292)	—	—	(151,733)	—	—	—	—	—	(2,644,025)
(314,278)	52,724	—	—	—	—	—	67,583	—	(193,971)
574,954	38,644	(13,407)	(145,318)	—	—	(21,861)	720,003	—	6,624,225
—	—	—	—	—	—	—	—	—	777,676
—	4,560	—	—	—	—	—	—	—	230,644
979,896	6,687	—	232,228	—	—	—	4,541	—	1,232,944
(39,547)	8,907	—	—	—	—	(10,841)	7,615	—	(33,866)
—	(7,687,798)	—	—	—	—	—	—	—	(7,687,798)
—	—	—	14,535	37,000	29,000	—	45,590	(47,000)	121,474
4,799,339	—	—	2,647,992	—	—	1,378,450	1,162,149	—	9,987,930
—	—	—	12,393	—	—	(10,999)	2,615	—	4,009
34,551	—	—	(11,921)	—	—	—	(174,086)	—	(312,269)
3,399,250	(430,983)	(528,495)	471,329	(4,414,000)	873,000	2,126,531	1,560,679	177,000	14,448,503
$ 17,762,238	$ (1,305,140)	$ (247,517)	$ 198,768	$ (1,266,000)	$ (275,000)	$ (890,852)	$ 8,430,440	$ 196,000	$ 30,193,971
$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 1,427,318
—	—	—	—	—	—	—	—	—	(371,767)
—	—	316,792	—	—	—	—	—	—	316,792
—	—	—	—	—	—	17,919	—	—	17,919
$ —	$ —	$ 316,792	$ —	$ —	$ —	$ 17,919	$ —	$ —	$ 1,390,262

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.

STATE OF NORTH DAKOTA

Combining Statement of Net Position
Internal Service Funds
June 30, 2021

	Central Services	Fleet Services	Information Technology Department	Risk Management	Total
ASSETS					
Current Assets:					
Cash Deposits at the Bank of ND	$ 1,305,252	$ 23,173,385	$ 11,435,349	$ 1,908,780	$ 37,822,766
Cash and Cash Equivalents	8,163	—	—	347,916	356,079
Investments at the Bank of ND	—	—	—	188,710	188,710
Investments	—	—	—	8,139,231	8,139,231
Accounts Receivable - Net	15,324	190,911	733,004	11,171	950,410
Interest Receivable - Net	—	—	—	52,160	52,160
Intergovernmental Receivable - Net	47,837	32,065	555,810	—	635,712
Due from Other Funds	166,602	2,746,653	9,717,884	5,727	12,636,866
Prepaid Items	2,923	65,980	5,042,350	—	5,111,253
Inventory	123,705	—	—	—	123,705
Total Current Assets	1,669,806	26,208,994	27,484,397	10,653,695	66,016,892
Noncurrent Assets:					
Capital Assets:					
Nondepreciable	—	154,838	—	—	154,838
Depreciable, Net	695,342	87,741,758	4,218,055	176,628	92,831,783
Total Noncurrent Assets	695,342	87,896,596	4,218,055	176,628	92,986,621
Total Assets	2,365,148	114,105,590	31,702,452	10,830,323	159,003,513
DEFERRED OUTFLOWS OF RESOURCES					
Derived from Pensions	1,020,374	2,634,853	45,884,181	605,131	50,144,539
Derived from OPEB	15,063	37,635	838,150	9,885	900,733
Total Deferred Outflow of Resources	1,035,437	2,672,488	46,722,331	615,016	51,045,272
LIABILITIES					
Current Liabilities:					
Accounts Payable	101,292	1,292,760	1,487,908	141,461	3,023,421
Accrued Payroll	86,896	195,905	3,109,447	39,886	3,432,134
Securities Lending Collateral	—	—	—	28,410	28,410
Interest Payable	—	—	—	9,254	9,254
Due to Other Funds	30,282	224,218	706,473	18,316	979,289
Claims/Judgments Payable	—	—	—	889,372	889,372
Compensated Absences Payable	6,387	7,128	307,868	5,260	326,643
Capital Leases Payable	80,861	—	754,021	—	834,882
Total Current Liabilities	305,718	1,720,011	6,365,717	1,131,959	9,523,405
Noncurrent Liabilities:					
Claims/Judgments Payable	—	—	—	6,321,908	6,321,908
Compensated Absences Payable	66,111	73,776	3,374,769	54,450	3,569,106
Capital Leases Payable	372,055	—	773,568	—	1,145,623
Net Pension Liability	1,684,530	4,393,619	70,454,124	990,453	77,522,726
Net OPEB Liability	43,585	109,913	1,826,718	25,627	2,005,843
Total Noncurrent Liabilities	2,166,281	4,577,308	76,429,179	7,392,438	90,565,206
Total Liabilities	2,471,999	6,297,319	82,794,896	8,524,397	100,088,611
DEFERRED INFLOWS OF RESOURCES					
Derived from Pensions	278,830	767,248	10,526,394	156,265	11,728,737
Derived from OPEB	4,635	11,636	105,559	2,368	124,198
Total Deferred Inflow of Resources	283,465	778,884	10,631,953	158,633	11,852,935
NET POSITION					
Net Investment in Capital Assets	242,426	87,896,596	2,630,811	176,628	90,946,461
Unrestricted	402,695	21,805,279	(17,632,877)	2,585,681	7,160,778
Total Net Position	645,121	109,701,875	(15,002,066)	2,762,309	98,107,239

Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2021

	Central Services	Fleet Services	Information Technology Department	Risk Management	Total
OPERATING REVENUES					
Sales and Services	$ 2,782,028	$ 29,041,682	$ 81,900,525	$ 3,756,291	$ 117,480,526
Miscellaneous	—	72,636	—	—	72,636
Total Operating Revenues	2,782,028	29,114,318	81,900,525	3,756,291	117,553,162
OPERATING EXPENSES					
Cost of Sales and Services	1,073,995	—	—	—	1,073,995
Salaries and Benefits	1,136,441	2,906,142	49,232,156	724,068	53,998,807
Operating	457,023	12,865,047	44,884,924	729,694	58,936,688
Claims	—	—	—	1,889,643	1,889,643
Depreciation	102,427	8,916,258	2,531,543	23,328	11,573,556
Miscellaneous	—	40,876	—	—	40,876
Total Operating Expenses	2,769,886	24,728,323	96,648,623	3,366,733	127,513,565
Operating Income (Loss)	12,142	4,385,995	(14,748,098)	389,558	(9,960,403)
NONOPERATING REVENUES					
Interest and Investment Income	—	—	—	1,291,411	1,291,411
Interest Expense	(22,602)	—	—	(20,119)	(42,721)
Gain on Sale of Capital Assets	20,000	1,001,285	—	—	1,021,285
Other	—	264,038	—	—	264,038
Total Nonoperating Revenues (Expenses)	(2,602)	1,265,323	—	1,271,292	2,534,013
Income (Loss) Before Contributions and Transfers	9,540	5,651,318	(14,748,098)	1,660,850	(7,426,390)
Transfers In	—	221,933	—	—	221,933
Changes in Net Position	9,540	5,873,251	(14,748,098)	1,660,850	(7,204,457)
Total Net Position - Beginning of Year	635,581	103,828,624	(253,968)	1,101,459	105,311,696
Total Net Position - End of Year	$ 645,121	$ 109,701,875	$ (15,002,066)	$ 2,762,309	$ 98,107,239

STATE OF NORTH DAKOTA

Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2021

	Central Services	Fleet Services	Information Technology	Risk Management	Total
Cash Flows from Operating Activities:					
Receipts from Customers and Users	$ 1,026,313	$ 225,381	$ 2,920,452	$ 28,814	$ 4,200,960
Receipts from Other Funds	1,820,760	28,469,842	77,783,402	3,727,477	111,801,481
Payments to Other Funds	—	(24,184)	—	(2,702,622)	(2,726,806)
Payments to Suppliers	(1,541,614)	(12,659,447)	(45,705,837)	(594,674)	(60,501,572)
Payments to Employees	(987,636)	(2,915,051)	(37,306,622)	(478,148)	(41,687,457)
Claim Payments	—	—	—	(639,705)	(639,705)
Net Cash Provided by (Used for) Operating Activities	317,823	13,096,541	(2,308,605)	(658,858)	10,446,901
Cash Flows from Capital and Related Financing Activities:					
Acquisition and Construction of Capital Assets	(43,602)	(10,959,330)	(1,296,740)	(199,956)	(12,499,628)
Proceeds from Sale of Capital Assets	—	4,760,408	—	—	4,760,408
Principal Payments - Notes and Other Borrowings	—	—	(793,622)	—	(793,622)
Capital Contributions	20,000	—	—	—	20,000
Payment on Capital Leases	(57,982)	—	—	—	(57,982)
Interest Payments - Capital Leases	(22,602)	—	—	—	(22,602)
Operating Transfer In	—	213,286	—	—	213,286
Net Cash Provided by (Used for) Capital and Related Financing Activities	(104,186)	(5,985,636)	(2,090,362)	(199,956)	(8,380,140)
Cash Flows from Investing Activities:					
Proceeds from Sale and Maturities of Investment Securities	—	—	—	1,777,485	1,777,485
Interest and Dividends on Investments	—	—	—	442,778	442,778
Net Cash Provided by (Used for) Investing Activities	—	—	—	2,220,263	2,220,263
Net Change in Cash:					
Net Increase (Decrease) in Cash and Cash Equivalents	213,637	7,110,905	(4,398,967)	1,361,449	4,287,024
Cash and Cash Equivalents at June 30, 2020	1,099,778	16,062,480	15,834,316	895,247	33,891,821
Cash and Cash Equivalents at June 30, 2021	$ 1,313,415	$ 23,173,385	$ 11,435,349	$ 2,256,696	$ 38,178,845
Reconciliation:					
Cash Deposits at the Bank of North Dakota	$ 1,305,252	$ 23,173,385	$ 11,435,349	$ 1,908,780	$ 37,822,766
Cash and Cash Equivalents	8,163	—	—	347,916	356,079
Cash and Cash Equivalents	$ 1,313,415	$ 23,173,385	$ 11,435,349	$ 2,256,696	$ 38,178,845
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:					
Operating Income (Loss)	$ 12,142	$ 4,385,997	$ (14,748,100)	$ 389,558	$ (9,960,403)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:					
Depreciation	102,427	8,916,258	2,531,543	23,328	11,573,556
Deferred Outflows	(671,426)	(1,685,045)	(35,835,551)	(360,454)	(38,552,476)
Deferred Inflows	(142,842)	(538,248)	(1,659,526)	(3,885)	(2,344,501)
Change in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	19,012	(31,316)	(660,157)	(5,090)	(677,551)
(Increase) Decrease in Due From	45,150	(373,131)	(364,684)	2,051	(690,614)
(Increase) Decrease in Intergovernmental Receivable	(31,662)	(14,648)	(171,830)	—	(218,140)
(Increase) Decrease in Prepaid Items	(1,740)	83,631	(1,204,141)	132,790	(989,460)
Increase in Inventories	24,293	—	—	—	24,293
Increase (Decrease) in Accounts Payable	(18,377)	162,844	—	19,074	163,541
Increase In Interest Payable	—	—	(254,407)	—	(254,407)
Increase in Claims/Judgments Payable	—	—	—	(1,473,811)	(1,473,811)
Increase in Accrued Payroll	(269)	(13,932)	87,162	891	73,852
Increase in Compensated Absences Payable	12,563	6,418	520,389	1,475	540,845
Increase (Decrease) in Due To	17,628	(24,183)	637,636	7,322	638,403
Increase (Decrease) In Net OPEB Liability	(3,080)	(27,177)	400,508	1,118	371,369
Decrease In Net Pension Liability	954,004	2,249,073	48,412,553	606,775	52,222,405
Total Adjustments	305,681	8,710,544	12,439,495	(1,048,416)	20,407,304
Net Cash Provided by (Used for) Operating Activities	$ 317,823	$ 13,096,541	$ (2,308,605)	$ (658,858)	$ 10,446,901
Noncash Transactions:					
Net Change in Fair Value of Investments	—	—	—	832,695	832,695
Decrease in Securities Lending Collateral	—	—	—	11,072	11,072
Total Noncash Transactions	$ —	$ —	$ —	$ 843,767	$ 843,767

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 - City Lodging Tax Suspense
Accounts for city lodging tax collected by the State Tax Commissioner.

435 - City Sales Tax Suspense
Accounts for city sales and use taxes collected by the State Tax Commission.

437 - City Motor Vehicle Rental Tax
Accounts for city motor vehicle rental tax collected by the state tax commissioner.

438 - City Restaurant and Lodge Tax Suspense
A city 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 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 collecting the tax.



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Combining Statement of Fiduciary Net Position
Pension, Investment and Private-Purpose Trust Funds
June 30, 2021

	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	$ 223,073	$ 214,040	$ —	$ 11,723	$ 238,482	$ 1,298,715
Cash and Cash Equivalents	—	—	—	—	—	—
Receivables:						
Contributions Receivable	1,058,391	102,629	4,300	1,022	612,014	941,729
Accounts Receivable - Net	—	—	—	—	—	—
Taxes Receivable for Other Governments - Net	—	—	—	—	—	—
Interest Receivable - Net	—	—	214,366	6	—	37
Due from Other Funds	—	—	—	—	—	282
Due from Component Units	—	—	—	—	—	—
Total Receivables	1,058,391	102,629	218,666	1,028	612,014	942,048
Investments, at Fair Value:						
Investments at the Bank of ND	—	—	—	—	—	—
Equities	—	—	—	—	—	—
Equity Pool	—	—	60,258,918	19,108,158	—	118,281,574
Fixed Income Pool	2,318,952	622,065	23,433,129	77,129,210	—	61,279,787
Cash and Cash Pool	2,985,672	242,473	613,912	435,556	—	681,897
Real Estate Pool	—	—	15,549,147	—	—	—
Mutual Funds	181,261,020	18,721,710	—	—	—	—
Total Investments	186,565,644	19,586,248	99,855,106	96,672,924	—	180,243,258
Invested Securities Lending Collateral	—	—	415,066	—	—	—
Capital Assets (Net of Depreciation)	61,894	361	2,037	462	30,947	9,372
Total Assets	187,909,002	19,903,278	100,490,875	96,686,137	881,443	182,493,393
DEFERRED OUTFLOWS OF RESOURCES						
Derived from Pensions	—	—	—	—	—	—
Total Deferred Outflows of Resources	—	—	—	—	—	—
LIABILITIES						
Accounts Payable	33,006	102	—	82,440	16,192	158,834
Accrued Payroll	35,891	—	—	—	20,259	—
Securities Lending Collateral	—	—	415,066	—	—	—
Due to Local Governments	—	—	—	—	—	—
Tax Refunds Payable	—	—	—	—	—	—
Due to Other Funds	6,491	100	—	—	3,804	113
Amounts Held in Custody for Others	3,322	—	—	—	—	—
Other Deposits	—	—	—	—	—	—
Compensated Absences Payable	38,722	—	—	—	19,202	—
Total Liabilities	117,432	202	415,066	82,440	59,457	158,947
DEFERRED INFLOWS OF RESOURCES						
Derived from Pensions	—	—	—	—	—	—
Unavailable Revenue	—	—	—	—	—	—
Total Deferred Inflows of Resources	—	—	—	—	—	—
NET POSITION						
Net Position Restricted for:						
Pension Benefits	187,791,570	19,903,076	100,075,809	96,603,697	—	182,334,446
Other Employee Benefits	—	—	—	—	821,986	—
External Investment Pool Participants	—	—	—	—	—	—
Individuals, Organizations, and Other Governments	—	—	—	—	—	—
Other Purposes	—	—	—	—	—	—
Total Net Position Restricted for Pension Benefits and Other Purposes	$ 187,791,570	$ 19,903,076	$ 100,075,809	$ 96,603,697	$ 821,986	$ 182,334,446

(Continued on Next Page)

Pension and Other Employee Benefit Trust 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
$ 16,075,055	$ 25,620,714	$ 43,681,802	$ —	$ —	$ —	$ —	$ —
93,147	—	93,147	—	—	—	—	—
12,731,180	28,020,235	43,471,500	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
8,205,048	11,296,690	19,716,147	371,463	2,156	130,615	47,825	552,059
—	—	282	—	—	—	—	—
—	—	—	—	—	—	—	—
20,936,228	39,316,925	63,187,929	371,463	2,156	130,615	47,825	552,059
—	—	—	—	—	—	—	—
—	1,843,851,776	1,843,851,776	85,514,749	2,693,298	54,012,427	24,723,747	166,944,221
2,363,914,051	—	2,561,562,701	—	—	—	—	—
919,264,835	859,935,213	1,943,983,191	58,677,893	4,818,947	21,841,121	19,498,111	104,836,072
24,083,338	38,081,928	67,124,776	654,700	232,454	834,679	499,547	2,221,380
609,981,875	480,647,867	1,106,178,889	36,007,430	—	14,339,008	4,986,475	55,332,913
—	—	199,982,730	—	—	—	—	—
3,917,244,099	3,222,516,784	7,722,684,063	180,854,772	7,744,699	91,027,235	49,707,880	329,334,586
15,875,367	13,508,350	29,798,783	673,113	25,756	400,311	199,292	1,298,472
123,726	1,349	230,148	—	—	—	—	—
3,970,347,622	3,300,964,122	7,859,675,872	181,899,348	7,772,611	91,558,161	49,954,997	331,185,117
—	1,547,047	1,547,047	—	—	—	—	—
—	1,547,047	1,547,047	—	—	—	—	—
4,471,974	6,144,275	10,906,823	146,853	6,482	78,010	46,339	277,684
131,657	—	187,807	—	—	—	—	—
15,875,367	13,508,350	29,798,783	673,113	25,756	400,311	199,292	1,298,472
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
18,050	10,974	39,532	—	—	—	—	—
—	—	3,322	—	—	—	—	—
—	—	—	—	—	—	—	—
127,874	—	185,798	—	—	—	—	—
20,624,922	19,663,599	41,122,065	819,966	32,238	478,321	245,631	1,576,156
—	442,740	442,740	—	—	—	—	—
—	—	—	—	—	—	—	—
—	442,740	442,740	—	—	—	—	—
3,949,722,700	3,282,404,830	7,818,836,128	—	—	—	—	—
—	—	821,986	—	—	—	—	—
—	—	—	181,079,382	7,740,373	91,079,840	49,709,366	329,608,961
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
$ 3,949,722,700	$ 3,282,404,830	$ 7,819,658,114	$ 181,079,382	$ 7,740,373	$ 91,079,840	$ 49,709,366	$ 329,608,961

Combining Statement of Fiduciary Net Position
Pension, Investment and Private-Purpose Trust Funds (Continued)
June 30, 2021

	Private-Purpose Trust Funds			
	Student and Cultural Donations	Mandan Remediation Trust	College SAVE	Total
ASSETS				
Cash Deposits at the Bank of ND	$ 2,102	$ 5,811,500	$ —	$ 5,813,602
Cash and Cash Equivalents	—	—	1,087,606	1,087,606
Receivables:				
Contributions Receivable	—	—	—	—
Accounts Receivable - Net	—	—	303,753	303,753
Taxes Receivable for Other Governments - Net	—	—	—	—
Interest Receivable - Net	2,584	2,749	—	5,333
Due from Other Funds	—	—	—	—
Due from Component Units	—	—	—	—
Total Receivables	2,584	2,749	303,753	309,086
Investments, at Fair Value:				
Investments at the Bank of ND	—	—	—	—
Equities	—	—	—	—
Equity Pool	—	—	—	—
Fixed Income Pool	1,436,653	—	—	1,436,653
Cash and Cash Pool	—	—	—	—
Real Estate Pool	—	—	—	—
Mutual Funds	—	—	599,892,315	599,892,315
Total Investments	1,436,653	—	599,892,315	601,328,968
Invested Securities Lending Collateral	48,796	—	—	48,796
Capital Assets (Net of Depreciation)	—	—	—	—
Total Assets	1,490,135	5,814,249	601,283,674	608,588,058
DEFERRED OUTFLOWS OF RESOURCES				
Derived from Pensions	—	—	—	—
Total Deferred Outflows of Resources	—	—	—	—
LIABILITIES				
Accounts Payable	280	22,071	1,456,619	1,478,970
Accrued Payroll	—	—	—	—
Securities Lending Collateral	48,796	—	—	48,796
Due to Local Governments	—	—	—	—
Tax Refunds Payable	—	—	—	—
Due to Other Funds	—	—	—	—
Amounts Held in Custody for Others	—	—	—	—
Other Deposits	—	—	—	—
Compensated Absences Payable	—	—	—	—
Other Liabilities	—	—	—	—
Total Liabilities	49,076	22,071	1,456,619	1,527,766
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	1,441,059	5,792,178	599,827,055	607,060,292
Total Net Position Restricted for Pension Benefits and Other Purposes	$ 1,441,059	$ 5,792,178	$ 599,827,055	$ 607,060,292

	Custodial Funds			
	Child Support	Student and Other	Tax Collection	Total
	$ 4,592,348	$ 5,452,066	$ 31,720,561	$ 41,764,975
	1	1,354,832	—	1,354,833
	—	—	—	—
	404,750	785,043	—	1,189,793
	—	—	39,505,854	39,505,854
	—	37	—	37
	—	6,792	—	6,792
	—	591	—	591
	404,750	792,463	39,505,854	40,703,067
	—	50,000	—	50,000
	—	—	—	—
	—	—	—	—
	—	—	—	—
	—	—	—	—
	—	—	—	—
	—	—	—	—
	—	50,000	—	50,000
	—	—	—	—
	—	—	—	—
	4,997,099	7,649,361	71,226,415	83,872,875
	—	—	—	—
	—	—	—	—
	4,131,498	252,107	—	4,383,605
	—	178,294	—	178,294
	—	—	—	—
	—	—	65,913,957	65,913,957
	—	—	3,971	3,971
	865,601	—	80	865,681
	—	—	—	—
	—	164,146	—	164,146
	—	—	—	—
	—	—	—	—
	4,997,099	594,547	65,918,008	71,509,654
	—	—	—	—
	—	—	5,308,407	5,308,407
	—	—	5,308,407	5,308,407
	—	—	—	—
	—	—	—	—
	—	—	—	—
	—	7,054,814	—	7,054,814
	—	—	—	—
	$ —	$ 7,054,814	$ —	$ 7,054,814

Combining Statement of Changes in Fiduciary Net Position
Pension, Investment and Private-Purpose Trust Funds
For the Fiscal Year Ended June 30, 2021

	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	—	481,934	2,293,404	—	—	13,110,651
Employee	14,167,468	412,341	1,548,335	13,979	5,757,480	15,481
From Participants	—	—	—	—	—	—
Student, Patient, and Inmate Accounts	—	—	—	—	—	—
Tax Collections for Local Governments	—	—	—	—	—	—
Transfers from Other Funds	627,500	5,918	—	—	—	—
Transfers from Other Plans	2,052,023	4,984	—	—	—	—
Donations	—	—	—	—	—	—
Total Contributions	16,846,991	905,177	3,841,739	13,979	5,757,480	13,126,132
Investment Income:						
Net Change in Fair Value of Investments	38,727,815	3,591,121	18,448,605	4,513,662	—	34,154,175
Interest and Dividends	1,100	957,992	1,427,901	1,833,777	793	2,867,873
Less Investment Expense	—	10,209	244,020	322,167	—	495,393
Net Investment Income	38,728,915	4,538,904	19,632,486	6,025,272	793	36,526,655
Securities Lending Activity:						
Securities Lending Income	—	—	5,355	—	—	—
Less Securities Lending Expense	—	—	—	—	—	—
Net Securities Lending Income	—	—	5,355	—	—	—
Repurchase Service Credit	—	—	400,751	—	—	375,038
Miscellaneous Income (Expense)	87,500	11,662	(11)	—	856,973	312
Total Additions	55,663,406	5,455,743	23,880,320	6,039,251	6,615,246	50,028,137
DEDUCTIONS						
Benefits Paid to Participants	7,574,521	1,275,339	5,780,173	4,668,820	5,795,730	7,418
Child Support Distributions	—	—	—	—	—	—
Distributions to District Courts	—	—	—	—	—	—
Distributions of Taxes to Local Governments	—	—	—	—	—	—
Student, Patient, and Inmate Accounts	—	—	—	—	—	—
Refunds	—	—	171,704	—	—	5,437
Prefunded Credit Applied	—	—	—	—	—	12,879,074
Transfer to Other Plans	—	—	—	—	540,000	—
Payments in Accordance with Trust Agreements	—	—	—	—	—	—
Administrative Expenses	775,462	6,370	37,097	17,371	479,999	430,097
Total Deductions	8,349,983	1,281,709	5,988,974	4,686,191	6,815,729	13,322,026
Redemption of Units at $1.00 Per Unit	—	—	—	—	—	—
Net Increase (Decrease) in Fiduciary Net Position	47,313,423	4,174,034	17,891,346	1,353,060	(200,483)	36,706,111
Net Position - Beginning of Year, as Restated	140,478,147	15,729,042	82,184,463	95,250,637	1,022,469	145,628,335
Net Position - End of Year	$ 187,791,570	$ 19,903,076	$ 100,075,809	$ 96,603,697	$ 821,986	$ 182,334,446

(Continued on Next Page)

Pension and Other Employee Benefit Trust 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
$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
—	—	—	—	—	—	—	—
91,265,640	98,264,202	205,415,831	—	—	—	—	—
85,914,756	90,557,210	198,387,050	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	633,418	—	—	—	—	—
—	—	2,057,007	—	—	—	—	—
—	—	—	—	—	—	—	—
177,180,396	188,821,412	406,493,306	—	—	—	—	—
793,302,359	640,469,814	1,533,207,551	30,835,557	934,566	18,336,053	8,520,648	58,626,824
62,626,623	51,912,318	121,628,377	3,129,171	133,195	1,468,723	847,933	5,579,022
11,212,468	8,388,601	20,672,858	489,767	17,242	243,866	134,854	885,729
844,716,514	683,993,531	1,634,163,070	33,474,961	1,050,519	19,560,910	9,233,727	63,320,117
216,695	223,739	445,789	11,789	393	6,164	3,144	21,490
—	44,740	44,740	2,358	80	1,232	628	4,298
216,695	178,999	401,049	9,431	313	4,932	2,516	17,192
7,129,269	2,559,121	10,464,179	—	—	—	—	—
(1,723)	126,112	1,080,825	—	—	—	—	—
1,029,241,151	875,679,175	2,052,602,429	33,484,392	1,050,832	19,565,842	9,236,243	63,337,309
218,414,339	235,205,084	478,721,424	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
12,792,647	5,923,187	18,892,975	—	—	—	—	—
—	—	12,879,074	—	—	—	—	—
93,418	—	633,418	—	—	—	—	—
—	—	—	—	—	—	—	—
2,569,186	2,678,375	6,993,957	—	—	—	—	—
233,869,590	243,806,646	518,120,848	—	—	—	—	—
—	—	—	(2,530,000)	—	(3,286,005)	(3,050,000)	(8,866,005)
795,371,561	631,872,529	1,534,481,581	30,954,392	1,050,832	16,279,837	6,186,243	54,471,304
3,154,351,139	2,650,532,301	6,285,176,533	150,124,990	6,689,541	74,800,003	43,523,123	275,137,657
$ 3,949,722,700	$ 3,282,404,830	$ 7,819,658,114	$ 181,079,382	$ 7,740,373	$ 91,079,840	$ 49,709,366	$ 329,608,961

Combining Statement of Changes in Fiduciary Net Position
Pension, Investment and Private-Purpose Trust Funds (Continued)
For the Fiscal Year Ended June 30, 2021

	Private-Purpose Trust Funds			
	Cultural Donations	Remediation Trust	College SAVE	Total
ADDITIONS				
Contributions:				
Child Support Collections	$ —	$ —	$ —	$ —
Collections for District Courts	—	—	—	—
Employer	—	—	—	—
Employee	—	—	—	—
From Participants	—	—	50,478,295	50,478,295
Student, Patient, and Inmate Accounts	—	—	—	—
Tax Collections for Local Governments	—	—	—	—
Transfers from Other Funds	—	—	—	—
Transfers from Other Plans	—	—	—	—
Donations	—	—	—	—
Total Contributions	—	—	50,478,295	50,478,295
Investment Income:				
Net Change in Fair Value of Investments	228,427	—	49,995,220	50,223,647
Interest and Dividends	34,715	50,637	12,099,419	12,184,771
Less Investment Expense	2,286	—	—	2,286
Net Investment Income	260,856	50,637	62,094,639	62,406,132
Securities Lending Activity:				
Securities Lending Income	125	—	—	125
Less Securities Lending Expense	—	—	—	—
Net Securities Lending Income	125	—	—	125
Repurchase Service Credit	—	—	—	—
Miscellaneous Income (Expense)	2,906	—	—	2,906
Total Additions	263,887	50,637	112,572,934	112,887,458
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	50,005	47,296	44,903,502	45,000,803
Administrative Expenses	1,580	28,525	3,679,750	3,709,855
Total Deductions	51,585	75,821	48,583,252	48,710,658
Redemption of Units at $1.00 Per Unit	—	—	—	—
Net Increase (Decrease) in Fiduciary Net Position	212,302	(25,184)	63,989,682	64,176,800
Net Position - Beginning of Year, as Restated	1,228,757	5,817,362	535,837,373	542,883,492
Net Position - End of Year	$ 1,441,059	$ 5,792,178	$ 599,827,055	$ 607,060,292

Custodial Funds			
Child Support	Students and Other	Collection	Total
$ 135,601,990	$ —	$ —	$ 135,601,990
—	2,246,695	—	2,246,695
—	—	—	—
—	—	—	—
—	18,569	—	18,569
—	5,847,154	—	5,847,154
—	—	296,399,300	296,399,300
—	—	—	—
—	—	—	—
—	2,471,794	—	2,471,794
135,601,990	10,584,212	296,399,300	442,585,502
—	—	—	—
—	37	—	37
—	—	—	—
—	37	—	37
—	—	—	—
—	—	—	—
—	—	—	—
—	—	—	—
—	807,359	—	807,359
135,601,990	11,391,608	296,399,300	443,392,898
—	8,413	—	8,413
135,601,990	—	—	135,601,990
—	2,143,061	—	2,143,061
—	—	294,974,626	294,974,626
—	5,259,232	—	5,259,232
—	—	42,691	42,691
—	—	—	—
—	—	—	—
—	—	—	—
—	3,132,666	1,381,983	4,514,649
135,601,990	10,543,372	296,399,300	442,544,662
—	—	—	—
—	848,236	—	848,236
	6,206,578		6,206,578
$ —	$ 7,054,814	$ —	$ 7,054,814

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Schedule 1 -- Net Position by Component
Last Ten Fiscal Years

(accrual basis of accounting)

	2012	2013	2014	2015
Governmental Activities				
Net Investment in Capital Assets	$ 1,943,226,802	$ 2,331,214,264	$ 2,502,234,624	$ 3,622,722,021
Restricted	3,094,031,766	3,786,154,729	4,976,564,822	6,254,673,532
Unrestricted	3,635,538,536	5,597,014,917	7,109,867,360	6,812,545,677
Total Governmental Activities Net Position	**$ 8,672,797,104**	**$ 11,714,383,910**	**$ 14,588,666,806**	**$ 16,689,941,230**
Business-Type Activities				
Net Investment in Capital Assets	752,357,235	792,067,993	844,395,270	1,023,384,933
Restricted	569,991,053	632,431,958	600,269,799	485,012,106
Unrestricted	957,796,166	1,019,582,872	1,287,315,405	1,439,859,232
Total Business-Type Activities Net Position	**$ 2,280,144,454**	**$ 2,444,082,823**	**$ 2,731,980,474**	**$ 2,948,256,271**
Primary Government				
Net Investment in Capital Assets	2,695,584,037	3,123,282,257	3,346,629,894	4,646,106,954
Restricted	3,664,022,819	4,418,586,687	5,576,834,621	6,739,685,638
Unrestricted	4,593,334,702	6,616,597,789	8,397,182,765	8,252,404,909
Total Primary Government Net Position	**$ 10,952,941,558**	**$ 14,158,466,733**	**$ 17,320,647,280**	**$ 19,638,197,501**

2016	2017	2018	2019	2020	2021
$ 4,299,696,899	$ 4,759,286,304	$ 4,988,838,700	$ 5,185,682,467	$ 5,427,964,743	$ 5,558,196,905
6,246,873,312	6,224,908,099	6,355,103,413	6,639,785,616	6,543,041,908	7,676,068,973
5,781,826,861	5,989,501,438	7,172,275,944	8,786,695,069	9,578,050,070	11,474,698,414
$ 16,328,397,072	**$ 16,973,695,841**	**$ 18,516,218,057**	**$ 20,612,163,152**	**$ 21,549,056,721**	**$ 24,708,964,292**
1,155,758,401	1,223,438,996	1,214,133,386	1,246,740,894	1,243,098,375	1,339,862,982
533,664,273	888,080,253	924,610,477	972,887,591	1,374,338,655	1,670,769,520
1,528,847,402	1,633,421,219	1,779,197,611	1,904,500,531	1,952,266,055	1,905,177,868
$ 3,218,270,076	**$ 3,744,940,468**	**$ 3,917,941,474**	**$ 4,124,129,016**	**$ 4,569,703,085**	**$ 4,915,810,370**
5,455,455,300	5,982,725,300	6,202,972,086	6,432,423,361	6,671,063,118	6,898,059,887
6,780,537,585	7,112,988,352	7,279,713,890	7,612,673,207	7,917,380,563	9,346,838,493
7,310,674,263	7,622,922,657	8,951,473,555	10,691,195,600	11,530,316,125	13,379,876,282
$ 19,546,667,148	**$ 20,718,636,309**	**$ 22,434,159,531**	**$ 24,736,292,168**	**$ 26,118,759,806**	**$ 29,624,774,662**

Schedule 2 -- Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2012	2013	2014	2015
Expenses				
Governmental Activities:				
General Governmental	$ 617,152,026	$ 889,332,121	$ 1,283,916,089	$ 1,171,207,640
Education	843,780,168	875,991,527	1,075,062,067	1,415,255,393
Health and Human Services	1,271,569,970	1,318,899,711	1,433,598,932	1,706,333,172
Regulatory	33,988,310	44,813,739	54,727,821	66,743,817
Public Safety and Corrections	303,602,543	209,732,547	243,149,474	249,290,966
Agriculture and Commerce	91,653,406	93,212,834	96,055,152	106,455,113
Natural Resources	132,679,303	114,752,488	119,395,831	236,079,321
Transportation	796,123,086	595,646,719	1,066,103,806	603,812,692
Interest on Long Term Debt	9,063,514	8,454,110	7,601,561	7,154,580
Total Governmental Activities Expenses	4,099,612,325	4,150,835,796	5,379,610,733	5,562,332,694
Business-Type Activities:				
Bank of North Dakota	71,996,932	68,887,617	76,366,749	71,053,171
Housing Finance	56,046,981	48,368,304	40,901,946	37,510,475
Loan Programs	8,092,864	8,756,357	12,759,106	11,366,158
State Lottery	18,877,249	19,713,987	19,264,562	20,359,788
Unemployment Compensation	89,236,878	118,377,072	113,988,509	144,920,974
University System	1,047,949,521	1,080,816,602	1,129,869,106	1,170,159,474
Workers Compensation	359,216,200	448,535,174	418,500,961	377,926,363
Other	523,164,269	279,389,712	269,600,028	549,799,020
Total Business-Type Activities Expenses	2,174,580,894	2,072,844,825	2,081,250,967	2,383,095,423
Total Primary Government Expenses	**$ 6,274,193,219**	**$ 6,223,680,621**	**$ 7,460,861,700**	**$ 7,945,428,117**
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Governmental	30,255,507	32,815,967	38,080,695	37,107,914
Education	7,515,580	6,086,567	6,064,710	6,806,001
Health and Human Services	36,100,539	38,381,590	39,915,016	64,507,593
Regulatory	30,312,566	32,359,807	45,384,490	25,862,700
Public Safety and Corrections	26,263,919	26,614,392	28,552,402	30,428,332
Agriculture and Commerce	31,026,427	35,652,945	36,600,243	31,198,196
Natural Resources	31,017,855	26,356,862	29,681,837	33,895,342
Transportation	111,125,056	120,821,133	120,058,651	132,160,558
Operating Grants and Contributions	2,012,322,201	1,867,800,810	2,083,789,612	1,888,797,868
Capital Grants and Contributions	18,099,423	5,353,007	11,045,879	1,388,033
Total Governmental Activities Program Revenues	2,334,039,074	2,192,243,080	2,439,173,535	2,252,152,537
Business-Type Activities:				
Charges for Services:				
Bank of North Dakota	145,038,000	161,080,000	155,548,000	175,117,000
Housing Finance	49,583,855	42,649,030	36,150,366	34,386,013
Loan Programs	6,185,948	7,538,124	7,548,651	10,365,115
State Lottery	26,587,851	27,999,486	27,051,014	27,212,010
Unemployment Compensation	126,040,929	127,174,321	133,701,408	127,328,232
University System	468,992,991	486,262,379	507,302,753	517,570,660
Workers Compensation	253,677,520	320,237,794	318,779,835	339,806,696
Other	278,124,295	289,981,947	276,895,777	554,752,747
Operating Grants and Contributions	601,695,091	370,855,633	439,950,824	312,136,231
Capital Grants and Contributions	20,975,446	19,865,857	18,703,628	36,923,275
Total Business-Type Activities Program Revenues	1,976,901,926	1,853,644,571	1,921,632,256	2,135,597,979
Total Primary Government Program Revenues	**$ 4,310,941,000**	**$ 4,045,887,651**	**$ 4,360,805,791**	**$ 4,387,750,516**
Net (Expense)/Revenue				
Governmental Activities	(1,765,573,251)	(1,958,592,716)	(2,940,437,198)	(3,310,180,157)
Business-Type Activities	(197,678,968)	(219,200,254)	(159,618,711)	(247,497,444)
Total Primary Government Net Expense	**$ (1,963,252,219)**	**$ (2,177,792,970)**	**$ (3,100,055,909)**	**$ (3,557,677,601)**
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes:				
Individual and Corporate Income Taxes	658,905,496	863,018,492	700,867,920	732,975,064
Sales and Use Taxes	1,543,140,897	1,654,186,763	1,756,777,615	1,804,380,378
Oil, Gas and Coal Taxes	1,670,059,257	2,518,921,322	3,335,934,782	2,734,507,198
Business and Other Taxes	71,974,295	83,470,020	82,437,250	92,936,834
Unrestricted Investment Earnings	15,500,793	17,967,764	130,011,232	117,643,232
Tobacco Settlement	22,265,336	22,332,577	23,652,803	21,789,723
Miscellaneous	170,544,538	206,709,383	198,533,139	161,725,312
Contributions to Permanent Fund Principal	12,469,733	13,722,930	14,251,211	16,382,336
Special Items	—	—	—	—
Extraordinary Item	—	—	—	—
Transfers	(368,204,484)	(409,585,575)	(424,008,500)	(542,713,254)
Total Governmental Activities	3,796,655,862	4,970,743,676	5,818,457,452	5,139,626,823
Business-Type Activities:				
Miscellaneous	1,940,000	39,166,106	1,857,975	9,562,071
Special Items	—	(14,728,630)	—	—
Transfers	390,214,559	358,701,147	455,888,029	535,979,992
Total Business-Type Activities	392,154,559	383,138,623	457,746,004	545,542,063
Total Primary Government	**$ 4,188,810,421**	**$ 5,353,882,299**	**$ 6,276,203,456**	**$ 5,685,168,886**
Change in Net Position				
Governmental Activities	2,031,082,611	3,012,150,960	2,878,020,254	1,829,446,666
Business-Type Activities	194,475,591	163,938,369	298,127,293	298,044,619
Total Primary Government	**$ 2,225,558,202**	**$ 3,176,089,329**	**$ 3,176,147,547**	**$ 2,127,491,285**

2016	2017	2018	2019	2020	2021
$ 1,055,377,601	$ 955,118,609	$ 1,034,864,058	$ 1,183,233,944	$ 1,034,052,808	$ 1,214,720,174
1,175,550,087	1,214,358,440	1,208,513,849	1,238,988,634	1,288,935,269	1,440,183,047
1,776,822,167	1,851,801,955	1,930,264,975	1,947,263,363	2,077,950,367	2,429,626,253
69,084,070	76,261,665	60,781,953	61,213,248	78,441,824	262,054,990
227,617,802	238,515,283	241,143,887	230,666,579	249,751,212	303,434,122
106,845,611	100,774,792	95,411,926	99,247,117	107,574,065	235,626,424
321,992,458	286,546,075	230,194,737	261,307,506	217,545,757	292,875,625
679,070,102	529,532,248	444,530,511	443,629,333	429,801,053	518,412,351
1,334,285	2,677,665	2,502,540	1,952,361	1,691,314	4,267,910
5,413,694,183	5,255,586,732	5,248,208,436	5,467,502,085	5,485,743,669	6,701,200,896
85,822,027	88,791,813	86,073,174	98,931,503	103,391,326	93,811,024
40,245,934	40,997,193	46,083,037	52,714,991	56,536,682	60,546,134
17,322,830	13,172,549	13,320,203	12,665,669	16,395,752	11,287,518
26,038,434	20,637,595	23,214,880	26,174,686	18,929,003	23,631,524
225,358,209	156,930,938	115,486,597	84,205,911	611,219,223	731,052,695
1,211,438,892	1,204,936,394	1,178,669,412	1,198,989,180	1,227,857,663	1,349,698,370
366,662,703	254,467,332	270,197,345	297,497,091	220,279,394	208,717,011
569,432,422	571,077,157	632,911,836	594,491,102	616,265,019	652,042,298
2,542,321,451	2,351,010,971	2,365,956,484	2,365,670,133	2,870,874,062	3,130,786,574
$ 7,956,015,634	**$ 7,606,597,703**	**$ 7,614,164,920**	**$ 7,833,172,218**	**$ 8,356,617,731**	**$ 9,831,987,470**
36,278,126	33,728,302	33,504,205	37,185,115	31,944,485	39,724,160
7,071,212	7,530,807	6,987,309	7,147,934	10,566,897	11,240,158
42,982,802	43,283,756	48,201,500	80,627,617	47,748,086	40,135,912
52,583,727	29,390,590	31,489,459	29,490,252	37,130,755	43,663,963
24,446,658	23,272,409	30,370,076	32,002,961	20,811,638	18,539,074
38,222,183	35,559,194	40,756,601	32,809,364	38,228,838	37,917,725
35,142,635	35,392,128	33,128,741	38,390,527	44,662,134	41,529,095
122,699,922	124,378,227	120,482,453	120,377,945	116,062,224	121,945,135
1,755,539,596	2,221,211,526	2,156,381,884	2,121,702,987	2,028,277,553	4,178,131,574
3,416,338	1,205,837	94,772	106,834	1,939	—
2,118,383,199	2,554,952,776	2,501,397,000	2,499,841,536	2,375,434,549	4,532,826,796
207,836,000	223,476,000	221,210,000	251,626,000	279,302,000	248,655,000
36,286,659	37,984,271	39,821,469	49,362,786	58,096,789	49,989,561
12,212,352	11,530,798	7,391,511	13,095,470	17,114,318	15,543,719
35,736,460	27,744,572	31,520,906	35,511,058	24,505,932	30,501,286
147,802,377	193,118,386	162,161,260	114,657,558	452,421,028	549,743,788
537,645,053	546,737,253	549,206,645	540,691,218	528,517,702	546,245,171
308,682,776	244,720,318	239,542,884	249,787,742	230,442,756	185,328,576
573,829,155	577,288,875	639,883,523	600,125,017	623,799,925	655,012,904
298,603,154	380,842,641	363,266,299	410,790,831	596,060,095	855,176,187
29,609,083	32,025,992	4,769,350	19,925,817	17,501,749	17,610,105
2,188,243,069	2,275,469,106	2,258,773,847	2,285,573,497	2,827,762,294	3,153,806,297
$ 4,306,626,268	**$ 4,830,421,882**	**$ 4,760,170,847**	**$ 4,785,415,033**	**$ 5,203,196,843**	**$ 7,686,633,093**
(3,295,310,984)	(2,700,633,956)	(2,746,811,436)	(2,967,660,549)	(3,110,309,120)	(2,168,374,100)
(354,078,382)	(75,541,865)	(107,182,637)	(80,096,636)	(43,111,768)	23,019,723
$ (3,649,389,366)	**$ (2,776,175,821)**	**$ (2,853,994,073)**	**$ (3,047,757,185)**	**$ (3,153,420,888)**	**$ (2,145,354,377)**
414,964,865	418,040,178	452,792,812	604,088,632	513,419,336	581,766,062
1,348,342,960	1,236,701,340	1,326,248,557	1,435,129,762	1,364,664,641	1,327,568,100
1,457,361,212	1,490,398,754	2,196,877,038	2,586,569,876	1,949,036,077	1,746,983,327
99,295,506	98,374,118	100,127,079	110,714,853	107,173,491	128,552,656
64,347,477	489,070,430	380,164,919	360,264,138	333,528,092	1,676,824,486
22,776,760	21,599,800	55,305,183	20,752,400	21,159,397	22,586,170
119,545,563	119,134,899	163,996,339	231,745,021	190,047,481	185,658,136
15,637,987	11,895,026	4,393,122	11,014,244	9,515,851	11,162,710
(4,948,596)	—	—	—	—	—
—	(38,379,966)	—	—	—	—
(603,556,908)	(503,278,766)	(367,497,321)	(290,718,287)	(440,249,767)	(365,978,579)
2,933,766,826	3,343,555,813	4,312,407,728	5,069,560,639	4,048,294,599	5,315,123,068
93,003	4,846,618	2,921,705	5,162,713	3,576,763	336,679
—	—	—	—	—	—
611,332,622	598,094,515	285,002,133	277,018,465	485,109,074	334,080,678
611,425,625	602,941,133	287,923,838	282,181,178	488,685,837	334,417,357
$ 3,545,192,451	**$ 3,946,496,946**	**$ 4,600,331,566**	**$ 5,351,741,817**	**$ 4,536,980,436**	**$ 5,649,540,425**
(361,544,158)	642,921,857	1,565,596,292	2,101,900,090	937,985,479	3,146,748,968
257,347,243	527,399,268	180,741,201	202,084,542	445,574,069	357,437,080
$ (104,196,915)	**$ 1,170,321,125**	**$ 1,746,337,493**	**$ 2,303,984,632**	**$ 1,383,559,548**	**$ 3,504,186,048**

Schedule 3 -- Fund Balances, Governmental Funds
Last Ten Fiscal Years

(modified accrual basis of accounting)

	2012	2013	2014	2015
General Fund				
Nonspendable	$ 498,042,684	$ 1,355,179,441	$ 2,447,681,621	$ 3,465,933,483
Restricted	—	—	—	—
Committed	996,737,740	840,061,206	1,365,420,166	1,332,805,458
Unassigned	1,412,091,095	2,142,277,489	1,421,552,566	1,061,519,282
Total General Fund	**2,906,871,519**	**4,337,518,136**	**5,234,654,353**	**5,860,258,223**
All Other Governmental Funds				
Nonspendable	82,345,060	85,991,097	88,250,884	179,976,824
Restricted	3,003,088,539	3,679,248,354	4,913,528,772	6,037,108,398
Committed	682,600,401	1,200,571,048	1,628,346,627	1,230,446,562
Assigned	66,930,266	64,730,555	224,403,093	—
Unassigned	(3,797,855)	(6,075,964)	—	(8,477,525)
Total All Other Governmental Funds	**3,831,166,411**	**5,024,465,090**	**6,854,529,376**	**7,439,054,259**
Total Fund Balances, Governmental Funds	**$ 6,738,037,930**	**$ 9,361,983,226**	**$ 12,089,183,729**	**$ 13,299,312,482**

2016	2017	2018	2019	2020	2021
$ 3,908,797,255	$ 4,761,588,134	$ 5,551,216	$ 6,638,440	$ 6,194,850	$ 7,560,989
—	—	8,990,891	279,367	396	1,189,782
997,494,805	364,544,853	411,711,769	348,222,819	1,066,688,590	1,020,424,743
421,702,619	353,772,107	6,242,855,378	7,231,354,796	7,655,894,378	9,708,645,637
5,327,994,679	**5,479,905,094**	**6,669,109,254**	**7,586,495,422**	**8,728,778,214**	**10,737,821,151**
197,452,648	208,038,662	216,171,493	101,738,203	103,260,391	136,551,832
6,000,049,002	5,996,248,585	6,124,510,110	6,488,554,439	6,410,963,955	7,514,294,011
617,111,539	480,910,925	398,555,411	1,187,965,245	840,247,407	953,335,924
79,512,397	228,964,056	381,732,051	374,609,779	419,726,973	386,292,467
(3,376,686)	(3,146,889)	—	(1,642,214)	(4,821,080)	(9,019,900)
6,890,748,900	**6,911,015,339**	**7,120,969,065**	**8,151,225,452**	**7,769,377,646**	**8,981,454,334**
$ 12,218,743,579	**$ 12,390,920,433**	**$ 13,790,078,319**	**$ 15,737,720,874**	**$ 16,498,155,860**	**$ 19,719,275,485**

Schedule 4 -- Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

(modified accrual basis of accounting)

	2012	2013	2014	2015
Revenues				
Individual and Corporate Income Taxes	$ 643,107,392	$ 845,590,604	$ 736,426,799	$ 714,657,090
Sales and Use Taxes	1,542,807,423	1,652,264,305	1,747,358,775	1,790,646,715
Oil, Gas, and Coal Taxes	1,670,529,100	2,518,629,175	3,336,441,100	2,734,607,036
Business and Other Taxes	72,084,077	80,514,313	85,216,692	93,445,691
Licenses, Permits and Fees	183,303,744	191,268,529	205,896,279	215,706,207
Intergovernmental	1,753,469,275	1,428,170,719	1,433,023,985	1,626,610,762
Sales and Services	51,864,186	51,333,672	54,206,137	81,988,980
Royalties and Rents	392,165,022	389,989,643	474,293,031	398,048,916
Fines and Forfeits	18,151,711	23,770,098	23,022,332	26,167,673
Interest and Investment Income	74,621,630	250,383,144	515,486,326	149,053,816
Tobacco Settlement	31,277,903	31,344,429	33,896,173	30,512,364
Commodity Assessments	19,710,327	28,572,996	24,788,270	23,662,092
Miscellaneous	25,651,998	56,131,404	37,337,036	17,176,577
Total Revenues	6,478,743,788	7,547,963,031	8,707,392,935	7,902,283,919
Expenditures				
Current:				
General Government	193,919,196	316,117,619	391,604,389	690,034,696
Education	842,666,213	874,348,965	1,073,921,730	1,116,260,493
Health and Human Services	1,267,415,392	1,316,596,317	1,430,474,509	1,707,702,397
Regulatory	30,249,484	35,368,070	47,317,516	58,625,606
Public Safety and Corrections	292,979,177	199,319,379	230,055,951	237,542,738
Agriculture and Commerce	91,516,274	92,435,869	95,791,431	106,304,742
Natural Resources	123,117,235	105,696,650	107,874,535	185,712,117
Transportation	753,087,144	550,383,353	1,015,136,123	550,382,661
Intergovernmental - Revenue Sharing	415,775,866	570,905,886	887,469,331	811,392,745
Capital Outlay	358,083,597	428,030,196	250,938,968	648,582,253
Debt Service:				
Principal	18,282,996	17,421,039	18,094,333	35,744,666
Interest and Other Charges	9,736,260	8,744,962	7,999,247	7,915,666
Total Expenditures	4,396,828,834	4,515,368,305	5,556,678,063	6,156,200,780
Revenue over (under) Expenditures	2,081,914,954	3,032,594,726	3,150,714,872	1,746,083,139
Other Financing Sources (Uses)				
Bonds and Notes Issued	—	—	—	—
Refunding Bonds Issued	20,004,000	—	—	—
Payment to Refund Bond Escrow Agent	—	—	—	—
Payment of Refunded Bonds	(25,041,000)	—	—	—
Capital Lease Acquisitions	147,344	282,145	52,526	244,493
Sale of Capital Assets	284,974	641,170	336,557	49,910
Other	—	—	—	—
Transfers In	1,162,122,470	398,824,628	104,808,196	1,176,200,047
Transfers Out	(1,530,199,911)	(808,397,373)	(528,711,650)	(1,718,913,302)
Total Other Financing Sources (Uses)	(372,682,123)	(408,649,430)	(423,514,371)	(542,418,852)
Extraordinary Item	—	—	—	—
Net Changes in Fund Balances	**$ 1,709,232,831**	**$ 2,623,945,296**	**$ 2,727,200,501**	**$ 1,203,664,287**
Debt Service as a Percentage of Noncapital Expenditures	**<1%**	**<1%**	**<1%**	**<1%**

2016	2017	2018	2019	2020	2021
$ 424,229,756	$ 397,563,377	$ 459,742,512	$ 594,902,271	$ 514,474,130	$ 580,658,626
1,353,955,780	1,227,777,645	1,308,380,507	1,447,039,166	1,382,950,275	1,326,013,473
1,457,086,135	1,489,177,632	2,198,245,617	2,586,461,875	1,949,413,720	1,746,635,471
99,743,017	99,358,473	100,050,115	113,491,911	107,904,881	125,055,742
207,163,123	201,347,912	209,425,979	208,629,095	205,881,199	205,204,816
1,643,431,832	1,718,291,215	1,666,435,743	1,722,371,509	1,935,418,579	2,954,711,047
57,382,857	56,713,042	59,147,530	87,945,566	63,647,829	61,109,068
237,379,524	256,351,062	358,554,090	428,518,481	350,303,312	353,401,250
22,979,377	25,792,953	27,794,757	31,643,952	28,740,584	36,954,902
63,615,120	863,607,155	668,469,231	568,502,158	267,822,601	2,736,264,540
31,872,848	25,677,716	55,305,183	20,752,400	21,159,397	22,586,170
25,007,037	27,771,103	25,879,090	24,055,725	23,180,351	27,911,971
43,591,538	19,059,502	32,577,808	26,261,882	32,010,373	27,671,984
5,667,437,944	6,408,488,787	7,170,008,162	7,860,575,991	6,882,907,231	10,204,179,060
363,410,801	375,462,221	196,145,504	212,878,777	221,601,805	421,622,553
1,174,928,314	1,212,413,715	1,205,816,564	1,236,434,495	1,286,565,575	1,417,944,095
1,774,061,712	1,830,146,819	1,895,273,724	1,901,317,937	2,036,979,868	2,346,331,566
60,161,098	66,319,143	50,990,125	44,017,306	66,636,947	238,371,129
216,354,458	221,427,867	217,079,519	206,073,620	228,482,829	248,403,023
106,791,473	100,053,823	93,502,803	97,290,753	106,261,515	230,631,647
307,669,526	270,375,075	210,225,132	240,134,308	196,940,075	264,426,811
613,815,927	446,115,824	369,478,453	359,256,938	330,326,337	380,064,758
693,793,125	574,300,791	826,616,477	964,483,838	805,934,582	761,332,025
770,056,268	585,432,696	339,847,100	341,357,479	383,713,350	401,825,733
63,766,311	11,576,381	16,169,612	10,839,024	20,566,373	6,434,015
4,544,267	2,809,155	2,532,662	2,073,539	1,800,116	4,027,874
6,149,353,280	5,696,433,510	5,423,677,675	5,616,158,014	5,685,809,372	6,721,415,229
(481,915,336)	712,055,277	1,746,330,487	2,244,417,977	1,197,097,859	3,482,763,831
—	—	42,812,909	—	3,344,100	89,728,267
—	—	—	—	—	—
—	—	—	—	—	—
—	—	(20,347,000)	—	—	—
149,891	1,728,159	175,968	184,258	145,827	1,310,560
5,712,951	27,150	19,343	1,141,039	269,769	191,812
—	—	—	—	—	—
838,882,833	346,374,625	291,318,581	285,737,190	563,143,071	742,667,620
(1,443,399,242)	(849,628,391)	(658,815,902)	(576,455,477)	(1,003,565,640)	(1,108,701,068)
(598,653,567)	(501,498,457)	(344,836,101)	(289,392,990)	(436,662,873)	(274,802,809)
—	(38,379,966)	—	—	—	—
$ (1,080,568,903)	**$ 172,176,854**	**$ 1,401,494,386**	**$ 1,955,024,987**	**$ 760,434,986**	**$ 3,207,961,022**
1.3%	**<1%**	**<1%**	**<1%**	**<1%**	**<1%**

Schedule 5
Taxable Sales by Industry
Last Ten Calendar Years

	Calendar Year			
	2011	2012	2013	2014
Mining and Oil Extraction	$3,609,963,576	$5,117,138,306	$4,374,052,860	$5,194,104,870
Construction	702,237,062	1,073,180,098	985,079,023	965,197,436
Manufacturing	995,535,882	1,270,236,581	1,334,723,444	1,527,873,493
Transportation, Communications, And Public Utilities	577,280,642	652,478,635	569,453,738	630,444,105
Wholesale	4,394,667,162	5,987,059,129	6,434,467,781	7,391,400,913
Retail	5,448,304,958	6,348,806,735	6,569,146,675	6,900,590,520
Services	2,490,644,719	3,135,679,592	3,441,014,994	3,684,213,017
Accommodation and Food Service	1,471,737,060	1,706,097,731	1,756,625,375	1,928,607,097
Miscellaneous				
Total	$19,690,371,061	$25,290,676,807	$25,464,563,890	$28,222,431,451
Effective Tax Rate	4.86 %	5.08 %	5.08 %	5.00 %

Source: ND State Tax Department

Schedule 6
Sales Tax Revenue Payers by Industry
Calendar Years 2011 and 2020
(Dollars are in Millions)

	Calendar Year 2011			
	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
Retail Trade	10,684	36.2 %	$ 321.45	33.6 %
Wholesale Trade	4,939	16.7 %	193.37	20.2 %
Services	7,775	26.3 %	124.53	13.0 %
Transportation, Communications, And Public Utilities	484	1.6 %	28.86	3.0 %
Manufacturing	2,588	8.8 %	49.78	5.2 %
Construction	2,188	7.4 %	35.12	3.7 %
Miscellaneous	409	1.4 %	22.61	2.4 %
Mining and Oil Extraction	451	1.5 %	180.50	18.9 %
Total	29,518	100.0 %	956.22	100.0 %

Source: ND State Tax Department

Calendar Year					
2015	2016	2017	2018	2019	2020
$ 3,195,799,670	$ 1,270,571,326	$ 1,933,586,774	$ 2,798,102,134	$ 3,099,269,900	$ 1,670,338,769
893,628,575	788,360,652	572,742,527	581,608,306	618,279,202	552,912,062
1,256,620,179	955,191,364	940,433,285	1,073,576,742	1,167,694,348	199,376,511
566,226,446	359,835,574	325,778,272	520,830,231	607,973,352	309,734,767
5,339,698,317	3,564,195,615	3,971,599,479	4,849,827,096	4,972,679,709	3,840,938,987
6,634,790,900	6,137,317,234	6,039,261,375	6,253,114,138	6,686,103,548	7,175,885,046
3,176,227,835	2,547,155,903	2,411,082,485	2,420,785,043	2,537,470,588	3,361,463,017
1,839,842,915	1,705,940,154	1,706,215,062	1,765,283,726	1,834,041,363	1,476,480,919
$ 22,902,834,837	$ 17,328,567,822	$ 17,900,699,259	$ 20,263,127,416	$ 21,523,512,010	$ 18,587,130,078
5.35 %	5.42 %	5.06 %	5.12 %	5.11 %	0.0513

Calendar Year 2020			
Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
10,018	29.4 %	$ 368.12	38.6 %
5,410	15.9 %	172.84	18.1 %
11,695	34.3 %	251.57	26.4 %
497.00	1.5 %	15.89	1.7 %
3,285	9.6 %	10.22	1.1 %
2,035	6.0 %	28.36	3.0 %
529	1.6 %	20.58	2.2 %
609	1.8 %	85.69	9.0 %
34,078	100.0 %	$ 953.27	100.0 %

Schedule 7
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(dollars in thousands)

	Fiscal Year			
	2012	2013	2014	2015
Governmental Activities				
Revenue bonds	$ 197,021	$ 180,757	$ 163,031	$ 129,345
Capital leases	1,928	1,068	667	600
Notes Payable	7,428	6,211	4,981	4,412
Total Governmental Activities	206,377	188,036	168,679	134,357
Business-type Activities				
Revenue bonds	1,069,257	919,506	901,527	884,086
Certificates of Participation	—	—	—	—
Capital leases	73,211	61,796	44,774	41,224
Notes payable	481,735	415,856.00	484,763	665,792
Total Business-Type Activities	1,624,203	1,397,158	1,431,064	1,591,102
Total Primary Government	$ 1,830,580	$ 1,585,194	$ 1,599,743	$ 1,725,459
Debt as a Percentage of Personal Income 1	6.2 %	4.8 %	4.1 %	4.3 %
Amount of Debt per Capita 1	$ 2,714	$ 2,313	$ 2,279	$ 2,383

[1] These ratios are calculated using personal income and population for the prior calendar year. See Schedule 10 for personal income and population data.

Details regarding the state's debt can be found in Note 3-L of the financial statements.

	Fiscal Year					
	2016	2017	2018	2019	2020	2021
	$ 64,049	$ 54,105	$ 40,429	$ 29,950	$ 19,730	$ 112,488,000
	467	1,695	1,415	1,118	834	3,300,770
	3,891	2,181	22,248	21,897	14,817	16,405,610
	68,407	57,981	64,092	52,965	35,381	132,195,380
	1,040,019	1,019,125	1,242,368	1,525,285	1,666,599	1,692,518,425
	—	—	—	96,843	104,120	104,122,924
	38,533	41,425	40,058	54,359	51,662	49,950,090
	747,186	1,299,860	1,289,686	1,120,787	648,266	198,740,075
	1,825,738	2,360,410	2,572,112	2,797,274	2,470,647	2,045,330,514
	1,894,145	2,418,391	2,636,204	2,850,239	2,506,028	2,177,525,894
	4.4 %	5.8 %	6.4 %	6.9 %	6.1 %	4.8 %
	$ 2,560	$ 3,195	$ 3,478	$ 3,760	$ 3,306	$ 2,845

Schedule 8
Pledged-Revenue Coverage
Last Ten Fiscal Years

Fiscal Year	Gross Revenues	Less: Operating	Net Available	Debt Service Requirements: Principal	Debt Service Requirements: Interest	Coverage
	BUILDING AUTHORITY BONDS					
2012	11,298,000	—	11,298,000	7,106,000	3,211,000	1.10
2013	8,394,000	—	8,394,000	5,806,000	2,655,000	0.99
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
	Pledged revenues include interest and lease payments.					
	WATER COMMISSION BONDS					
2012	9,761,020	—	9,761,020	5,541,961	4,372,017	0.98
2013	9,863,578	—	9,863,578	5,760,272	4,142,814	1.00
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
	Pledged revenues include user fees, interest, and Tobacco Settlement funds.					
	INFORMATION TECHNOLOGY BONDS					
2012	53,268,445	47,300,345	5,968,100	694,550	89,028	7.62
2013	58,427,069	52,478,918	5,948,151	736,600	39,805	7.66
2014	60,619,327	53,925,234	6,694,093	711,950	14,239	9.22
	Pledged revenues include user fees.					
	DEPARTMENT OF TRANSPORTATION BONDS					
2012	5,345,315	—	5,345,315	3,595,000	1,726,615	1.00
2013	5,344,822	—	5,344,822	3,725,000	1,597,010	1.00
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
	Pledged revenues include interest and federal (intergovernmental revenues and transfers from fund 002), highway fund appropriations, and transfers from Highway fund (200).					

Fiscal Year	Gross Revenues	Less: Operating Expenses	Net Available Revenues	Debt Service Requirements: Principal	Debt Service Requirements: Interest	Coverage
	STUDENT LOAN TRUST					
2012	1,168,000	770,000	398,000	2,000,000	39,000	0.20
2013	976,000	658,000	318,000	2,200,000	24,000	0.14
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
	Pledged revenues include federal revenues, and loan and investment interest.					
	HOUSING FINANCE AGENCY					
2012	62,386,855	42,874,000	19,512,855	246,535,000	36,562,000	0.07
2013	55,452,870	36,480,000	18,972,870	209,045,000	29,902,000	0.08
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
	Pledged revenues include income and proceeds from mortgage loan activity.					
	UNIVERSITY SYSTEM					
2012	708,136,180	979,701,772	(271,565,592)	27,187,867	15,553,703	(6.35)
2013	729,800,506	1,012,017,963	(282,217,457)	43,206,702	12,842,418	(5.04)
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)
	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, 2021

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)
2011	685,526	$32,882,200	$47,987	3.5 %	379,433
2012	702,227	$38,859,800	$55,421	3.1 %	411,710
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

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

	2020			2011		
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	79,300	1	19.26 %	79,100	1	19.91 %
Educational and Health Services	65,800	2	15.98 %	58,400	2	14.70 %
Retail Trade	43,800	3	10.64 %	44,200	3	11.13 %
Leisure and Hospitality	34,300	4	8.33 %	35,500	4	8.94 %
Professional and Business Services	31,600	5	7.68 %	28,800	5	7.25 %
Construction	26,200	6	6.36 %	24,600	6	6.19 %
Manufacturing	25,200	7	6.12 %	23,800	7	5.99 %
Financial Activities	24,500	8	5.95 %	21,200	9	5.34 %
Wholesale Trade	23,200	9	5.64 %	22,600	8	5.69 %
Transportation, Warehousing and Utilities	22,100	10	5.37 %	19,400	10	4.88 %
Logging and Mining	15,200	11	3.69 %	16,900	11	4.25 %
Other Services	14,700	12	3.57 %	15,600	12	3.93 %
Information	5,800	13	1.41 %	7,100	13	1.79 %
Total	411,700		100 %	397,200		100 %

Source: Job Service North Dakota: Current Employment Statistics Program.

Schedule 13
Education Enrollment
Last Ten Academic Years

Public School Enrollment

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Kindergarten	8,575	8,822	9,033	8,925	8,841	9,271	9,324	9,620	8,992	9,524
Grades 1-3	23,796	24,859	25,960	26,585	26,320	26,316	26,663	27,208	26,812	27,034
Grades 4-6	22,008	22,810	23,751	24,513	25,244	26,076	26,580	26,622	25,880	26,246
Grades 7-8	14,750	14,920	15,299	15,642	16,115	16,511	16,845	17,561	17,742	17,707
Grades 9-12	30,063	30,245	30,235	30,405	30,343	30,771	31,430	31,847	32,619	33,347
Total Enrollment	99,192	101,656	104,278	106,070	106,863	108,945	110,842	112,858	112,045	113,858
Special Education Students	13,268	13,399	13,675	13,988	14,429	15,175	15,902	16,459	16,485	—

Source: Department of Public Instruction

University System Full-Time Equivalent Student Enrollment

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Bismarck State College	2,990	2,955	2,909	2,912	2,860	2,646	2,611	2,598	2,558	2,390
Dakota College at Bottineau	474	502	518	459	490	527	590	596	552	615
Dickinson State University	1,454	1,201	1,176	1,070	1,114	1,128	1,090	1,093	1,147	1,154
Lake Region State College	973	943	978	981	971	995	1,005	974	867	791
Mayville State University	759	749	798	796	782	784	817	801	801	815
Minot State University	2,731	2,710	2,600	2,570	2,591	2,467	2,483	2,399	2,273	2,242
ND State College Of Science	2,354	2,295	2,272	2,305	2,298	2,253	2,126	2,076	2,020	2,029
North Dakota State University	12,707	12,797	12,934	12,834	12,782	12,784	12,394	11,704	11,252	10,861
University of North Dakota	12,728	12,606	12,420	12,455	12,180	11,964	11,585	11,164	10,933	10,842
Valley City State University	995	975	990	1,031	1,044	1,086	1,096	1,164	1,160	1,090
Williston State College	537	593	579	738	756	763	806	783	703	668
Total	38,702	38,326	38,174	38,151	37,870	37,398	36,603	35,352	34,268	33,497

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
EXECUTIVE BRANCH										
Adjutant General	174	178	177	170	155	155	155	155	151	154
Aeronautics Commission	6	6	6	6	7	7	7	7	7	7
Bank of North Dakota	177	177	180	180	182	183	190	190	190	174
Barley Council	5	5	5	5	5	5	5	1	1	1
Beef Commission	2	2	2	2	2	3	3	3	4	4
Career and Technical Education	34	34	34	29	27	27	25	25	55	55
Corn Council	4	5	6	6	6	6	6	3	3	3
Council on the Arts	5	5	5	5	5	5	5	5	5	5
Department of Agriculture	75	76	77	77	77	77	73	74	78	78
Department of Commerce	68	68	70	69	69	69	54	66	62	61
Department of Corrections and Rehabilitation	739	812	813	834	838	845	845	895	899	906
Department of Emergency Services	64	68	70	76	79	79	79	76	68	68
Department of Environmental Quality	0	0	0	0	0	0	0	2	158	163
Department of Financial Institutions	29	29	29	29	30	31	30	30	31	31
Department of Human Services	2,201	2,201	2,203	2,215	2,216	2,218	2,163	2,140	2,223	2,273
Department of Public Instruction	99	99	99	100	100	92	92	94	89	87
Department of Transportation	1,066	1,081	1,084	1,082	1,081	1,081	1,047	1,008	985	985
Department of Trust Lands	26	28	31	34	34	33	30	30	29	30
Ethics Commission	0	0	0	0	0	0	0	0	2	2
Game and Fish Department	157	158	158	164	163	163	163	164	166	165
Highway Patrol	198	198	213	215	215	204	204	204	204	202
Historical Society	66	73	72	73	80	80	77	78	77	81
Indian Affairs Commission	4	5	5	5	5	5	5	4	4	4
Industrial Commission	73	93	93	114	113	114	106	108	108	108
Information Technology Department	335	326	341	354	350	352	346	447	400	455
Job Service North Dakota	309	252	239	238	182	182	182	182	173	159
Milk Marketing Board	6	6	6	6	6	6	6	4	4	4
ND Department of Health	345	352	354	365	366	368	360	365	205	213
ND Horse Racing Commission	2	2	2	2	2	2	2	2	2	2
ND Housing Finance Agency	46	46	46	40	41	41	41	42	43	43
ND Mill and Elevator Association	130	131	134	135	142	147	153	151	150	153
ND Vision Services/School for the Blind	33	33	33	33	32	32	30	30	29	29
North Dakota University System	7,756	7,763	7,904	8,028	8,012	7,532	7,290	7,207	7,192	7,165
Office of Administrative Hearings	7	7	5	5	5	5	5	5	5	5

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
EXECUTIVE BRANCH, Continued										
Office of Management and Budget	134	134	134	132	124	123	117	118	114	109
Office of the Attorney General	205	214	217	248	253	253	240	249	246	249
Office of the Governor	18	18	18	18	18	19	17	17	17	17
Office of the Insurance Commissioner	49	49	49	49	49	49	46	46	41	41
Office of the Labor Commissioner	12	13	13	15	15	15	14	14	14	15
Office of the State Auditor	56	55	55	61	62	62	57	57	59	59
Office of the State Tax Commissioner	133	134	134	134	135	135	132	132	123	123
Office of the State Treasurer	8	8	8	8	8	8	7	7	7	7
Oilseed Council	1	1	1	2	1	1	1	1	1	1
Parks and Recreation Department	53	53	55	65	66	65	63	62	62	58
Protection and Advocacy	29	29	28	28	28	28	28	29	29	29
Public Employees Retirement System	33	33	33	33	35	35	35	35	35	36
Public Service Commission	43	44	44	46	46	47	47	47	44	44
Retirement and Investment Office	18	18	19	19	19	19	19	20	20	18
School for the Deaf	50	50	50	51	51	51	51	51	51	50
Secretary of State	31	31	31	34	34	34	32	32	32	33
Securities Department	9	9	9	9	9	9	10	9	9	11
Seed Department	30	30	30	30	30	31	31	30	30	30
Soybean Council	6	7	7	8	8	8	7	6	6	6
State Fair Association	27	27	28	27	27	26	27	28	26	26
State Library	30	30	30	31	30	30	29	29	28	28
Veteran's Affairs Department	8	8	8	8	9	9	9	7	7	8
Veterans Home	114	117	118	120	116	118	120	119	118	119
Water Commission	87	88	90	95	96	96	93	93	93	93
Wheat Commission	8	8	8	8	8	8	8	6	6	6
Workforce Safety and Insurance	251	254	256	266	265	265	265	267	265	264
LEGISLATIVE BRANCH										
Legislative Council	34	34	36	36	37	36	36	36	36	36
JUDICIAL BRANCH										
Judiciary Branch	344	362	363	364	392	392	355	363	363	362
Total State Employees	**16,062**	**16,177**	**16,368**	**16,639**	**16,598**	**16,118**	**15,675**	**15,706**	**15,681**	**15,748**

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
Office of the Tax Commissioner										
Number of returns filed electronically 1	319,759	352,150	383,906	412,559	428,347	391,234	460,464	447,690	417,060	463,418
Education										
Department of Public Instruction										
Public School Enrollment 2	99,192	101,656	104,278	106,070	106,863	108,945	110,842	112,858	112,045	113,858
North Dakota University System										
Full Tme Equivalent Student Enrollment 3	38,702	38,326	38,174	38,151	37,870	37,398	36,603	35,352	34,268	33,497
Health and Human Services										
North Dakota Department of Health										
Number of Autopsies Performed in ND 4	367	365	261	258	244	234	239	176	111	NA
North Dakota Department of Environmental Quality										
Air Quality - Percent of Facilities in Compliance 4	99	99	99	100	100	100	99	99	99	NA
Public Water Systems - Percent of Facilities in Compliance 4	96	96	95	96	98	99	98	99	100	NA
Department of Human Services										
Number of TANF Caseloads	3,329	3,032	2,773	2,515	2,367	2,313	2,206	1,968	1,981	2,035
Number of Medicaid Recipients	90,453	91,382	105,539	114,364	122,374	123,766	124,371	122,304	119,763	121,527
Regulatory										
Office of the Insurance Commissioner										
Licensed Insurance Agents 4	52,417	55,241	61,142	65,671	66,882	75,769	73,304	83,193	94,289	106,243
Public Service Commission										
Weighing and Measuring Devices Inspected	7,437	9,559	5,892	5,446	6,136	5,172	5,183	4,653	3,526	5,191
Weights and Measures Quality Assurance Inspections	—	—		249	216	207	160	79	180	302
Gas Pipeline Safety Inspections	53	83	127	72	81	82	78	42	49	106
Gas Pipeline Safety Inspection-Person Days	97	138	162	124	134	150	191	122	153	236
Public Safety and Corrections										
Department of Corrections and Rehabilitation										
Average Daily Adult Prison Population 4	1,477	1,553	1,617	1,767	1,794	1,813	1,709	1,766	1,492	NA
Office of the Attorney General-Bureau of Investigations										
Criminal Cases Opened 4	422	355	478	449	558	514	339	427	407	NA
Drug Cases Opened 3	375	403	380	387	544	446	278	402	338	NA
Office of the Attorney General-Crime Laboratory										
Toxicology Alcohol Blood and Breath Analyses 4	7,918	7,421	6,523	6,472	5,472	5,201	4,298	4,007	3,080	NA
Methamphetamine/Amphetamine Samples Processed 4	1,381	2,387	2,942	4,527	4,669	3,932	4,077	3,284	2,782	NA
Office of the Adjutant General										
Assigned National Guard 5	4,363	4,210	4,167	4,006	3,980	4,032	4,002	4,094	4,155	4,223
Agriculture and Commerce										
Department of Agriculture										
Pounds of Pesticide Waste Collected	290,932	248,354	310,754	384,857	137,297	180,692	340,074	521,584	114,597	258,115
Job Service North Dakota (JSND)										
Net Job Growth from Nonfarm Employment 4	32,400	15,500	16,900	(7,600)	-19,200	-2,500	3,700	4,500	-29,300	NA
Source: Current Employment Statistics, BLS - JSND										
New Private Sector Businesses 4	2,274	1,371	940	382	-67	-281	-172	336	115	NA
Source: Quarterly Census of Employment & Wages, BLS - JSND										
Game and Fish Department										
Registered Boats 4	62,799	69,381	53,558	61,328	67,026	57,220	60,660	62,672	60,123	NA
Hunting and Fishing Licenses Issued	321,086	359,734	357,488	354,728	356,548	351,704	343,709	343,530	342,272	NA
Department of Parks and Recreation										
Park Visitations 4	1,191,483	1,067,054	1,187,022	1,211,150	1,182,628	1,196,868	1,211,744	1,214,226	1,296,509	NA
Camping Nights 4	67,425	66,533	68,480	71,075	73,316	71,555	72,831	72,979	94,079	NA
Snowmobile Registrations 4	3,354	11,763	3,743	8,958	2,779	8,767	2,762	7,478	10,316	NA
OHV Registrations 4	21,862	12,198	26,200	12,753	25,316	13,673	27,148	13,115	42,509	NA
Transportation										
Department of Transportation										
Registered Vehicles 4	1,063,203	1,110,241	1,159,317	1,168,252	1,160,042	1,159,040	1,184,472	1,188,053	1,182,587	NA
Licensed Drivers	502,807	513,838	527,541	545,027	555,935	561,667	561,333	566,015	557,164	559,778
Unemployment Compensation										
Job Service North Dakota										
Number of Covered Workers 4	411,710	427,109	444,658	437,078	417,150	414,039	417,578	422,826	395,988	NA
Workforce Safety and Insurance										
Number of Claims Filed	24,643	25,835	26,395	24,798	21,227	20,045	19,830	19,913	18,813	17,845
Number of Covered Workers	369,996	402,771	418,234	435,993	427,899	408,107	405,367	409,559	414,371	386,414

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

Sources: The State agencies listed above provided the statistics for their agency

Schedule 16
Capital Assets by Function
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
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	631,921	631,939	631,997	632,039	631,794	631,806	631,806	631,806	631,761	631,629
ND University System										
Buildings	512	512	528	528	534	534	516	516	470	475
Buildings Square Footage	15,019,252	15,019,252	15,852,457	15,852,457	16,299,100	16,299,100	16,571,905	16,571,905	16,682,484	16,543,663
Health and Human Services										
Dept. of Human Services										
Buildings	74	64	63	63	63	63	63	63	60	60
Public Safety and Corrections										
Department of Corrections										
and Rehabilitation	72	69	71	71	71	70	70	70	70	70
Buildings										
Office of the Adjutant General										
Headquarters, Camp and Armory Buildings	283	268	280	298	298	302	330	327	319	319
Natural Resources										
Game and Fish Department										
Wildlife Management Areas	201	201	204	201	200	201	201	201	202	203
Boats, ATV's, Snowmobiles, Tractors,Other	446	463	462	460	472	491	493	498	506	520
Dept. of Parks and Recreation										
Park/Recreational Sites	15	15	15	15	15	15	15	15	15	15
Park Maintanenace Vehicles/Equipment	291	304	305	305	363	392	364	409	420	430
Transportation										
Department of Transportation										
Roadway Miles Maintained	8,504	8,509	8,509	8,563	8,614	8,614	8,614	8,622	8,624	8,624
Fleet Vehicles	3,567	3,600	3,652	3,664	3,726	3,740	3,541	3,406	3,386	3,291
Heavy Equipment	500	434	441	448	441	445	479	480	489	489
Buildings	123	126	142	158	159	162	164	165	167	169

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
1 Net Earned Required Contribution and Investment Revenues	$ 195	$ 140	$ 133	$ 70	$ 173	$ 101	$ 42	$ 204	$183	$ 69
2 Unallocated Expenses	28	22	33	36	67	26	21	25	8	(16)
3 Estimated Incurred Claims and Expense,End of Policy Year	4	(115)	39	94	26	21	87	39	(1)	59
4 Paid (Cumulative) as of:										
End of Policy Year	(202)	(157)	(32)	(35)	(77)	(86)	(19)	(106)	(136)	(193)
One Year Later	(202)	(157)	(32)	(35)	(77)	(86)	(19)	(106)	(136)	
Two Years Later	(202)	(157)	(32)	(35)	(77)	(86)	(19)	(106)		
Three Years Later	(202)	(157)	(32)	(35)	(77)	(86)	(19)			
Four Years Later	(202)	(157)	(32)	(35)	(77)	(86)				
Five Years Later	(202)	(157)	(32)	(35)	(77)					
Six Years Later	(202)	(157)	(32)	(35)						
Seven Years Later	(202)	(157)	(32)							
Eight Years Later	(202)	(157)								
Nine Years Later	(202)									
5 Re-estimated Incurred Claims and Expenses:										
End of Policy Year	4	(115)	39	94	26	(21)	87	39	(1)	59
One Year Later	4	(115)	39	94	26	(21)	87	39	(1)	
Two Years Later	4	(115)	39	94	26	(21)	87	39		
Three Years Later	4	(115)	39	94	26	(21)	87			
Four Years Later	4	(115)	39	94	26	(21)				
Five Years Later	4	(115)	39	94	26					
Six Years Later	4	(115)	39	94						
Seven Years Later	4	(115)	39							
Eight Years Later	4	(115)								
Nine Years Later	4									
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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
1 Net Earned Required Contribution and Investment Revenues	$ 3,031	$ 4,103	$ 5,388	$ (2,124)	$ 2,908	$ 4,765	$ 3,567	$ 3,845	$ 2,704	$ 4,989
2 Unallocated Expenses	849	768	915	800	912	1,348	1,118	874	541	705
3 Estimated Incurred Claims and Expense, End of Policy Year	1,162	1,501	998	1,141	3,039	4,750	2,352	2,953	2,576	3,511
4 Paid (Cumulative) as of										
End of Policy Year	958	1,106	562	9,378	8,890	3,805	8,318	3,218	2,253	3,705
One Year Later	1,225	1,871	1,067	1,553	3,117	4,466	1,158	3,218	2,253	
Two Years Later	1,318	1,905	1,080	1,564	3,119	4,466	1,158	3,218		
Three Years Later	1,691	1,905	1,080	1,564	3,119	4,466	1,158			
Four Years Later	1,691	1,905	1,080	1,564	3,119	4,466				
Five Years Later	1,691	1,905	1,080	1,564	3,119					
Six Years Later	1,691	1,905	1,080	1,564						
Seven Years Later	1,691	1,905	1,080							
Eight Years Later	1,691	1,905								
Nine Years Later	1,691									
5 Reestimated Incurred Claims and Expenses:										
End of Policy Year	1,162	1,501	998	1,516	3,039	4,750	2,352	3,040	2,953	3,511
One Year Later	1,550	2,009	1,146	1,725	3,292	4,692	3,153	3,040	2,953	
Two Years Later	1,549	2,012	1,122	1,723	3,229	4,634	3,153	3,040		
Three Years Later	1,711	2,012	1,122	1,723	3,226	4,634	3,153			
Four Years Later	1,711	2,012	1,122	1,723	3,226	4,634				
Five Years Later	1,711	2,012	1,122	1,723	3,226					
Six Years Later	1,711	2,012	1,122	1,723						
Seven Years Later	1,711	2,012	1,122							
Eight Years Later	1,711	2,012								
Nine Years Later	1,711									
6 Increase in Estimated Incurred Claims and Expense From End of Policy Year	549	511	125	582	191	(58)	0	87	0	0

Schedule 17
Claims Development Information
Last Ten Fiscal Years
(Expressed In Thousands)

Workforce Safety & Insurance

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
1 Net Earned Required Contribution and Investment Revenues	$ 341	$ 443	$ 502	$ 408	$ 377	$ 396	$ 343	$ 386	$ 353	$ 429
2 Unallocated Expenses	33	52	41	41	43	47	44	45	44	131
3 Estimated Incurred Claims and Expense, End Of Policy Year	230	300	338	315	229	198	193	187	177	145
4 Paid (Cumulative) as of:										
End of Policy Year	44	53	65	61	41	40	42	42	42	33
One Year Later	87	99	111	102	74	65	76	69	62	
Two Years Later	102	117	128	120	84	73	76	77		
Three Years Later	111	128	140	132	84	78	80			
Four Years Later	116	136	148	140	88	82				
Five Years Later	120	142	154	146	91					
Six Years Later	123	146	158	150						
Seven Years Later	125	148	160							
Eight Years Later	126	149								
Nine Years Later	127									
5 Reestimated Incurred Claims and Expenses:										
End of Policy Year	230	300	338	315	229	198	192	187	177	145
One Year Later	258	293	321	283	204	177	179	174	156	
Two Years Later	344	288	299	271	191	164	172	168		
Three Years Later	241	272	291	267	174	154	157			
Four Years Later	228	266	285	265	161	141				
Five Years Later	221	261	277	263	148					
Six Years Later	214	253	265	250						
Seven Years Later	206	236	249							
Eight Years Later	195	222								
Nine Years Later	184									
6 Increase in Estimated Incurred Claims and Expense From End of Policy Year	(46)	(78)	(88)	(65)	(81)	(57)	(19)	(21)	0	0

Schedule 18
Agricultural Production

Value of Export Shares of Agricultural Commodities - 2019 - 2020

	2019 Dollars	2019 % of U.S.	2020 Dollars	2020 % of U.S.
	(Mil.)		(Mil.)	
Wheat	1,077.2	17.28	1,030.9	16.36
Soybeans and Products	1,119.3	4.86	1,311.7	4.34
Other Oil Seeds and Products	563.2	29.67	617.0	29.10
Vegetables Fresh and Processed	208.8	2.90	244.1	3.56
Grain Products	176.9	4.42	161.7	4.02
Vegetable Oils	174.3	6.33	192.1	5.85
Feeds and Other Feed Grains	225.0	2.69	217.1	2.29
Corn	209.4	2.74	208.6	2.26
Other Plant Products	132.7	0.73	128.0	0.77
Beef, Veal and Pork	139.3	0.93	127.5	0.83
Other Livestock Products	38.0	1.10	54.3	1.36
Hides and Skins	12.4	1.18	9.4	1.15
Dairy Products	9.2	0.16	10.2	0.16
Poultry Products	2.6	0.13	2.8	0.14
Total	$ 4,088.3	3.01 %	$ 4,312.5	2.98 %

1/ Includes other nonpoultry meats, animal fat, live farm animals, and other animal parts.
2/ Includes turkey meat, eggs, and other fowl products.
3/ Includes processed feeds, fodder, barley, oats, rye, and sorghum.
4/ Includes peanuts (oil stock), other oil crops, corn meal, other oilcake and meal, protein substances, bran and residues.
5/ 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).

Totals may not add due to rounding.

2021 Crop Rank Among States

North Dakota Ranks	Crop Description	North Dakota Produces
1st	Canola	85 %
	Flaxseed	71 %
	Pinto Beans	68 %
	Durum Wheat	51 %
	Spring Wheat	47 %
	Sunflower Oil	45 %
	Sunflower All	45 %
	Sunflower Non-oil	42 %
	All Dry Edible Beans	39 %
	Honey Production	26 %
	Rye	19 %
	All Wheat	17 %

Source: North Dakota Agricultural Statistics June 2021

NORTH Dakota

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2022 ACFR

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2022



Photo Credit: ND Tourism

STATE OF NORTH DAKOTA

Annual Comprehensive Financial Report

FOR THE FISCAL YEAR ENDED

June 30, 2022

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:
https://www.omb.nd.gov/financial-transparency/annual-comprehensive-financial-reports-acfr

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
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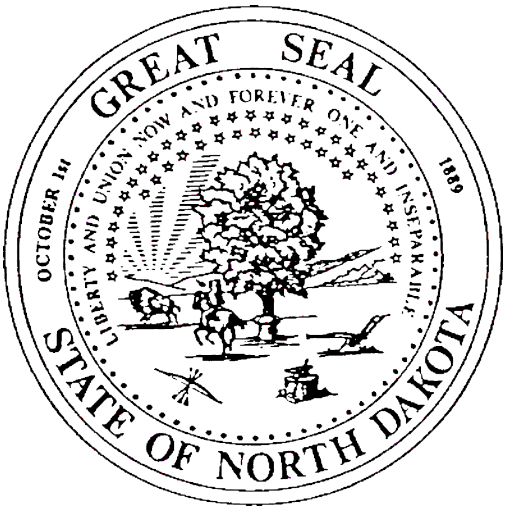
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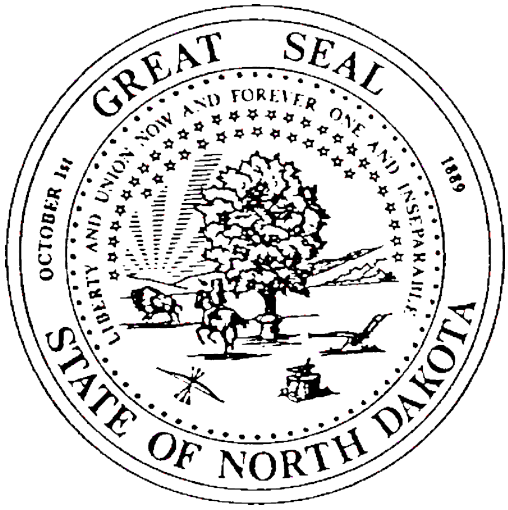
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Introductory Section



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NORTH Dakota | Management and Budget
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January 13, 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, 2022. 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, 2022 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.

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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, 2022, 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

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, all dry edible peas, durum wheat and spring wheat for 2021. North Dakota also ranked second in the production of pink beans, small red beans, lentils, rye, all sunflowers, and all wheat.

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. Prices are averaging around $83 per barrel to start off the 2021-23 biennium which is above the estimated price of $50.00 used for budgeting purposes.

According to the United States Census Bureau, the state's resident population for 2021 was approximately 775,000 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 September 2022 was 2.2%, compared to 3.5% 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 and banking companies, U.S postal service, and retail companies.

North Dakota exporting stayed flat when comparing 2021 to 2020. The United States Census Bureau showed that North Dakota's exports were about $5.2 billion for both 2020 and 2021.

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, presented to the legislature in December 2022. The Governor's long-term financial plan includes the following key components:

- Maintaining healthy reserves.
- Providing tax relief.
- Investing in priorities, like technology, education, and behavioral health.
- Ensuring solvency for the state pension fund.

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. The governor supports a responsible approach to closing the state defined benefit plan, ensuring the solvency of the existing plan, and providing a defined contribution plan for newly-hired state team members. To support this approach, the governor has proposed a $250 million transfer from the general fund to the Public Employees Retirement Plan to help address the state unfunded 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.

he 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.

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 General Fund 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 $752 million.

The 2019-21 biennium ended with the budget stabilization fund meeting the cap, so no general fund transfer was made to the fund.

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.

MAJOR INITIATIVES

Major initiatives proposed by Governor Doug Burgum and approved by the legislature for the 2021-23 biennium include:

- Investing in infrastructure and other priorities;
- Supporting K-12 education.
- Investing in behavioral health issues.
- Investing in cybersecurity and upgrading technology; and
- Maintaining reserves and the rainy-day fund.

INFRASTRUCTURE INVESTMENTS

The 2021-23 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:

- $1.13 billion to rebuild and repair state highways.
- $220.0 million for city road projects.
- $145.5 million dedicated to the repair and rebuilding of county and township roads.
- $7.9 million for projects across the state park system.
- $540.8 million for water-related projects, including $125.0 million for water supply, $59.6 million for rural water supply, $48.0 million for flood control, $14.2 million for general water projects, $148.5 million for state-owned water projects and $6.0 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.

- $111.2 million for updated outdated technology projects across numerous agencies for the 2021-23 biennium.
- $19.5 million to enhance the state's cybersecurity program; and
- 29.0 FTE to support the growing need for cybersecurity.

EDUCATION

K-12 education initiatives include:

- $2.13 billion in state funding for K-12 schools through integrated funding formula;
- $58.1 million to assist districts in the provision of transportation services;
- $27 million to go towards special education contracts; and

Higher Education initiatives include:

- $11.2 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.
- $64.9 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.

RESERVES

It is anticipated that by June 30, 2023, there will be a total ending balance of approximately $3.88 billion in the general fund, budget stabilization fund, foundation aid stabilization fund,

strategic investment and improvements fund, and tax relief fund. The general fund budget for the 2021-23 biennium totals $5.01 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, 2021. This was the 31st 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,



Joe Morrissette
Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

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State of North Dakota

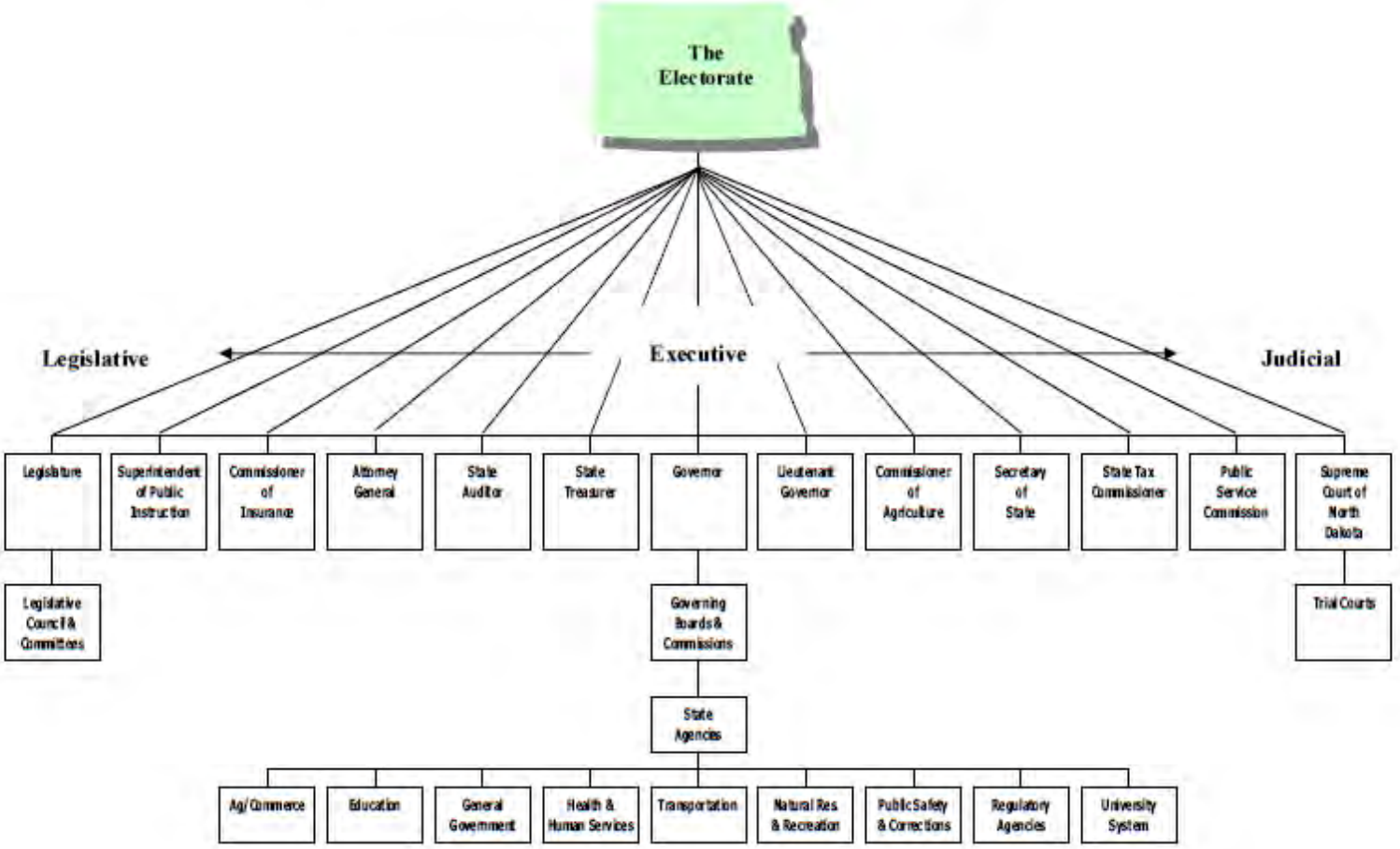
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021



Executive Director/CEO

STATE OF NORTH DAKOTA ORGANIZATIONAL CHART



NORTH DAKOTA

PRINCIPAL STATE OFFICIALS

June 30, 2022

ELECTED OFFICIALS

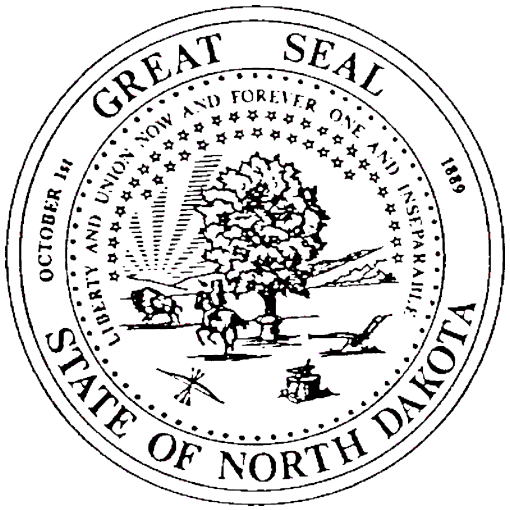
Doug Burgum, Governor
Brent Sanford, Lieutenant Governor
Alvin A. Jaeger, Secretary of State
Drew Wrigley, Attorney General
Julie Fedorchak, Public Service Commissioner
Randel Christmann, Public Service Commissioner
Sheri Haugen-Hoffart, Public Service Commissioner
Doug Goehring, Commissioner of Agriculture
Josh Gallion, State Auditor
Jon Godfread, Commissioner of Insurance
Kirsten Baesler, Superintendent of Public Instruction
Brian Kroshus, Tax Commissioner
Thomas Beadle, State Treasurer

LEGISLATIVE

Lawrence R. Klemin, Speaker of the House
Chet Pollert, House Majority Leader
Joshua A. Boschee, House Minority Leader
Lt. Gov. Brent Sanford, President of the Senate
Rich Wardner, Senate Majority Leader
Joan Heckaman, Senate Minority Leader

JUDICIAL

Jon Jensen, Chief Justice, North Dakota Supreme Court
Gerald W. VandeWalle, Justice
Daniel J. Crothers, Justice
Lisa K Fair McEvers, Justice
Jerod Tufte, Justice



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Financial Section

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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, 2022, 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, 2022, 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.

- 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, 2022, 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%	12%
Business-Type Activities	82%	62%	34%
Aggregate Discretely Presented Component Units	88%	100%	98%
Fund Financial Statements			
Major Governmental Funds			
General Fund	1%	1%	0%
Federal Fund	2%	36%	1%
State Special Revenue Fund	75%	78%	24%
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%	33%

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 $1.78 billion as of July 1, 2022. 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 87 *Leases*, GASB 92 *Omnibus 2020*, GASB 93 *Replacement of Interbank Offered Rates, and* GASB 97 *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No 32.* 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 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

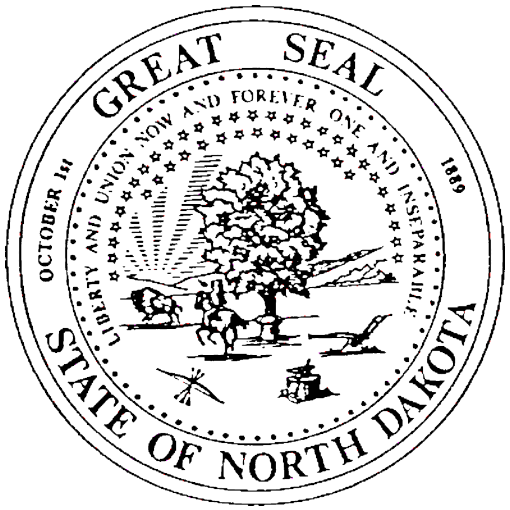
Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover 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 January 13, 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.

Joshua C. Gallion
State Auditor
Bismarck, North Dakota
January 13, 2023



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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, 2022. 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 $30.1 billion (reported as net position), an increase of $497.5 million from the previous year. The net position of governmental activities increased by 1.9% while the net position of the business-type activities showed an increase of 0.3%.

As a result of implementing GASB Statement 68, *Accounting and Financial Reporting for Pensions*, the State recorded $32 million net pension asset, $725 million deferred outflows of resources, $535.0 million net pension liability, and $1.1 billion deferred inflows of resources for the primary government. The State decreased its net pension liability by $1.14 billion during the year. The decrease in the pension liability is due to the fact that beginning in FY22 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.

Fund Level:
As of the close of fiscal year 2022 the State's governmental funds reported combined ending fund balances of $20.5 billion, an increase of $823.5 million. Of this amount, $142.8 million is non-spendable, primarily for Permanent Trust Funds. Spendable fund balance consists of $7.9 billion restricted for specific purposes such as common schools, highway projects, and state education aid, $2.5 billion committed and $265.4 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 $9.8 billion, which is primarily made up of the legacy fund with a balance of $8.1 billion.

The enterprise funds reported net position at year-end of $4.9 billion, an increase of $16.9 million during the year.

Long-term Debt:
The State's total debt (bonds, certificates of participation, and notes payable) increased approximately (31.7)% during the fiscal year to $2.8 billion, an increase of $570 million, which represents the net difference between new issuances and payments. During the year the State issued $814.4 million in bonds, $159.7 million in certificates of participation, and $22.23 million 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, 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 $30.1 billion at the end of fiscal year 2022. Net position increased $497.5 million from the prior fiscal year.

State of North Dakota's Net Position
(Expressed in Thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Current and Other Assets	$ 23,198,437	$ 22,565,246	$ 14,902,101	$ 12,569,352	$ 38,100,538	$ 35,134,598
Capital Assets	5,776,444	5,672,796	2,049,599	1,831,512	7,826,043	7,504,308
Total Assets	28,974,881	28,238,042	16,951,700	14,400,864	45,926,581	42,638,906
Deferred Outflows of Resources	580,523	818,346	203,461	324,902	783,985	1,143,249
Long-Term Liabilities Outstanding	1,035,960	1,499,474	3,509,904	3,578,253	4,545,865	5,077,728
Other Liabilities	2,460,575	2,643,749	8,432,883	6,162,443	10,893,458	8,802,964
Total Liabilities	3,496,535	4,143,223	11,942,787	9,740,696	15,439,323	13,880,692
Deferred Inflows of Resources	874,434	204,200	267,685	69,260	1,142,119	273,461
Net Position						
Net Investment in Capital Assets	5,673,771	5,558,197	1,419,736	1,339,863	7,093,507	6,898,060
Restricted	8,029,841	7,676,069	1,538,720	1,670,770	9,568,561	9,346,839
Unrestricted	11,480,822	11,474,698	1,986,233	1,905,177	13,467,055	13,379,875
Total Net Position	$ 25,184,434	$ 24,708,964	$ 4,944,689	$ 4,915,810	$ 30,129,123	$ 29,624,774

The largest component (44%) 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-two percent (32%) 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-four percent (24%) 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 below was 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	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program Revenues:						
Charges for Services	$ 386,691	$ 354,695	$ 1,936,459	$ 2,281,020	$ 2,323,150	$ 2,635,715
Operating Grants & Contributions	2,869,390	4,178,132	135,134	855,176	3,004,524	5,033,308
Capital Grants & Contributions	4,091	—	54,601	17,610	58,692	17,610
General Revenues:						
Income Taxes	646,802	581,766	—	—	646,802	581,766
Sales Taxes	1,459,332	1,327,568	—	—	1,459,332	1,327,568
Oil, Gas and Coal Taxes	3,027,334	1,746,983	—	—	3,027,334	1,746,983
Other Taxes	137,742	128,553	—	—	137,742	128,553
Investment Earnings (Losses)	(905,927)	1,676,824	—	—	(905,927)	1,676,824
Tobacco Settlement	23,206	22,586	—	—	23,206	22,586
Other	316,226	185,658	2,724	337	318,950	185,995
Total Revenues	7,964,887	10,202,765	2,128,918	3,154,143	10,093,805	13,356,908
Expenses:						
General Government	1,511,677	1,214,720	—	—	1,511,677	1,214,720
Education	1,537,651	1,440,183	—	—	1,537,651	1,440,183
Health and Human Services	2,527,706	2,429,626	—	—	2,527,706	2,429,626
Regulatory	153,118	262,055	—	—	153,118	262,055
Public Safety and Corrections	259,573	303,434	—	—	259,573	303,434
Agriculture and Commerce	138,348	235,626	—	—	138,348	235,626
Natural Resources	326,713	292,876	—	—	326,713	292,876
Transportation	546,264	518,412	—	—	546,264	518,412
Interest on Long Term Debt	4,973	4,268	—	—	4,973	4,268
Bank of North Dakota	—	—	67,629	93,811	67,629	93,811
Housing Finance	—	—	56,986	60,546	56,986	60,546
Loan Programs	—	—	8,811	11,288	8,811	11,288
State Lottery	—	—	21,962	23,632	21,962	23,632
Unemployment Compensation	—	—	75,427	731,053	75,427	731,053
University System	—	—	1,350,757	1,349,698	1,350,757	1,349,698
Workforce Safety and Insurance	—	—	213,028	208,717	213,028	208,717
Other	—	—	771,219	652,042	771,219	652,042
Total Expenses	$ 7,006,023	$ 6,701,200	$ 2,565,819	$ 3,130,787	$ 9,571,842	$ 9,831,987
Increase (decrease) in Net Position Before Contributions, Loss & Transfers	958,860	3,501,565	(436,902)	23,356	521,958	3,524,921
Contributions to Permanent Fund Principal	4,870	11,163	—	—	4,870	11,163
Transfers	(483,294)	(365,979)	454,007	334,081	(29,287)	(31,898)
Change in Net Position	480,436	3,146,749	17,105	357,437	497,541	3,504,186
Net Position - Beginning	24,708,964	21,549,057	4,915,810	4,569,703	29,624,774	26,118,760
Prior Period Adjustment *	(4,966)	13,158	11,774	(11,330)	6,808	1,828
Net Position- Ending	$25,184,434	$24,708,964	$ 4,944,689	$ 4,915,810	$30,129,123	$29,624,774

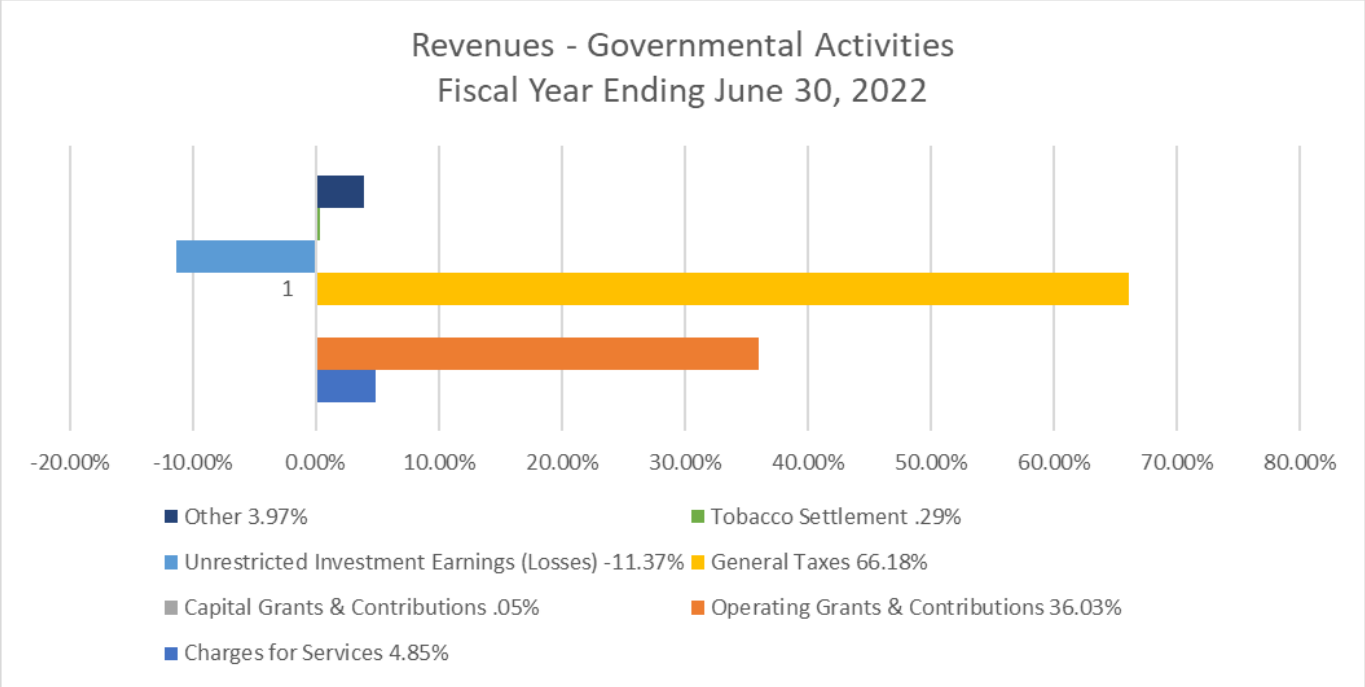
* More detailed information regarding the prior period adjustments can be found in Note 2.

Governmental Activities

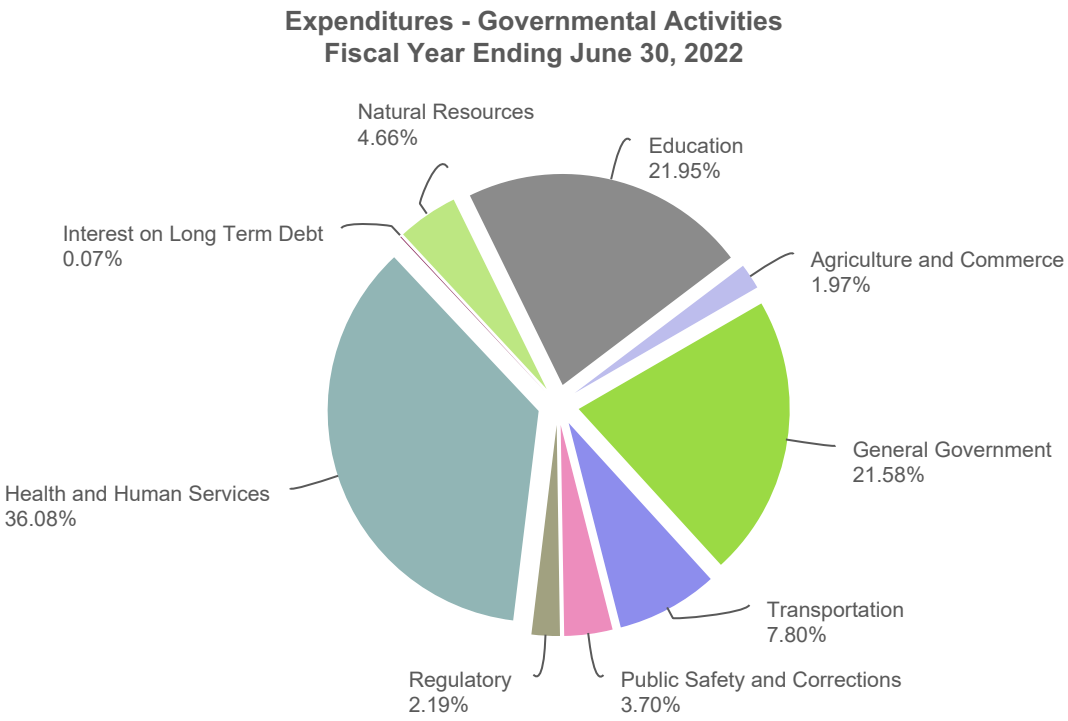
Governmental Activities increased the State's net position by $480.4 million. Revenues decreased 21.9%, with the largest decrease in the State's revenues for fiscal year 2022 coming from Unrestricted Investment Losses which saw a decrease of $2.6 billion. This is primarily due to low investment returns for the Legacy and Budget Stabilization funds. The investments earnings and losses are unrestricted because it is not for a particular function. Operating grants and contributions also saw a decrease of $1.3 billion. This decrease was primarily due to the change in fair value of investments which saw decreases due to rising inflation, supply chain disruption and other issues stemming from Russia's invasion into Ukraine and the ongoing pandemic. An accelerated tightening of global monetary policy and falling economic growth estimates led to most major indices ending negatively by June. The State saw increases in Oil, Gas, and Coal Taxes due to high oil prices which can be attributed to increased demand, 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 chart on the following page depicts expenses of the governmental activities for the fiscal year:



Business-type Activities

Net position of the business-type activities increased by $17.1 million during the fiscal year.

Workforce Safety and Insurance's (WSI) net position decreased by $242.4 million. In fiscal year 2022, WSI's investment portfolio yielded a year to date return of -9.04% (net of fees), with a loss of $200 million before expenses. WSI's financial position remains stable. Earned premium net of discounts and reinsurance totaled $163 million, $176 million, and $221 million for fiscal years 2022, 2021, and 2020, respectively. The number of total claims filed in fiscal year 2022 is 17,477. This is a decrease of 379 from the previous fiscal year 2021 total of 17,856. The fiscal year 2021 total decreased by 970 from the total claims filed in fiscal year 2020 of 18,826. Net earned premium from fiscal year 2022 of $163 million is down from the fiscal year 2021 total of $176 million.

The Bank of North Dakota net position increased $35.8 million. The loan portfolio decreased by $68 million to $4.56 billion at December 31, 2021. Interest-bearing deposits totaled $7.4 billion at December 31, 2021 compared to $5 billion at December 31, 2020. 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 10.27% as of December 31, 2021. 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 $129.6 million. The increase in current assets is mainly attributed to increases in cash of $55.1 million and current investments of $30.3 million. Current investments increased at NDSU by $11.0 million. Upon maturity, five-year certificates of deposits have been re-invested to one-year certificates of deposits as interest rates remained low in fiscal year 2022. UND's current investments increased by $25.0 million due to certificate of participation proceeds for a new student housing project that will be spent in fiscal year 2023.The decrease in current notes receivable, net is related to loan repayments and federal loan programs ending in FY2021.

Housing Finance Authority (HFA) net position increase of $2.0 million as a result of the year's program operations and financing activities. Operating revenues in FY22 were down as a result of lower mortgage and investment income than in prior years. In addition HFA, had a loss on the sale of investments. This was partially offset with

slightly higher fee income. HFA continues to fund mortgage loans at a fast pace. Mortgage rates, along with the interest rate on mortgage revenue bonds, were raising quickly the last few months of FY22. Operating expenses were down as a result of lower bond interest expense, pension expense, SRP amortization expenses and higher bond admin expenses than what was incurred in the prior year. The decrease in Interest Expense was somewhat offset by the increase in Administrative and Operating Expenses.

FINANCIAL ANALYSIS OF THE STATE'S FUNDS

Governmental Funds

As the State completed the year, its governmental funds reported combined fund balances of $20.5 billion, an increase of $823.5 million from the prior fiscal year. Of the $20.5 billion in net position, $142.8 million is non-spendable, $7.9 billion is restricted, $2.5 billion is committed, $265.4 million is assigned, and $9.8 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 $9.8 billion, non-spendable was $8.0 million, and $1.1 billion was committed for expenditure by various governmental functions.

Total General Fund balance increased during the fiscal year by $202 million. Revenues decreased approximately 39.1%, due to decreases in interest and investment income of $776.2 million. This decrease was primarily due to low 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. The State Investment Board is responsible for the investment of the fund. This fund has a current fund balance of $8.1 billion. The state also saw a decrease in individual income taxes caused by the recently enacted Tax Relief Credit, this decrease was offset by the increase in Corporate income taxes. The Corporate Income taxes and Sales and Use taxes increased due to a pent-up demand caused by the impacts of the global pandemic and a strong overall economy. Oil, gas and coal taxes saw increases as previously discussed in the Governmental Activities Net Pension increase explanation.

General fund expenditures increased by $126.6 million or 6.8% with the largest increase in Health and Human Services. However, total expenditures for the general fund and special revenue fund remained relatively consistent from FY21. The increase in Health and Human Services was due to reallocating more expenses to the General Fund in the first year of the biennium.

The State Special Revenue ending fund balance increased by $311.8 million resulting in $9.1 billion fund balance. Revenues decreased by 17.6% in the state special revenue fund primarily due to a decrease in interest and investment income. The decrease is primarily due to low investment returns as we saw with investments previously discussed in the Governmental Activities Net Pension decrease explanation. Special fund expenditures increased by 14.8% primarily due to an increase in Education and Health and Human Services spending.

The Federal Fund balance of $54.7 million consists primarily of non-spendable items such as prepaids and inventory. Revenues decreased by $101.8 million and expenditures decreased by $ 72.8 million primarily due to the decrease in federal funding as the additional funds granted during the global pandemic drop off .The federal fund balance increased by $22.7 million primarily due to funds remaining in the COVID-19 Pace Recovery Program which is set up to assist local financial institutions in providing low interest loans and grants to support North Dakota businesses in their economic recovery due to negative impacts from the COVID-19 pandemic.

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 $2.6 billion or 24.85% higher than the final budget, primarily because of increased revenue from Mineral Leasing Fees and Individual Income Tax. The State has a biennial appropriated budget. The fiscal year ending June 30, 2022, was the first year of the 2021-23 budget cycle. The original budget increased $88.6 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 2022, the State had invested $7.1 billion, net of accumulated depreciation, in a broad range of capital assets. Depreciation charges for this fiscal year totaled $350 million.

(Net of Depreciation, Expressed in Thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Land and Land Improvements	$ 163,381	$ 162,417	$ 26,854	$ 25,710	$ 190,235	$ 188,127
Building & Building Improvements	411,655	424,809	1,299,165	1,203,106	1,710,820	1,627,915
Equipment	190,597	190,739	180,043	170,285	370,640	361,024
Intangibles						
Software	233,932	224,875	1,370	1,380	235,302	226,255
Other	10,223	10,957	13,131	10,264	23,354	21,221
Infrastructure	4,272,039	4,069,885	168,903	168,155	4,440,942	4,238,040
Construction in Progress	455,130	589,115	293,707	231,033	748,837	820,148
Right-to-use leased asset:						
Land	90	—	5,215	—	5,305	—
Building and Improvements	36,327	—	36,055	—	72,382	—
Equipment	3,068	—	22,707	—	25,775	—
Infrastructure	—	—	2,449	—	$ 2,449	—
Total	$ 5,776,442	$ 5,672,797	$ 2,049,599	$ 1,809,933	$ 7,826,041	$ 7,482,730

* Beginning capital asset balances were adjusted for certain reclassifications for FY2021 in the Business- Type Activities.

The total increase in the State's investments in capital assets for the current fiscal year was 3% 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, 2022.

The State does have a number of revenue bonds outstanding at June 30, 2022. 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 in the amounts of $108 million. The advances have a fixed rate of interest, ranging from 2.22 % to 3.32 %.

The state had lease additions for equipment and buildings of $32.4 million for Business Type Activities and $14.1 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)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Revenue Bonds	$ 491,725	$ 112,488	$ 1,795,063	$ 1,692,518	$ 2,286,788	$ 1,805,006
Certificate of Participation	—	—	262,218	104,123	262,218	104,123
Notes Payable	17,157	16,406	135,353	207,285	152,510	223,691
Lease Payable	40,409	$ —	$ 67,495	$ —	$ 107,904	$ —
Total	$ 549,291	$ 128,894	$ 2,260,129	$ 2,003,926	$ 2,809,420	$ 2,132,820

* Beginning Notes Payable balances were adjusted for certain reclassifications for FY2021 in the Business- Type Activities.

The State's total debt increased approximately (31.7)% 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 2022 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 energy industry will help prevent North Dakota from feeling the effects of a recession because the robust drilling is driving employment higher.

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 43. The most recent North Dakota average price per barrel of oil was at $83.14, which is above the estimated price of $50.00 used for budgeting purposes. On the agriculture side, the Russian invasion of Ukraine caused wheat prices to spike, which is one of North Dakota's major commodities, but prices are stabilizing and the yields are low so that suggests that farming will contribute little to growth this year.

North Dakota's employment growth has increased with the mining and shipping industry being a contributing factor by adding jobs at a more rapid pace than the rest of the nation, but overall our growth still continues to lag the national pace. The unemployment rate in North Dakota has improved to 2.5% from the 3.7% seen during the same time frame last year and is a drastic improvement from the high of 5.8% that was seen in 2020. Anticipation is that the labor force growth will keep the labor market adequately supplied with workers.

Per capita income for North Dakota remains slightly ahead of the national average while the median household income currently lags, but saw a 7.6% increase from 2021 numbers. For 2022, median household income in North Dakota was at $68,882 compared to $70,784 for the U.S. Per capita income for 2022 was $64,524 for North Dakota, while $64,143 for the U.S.

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.

Basic Financial Statements

Statement of Net Position
June 30, 2022

	Primary Government			Component Units (GASB Based)
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and Cash Equivalents	$ 58,192,697	$ 3,057,741,660	$ 3,115,934,357	$ 19,799,273
Investments	15,070,485,233	4,723,877,436	19,794,362,669	250,000
Accounts Receivable - Net	224,458,500	210,905,035	435,363,535	149,976
Taxes Receivable - Net	787,214,330	—	787,214,330	—
Interest Receivable - Net	61,531,874	59,683,410	121,215,284	191,418
Lease Receivable - Net	1,390,035	413,882	1,803,917	—
Intergovernmental Receivable - Net	428,957,514	38,745,308	467,702,822	—
Internal Receivable	6,378,154,997	—	568,645,415	—
Due from Component Units	—	39,776,908	39,776,908	—
Prepaid Items	29,534,663	2,545,595	32,080,258	—
Inventory	37,371,502	49,495,796	86,867,298	—
Loans and Notes Receivable - Net	60,370,304	4,978,892,085	5,039,262,389	9,199,328
Pension Assets	31,759,726	—	31,759,726	—
Other Assets	8,727,000	37,462,631	46,189,631	—
Restricted Assets:				
Cash and Cash Equivalents	20,288,243	296,807,384	317,095,627	86,691,070
Investments	—	72,304,927	72,304,927	980,853,661
Interest Receivable - Net	—	5,147,000	5,147,000	5,508,238
Loans and Notes Receivable - Net	—	1,328,302,000	1,328,302,000	127,771,381
Capital Assets:				
Nondepreciable	618,511,422	320,560,707	939,072,129	1,115,389
Depreciable, Net	5,157,932,199	1,729,038,341	6,886,970,540	145,779
Total Assets	28,974,880,239	16,951,700,105	40,117,070,762	1,231,675,513
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Loss on Bond Refunding	607,000	2,985,419	3,592,419	1,741,000
Decrease in Fair Value of Hedging Derivatives	—	5,747,088	5,747,088	—
Financial Derivative Instrument	—	—	—	—
Unrealized Loss on Interest Rate Swap	—	35,780,000	35,780,000	—
Derived from Pensions	569,444,435	155,868,799	725,313,234	289,000
Derived from OPEB	10,471,821	3,080,032	13,551,853	—
Total Deferred Outflows of Resources	580,523,256	203,461,338	783,984,594	2,030,000

* **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.**

The Accompanying Notes are an Integral Part of the Financial Statements

STATE OF NORTH DAKOTA

Statement of Net Position

June 30, 2022

	Primary Government			Component Units (GASB Based)
	Governmental Activities	Business-Type Activities	Total	
LIABILITIES				
Accounts Payable	408,195,259	96,082,948	504,278,207	960,137
Accrued Payroll	76,267,869	45,369,432	121,637,301	—
Securities Lending Collateral	429,647,733	16,847,405	446,495,138	—
Interest Payable	2,237,016	23,117,994	25,355,010	4,922,500
Intergovernmental Payable	273,580,263	1,410,094	274,990,357	—
Tax Refunds Payable	172,243,450	—	172,243,450	—
Internal Payable	—	5,809,509,582	—	—
Due to Component Units	—	28,800,366	28,800,366	—
Contract Retainage Payable	13,249,332	8,885,891	22,135,223	—
Federal Funds Purchased	—	763,250,000	763,250,000	—
Other Deposits	—	1,425,687,216	1,425,687,216	—
Amounts Held In Custody for Others	—	16,172,000	16,172,000	—
Unearned Revenue	1,085,154,284	121,919,318	1,207,073,602	171,622
Financial Derivative Instrument	—	5,747,088	5,747,088	—
Other Liabilities	—	70,083,763	70,083,763	11,164
Long-Term Liabilities				
Due within one year	23,529,532	338,526,885	362,056,417	30,954,950
Due in more than one year	584,553,018	3,035,843,712	3,620,396,730	579,577,000
Net Pension Liability	406,135,199	128,874,609	535,009,808	190,000
Net OPEB Liability	21,742,621	6,659,094	28,401,715	—
Total Liabilities	3,496,535,576	11,942,787,397	9,629,813,391	616,787,373
DEFERRED INFLOWS OF RESOURCES				
Grant Received Prior to Time Requirements	—	128,268	128,268	—
Unrealized Gain on Interest Rate Swap	—	1,330,000	1,330,000	—
Derived from Pensions	863,564,877	259,082,348	1,122,647,225	386,000
Derived from OPEB	9,491,658	3,077,758	12,569,416	—
Financial Derivative Instruments	—	3,688,000	3,688,000	—
Right-to-Use Leases	1,376,998	378,607	1,755,605	—
Total Deferred Inflows of Resources	874,433,533	267,684,981	1,142,118,514	386,000
NET POSITION				
Net Investment in Capital Assets	5,673,770,741	1,419,736,052	7,093,506,793	145,779
Restricted for:				
General Government	19,087,753	—	19,087,753	—
Education	6,421,141,683	—	6,421,141,683	—
Health and Human Services	30,754,590	—	30,754,590	—
Regulatory Purposes	85,728,668	—	85,728,668	—
Public Safety & Corrections	6,509,822	—	6,509,822	—
Agriculture and Commerce	56,082,057	—	56,082,057	—
Cultural and Natural Resources	509,716,597	—	509,716,597	—
Transportation	438,379,353	—	438,379,353	—
Capital Projects	304,117,000	411,042	304,528,042	—
Debt Service	14,239,977	209,943,573	224,183,550	90,409,856
Loan Purposes	—	31,979,002	31,979,002	506,317,491
Pledged Assets	—	964,545,000	964,545,000	—
Unemployment Compensation	—	272,920,944	272,920,944	—
Pension Benefits	31,759,726	—	31,759,726	—
Permanent Fund and University System - Nonexpendable	77,294,364	18,925,192	96,219,556	2,155,492
University System - Expendable	—	24,800,158	24,800,158	—
Other	35,029,798	15,195,132	50,224,930	—
Unrestricted	11,480,822,257	1,986,232,970	13,467,055,227	17,503,522
Total Net Position	$ 25,184,434,386	$ 4,944,689,065	$ 30,129,123,451	$ 616,532,140

The Accompanying Notes are an Integral Part of the Financial Statements

STATE OF NORTH DAKOTA

Statement of Activities

For the Fiscal Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General Government	$ 1,511,677,383	$ 34,801,028	$ 157,481,792	$ 4,090,669
Education	1,537,651,374	38,841,000	389,726,372	—
Health and Human Services	2,527,706,456	42,907,917	1,708,118,879	—
Regulatory	153,118,491	45,108,826	62,089,310	—
Public Safety and Corrections	259,572,771	23,597,161	102,820,885	—
Agriculture and Commerce	138,348,393	42,576,324	34,477,291	—
Natural Resources	326,713,061	43,343,120	74,625,326	—
Transportation	546,264,425	115,516,012	340,050,540	—
Interest on Long Term Debt	4,973,283	—	—	—
Total Governmental Activities	7,006,025,637	386,691,388	2,869,390,395	4,090,669
Business-Type Activities:				
Bank of North Dakota	67,629,011	205,560,000	(27,691,000)	—
Housing Finance	56,986,319	44,366,000	14,646,000	—
Loan Programs	8,811,142	13,284,979	126,313	—
State Lottery	21,962,144	29,329,209	4,841	—
Unemployment Compensation	75,427,408	82,240,700	4,151,797	—
University System	1,350,756,645	586,903,796	345,239,222	54,601,115
Workforce Safety & Insurance	213,028,340	169,374,325	(200,042,763)	—
Other	771,218,508	805,400,331	(1,300,819)	—
Total Business-Type Activities	2,565,819,517	1,936,459,340	135,133,591	54,601,115
Total Primary Government	$ 9,571,845,154	$ 2,323,150,728	$ 3,004,523,986	$ 58,691,784
Component Units (GASB Based):	$ 33,876,517	$ 7,594,536	$ 44,102,202	$ —

General Revenues:

Taxes:

Individual and Corporate Income Taxes

Sales and Use Taxes

Oil, Gas and Coal Taxes

Business and Other Taxes

Unrestricted Investment Earnings (Losses)

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

***Transfers will not zero out due to different year ends of agencies included in the ACFR. See Note 3G for detail.**

The Accompanying Notes are an Integral Part of the Financial Statements

Net (Expense) Revenue and Change in Net Position			
Primary Government			
Governmental Activities	Business-Type Activities	Total	Component Units (GASB Based)
$ (1,315,303,894)		$ (1,315,303,894)	
(1,109,084,002)		(1,109,084,002)	
(776,679,660)		(776,679,660)	
(45,920,355)		(45,920,355)	
(133,154,725)		(133,154,725)	
(61,294,778)		(61,294,778)	
(208,744,615)		(208,744,615)	
(90,697,873)		(90,697,873)	
(4,973,283)		(4,973,283)	
(3,745,853,185)		(3,745,853,185)	
	110,239,989	110,239,989	
	2,025,681	2,025,681	
	4,600,150	4,600,150	
	7,371,906	7,371,906	
	10,965,089	10,965,089	
	(364,012,512)	(364,012,512)	
	(243,696,778)	(243,696,778)	
	32,881,004	32,881,004	
—	(439,625,471)	(439,625,471)	
(3,745,853,185)	(439,625,471)	(4,185,478,656)	
			$ 17,820,221
646,802,135	—	646,802,135	—
1,459,331,771	—	1,459,331,771	—
3,027,333,528	—	3,027,333,528	—
137,741,934	—	137,741,934	—
(905,927,220)	—	(905,927,220)	—
23,205,519	—	23,205,519	—
316,225,687	2,723,709	318,949,396	—
—	—	—	108,708
4,870,341	—	4,870,341	—
(483,294,196)	454,006,736	(29,287,460)	—
4,226,289,499	456,730,445	4,683,019,944	108,708
480,436,314	17,104,974	497,541,288	17,928,929
24,703,998,072	4,927,584,091	29,631,582,163	598,603,211
$ 25,184,434,386	$ 4,944,689,065	$ 30,129,123,451	$ 616,532,140

The Accompanying Notes are an Integral Part of the Financial Statements

STATE OF NORTH DAKOTA

Statement of Net Assets
Component Units
FASB Basis
June 30, 2022

	Major University System Foundation	Nonmajor University System Foundation	State Historical Society Foundation
ASSETS			
Current Assets:			
Cash and Cash Equivalents	$ 59,708,381	$ 7,843,789	$ 430,423
Receivable from Primary Institution	4,818,901	20,000	—
Investments	37,621,301	—	—
Accounts Receivable - Net	3,342,497	6,500	—
Notes receivable	2,368,851	265,556	—
Unconditional Promises to Give - Net	26,191,736	153,696	1,056,183
Net investment in Direct Financing Leases	1,174,212	—	—
Inventory	1,345,316	—	—
Other Assets	6,316,325	15,222	—
Total Current Assets	142,887,520	8,304,763	1,486,606
Noncurrent Assets:			
Restricted Cash and Cash Equivalents	2,301,800	393,836	—
Investments:			
Investments, Net of Current Portion	901,474,302	17,992,059	789,830
Investments, Restricted	4,291,000	—	—
Investments Held In Trust	30,210,824	—	—
Beneficial Interest In Trust	15,737,649	—	—
Charitable Gift Annuity Investments	5,315,399	—	—
Charitable Remainder Trust Account Investments	15,682,470	—	—
Real Estate and Equipment Held for Investment - Net	16,748,927	—	—
Other Long-Term Investments	27,566,043	225,641	—
Contracts for Deed & Notes Receivable, Net of Current Portion	582,400	—	—
Long-Term Pledges Receivable/ Unconditional Promises to Give - Net	85,598,278	3,392,304	—
Other Receivables	—	—	—
Receivable from Primary Institution	26,178,103	—	—
Net investment in Direct Financing Leases, Net of Current Portion	9,359,582	—	—
Other noncurrent assets	3,335,684	1,829,807	89,608
Notes Receivable - Net	8,585,000	—	—
Capital Assets - Net	167,212,766	15,515,351	1,831
Total Noncurrent Assets	1,320,180,227	39,348,998	881,269
Total Assets	1,463,067,747	47,653,761	2,367,875
LIABILITIES			
Current Liabilities:			
Accounts Payable and Accrued Liabilities	6,315,100	250,824	7,140
Compensated Absences Payable	—	—	11,178
Payable to Primary Institution	6,232,109	61,334	—
Accrued Payroll	1,350,234	6,300	12,186
Gift Annuities & Life Income Agreements	2,942,042	—	—
Unearned Revenue	10,980,937	—	58,617
Deposits Held in Custody for Others	27,293	—	—
Other Liabilities	1,766,107	—	—
Current Potion of Long-Term Liabilities	5,374,757	149,690	—
Total Current Liabilities	34,988,579	468,148	89,121
Noncurrent Liabilities:			
Deposits	20,938,254	—	—
Investments Held on Behalf of Institutions	3,203,925	—	—
Gift Annuities & Life Income Agreements, Net of Current Portion	15,884,945	—	—
Obligations Under Split-Interest Agreement	8,505,636	—	—
Payable to Primary Institution	5,390	—	—
Other Liabilities	2,722,428	—	66,669
Long-Term Liabilities	68,617,322	11,667,370	—
Total Noncurrent Liabilities	119,877,900	11,667,370	66,669
Total Liabilities	154,866,479	12,135,518	155,790
Net Assets			
With Donor Restriction	1,051,711,611	31,498,663	612,755
Without Donor Restriction	256,489,657	4,019,580	1,599,330
Total Net Asset	1,308,201,268	35,518,243	2,212,085
Total Liabilities and Net Assets	$ 1,463,067,747	$ 47,653,761	$ 2,367,875

The Accompanying Notes are an Integral Part of the Financial Statements

STATE OF NORTH DAKOTA

Statement of Revenues, Expenses and Changes in Fund Net Assets
Component Units
FASB Basis
For the Fiscal Year Ended June 30, 2022

	Major University System Foundation	Nonmajor University System Foundation	State Historical Society Foundation
Support and Revenue			
Gifts and Contributions	$ 222,881,632	$ 6,825,489	$ 1,168,053
Investment Income	14,305,799	3,777,778	62,989
Grant Revenue	1,272,800	—	29,150
Net Realized and Unrealized Losses on Investment Securities	(4,294,408)	(2,288,938)	(201,096)
Program and Event Income	43,297,891	1,794,659	125,726
Other Income	13,942,726	1,770,111	4,286
Total Support and Revenue	291,406,440	11,879,099	1,189,108
EXPENSES			
Program Services	$ 74,769,814	$ 2,822,961	$ 147,583
Supporting Services	50,773,338	3,681,910	330,018
Fund Raising Expense	8,829,334	—	5,273
Total Expenses	134,372,486	6,504,871	482,874
Changes in Net Assets	$ 157,033,954	$ 5,374,228	$ 706,234
Total Net Assets - Beginning of Year, as Restated	$ 1,151,167,314	$ 30,144,015	$ 1,505,851
Total Net Assets - End of Year	$ 1,308,201,268	$ 35,518,243	$ 2,212,085

The Accompanying Notes are an Integral Part of the Financial Statements

Balance Sheet
Governmental Funds
June 30, 2022

	General	Special Revenue Federal	Special Revenue State	Nonmajor Governmental Funds	Total
ASSETS					
Cash Deposits at the Bank of ND	$ 2,078,054,074	$ 881,794,851	$ 2,473,772,702	$ 308,644,108	$ 5,742,265,735
Cash and Cash Equivalents	37,682,712	147,510	19,919,849	141,784	57,891,855
Restricted Cash and Cash Equivalents	567,263	19,515,480	205,500	—	20,288,243
Investments at the Bank of ND	193,008,728	—	411,749,787	14,138,000	618,896,515
Investments	8,517,179,668	—	6,499,844,060	46,675,148	15,063,698,876
Accounts Receivable - Net	20,521,959	49,124,794	152,850,428	4	222,497,185
Taxes Receivable - Net	438,211,153	—	348,875,349	127,828	787,214,330
Interest Receivable - Net	31,695,141	—	29,721,280	60,590	61,477,011
Intergovernmental Receivable - Net	—	419,985,124	7,341,180	—	427,326,304
Due from Other Funds	119,451,212	43,118,560	26,576,961	11	189,146,744
Due from Fiduciary Funds	—	—	—	—	—
Prepaid Items	4,459,289	12,792,366	6,445,056	—	23,696,711
Inventory	3,506,467	24,030,568	9,706,165	—	37,243,200
Loans and Notes Receivable - Net	17,647	184,817	23,970,091	36,197,749	60,370,304
Other Assets	—	—	8,727,000	—	8,727,000
Total Assets	11,444,355,313	1,450,694,070	10,019,705,408	405,985,222	23,320,740,013
DEFERRED OUTFLOWS OF RESOURCES					
Total Deferred Outflows of Resources	—	—	—	—	—
Total Assets and Deferred Outflows of Resources	$ 11,444,355,313	$ 1,450,694,070	$ 10,019,705,408	$ 405,985,222	$ 23,320,740,013
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	87,659,671	216,576,520	99,025,399	129,371	403,390,961
Accrued Payroll	49,550,399	8,657,456	14,275,922	—	72,483,777
Securities Lending Collateral	86,869,068	—	334,481,533	8,231,482	429,582,083
Interest Payable	109,470	1,861	1,121,683	—	1,233,014
Intergovernmental Payable	2,224,274	31,913,541	239,439,023	—	273,576,838
Tax Refunds Payable	170,386,940	—	1,856,510	—	172,243,450
Due to Other Funds	24,324,816	91,867,375	95,924,387	1,581,877	213,698,455
Contract Retainage Payable	180,129	5,087,096	7,982,107	—	13,249,332
Unearned Revenues	—	1,038,800,219	46,064,662	—	1,084,864,881
Total Liabilities	421,304,767	1,392,904,068	840,171,226	9,942,730	2,664,322,791
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	82,885,393	3,121,583	32,607,422	—	118,614,398
Unpaid Penalty and Interest	—	—	917,824	—	917,824
Total Deferred Inflows of Resources	82,885,393	3,121,583	33,525,246	—	119,532,222
Fund Balances:					
Nonspendable					
Inventory	3,506,467	24,030,568	9,666,804	—	37,203,839
Long - Term Receivables	17,647	—	—	—	17,647
Prepaid Expenditures	4,459,289	12,792,366	11,047,056	—	28,298,711
Permanent Trust Fund	—	—	—	77,294,364	77,294,364
Restricted	567,263	17,845,485	7,540,509,382	318,272,000	7,877,194,130
Committed	1,136,436,411	—	1,319,356,268	476,128	2,456,268,807
Assigned	—	—	265,429,426	—	265,429,426
Unassigned	9,795,178,076	—	—	—	9,795,178,076
Total Fund Balances	10,940,165,153	54,668,419	9,146,008,936	396,042,492	20,536,885,000
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 11,444,355,313	$ 1,450,694,070	$ 10,019,705,408	$ 405,985,222	$ 23,320,740,013

The Accompanying Notes are an Integral Part of the Financial Statements

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

June 30, 2022

Total Fund Balances-Governmental Funds		$ 20,536,885,000
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 $9,803,508,683 and the accumulated depreciation is $4,127,516,972.		5,675,991,711
Other assets not available in the current period and therefore are not reported in the governmental funds:		
Net Pension Asset		31,759,726
Deferred outflows of resources are not reported in the governmental funds:		
Loss on bond refunding	607,000	
Related to OPEB	9,659,058	
Related to pensions	534,314,564	
Total Deferred Outflows		544,580,622
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.		118,324,995
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.		88,846,653
Deferred inflows of resources are not reported in the governmental funds:		
Unpaid penalty and interest	917,824	
Related to OPEB	(8,906,544)	
Related to pensions	(812,351,848)	
Right-to-use leases	1,376,998	(818,963,570)
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	(491,725,000)	
Notes Payable	(15,583,936)	
Accrued Interest on Long-Term Liabilities	(949,397)	
Compensated Absences	(48,027,959)	
Intergovernmental Payable	—	
Leased Assets	(35,554,527)	
Other Post-employment Benefit Obligation	(20,332,063)	
Net Pension Liability	(379,709,369)	
Claims and Judgments	(1,108,500)	
Total Long-Term Liabilities		(992,990,751)
Net Position of Governmental Activities		$ 25,184,434,386

The Accompanying Notes are an Integral Part of the Financial Statements

STATE OF NORTH DAKOTA

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2022

	General	Special Revenue Federal	Special Revenue State	Nonmajor Governmental Funds	Total
REVENUES					
Individual and Corporate Income Taxes	$ 659,548,773	$ —	$ 5,315,851	$ 31,323	$ 664,895,947
Sales and Use Taxes	1,166,033,313	14,178	295,825,050	—	1,461,872,541
Oil, Gas, and Coal Taxes	1,354,249,531	—	1,660,635,903	1,493,992	3,016,379,426
Business and Other Taxes	64,143,069	—	74,842,271	—	138,985,340
Licenses, Permits and Fees	9,909,121	13,338	187,697,881	15,945	197,636,285
Intergovernmental	981,677	2,835,771,215	57,910,318	—	2,894,663,210
Sales and Services	2,345,312	905,778	57,898,993	8,260	61,158,343
Royalties and Rents	41,368,353	281,200	575,956,676	—	617,606,229
Fines and Forfeits	3,969,358	2,592	20,988,436	—	24,960,386
Interest and Investment Income (Loss)	(897,827,062)	708,549	(285,263,661)	(1,173,708)	(1,183,555,882)
Tobacco Settlement	10,809	—	23,194,710	—	23,205,519
Commodity Assessments	—	—	27,563,462	—	27,563,462
Miscellaneous	4,115,938	2,544,213	17,744,192	33,672	24,438,015
Total Revenues	2,408,848,192	2,840,241,063	2,720,310,082	409,484	7,969,808,821
EXPENDITURES					
Current:					
General Government	208,107,489	137,120,930	66,160,902	108,873	411,498,194
Education	790,732,460	367,349,795	361,656,691	—	1,519,738,946
Health and Human Services	774,003,598	1,652,907,780	58,058,686	144,567	2,485,114,631
Regulatory	27,295,844	73,091,800	36,615,926	—	137,003,570
Public Safety and Corrections	122,651,535	95,632,888	17,568,430	—	235,852,853
Agriculture and Commerce	33,689,438	33,273,010	70,514,385	—	137,476,833
Natural Resources	16,384,871	50,171,080	239,738,762	—	306,294,713
Transportation	367,245	207,303,754	189,598,720	—	397,269,719
Intergovernmental - Revenue Sharing	4,207,302	—	1,110,813,567	—	1,115,020,869
Capital Outlay	12,925,269	177,683,500	105,607,547	—	296,216,316
Debt Service:					
Principal	8,003,845	1,037,072	1,021,965	7,185,000	17,247,882
Interest and Other Charges	1,135,807	292,372	148,207	4,842,000	6,418,386
Total Expenditures	1,999,504,703	2,795,863,981	2,257,503,788	12,280,440	7,065,152,912
Revenues over (under) Expenditures	409,343,489	44,377,082	462,806,294	(11,870,956)	904,655,909
OTHER FINANCING SOURCES (USES)					
Bonds and Notes Issued	—	—	120,280	389,842,000	389,962,280
Bond and Note Cost of Issuance	—	—	—	(1,886,000)	(1,886,000)
Lease Acquisitions	7,177,850	5,476,805	1,431,714	—	14,086,369
Sale of Capital Assets	—	—	644	—	644
Transfers In	250,087,754	3,656,533	178,850,473	11,968,000	444,562,760
Transfers Out	(464,265,091)	(30,774,328)	(331,360,031)	(101,461,309)	(927,860,759)
Total Other Financing Sources (Uses)	(206,999,487)	(21,640,990)	(150,956,920)	298,462,691	(81,134,706)
Net Change in Fund Balances	202,344,002	22,736,092	311,849,374	286,591,735	823,521,203
Fund Balances - Beginning of Year, as restated	10,737,821,151	31,932,327	8,834,159,562	109,450,757	19,713,363,797
Fund Balances - End of Year	$ 10,940,165,153	$ 54,668,419	$ 9,146,008,936	$ 396,042,492	$ 20,536,885,000

The Accompanying Notes are an Integral Part of the Financial Statements

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, 2022

Net Change in Fund Balances-Total Governmental Funds		$ 823,521,203
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	300,621,280	
Depreciation expense	(228,093,784)	
Excess of capital outlay over depreciation expense		72,527,496
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.		(3,399,723)
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.		2,081,773
Some of the assets acquired this year were financed through leases payable. The amount financed is reported in the governmental funds as a source of financing. However, leases payable are reported as long-term liabilities in the statement of net position.		(12,989,327)
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.		(2,340,367)
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.		(7,639,886)
Bonds proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position.		(387,956,000)
Note proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position.		(120,280)
The pension assets resulting from contributions in excess of annual required contribution are not financial resources and, therefore, are not reported in the funds.		637,726
Deferred outflows of resources do not provide current financial resources		
Amortization of deferred loss on bond refunding	(579,000)	
Related to OPEB	(1,267,704)	
Related to pension	(220,873,787)	
Total deferred outflows		(222,720,491)
Deferred pension inflows are not considered current cash expenses and are not reported as an expenditure in the funds.		
Unpaid penalty and interest	24,190	
Related to OPEB	(6,074,308)	
Related to pension	(622,836,681)	
Total deferred inflows		(628,886,799)
The net OPEB liability relating to retirement plans		9,602,670
The net pension liability relating to retirement plans		816,529,517
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	10,605,000	
Note payments	941,954	
Lease payments	9,185,549	
Total long-term debt repayment		20,732,503
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	(478,097)	
Compensated Absences	1,089,417	
Claims and Judgments	244,979	
Total additional expenditures		856,299
Change in Net Position of Governmental Activities		$ 480,436,314

The Accompanying Notes are an Integral Part of the Financial Statements

STATE OF NORTH DAKOTA

Statement of Net Position
Proprietary Funds
June 30, 2022

	Business-Type Activities - Enterprise Funds						Governmental Activities
	Bank of North Dakota	Housing Finance	University System	Workforce Safety and Insurance	Other Enterprise Funds	Total	Internal Service Funds
ASSETS							
Current Assets:							
Cash Deposits at the Bank of ND		$ 14,436,000	$ 311,902,375	$ 2,838,342	$ 240,799,817	$ 569,976,534	$ 37,443,286
Cash and Cash Equivalents		—	25,406,615	—	259,303,045	284,709,660	300,842
Investments at the Bank of ND		—	188,603,748	—	2,000,000	190,603,748	172,087
Investments		—	71,084	2,062,150,317	49,480,746	2,111,702,147	6,785,997
Accounts Receivable - Net		1,048,000	37,841,851	19,418,738	152,504,341	210,812,930	1,963,148
Interest Receivable - Net		27,000	—	9,957,874	3,780,536	13,765,410	53,222
Lease Receivable - Net		—	413,882	—	—	413,882	—
Intergovernmental Receivable - Net		260,000	37,917,989	—	567,319	38,745,308	1,631,210
Due from Other Funds		—	28,258,280	—	902,206	29,160,486	13,913,185
Due from Fiduciary Funds		—	—	—	92,105	92,105	—
Due from Component Units		—	17,960,158	—	—	17,960,158	—
Prepaid Items		85,000	—	260,367	2,200,228	2,545,595	5,837,952
Inventory		—	7,169,063	—	42,326,733	49,495,796	128,302
Loans and Notes Receivable - Net		—	2,755,185	—	41,086,119	43,841,304	—
Other Assets		937,000	7,798,750	—	21,869	8,757,619	—
Restricted Cash at the Bank of ND		16,172,000	—	—	5,450,069	21,622,069	—
Restricted Cash and Cash Equivalents		295,726,000	—	—	677,000	296,403,000	—
Restricted Investments at the Bank of ND		—	—	—	1,000,000	1,000,000	—
Restricted Interest Receivable - Net		5,147,000	—	—	—	5,147,000	—
Restricted Loans Receivable - Net		32,457,000	—	—	139,000	32,596,000	—
Total Current Assets		366,295,000	666,098,980	2,094,625,638	802,331,133	3,929,350,751	68,229,231
Noncurrent Assets:							
Restricted Cash at the Bank of ND		—	29,594,637	—	—	29,594,637	—
Restricted Cash and Cash Equivalents		—	404,384	—	—	404,384	—
Restricted Investments at the Bank of ND		—	22,319,200	—	—	22,319,200	—
Restricted Investments		70,018,000	2,286,927	—	—	72,304,927	—
Investments at the Bank of ND		—	88,346,000	—	—	88,346,000	—
Investments		—	12,168,289	—	—	12,168,289	—
Due from Component Units		—	21,816,750	—	—	21,816,750	—
Loans and Notes Receivable - Net		—	11,532,568	—	475,358,213	486,890,781	—
Restricted Loans Receivable - Net		1,295,706,000	—	—	—	1,295,706,000	—
Other Noncurrent Assets		10,195,000	100,000	—	2,332,012	12,627,012	—
Capital Assets:							
Nondepreciable		—	272,576,064	3,437,175	42,098,468	318,111,707	—
Depreciable, Net		757,000	1,537,001,674	15,283,524	169,211,143	1,722,253,341	100,451,910
Total Noncurrent Assets		1,376,676,000	1,998,146,493	18,720,699	688,999,836	4,082,543,028	100,451,910
Bank Related Assets:							
Cash and Cash Equivalents	$ 2,773,032,000					$2,773,032,000	
Investments	2,600,007,000					2,600,007,000	
Interest Receivable - Net	45,918,000					45,918,000	
Due from Other Funds	113,927,000					113,927,000	
Loans and Notes Receivable - Net	4,448,160,000					4,448,160,000	
Other Assets	16,078,000					16,078,000	
Capital Assets:							
Nondepreciable	2,449,000					2,449,000	
Depreciable, Net	6,785,000					6,785,000	
Total Bank Related Assets	10,006,356,000					10,006,356,000	
Total Assets	10,006,356,000	1,742,971,000	2,664,245,473	2,113,346,337	1,491,330,969	18,018,249,779	168,681,141
DEFERRED OUTFLOWS OF RESOURCES							
Deferred Loss on Bond Refunding	—	—	2,985,419	—	—	2,985,419	—
Decrease in Fair Value of Hedging Derivatives	—	—	—	—	5,747,088	5,747,088	—
Unrealized Loss on Interest Rate Swap	35,780,000	—	—	—	—	35,780,000	—
Derived from Pensions	12,403,000	3,213,000	109,075,438	16,496,126	14,681,235	155,868,799	35,129,871
Derived from OPEB	212,000	66,000	2,093,190	344,796	364,046	3,080,032	812,763
Total Deferred Outflows of Resources	48,395,000	3,279,000	114,154,047	16,840,922	20,792,369	203,461,338	35,942,634

The Accompanying Notes are an Integral Part of the Financial Statements

	Business-Type Activities - Enterprise Funds						Governmental Activities
	Bank of North Dakota	Housing Finance	University System	Workforce Safety and Insurance	Other Enterprise Funds	Total	Internal Service Funds
LIABILITIES							
Current Liabilities:							
Accounts Payable		1,258,000	39,784,056	6,988,206	48,052,686	96,082,948	4,862,000
Accrued Payroll		—	43,933,030	—	1,436,402	45,369,432	3,784,092
Securities Lending Collateral		—	—	16,670,350	177,055	16,847,405	65,650
Interest Payable		17,971,000	4,038,131	—	120,338	22,129,469	54,605
Intergovernmental Payable		20,000	696,176	—	1,390,094	2,106,270	3,425
Due to Other Funds		403,000	3,235,899	175,223	167,069,245	170,883,367	1,191,832
Due to Component Units		—	4,036,919	—	—	4,036,919	—
Contract Retainage Payable		—	8,885,891	—	—	8,885,891	—
Other Deposits		—	4,756,234	—	—	4,756,234	—
Amounts Held in Custody for Others		16,172,000	—	—	—	16,172,000	—
Claims/Judgments Payable		—	—	119,852,520	1,827,895	121,680,415	741,287
Dividends Payable		—	—	82,406,116	—	82,406,116	—
Compensated Absences Payable		378,000	2,938,871	1,596,536	172,739	5,086,146	315,200
Notes Payable		—	3,935,784	—	—	3,935,784	1,227,884
Leases Payable		—	3,987,779	214,488	7,345,555	11,547,822	1,821,791
Bonds Payable		46,307,000	13,192,426	—	130,000	59,629,426	—
Unearned Revenue		—	31,519,455	90,087,368	312,495	121,919,318	—
Other Current Liabilities		—	—	—	3,432,227	3,432,227	—
Total Current Liabilities		82,509,000	164,940,651	317,990,807	231,466,731	796,907,189	14,067,766
Noncurrent Liabilities:							
Intergovernmental Payable		—	18,034,367	—	—	18,034,367	—
Due to Component Units		—	24,763,447	—	—	24,763,447	—
Claims/Judgments Payable		—	—	878,918,480	—	878,918,480	5,139,814
Compensated Absences Payable		—	32,157,480	259,901	1,214,780	33,632,161	3,458,920
Notes Payable		—	19,409,424	—	—	19,409,424	345,027
Leases Payable		—	24,975,039	171,678	20,394,095	45,540,812	4,422,740
Bonds Payable		1,433,300,000	549,096,454	—	2,155,014	1,984,551,468	—
Financial Derivative Instrument		—	—	—	5,747,088	5,747,088	—
Net Pension Liability		2,418,000	90,645,389	13,923,103	11,497,117	118,483,609	26,425,830
Net OPEB Liability		128,000	4,608,334	766,739	584,021	6,087,094	1,410,558
Other Noncurrent Liabilities		416,000	16,202	—	28,123,334	28,555,536	—
Total Noncurrent Liabilities		1,436,262,000	763,706,136	894,039,901	69,715,449	3,163,723,486	41,202,889
Bank Related Liabilities:							
Interest Payable	988,380					988,380	
Due to Other Funds	1,005,620					1,005,620	
Federal Funds Purchased	763,250,000					763,250,000	
Deposits Held for Other Funds	6,793,777,955					6,793,777,955	
Other Deposits	1,340,116,045					1,340,116,045	
Other Liabilities	38,096,000					38,096,000	
Long Term Liabilities:							
Due within one year	53,545,000					53,545,000	
Due in more than one year	55,757,000					55,757,000	
Net Pension Liability	10,391,000					10,391,000	
Net OPEB Liability	572,000					572,000	
Total Bank Related Liabilities	9,057,499,000					9,057,499,000	
Total Liabilities	9,057,499,000	1,518,771,000	928,646,787	1,212,030,708	301,182,180	13,018,129,675	55,270,655
DEFERRED INFLOWS OF RESOURCES							
Grants Received Prior to Time Requirements	—	—	128,268	—	—	128,268	—
Unrealized Gain on Interest Rate Swap	1,330,000	—	—	—	—	1,330,000	—
Derived from Pensions	20,305,000	4,810,000	182,983,199	28,594,170	22,389,979	259,082,348	51,213,029
Derived from OPEB	238,000	62,000	2,201,717	346,956	229,085	3,077,758	585,114
Financial Derivative Instruments	—	3,688,000	—	—	—	3,688,000	—
Right-to-Use Leases	—	—	378,607	—	—	378,607	—
Total Deferred Inflows of Resources	21,873,000	8,560,000	185,691,791	28,941,126	22,619,064	267,684,981	51,798,143
NET POSITION							
Net Investment in Capital Assets	9,234,000	133,000	1,204,076,318	18,720,700	187,572,034	1,419,736,052	99,558,585
Restricted for:							
Capital Projects	—	—	411,042	—	—	411,042	—
Debt Service	—	201,443,000	7,685,573	—	815,000	209,943,573	—
Loan Purposes	—	—	26,741,160	—	5,237,842	31,979,002	—
Pledged Assets	964,545,000	—	—	—	—	964,545,000	—
Unemployment Compensation	—	—	—	—	272,920,944	272,920,944	—
University System-Nonexpendable	—	—	18,925,192	—	—	18,925,192	—
University System-Expendable	—	—	24,800,158	—	—	24,800,158	—
Other	—	—	13,795,852	—	1,399,280	15,195,132	—
Unrestricted	1,600,000	17,343,000	367,625,647	870,494,725	720,376,994	1,977,440,366	(2,003,608)
Total Net Position	$ 975,379,000	$ 218,919,000	$ 1,664,060,942	$ 889,215,425	$ 1,188,322,094	$ 4,935,896,461	$ 97,554,977

Reconciliation of the Proprietary Funds Statement of Net Position to the Statement of Net Position
June 30, 2022

Total Net Position - Enterprise Funds	4,935,896,461
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	8,792,604
Net Position of Business-Type Activities	4,944,689,065

The Accompanying Notes are an Integral Part of the Financial Statements

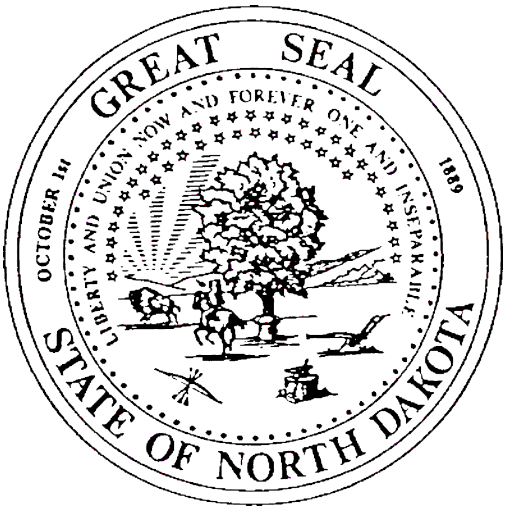
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2022

	Business-Type Activities - Enterprise Funds						Governmental 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	$ 6,381,000	$ 4,604,000	$ 103,300,701	$ 166,977,163	$ 920,457,669	$1,201,720,533	$ 135,697,709
Auxiliary Sales Pledges for Bonds	—	—	101,257,529	—	—	101,257,529	—
Tuition and Fees	—	—	375,134,736	—	—	375,134,736	—
Grants and Contributions	—	—	167,276,552	—	—	167,276,552	—
Royalties and Rents	—	—	—	—	138,283	138,283	—
Fines and Forfeits	—	—	—	943,423	—	943,423	—
Interest and Investment Income	199,179,000	39,762,000	—	—	9,010,698	247,951,698	—
Miscellaneous	—	—	1,063,135	1,453,739	453,940	2,970,814	105,138
Total Operating Revenues	205,560,000	44,366,000	748,032,653	169,374,325	930,060,590	2,097,393,568	135,802,847
OPERATING EXPENSES							
Cost of Sales and Services	—	—	22,294,521	—	343,602,443	365,896,964	926,085
Salaries and Benefits	18,769,000	399,000	806,867,386	25,568,238	28,903,292	880,506,916	49,004,037
Operating	19,387,000	12,146,000	321,570,318	875,035	414,452,806	768,431,159	70,044,336
Claims	—	—	—	111,544,700	77,721,544	189,266,244	2,640,009
Scholarships and Fellowships	—	—	80,981,968	—	—	80,981,968	—
Interest	28,921,000	29,156,000	—	—	111,259	58,188,259	209,515
Depreciation	380,000	216,000	83,619,161	3,238,866	10,056,875	97,510,902	13,761,073
Miscellaneous	—	—	—	—	110,959	110,959	327,476
Total Operating Expenses	67,457,000	41,917,000	1,315,333,354	141,226,839	874,959,178	2,440,893,371	136,912,531
Operating Income (Loss)	138,103,000	2,449,000	(567,300,701)	28,147,486	55,101,412	(343,499,803)	(1,109,684)
NONOPERATING REVENUES (EXPENSES)							
Grants and Contracts	—	15,193,000	116,437,633	—	3,014,696	134,645,329	—
Gifts	—	—	51,742,383	—	—	51,742,383	—
Interest and Investment Income (Loss)	(27,691,000)	(547,000)	9,782,654	(200,042,763)	(56,687)	(218,554,796)	(786,881)
Interest Expense	—	—	(23,456,118)	(4,189,780)	(2,239,996)	(29,885,894)	(54,340)
Dividends Expense	—	—	—	(67,502,602)	—	(67,502,602)	—
Gain (Loss) on Sale of Capital Assets	—	—	(5,444,360)	—	(54,569)	(5,498,929)	1,387,828
Tax Revenue	—	—	6,147,695	—	—	6,147,695	—
Grant Expense	—	(15,065,000)	(16,135,022)	—	—	(31,200,022)	—
Other	—	—	10,604,521	1,231,559	21,203	11,857,283	—
Total Nonoperating Revenues	(27,691,000)	(419,000)	149,679,386	(270,503,586)	684,647	(148,249,553)	546,607
Income (Loss) Before Contributions and Transfers	110,412,000	2,030,000	(417,621,315)	(242,356,100)	55,786,059	(491,749,356)	(563,077)
Capital Grants and Contributions	—	—	54,601,115	—	—	54,601,115	—
Transfers In	—	—	502,236,158	—	82,046,502	584,282,660	—
Transfer Out	(74,605,000)	(22,000)	(9,603,000)	—	(46,045,924)	(130,275,924)	—
Changes in Net Position	35,807,000	2,008,000	129,612,958	(242,356,100)	91,786,637	16,858,495	(563,077)
Total Net Position - Beginning of Year, as restated	939,572,000	216,911,000	1,534,447,984	1,131,571,525	1,096,535,457	4,919,037,966	98,118,054
Total Net Position - End of Year	$ 975,379,000	$218,919,000	$1,664,060,942	$ 889,215,425	$ 1,188,322,094	$4,935,896,461	$ 97,554,977

Reconciliation of Statement of Revenues, Expenses and Changes in Fund Net Position of Proprietary Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2022

Net Change in Net Position-Total Enterprise Funds	$ 16,858,495
Amounts reported for business-type activities in the statement of net position are different because:	
Expenses were reduced based on the allocation of internal service fund's net income	246,479
Change in Net Position of Business-Type Activities	$ 17,104,974

The Accompanying Notes are an Integral Part of the Financial Statements



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STATE OF NORTH DAKOTA

Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2022

	Business-Type Activities - Enterprise Funds		
	Bank of North Dakota	Housing Finance	University System
Cash Flows from Operating Activities:			
Receipts from Customers and Users	$ 7,413,000	$ 276,942,000	$ 195,709,040
Receipts from Tuition and Fees	—	—	373,387,624
Interest Income on Loans	—	—	—
Receipts from Loan Principal Repayments	—	—	4,804,401
Receipts from Other Funds	—	—	7,343,000
Receipts from Grants and Contracts	—	—	180,833,850
Receipts from Others	—	—	7,465,852
Payments to Other Funds	—	(147,284,000)	—
Payments for Loan Funds	—	—	(35,965,852)
Payments for Scholarships and Fellowships	—	—	(44,563,827)
Payments to Suppliers	(18,574,000)	(207,854,000)	(364,952,506)
Payments to Employees	(18,239,000)	(4,228,000)	(800,562,885)
Claim Payments	—	—	—
Payments to Others	—	(307,000)	—
Other	—	—	—
Net Cash Provided by (Used for) Operating Activities	(29,400,000)	(82,731,000)	(476,501,303)
Cash Flows from Noncapital Financing Activities:			
Proceeds from Bonds	—	407,828,000	—
Proceeds from Sale of Notes and Other Borrowings	2,002,000	—	—
Principal Payments - Bonds	—	(266,540,000)	—
Principal Payments - Notes and Other Borrowings	(80,012,000)	—	—
Interest Payments - Bonds	—	(28,989,000)	—
Interest Payments - Notes and Other Borrowings	(15,105,000)	—	—
Tax Collections	—	—	6,147,697
Transfers In	—	—	58,620,673
Transfers Out	(74,604,000)	(22,000)	(9,603,000)
Net Decrease in Non-Interest Bearing Deposits	14,459,000	—	—
Net Increase in Interest Bearing Deposits	2,323,963,000	—	—
Payments of Interest on Deposits	(13,315,000)	—	—
Interest Paid on Federal Funds and Reverse Repurchase Agreements	(858,000)	—	—
Net Increase in Federal Funds and Reverse Repurchase Agreements	(11,755,000)	—	—
Collection of Advances Made	2,837,000	—	—
Loan Proceeds from Due To Other Funds	—	—	201,851,482
Principal Payments on Due To Other Funds	—	—	(202,146,007)
Grants and Gifts Received for Other than Capital Purposes	—	15,193,000	162,088,389
State Appropriations	—	—	404,815,923
Grants Given for Other than Capital Purposes	—	(15,065,000)	(16,135,023)
Net Cash Provided by (Used for) Noncapital Financing Activities	2,147,612,000	112,405,000	605,640,134
Cash Flows from Capital and Related Financing Activities:			
Acquisition and Construction of Capital Assets	(55,000)	(131,000)	(238,465,815)
Proceeds from Sale of Capital Assets	—	—	728,897
Proceeds from Bonds	—	—	—
Proceeds from Sale of Notes and Other Borrowings	—	—	186,861,335
Principal Payments - Bonds	—	—	—
Principal Payments - Notes and Other Borrowings	—	—	(44,274,373)
Interest Payments - Bonds	—	—	—
Interest Payments - Notes and Other Borrowings	—	—	(25,014,172)
Capital Appropriations	—	—	50,614,446
Payment of Bond Issue Costs	—	—	—
Payment on Leases	—	—	—
Interest Payments - Leases	—	—	—
Deposits with capital debt payment trustees	—	—	(25,520,000)
Capital Grants and Gifts Received	—	—	60,627,914
Insurance Proceeds	—	—	1,477,896
Principal Payments on Lease Payable	—	(192,000)	—
Interest Paid on Lease Payable	—	(21,000)	—
Net Cash Provided by (Used for) Capital and Related Financing Activities	(55,000)	(344,000)	(32,963,872)
Cash Flows from Investing Activities:			
Proceeds from Sale and Maturities of Investment Securities	607,690,000	21,122,000	155,975,319
Purchase of Investment Securities	(1,385,778,000)	(42,204,000)	(190,356,217)
Net Increase In Investments	—	—	—
Interest and Dividends on Investments	27,902,000	142,000	11,399,789
Proceeds from Sale of Other Real Estate	1,642,000	—	—
Net Decrease in Loans	61,028,000	—	—
Disbursements for Loans and Loan Purchases	—	—	—
Receipt of Loan Principal Repayments	—	—	—
Proceeds from Collection of Loans and Notes Receivable	—	—	—
Loan Income Received	178,911,000	—	—
Lease Receipts	—	—	—
Net Cash Provided by (Used for) Investing Activities	(508,605,000)	(20,940,000)	(22,981,109)

The Accompanying Notes are an Integral Part of the Financial Statements

(Continued on Next Page)

Business-Type Activities - Enterprise Funds		Governmental Activities	
Workforce Safety and Insurance	Other Enterprise	Total	Internal Service Funds
$ 92,957,161	$ 891,121,571	$ 1,464,142,772	$ 4,585,009
—	—	373,387,624	—
—	24,774	24,774	—
—	2,675,567	7,479,968	—
—	415,556	7,758,556	127,476,094
—	—	180,833,850	—
324,563	819,940	8,610,355	—
(2,451,879)	(232,711)	(149,968,590)	(3,557,394)
—	(3,086,812)	(39,052,664)	—
—	—	(44,563,827)	—
—	(823,308,474)	(1,414,688,980)	(69,836,376)
(23,730,078)	(30,538,273)	(877,298,236)	(45,329,894)
(115,709,680)	(68,148,455)	(183,858,135)	(392,364)
(792,035)	(1,642,206)	(2,741,241)	—
—	26,112,321	26,112,321	—
(49,401,948)	(5,787,202)	(643,821,453)	12,945,075
—	—	407,828,000	—
—	65,000,000	67,002,000	—
—	—	(266,540,000)	—
—	(25,653,273)	(105,665,273)	—
—	(9,000)	(28,998,000)	—
—	(1,873,608)	(16,978,608)	—
—	—	6,147,697	—
1,244,206	33,833,993	93,698,872	—
—	(46,269,253)	(130,498,253)	—
—	—	14,459,000	—
—	—	2,323,963,000	—
—	—	(13,315,000)	—
—	—	(858,000)	—
—	—	(11,755,000)	—
—	—	2,837,000	—
—	—	201,851,482	—
—	(3,116,039)	(205,262,046)	—
—	3,286,113	180,567,502	—
—	—	404,815,923	—
—	—	(31,200,023)	—
1,244,206	25,198,933	2,892,100,273	—
(3,466,868)	(28,752,023)	(270,870,706)	(14,539,985)
—	—	728,897	3,226,823
—	35,000,000	35,000,000	—
—	—	186,861,335	—
—	(130,000)	(130,000)	—
—	—	(44,274,373)	(1,118,681)
—	(141,144)	(141,144)	—
—	—	(25,014,172)	—
—	—	50,614,446	—
—	(12,711)	(12,711)	—
(230,736)	—	(230,736)	(158,558)
—	—	—	(40,930)
—	—	(25,520,000)	—
—	—	60,627,914	—
—	—	1,477,896	—
—	(7,972,577)	(8,164,577)	(1,348,359)
—	(562,902)	(583,902)	—
(3,697,604)	(2,571,357)	(39,631,833)	(13,979,690)
55,000,000	172,517,419	1,012,304,738	364,360
(4,003,763)	(170,170,000)	(1,792,511,980)	—
—	1,871,620	1,871,620	—
—	2,037,717	41,481,506	235,538
—	—	1,642,000	—
—	(15,000,000)	46,028,000	—
—	(40,395,650)	(40,395,650)	—
—	19,332,000	19,332,000	—
—	19,658,343	19,658,343	—
—	8,605,862	187,516,862	—
360,166	—	360,166	—
51,356,403	(1,542,689)	(502,712,395)	599,898

The Accompanying Notes are an Integral Part of the Financial Statements

Statement of Cash Flows
Proprietary Funds (Continued)
For the Fiscal Year Ended June 30, 2022

	Business-Type Activities - Enterprise Funds		
	Bank of North Dakota	Housing Finance	University System
Net Change In Cash:			
Net Increase (Decrease) in Cash and Cash Equivalents	1,609,552,000	8,390,000	73,193,850
Cash and Cash Equivalents at June 30, 2021	1,163,480,000	317,944,000	294,114,161
Cash and Cash Equivalents at June 30, 2022	$ 2,773,032,000	$ 326,334,000	$ 367,308,011
Reconciliation:			
Current:			
Cash Deposits at the Bank of North Dakota	—	14,436,000	311,902,375
Cash and Cash Equivalents	2,773,032,000	—	25,406,615
Restricted Cash Deposits at the Bank of North Dakota	—	16,172,000	—
Restricted Cash and Cash Equivalents	—	295,726,000	—
Noncurrent:			
Restricted Cash Deposits At The Bank of North Dakota	—	—	29,594,637
Restricted Cash and Cash Equivalents	—	—	404,384
Cash and Cash Equivalents	$ 2,773,032,000	$ 326,334,000	$ 367,308,011
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Operating Income (Loss)	138,103,000	2,449,000	(567,300,701)
Adjustments to Reconcile Operating			
Income to Net Cash Provided by Operating Activities:			
Depreciation	380,000	216,000	83,619,161
Amortization/Accretion	—	(4,967,000)	—
Reclassification of Interest Revenue\Expense	(170,258,000)	28,973,000	—
(Gain) Loss on Sale of Real Estate	(466,000)	—	—
Net Increase in Fair Value of Investments	—	4,591,000	—
Interest Received on Program Loans	—	—	—
Dividend Credit Applied to Receivable	—	—	—
Provision for Losses	4,750,000	—	—
Reduction In Provision for Loan Loss	—	—	—
Other	—	—	9,788,111
Deferred Outflows	—	868,000	60,363,367
Deferred Inflows	—	3,649,000	135,337,002
Change in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	—	(109,099,000)	(582,164)
(Increase) Decrease in Interest Receivable	—	534,000	—
(Increase) Decrease in Student Loans Receivable	—	—	—
(Increase) Decrease in Due From	2,854,000	—	—
(Increase) Decrease in Intergovernmental Receivable	—	(44,000)	—
(Increase) Decrease in Notes Receivable	—	—	17,938,941
(Increase) Decrease in Prepaid Items	—	(18,000)	—
(Increase) Decrease in Inventories	—	—	(974,071)
(Increase) Decrease in Other Assets	32,540,000	(2,408,000)	(2,619,360)
Increase (Decrease) in Accounts Payable	—	—	(21,376,973)
Increase (Decrease) in Interest Payable	—	—	—
Increase (Decrease) in Claims\Judgments Payable	—	—	—
Increase (Decrease) in Intergovernmental Payable	—	(48,000)	—
Increase (Decrease) in Accrued Payroll	—	—	3,600,977
Increase (Decrease) in Compensated Absences Payable	—	16,000	(72,466)
Increase (Decrease) in Amounts Held for Others	—	(3,256,000)	—
Increase (Decrease) in Other Deposits	—	—	(766,029)
Increase (Decrease) in Due To	(155,000)	50,000	—
Increase (Decrease) in Unavailable Revenue	—	—	267,627
Increase (Decrease) in Net Pension Liability	—	(4,405,000)	(191,189,388)
Increase (Decrease) in Net OPEB Liability	—	—	(2,535,337)
Increase (Decrease) in Other Liabilities	(37,148,000)	168,000	—
Increase (Decrease) in Dividends Payable	—	—	—
Increase (Decrease) in Lease Liability	—	—	—
Total Adjustments	(167,503,000)	(85,180,000)	90,799,398
Net Cash Provided by (Used for) Operating Activities	$ (29,400,000)	$ (82,731,000)	$ (476,501,303)
Noncash Transactions:			
Net Change in Fair Value of Investments	(27,691,000)	(5,278,000)	(823,013)
Reduction in pension and OPEB liability	—	—	—
Reinstatement of Debt Expense	—	—	—
Change in Securities Lending Collateral	—	—	—
Investment Income	—	—	—
Dividends Credited to Premium Billing	—	—	—
Accounts Receivable Premium Reduction	—	—	—
Assets Acquired Through Lease	—	—	461,283
Assumption of Notes Payable	—	—	—
Assets Acquired Through Special Assessments	—	—	19,250
Expenses Paid by Lease	—	—	(263,912)
Gifts of Capital Assets	—	—	(220,936)
Transfer of non-cash assets from Small Employer Loan Fund	—	—	—
Interest Revenue on Prize Reserves	—	—	—
Loans transferred in from State Water Commission RLF	—	—	—
Total Noncash Transactions	$ (27,691,000)	$ (5,278,000)	$ (827,328)

The Accompanying Notes are an Integral Part of the Financial Statements

Business-Type Activities - Enterprise Funds			Governmental Activities
Workforce Safety and Insurance	Other Enterprise Funds	Total	Internal Service Funds
(498,943)	15,297,685	1,705,934,592	(434,717)
3,337,285	490,932,246	2,269,807,692	38,178,845
$ 2,838,342	$ 506,229,931	$ 3,975,742,284	$ 37,744,128
2,838,342	240,799,817	569,976,534	37,443,286
—	259,303,045	3,057,741,660	300,842
—	5,450,069	21,622,069	—
—	677,000	296,403,000	—
—	—	29,594,637	—
—	—	404,384	—
$ 2,838,342	$ 506,229,931	$ 3,975,742,284	$ 37,744,128
28,147,486	55,101,412	(343,499,803)	(1,109,684)
3,238,866	10,056,875	97,510,902	13,761,073
—	8,039,792	3,072,792	—
—	(6,664,991)	(147,949,991)	—
—	—	(466,000)	—
—	5,910	4,596,910	—
—	393,674	393,674	—
(67,502,602)	(2,275,000)	(69,777,602)	—
—	—	4,750,000	—
—	3,175,160	3,175,160	—
(672,294)	214,814	9,330,631	—
9,990,598	286,346	71,508,311	15,102,407
21,821,975	4,529,834	165,337,811	39,944,627
(2,330,707)	(75,769,873)	(187,781,744)	(1,012,737)
—	(1,934)	532,066	—
—	133,000	133,000	—
66,963	(91,446)	2,829,517	(1,788,875)
—	569,123	525,123	(995,499)
—	803,397	18,742,338	—
286,748	(788,576)	(519,828)	(726,699)
—	(10,149,291)	(11,123,362)	(4,597)
—	(54,860)	27,457,780	—
334,222	13,533,564	(7,509,187)	(179,792)
—	—	—	2,375,257
(1,328,000)	(115,015)	(1,443,015)	(1,330,179)
—	(2,428,735)	(2,476,735)	3,425
—	(33,819)	3,567,158	351,959
(11,844)	(81,709)	(150,019)	(121,630)
—	—	(3,256,000)	—
—	—	(766,029)	—
(4,276)	8,890	(100,386)	368,200
(1,952,442)	—	(1,684,815)	—
(29,635,199)	(4,116,864)	(229,346,451)	(51,096,896)
(381,402)	(66,666)	(2,983,405)	(595,285)
—	(214)	(36,980,214)	—
(9,766,804)	—	(9,766,804)	—
296,764	—	296,764	—
(77,549,434)	(60,888,614)	(300,321,650)	14,054,759
$ (49,401,948)	$ (5,787,202)	$ (643,821,453)	$ 12,945,075
(284,733,174)	(3,708,488)	(322,233,675)	(1,042,737)
—	(372,658)	(372,658)	—
—	30,650	30,650	—
10,381,993	—	10,381,993	37,240
(84,608,212)	—	(84,608,212)	—
77,269,406	—	77,269,406	—
(77,269,406)	—	(77,269,406)	—
—	175,632	636,915	6,244,531
—	—	—	1,572,911
—	—	19,250	—
—	—	(263,912)	—
—	—	(220,936)	—
—	26,196,016	26,196,016	—
—	1,822	1,822	—
—	22,134,000	22,134,000	—
$ (358,959,393)	$ 44,456,974	$ (348,298,747)	$ 6,811,945

The Accompanying Notes are an Integral Part of the Financial Statements

Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2022

	Pension and Other Employee Funds Benefit Trust	Investment Trust Funds	Private-Purpose Trust Funds	Custodial Funds
ASSETS				
Cash Deposits at the Bank of ND	$ 44,565,759	$ —	$ 6,236,261	$ 39,235,436
Cash and Cash Equivalents	103,993	—	840,394	347,193
Receivables:				
Contributions Receivable	46,381,800	—	—	—
Accounts Receivable - Net	—	—	153,836	1,375,249
Taxes Receivable for Other Governments - Net	—	—	—	42,288,779
Interest Receivable - Net	19,863,996	525,488	5,333	25
Due from Other Funds	199	—	—	1,544
Due from Fiduciary Funds	824	—	—	—
Due from Component Units	—	—	—	774
Total Receivables	66,246,819	525,488	159,169	43,666,371
Investments, at Fair Value:				
Investments at the Bank of ND	—	—	—	50,000
Equities	1,584,149,652	149,164,021	—	—
Equity Pool	2,158,621,201	—	—	—
Fixed Income Pool	1,782,900,885	93,418,797	1,324,232	—
Cash and Cash Pool	57,095,047	1,884,661	—	—
Real Estate Pool	1,315,031,798	50,816,703	—	—
Mutual Funds	177,257,701	—	647,375,545	—
Total Investments	7,075,056,284	295,284,182	648,699,777	50,000
Invested Securities Lending Collateral	43,692,275	1,772,216	53,655	—
Capital Assets (Net of Depreciation)	1,036,413	—	—	—
Total Assets	7,230,701,543	297,581,886	655,989,256	83,299,000
DEFERRED OUTFLOWS OF RESOURCES				
Derived from Pensions	1,113,188	—	—	—
Total deferred outflows of resources	1,113,188	—	—	—
LIABILITIES				
Accounts Payable	7,113,846	138,094	1,115,572	5,901,378
Accrued Payroll	182,274	—	—	101,299
Securities Lending Collateral	43,692,275	1,772,216	53,655	—
Due to Local Governments	—	—	—	66,677,285
Tax Refunds Payable	—	—	—	77,826
Due to Other Funds	140,709	—	—	548,152
Amounts Held in Custody for Others	2,000	—	—	—
Other Deposits	—	—	—	20,937
Compensated Absences Payable	140,727	—	—	—
Total Liabilities	51,271,831	1,910,310	1,169,227	73,326,877
DEFERRED INFLOWS OF RESOURCES				
Derived from Pensions	1,498,287	—	—	—
Unavailable Revenue	—	—	—	4,172,197
Total deferred inflows of resources	1,498,287	—	—	4,172,197
NET Position				
Net Position Restricted for:				
Pension Benefits	7,178,546,022	—	—	—
Other Employee Benefits	498,591	—	—	—
External Investment Pool Participants	—	295,671,576	—	—
Individuals, Organizations, and Other Governments	—	—	—	5,799,924
Other Purposes	—	—	654,820,029	2
Total Net Position Restricted for Pension Benefits and Other Purposes	7,179,044,613	295,671,576	654,820,029	5,799,926

The Accompanying Notes are an Integral Part of the Financial Statements

STATE OF NORTH DAKOTA

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2022

	Pension and Other Employee Benefit Trust Funds	Investment Trust Funds	Private-Purpose Trust Funds	Custodial Funds
ADDITIONS				
Contributions:				
Child Support Collections	$ —	$ —	$ —	$ 134,986,380
Collections for District Courts	—	—	—	2,664,791
Employer	212,717,765	—	—	—
Employee	206,541,229	—	—	—
From Participants	—	—	53,659,608	8,930
Student, Patient, and Inmate Accounts	—	—	—	6,095,140
Tax Collections for Local Governments	—	—	—	332,299,158
Transfers from Other Funds	713,705	—	—	—
Transfers from Other Plans	1,737,082	—	—	—
Donations	—	—	—	2,471,704
Total Contributions	421,709,781	—	53,659,608	478,526,103
Investment Income:				
Net Change in Fair Value of Investments	(641,379,223)	(28,960,878)	39,079,307	—
Interest and Dividends	133,951,752	5,985,025	14,072,317	25
Less Investment Expense	17,322,250	746,405	2,361	—
Net Investment Income (Loss)	(524,749,721)	(23,722,258)	53,149,263	25
Securities Lending Activity:				
Securities Lending Income	268,419	13,653	211	—
Less Securities Lending Expense	26,870	2,729	—	—
Net Securities Lending Income	241,549	10,924	211	—
Repurchase Service Credit	12,882,932	—	—	—
Miscellaneous Income	1,098,871	—	618,810	1,019,934
Total Additions	(88,816,588)	(23,711,334)	107,427,892	479,546,062
DEDUCTIONS				
Benefits Paid to Participants	507,658,347	—	—	4,777
Child Support Distributions	—	—	—	134,986,380
Distributions to District Courts	—	—	—	4,052,814
Distributions of Taxes to Local Governments	—	—	—	330,824,216
Student, Patient, and Inmate Accounts	—	—	—	6,093,671
Refunds	22,911,062	—	—	38,956
Prefunded Credit Applied	13,743,479	—	—	—
Transfer to Other Plans	713,705	—	—	1
Payments in Accordance with Trust Agreements	—	—	55,492,765	—
Administrative Expenses	6,770,320	—	4,175,390	4,800,135
Total Deductions	551,796,913	—	59,668,155	480,800,950
Redemption of Units at $1.00 Per Unit	—	(10,226,051)	—	—
Net increase (decrease) in Fiduciary Net Position	(640,613,501)	(33,937,385)	47,759,737	(1,254,888)
Net Position - Beginning of Year, as Restated	7,819,658,114	329,608,961	607,060,292	7,054,814
Net Position - End of Year	$ 7,179,044,613	$ 295,671,576	$ 654,820,029	$ 5,799,926

The Accompanying Notes are an Integral Part of the Financial Statements

Combining Statement of Net Position
Component Units - Proprietary Funds
(Excludes FASB Based Component Units)
June 30, 2022

	CHAND	Public Finance Authority	ND Development Fund	State Fair Foundation	Transmission Authority	Total
ASSETS						
Current Assets:						
Cash and Cash Equivalents	$ 1,375,889	$ —	$ 18,178,825	$ 244,559	$ —	$ 19,799,273
Accounts Receivable - Net	74,976	—	—	75,000	—	149,976
Interest Receivable - Net	—	—	191,418	—	—	191,418
Due from Primary Government	—	—	—	—	—	—
Loans and Notes Receivable - Net	—	—	1,163,848	—	—	1,163,848
Restricted Cash and Cash Equivalents	—	84,723,000	—	12,077	1,955,993	86,691,070
Restricted Investments	—	55,074,000	—	—	21,305,661	76,379,661
Restricted Interest Receivable - Net	—	5,447,000	—	—	61,238	5,508,238
Restricted Loans Receivable - Net	—	—	—	—	4,900,000	4,900,000
Total Current Assets	1,450,865	145,244,000	19,534,091	331,636	28,222,892	194,783,484
Noncurrent Assets:						
Restricted Investments	—	904,474,000	—	—	—	904,474,000
Investments	—	—	250,000	—	—	250,000
Loans and Notes Receivable - Net	—	—	8,000,480	35,000	—	8,035,480
Restricted Loans Receivable - Net	—	—	—	—	122,871,381	122,871,381
Capital Assets:						
Nondepreciable	—	—	—	1,115,389	—	1,115,389
Depreciable, Net	—	—	145,779	—	—	145,779
Total Noncurrent Assets	—	904,474,000	8,396,259	1,150,389	122,871,381	1,036,892,029
Total Assets	1,450,865	1,049,718,000	27,930,350	1,482,025	151,094,273	1,231,675,513
DEFERRED OUTFLOWS OF RESOURCES						
Deferred loss on bond refunding	—	1,741,000	—	—	—	1,741,000
Derived from Pensions	—	289,000	—	—	—	289,000
Total Deferred Outflows of Resources	—	2,030,000	—	—	—	2,030,000
LIABILITIES						
Current Liabilities:						
Accounts Payable	479,405	460,000	20,522	210	—	960,137
Interest Payable	—	4,035,000	—	—	887,500	4,922,500
Notes Payable	—	—	—	64,950	—	64,950
Bonds Payable	—	25,990,000	—	—	4,900,000	30,890,000
Unearned Revenue	23,705	—	—	—	147,917	171,622
Other Current Liabilities	—	—	—	164	11,000	11,164
Total Current Liabilities	503,110	30,485,000	20,522	65,324	5,946,417	37,020,373
Noncurrent Liabilities:						
Notes Payable	—	—	—	—	—	—
Bonds Payable	—	434,477,000	—	—	145,100,000	579,577,000
Net Pension Liability	—	190,000	—	—	—	190,000
Total Noncurrent Liabilities	—	434,667,000	—	—	145,100,000	579,767,000
Total Liabilities	503,110	465,152,000	20,522	65,324	151,046,417	616,787,373
DEFERRED INFLOWS OF RESOURCES						
Derived from Pensions	—	386,000	—	—	—	386,000
Total Deferred Inflows of Resources	—	386,000	—	—	—	386,000
Net Position						
Net Investment in Capital Assets	—	—	145,779	—	—	145,779
Restricted for:						
Debt Service	—	90,362,000	—	—	47,856	90,409,856
Loan Purposes	—	493,870,000	12,447,491	—	—	506,317,491
Endowment Funds-Nonexpendable	—	—	—	2,155,492	—	2,155,492
Unrestricted	947,755	1,978,000	15,316,558	(738,791)	—	17,503,522
Total Net Position	$ 947,755	$ 586,210,000	$ 27,909,828	$ 1,416,701	$ 47,856	$ 616,532,140

The Accompanying Notes are an Integral Part of the Financial Statements

Combining Statement of Activities
Component Units - Proprietary Funds
(Excludes FASB Based Component Units)
For the Fiscal Year Ended June 30, 2022

		Program Revenues			General Revenues			
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Net (Expense) Revenue	Payments from State of North Dakota	Change in Net Position	Net Position Beginning of Year	Net Position End of Year
CHAND	$ 3,271,964	$ 1,630,334	$ 1,501,249	$ (140,381)	$ —	$ (140,381)	$ 1,088,136	$ 947,755
Public Finance Authority	24,724,000	4,139,000	41,312,000	20,727,000	—	20,727,000	565,483,000	586,210,000
ND Development Fund	4,602,550	1,727,934	19,378	(2,855,238)	108,708	(2,746,530)	30,656,358	27,909,828
State Fair Foundation	167,542	97,268	111,258	40,984	—	40,984	1,375,717	1,416,701
Transmission Authority	1,110,461	—	1,158,317	47,856	—	47,856	—	47,856
Total Component Units	$ 33,876,517	$ 7,594,536	$ 44,102,202	$ 17,820,221	$ 108,708	$ 17,928,929	$ 598,603,211	$ 616,532,140

The Accompanying Notes are an Integral Part of the Financial Statements

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NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

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, 2022, 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 loan 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, 2022, 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, 2021, 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, 2021, 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, 2022, 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, 2021, 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, 2022, 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
600 E. Boulevard Ave., 14th Floor
Bismarck, ND 58505-0840

Public Finance Authority and Legacy Bond Program
1200 Memorial Highway
Bismarck ND 58504

Comprehensive Health Associations
4510 13th Ave. South
Fargo, ND 58121

North Dakota Development Fund, Inc.
1600 E. Century Ave., #2
Bismarck, ND 58503

State Historical Society of North Dakota Foundation
P.O. Box 1976
Bismarck, ND 58502-1976

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 and right-to-use leased capital assets, net of accumulated depreciation and amortization and reduced by outstanding balances for bonds, notes, lease liabilities 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.

Special Revenue Funds 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.

Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Capital Projects Funds 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.

Permanent Funds 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

Enterprise Funds 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

Pension and Other Employee Benefits Trust Funds 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.

Private Purpose Trust Funds 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.

Custodial Funds 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 $2,074,846,299.

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, 2022.

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, 2022, 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 98 days as of June 30, 2022. Cash open collateral is invested in a short term investment pool, which had an interest sensitivity of 1 day 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:

Assets	Years	Assets	Years
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. 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.

O. 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.

P. 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.

Q. 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.

R. 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.

S. 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.

T. 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.

U. 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 restricted fund balance 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 committed fund balance 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.

Assigned fund balance 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.

Unassigned fund balance 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, 2022 was $717,359,225.

V. 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 capitalized 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.

W. 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	Governmental Fund - Special Revenue - State Fund	Proprietary Funds - University Systems
June 30, 2021, net position, as previously reported	$ 24,708,964	$ 4,915,810	$ 8,840,071	$ 1,522,674
Prior period adjustments:				
GASB 87	945	11,691	—	11,691
Correction of errors	(5,911)	83	(5,911)	83
June 30,2021, net position, as restated	$ 24,703,998	$ 4,927,584	$ 8,834,160	$ 1,534,448

A. GASB 87 IMPLEMENTATION

The above prior period adjustment for the implementation of GASB Statement No. 87, *Leases* reflects the removal of assets capitalized under leases and along with the lease liability. In addition, the State also recognized the right-to-use leases assets and leased liabilities of $28.7 million.

B. CORRECTION OF ERRORS

Correction of errors include writing off uncollectible loans of the HOME program of $10.6 million and properly recording a transfer of $4.7 million which resulted in a decrease to fund balance and net position of $5.9 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, 2022, the bank balance of the primary government's deposits was $2,750,716,469. Of the bank amount, $2,536,607,000 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, 2022. Their uninsured and uncollateralized deposits totaled $2.5 billion and $34 thousand, and their bank deposits totaled $2.5 billion and $27.8 million, respectively.

At June 30, 2022, the bank balance of the major component units' deposits was $106,490,343. Of the bank amount, $104,857,818 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, 2022: 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, 2022, 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	$ 586,866	$ 302	$ 209,052	$ 200,459	$ 177,053	$ —
Bank Loans	10,950	—	5,990	4,960	—	—
Collateralized Bonds	2,446	—	—	2,446	—	—
Commercial Mortgage-Backed	1,473,185	176	1,101,149	13,686	358,174	—
Commercial Paper	27,977	27,977	—	—	—	—
Corporate Bonds	2,474,593	76,992	1,371,001	526,360	500,240	—
Corporate Convertible Bonds	23,994	74	10,657	353	12,910	—
Government Agencies	604,485	12,607	579,436	7,273	5,169	—
Government Bonds	1,962,501	60,310	1,407,257	81,070	413,864	—
Government Issued CMB	13,960	1	3,398	9,465	1,096	—
Government Mortgage-Backed	859,592	646	7,700	12,478	838,768	—
Repurchase Agreements	37,100	37,100	—	—	—	—
Index-Linked Government Bonds	820,198	25,351	358,250	312,598	123,999	—
Municipal/ Provincial Bonds	115,313	23,895	62,717	8,671	20,030	—
Government-Backed CMOs	155,554	1,368	6,525	21,288	126,373	—
Short Term Bills and Notes	45,293	45,293	—	—	—	—
Pooled Investments	1,656,863	1,915	1,016,699	366,067	272,182	—
Funds - Other Fixed Income	552,122	(67,060)	197,484	137,406	88,364	195,928
Funds - Short Term	122,728	122,678	—	—	—	50
Funds - Corporate Bonds	73	—	—	—	—	73
Funds - Gov' Agencies	11	—	—	—	—	11
Total Debt Securities	$ 11,545,804	$ 369,625	$ 6,337,315	$ 1,704,580	$ 2,938,222	$ 196,062
Limited Partnership	$ 864,502	$ 116,644	$ 521,758	$ 88,951	$ 42,831	$ 94,318

Major Component Units

Investment Type	Total Fair Value	Less Than 1 Year	1 - 6 Years	6 - 10 Years	More Than 10 Years
Commercial Paper	$ 1,549	$ 1,549	$ —	$ —	$ —
Corporate Notes	5,848	793	5,055	—	—
Government Agencies	9,829	1,042	8,787	—	—
Government Bonds	33,751	26,418	7,333	—	—
Short Term Bills and Notes	470	470	—	—	—
Total Debt Securities	$ 51,447	$ 30,272	$ 21,175	$ —	$ —

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 $4.9 million and held IOs valued at $21.4 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, 2022 (expressed in thousands):

	Amount	Percent
Federal Agency		
U.S. Treasury Securities	$ 961,389	37.2 %
Federal Home Loan Bank	216,652	8.4 %
Small Business Administration	144,730	5.6 %
Farm Credit	119,229	4.6 %
Freddie Mac	13,412	0.5 %
Fannie Mae	34,666	1.3 %
Mortgage-backed		
Fannie Mae	607,473	23.5 %
Freddie Mac	485,438	18.8 %
Others less than 5%	3,405	0.1 %
	$ 2,586,394	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, 2022, the following tables present the debt securities of the primary government and major component units and their respective ratings (expressed in thousands).

STATE OF NORTH DAKOTA

Primary Government (includes Pension and Investment Trust Funds) S&P Credit Rating*

	Total Fair Value	AAA	AA	A	BBB	BB	B	CCC	CC	C	D	Not Rated
Asset Backed Securities	586,866	$ 311,891	$ 67,993	$ 51,586	$ 43,328	$ 3,615	$ 1,396	$ 2,589	$ 1,336	$—	$ 690	$ 102,442
Bank Loans	10,949	—	—	—	—	2,721	6,396	—	—	—	—	1,832
Collateralized Bonds	2,446	2,446	—	—	—	—	—	—	—	—	—	—
Commercial Mortgage-Backed	1,473,185	1,361,133	14,871	10,267	7,395	12,384	4,054	1,727	86	11	—	61,257
Commercial Paper	27,977	—	—	—	—	—	—	—	—	—	—	27,977
Corporate Bonds	2,473,562	24,652	83,707	626,291	1,315,243	271,613	107,508	23,753	267	178	201	20,149
Corporate Convertible Bonds	25,026	—	—	193	4,300	5,496	6,591	2,584	—	—	—	5,862
Government Agencies	602,406	550,340	23,956	7,068	13,696	1,708	—	336	—	—	—	5,302
Government Bonds	1,643,594	1,572,382	5,670	2,713	36,725	14,473	2,120	2,700	—	—	—	6,811
Government Mortgage Backed	631,001	—	590,051	10,212	18,217	7,865	4,570	—	—	—	—	86
Government Issued CMB	13,865	1,762	11,252	—	851	—	—	—	—	—	—	—
Municipal/ Provincial Bonds	114,312	30,980	54,607	15,706	3,486	868	—	416	—	—	—	8,249
Non-Government Backed CMOs	155,554	42,146	9,457	18,205	17,844	7,805	1,606	481	906	35	—	57,069
Repurchase Agreements	37,100	37,100	—	—	—	—	—	—	—	—	—	—
Short-Term Investment Funds	9,626	—	1,809	7,817	—	—	—	—	—	—	—	—
Funds - Other Fixed Income	552,122	—	—	—	—	—	—	—	—	—	—	552,122
Funds - Short Term Investment	122,727	—	—	—	—	—	—	—	—	—	—	122,727
Funds - Corporate Bond	73	—	—	—	—	—	—	—	—	—	—	73
Funds - Municipal / Prov. Bonds	11	—	—	—	—	—	—	—	—	—	—	11
Pooled Investments	1,578,442	461,824	271,148	682,937	82,301	17,553	30,030	—	—	—	—	32,649
Total Credit Risk Debt Securities	10,060,844	$4,396,656	$1,134,521	$1,432,995	$1,543,386	$346,101	$164,271	$34,586	$ 2,595	$224	$ 891	$1,004,618
US Gov't & Agencies**	1,225,027											
Mutual Funds	12,115,414											
Total Debt Securities	$23,401,285											

Major Component Units

	Total Fair Value	AA	A	BBB
Commercial Paper	$ 1,549	$ —	$ 1,549	0
Short Term Bills & Notes	712	242	470	—
Government Agencies	9,587	9,587	—	—
Corporate Notes	5,848	893	3,479	1,476
Total Credit Risk Debt Securities	17,696	$ 10,722	$ 5,498	$ 1,476
US Gov't & Agencies	12,445			
Total Debt Securities	$ 30,141			

*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.

**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.

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, 2022, foreign currency risk exposure on investments managed by the Department of Trust Lands and State Investment Board were as follows (expressed in thousands).

Primary Government (includes Pension and Investment Trust Funds)

Currency	Short-Term	Debt	Equity	Real Estate	Total
Argentine peso	$ 176	$ 177	$ —	$ —	$ 353
Australian dollar	(5,078)	—	116,115	—	111,037
Brazilian real	204	524	18,818	—	19,546
British pound sterling	(43,460)	44,155	308,601	—	309,296
Canadian dollar	(283)	301	137,327	—	137,345
Chilean peso	(254)	—	925	—	671
Chinese renminbi	—	—	7,699	—	7,699
Chinese yuan	—	—	34,771	—	34,771
Columbian peso	—	—	343	—	343
Czech koruna	—	—	1,584	—	1,584
Danish krone	(99)	379	72,225	—	72,505
Egyptian pound	—	—	(42)	—	(42)
Euro	(5,557)	4,538	581,103	533	580,617
Greed drachma	—	—	52	—	52
Hong Kong Off-Shore-Chinese yuan remnibi	(4,700)	—	—	—	(4,700)
Hong Kong dollar	1,369	—	94,871	—	96,240
Hungarian forint	(365)	—	2,486	—	2,121
Indian rupee	—	—	2,772	—	2,772
Indonesian rupiah	50	—	5,254	—	5,304
Israeli shekel	—	—	10,938	—	10,938
Japanese yen	18,329	(15,315)	351,150	—	354,164
Kuwaiti dinar	—	—	1,559	—	1,559
Malaysian ringgit	—	—	703	—	703
Mexican peso	(682)	1,368	1,909	—	2,595
Morrocan dirham	—	—	(36)	—	(36)
New Israeli shekel	—	—	2,805	—	2,805
New Taiwan dollar	391	—	8,398	—	8,789
New Zealand dollar	177	—	5,434	—	5,611
Norwegian krone	(145)	—	21,700	—	21,555
Peruvian neuvo sol	184	—	46	—	230
Philippine peso	(1,016)	793	278	—	55
Polish zloty	—	—	453	—	453
Qatari riyal	(439)	—	910	—	471
Romanian New Leu	—	—	55	—	55
Saudi Arabian riyal	—	—	3,694	—	3,694
Singapore dollar	—	—	19,954	—	19,954
South African rand	142	—	3,596	—	3,738
South Korean won	(2)	—	39,519	—	39,517
Swedish krona	(59)	—	79,076	—	79,017
Swiss franc	175	—	156,346	—	156,521
Taiwan dollar	525	—	24,687	—	25,212
Thai baht	—	—	6,954	—	6,954
Turkish lira	102	—	2,132	—	2,234
UAE dirham	20	—	2,068	—	2,088
International commingled funds (various currencies)	—	—	1,433,227	33,273	1,466,500
Total international investment securities	$ (40,295)	$ 36,920	$ 3,562,459	$ 33,806	$ 3,592,890

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, 2022, 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 $(68.4) million for the year ended June 30, 2022. At June 30, 2022, the State investment portfolio had the notional futures shown below (expressed in thousands).

Futures	Notional Value
Cash and cash equivalent derivative futures	
Long	$ 590,720
Short	(83,089)
Commodity Derivatives Futures	
Long	—
Short	(12,092)
Equity derivative futures	
Long	501,730
Short	—
Fixed income derivative futures	
Long	1,050,219
Short	(915,728)
Total futures	$ 1,131,760

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 $0.6 million. At June 30, 2022, the State had the following option balances (expressed in thousands):

Options	Fair Value
Cash & Other Options	
Call	$ (1,033)
Put	(2,834)
Equity Options	
Call	1,074
Fixed Income Options	
Call	(325)
Put	(269)
Total options	$ (3,387)

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 $(19.5) million for the year ended June 30, 2022. The maximum loss that would be recognized at June 30, 2022, if all counterparties failed to perform as contracted is $3 million. Swap fair values are determined by a third party pricing source.

At June 30, 2022, the States' investment portfolio had the swap fair value balances as shown below (expressed in thousands).

Credit Default Swaps

Counterparty/Moody's Rating	Notional Amount	Expiration Date	Fair Value
Bank of America / Aa2 (2 contracts)	$ (1,105)	2022	$ 2
Barclays Capital Inc / A1 (2 contracts)	(10,659)	2027	(262)
BNP Paribas Sa Paris / Aa4 (1 contract)	(100)	2027	(8)
Citibank / Aa3 (24 contracts)	130	2023	(22)
Citibank / A1 (2 contracts)	(400)	2024 - 2027	(27)
Citigroup Global Markets / A1 (15 contracts)	2,160	2022 - 2028	(143)
Credit Suisse First Boston / A1 (1 contract)	(775)	2023	(24)
Goldman Sachs / A2 (6 contracts)	(2,400)	2023 - 2027	(143)
Morgan Stanley / A1 (2 contracts)	(800)	2024 - 2027	(58)
Wells Fargo Bank / Aa2 (13 contracts)	18,733	2022 - 2028	(14)
Total credit default swaps	$ 4,784		$ (699)

Interest Rate Swaps

Counterparty/Moody's Rating	Notional Amount	Expiration Date Range	Fair Value
Citigroup Global Markets / A1 (58 contracts)	$ 175,583	2022 - 2052	$ 470
Credit Suisse First Boston / A1 (4 contracts)	7,026	2027 - 2029	—
JP Morgan Chase / Aa2 (14 contracts)	13,445	2023 - 2034	794
Morgan Stanley / A1 (2 contracts)	82,500	2024 - 2025	(3,419)
Wells Fargo Bank / (23 contracts)	369,345	2023 0 2052	(414)
Total Interest Rate Swaps	$ 647,899		$ (2,569)

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 $17.9million. At June 30, 2022, the States' investment portfolio included the currency forwards balances shown below (expressed in thousands).

Currency	Cost	Purchases	Sales	Fair Value
Australian dollar	$ (5,270)	$ 9,464	$ (14,734)	$ (5,364)
Brazilian real	(66)	4,909	(4,975)	(165)
British pound sterling	(47,093)	39,399	(86,492)	(45,640)
Canadian dollar	(322)	—	(322)	(316)
Chilean peso	(285)	12	(297)	(253)
Chinese offshore	(9,047)	—	(9,047)	(9,050)
Danish krone	(629)	318	(947)	(601)
Euro	(91,162)	91,483	(182,645)	(88,896)
Great Britain pound sterling	(243)	—	(243)	(243)
Hungarian forint	603	603	—	555
Japanese yen	(24,366)	1,053	(9,740)	(8,206)
Mexican peso	471	775	(304)	463
New Israeli shekel	(3,520)	—	(3,520)	(3,315)
New Zeeland dollar	710	710	—	653
Norwegian krone	631	9,973	(9,342)	399
Peruvian nuevo sol	(908)	1,095	(2,003)	(1,016)
Poland zloty	689	689	—	665
South African rand	(906)	—	(906)	(861)
South Korean won	(352)	—	(352)	(346)
United States dollar	165,392	325,875	(160,483)	165,392
Total forwards subject to currency risk				$ 3,855

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, 2022, the tables below show the States' derivative investments subject to interest rate risk (expressed in thousands).

	Total Notional Value	3 Months or Less	3 to 6 Months	6 to 12 Months	1-5 Years	Greater Than 5 Years
Futures-interest rate contracts	$ 642,122	$ (681,760)	$ 1,065,168	$ 151,913	$ 106,801	$ —
Futures-commodity contracts	(12,092)	—	(12,092)	—	—	—
Total	$ 630,030	$ (681,760)	$ 1,053,076	$ 151,913	$ 106,801	$ —

	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
Options - Interest rate contracts	$ (466)	$ (357)	$ —	$ —	$ (109)	$ —	$ —
Options on futures	(3,853)	(570)	(2,687)	(295)	(301)	—	—
Options - foreign exchange contracts	(142)	(142)	—	—	—	—	—
Swaps - interest rate contracts	(2,569)	—	—	13	(4,471)	(4,701)	6,590
Swaps - credit contracts	(699)	2	3	(52)	(483)	(169)	—
Total	$ (7,729)	$ (1,067)	$ (2,684)	$ (334)	$ (5,364)	$ (4,870)	$ 6,590

Mill and Elevator Derivative Financial Instruments – The fair value balances and notional amounts of derivative instruments outstanding at June 30, 2022, and the changes in fair value of such derivative instruments for the year then ended as reported in the State's financial statements are $5,747,088, classified as derivative instrument (one contract equals 5,000 bushels) and $5,747,088, 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 margin requirement is $0.60 per bushel, unless the market price changes the limit for two consecutive days, then the margin requirement is $0.90 per bushel. 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, 2022.

Month	# of Contracts Long (Short)	Average Cost	Fair Value	Average Cost	Market Value
Sept 2022	31	$ 10.7337	$ 9.9000	$ 1,676,600	$ 1,534,500
Dec 2022	737	11.4551	10.0325	42,141,225	36,969,763
Mar 2023	121	10.8364	10.1725	6,482,500	6,154,363
May 2023	69	10.5530	10.2475	3,640,775	3,535,388
				$ 53,941,100	$ 48,194,014

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, 2022, the table below shows the hedge ratio by futures month going forward:

Period	Hedge Ratio
Sept 2022	1.0
Dec 2022	1.0
Mar 2023	1.0
May 2023	0.9
Net Position	1.0

C. SECURITIES LENDING

The following represents the balances relating to the securities lending transactions at June 30, 2022 (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	$ 8,022	$ —	$ 8,211
US government securities	202,245	19,528	205,833
US corporate fixed income securities	151,098	4,211	155,577
US equities	102,928	5,851	106,571
Global agency securities	187	—	197
Global corporate fixed income securities	8,052	—	8,554
Global government securities	2,214	—	2,346
Global equities	4,547	—	5,171
Lent for non-cash collateral:			
Fair value of securities on loan against non-cash collateral	180,794	157,369	—
Total	$ 660,087	$ 186,959	$ 492,460

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, 2022:

		Reflected in net position as:
North Dakota State University	$ 439,776	Expendable scholarships & fellowships
University of North Dakota	626,947	Non-expendable scholarships & fellowships
Total NDUS	$ 1,066,723	

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, 2022 are approximately $223.7 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, 2021.

Beginning endowment	$	2,155,492
Endowment contributions		—
Ending endowment	$	2,155,492

E. RECEIVABLES

Receivables at June 30, 2022, consist of the following (expressed in thousands):

	General	Federal	State	Other Governmental Funds	Bank of North Dakota	Housing Finance
Receivables:						
Accounts	$ 32,015	$ 63,346	$ 388,461	$ —	$ —	$ 1,048
Less Allowance	(11,493)	(14,221)	(235,610)	—	—	—
Taxes	554,304	—	375,973	128	—	—
Less Allowance	(116,093)	—	(27,098)	—	—	—
Interest	31,695	—	40,585	61	45,918	5,174
Less Allowance	—	—	(10,863)	—	—	—
Intergovernmental	—	419,985	7,341	—	—	260
Less Allowance	—	—	—	—	—	—
Current Loans and Notes	—	24	7,331	36,198	697,863	32,457
Less Allowance	—	—	(746)	—	—	—
Noncurrent Loans and Notes	18	160	17,385	—	3,858,344	1,295,706
Less Allowance	—	—	—	—	(108,047)	—
Net Receivables	$ 490,446	469,294	$ 562,759	$ 36,387	$ 4,494,078	$ 1,334,645

	University System	Workforce Safety & Insurance	Other Enterprise Funds	Internal Service Funds	Major Component Units	Total
Receivables:						
Accounts	$ 45,366	$ 25,419	$ 179,871	$ 1,963	$ 153	$ 737,641
Less Allowance	(7,524)	(6,000)	(27,366)	—	(3)	(302,218)
Taxes	—	—	—	—	—	930,405
Less Allowance	—	—	—	—	—	(143,190)
Interest	—	9,958	3,781	53	5,700	142,924
Less Allowance	—	—	—	—	—	(10,863)
Intergovernmental	37,918	—	567	1,631	—	467,703
Less Allowance	—	—	—	—	—	—
Current Loans and Notes	3,076	—	41,225	—	9,199	827,374
Less Allowance	(321)	—	—	—	—	(1,067)
Noncurrent Loans and Notes	13,137	—	485,788	—	152,422	5,822,960
Less Allowance	(1,605)	—	(10,429)	—	(24,651)	(144,732)
Net Receivables	$ 90,047	$ 29,377	$ 673,437	$ 3,647	$ 142,820	$ 8,326,937

The expected future principal and interest payments on lease receivables if as follows (in thousands):

Year ending:	Principal	Interest
2023	$ 458	$ 40
2024	341	23
2025	265	9
2026	8	1
2027	8	—
Thereafter	4	—
Total	$ 1,084	$ 73

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, 2022, the State had and average daily balance of $3,000 of repurchase agreements with a 0.00% interest rate and a 0.00% weighted average interest rate paid during the year.

G. INTERFUND ACCOUNTS AND TRANSFERS

DUE FROM OTHER FUNDS/DUE TO OTHER FUNDS

Interfund balances at June 30, 2022 of the following (expressed in thousands):

Due To General Fund From:	
Federal Fund	$ 59,011
State Fund	30,371
Bank of North Dakota	1,274
Nonmajor Enterprise Funds	28,255
All Others	541
Total Due To General Fund	$ 119,452

Included in the Nonmajor Enterprise Funds amount is a loan to the Rebuilder's Loan Program for $15,650,134. This is not expected to be repaid within one year.

Due To Federal Fund From:	
General Fund	$ 5,782
State Fund	36,771
All Others	566
Total Due To Federal Fund	$ 43,119

Due To State Fund From:	
General Fund	$ 1,467
Federal Fund	23,672
Internal Service Funds	450
Nonmajor Enterprise Funds	740
All Others	249
Total Due To State Fund	$ 26,578

Due To Internal Service Funds From:	
General Fund	$ 1,303
State Fund	5,233
University System	907
Federal Fund	5,778
All Others	692
	$ 13,913

Due To Bank of North Dakota From:	
State Fund	$ 13,554
Nonmajor Enterprise Funds	88,360
University System	1,895
All Others	10,118
Total Due To Bank of North Dakota	$ 113,927

Included in the Nonmajor Enterprise Funds amount is a loan to the Rebuilder's Loan Program for $519,851 which is expected to be repaid within one year.

Due To University System From:	
General Fund	$ 11,116
Federal Fund	6,758
State Fund	8,194
Bank of North Dakota	599
Building Authority	1,415
All Others	176
Total Due To University System	$ 28,258
Due To All Other Funds From:	
All Other	$ 996

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, 2022.

A reconciliation of Due From's and Due To's is presented below (expressed in thousands):

Due From's		$ 346,241
General Fund/Bank of ND	1,243	
Bank of ND/ Mill and Elevator	(16,144)	
Bank of ND/Rebuilder's Loan	1,629	
Bank of ND/University System	1,895	
Bank of ND/Guaranteed Student Loan	232	
Governmental Agencies/Bank of ND	(9,994)	
Bank of ND/Enterprise Funds	(20,089)	
Total Differences		(41,228)
Due To's		$ 387,469

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, 2022, 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	$ —	$ 339	$ 36,588	$ —	$ 415,303	$ —	$ 1,764	$ 10,271	$ —	$ 464,265
Special Revenue-Federal	292	—	30,292	—	—	—	191	—	—	30,775
Special Revenue-State	237,224	3,394	3,240	—	45,054	—	387	42,061	—	331,360
Non-major Governmental	—	—	76,153	—	25,284	—	24	—	—	101,461
Bank of North Dakota	35,000	—	23,010	—	16,595	—	—	—	—	74,605
Housing Finance	—	—	22	—	—	—	—	—	—	22
University System	—	—	—	—	—	—	9,603	—	—	9,603
Non-Major Enterprise	12,572	—	4,854	1,050	—	—	—	27,570	—	46,046
Total	$ 285,088	$ 3,733	$ 174,159	$ 1,050	$ 502,236	$ —	$ 11,968	$ 79,903	$ —	$1,058,137

(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, 2022, legislatively-mandated transfers were made to the general fund of $205,000,000 from Strategic Investment and Improvement Fund, $5,600,000 from the State Lottery, $6,971,950 from Mill and Elevator, $6,339,550 from the Insurance Regulatory Trust Fund, $10,221,598 from the Multistate Audit Fund, $1,064,863 from the Health & Consolidated Lab Fund, and $12,835,616 from the Securities Dept. Special Fund

A reconciliation of Transfers In and Transfers Out is presented below (expressed in thousands):

		$ (1,028,846)
Differences:		
General Fund / Bank of North Dakota	(35,000)	
Spec. Rev. / Legacy Bond Program	2,692	
Bank of North Dakota / Spec. Rev. PACE	4,800	
Spec. Rev. Ag Pace / Bank of North Dakota	(1,000)	
Spec. Rev. Industrial Commission / Bank of North Dakota	(60)	
Spec. Rev. Ag Pace / Spec Rev. Beginning Farmers Loan	(3,240)	
Spec. Rev. Beginning Farmer / Ag Pace	1,500	
School Construction Assistance Loan Fund / Bank of North Dakota	(1,050)	
Infrastructure Revolving Loan Fund / Legacy Bond Program	2,144	
Federal fund	(77)	
Total Differences		(29,291)
Transfers Out		$ (1,058,137)

The above timing differences of (29,291,263) 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, 2021	Increases	Decreases	Balance June 30, 2022
Governmental Activities:				
Capital Assets Not Being Depreciated				
Land	$ 162,417	$ 1,136	$ (172)	$ 163,381
Construction in Progress	589,115	183,928	(317,913)	455,130
Total Capital Assets Not Being Depreciated	751,532	185,064	(318,085)	618,511
Capital Assets Being Depreciated:				
Buildings and Improvements	782,161	8,626	(533)	790,254
Equipment	376,568	29,942	(18,441)	388,069
Intangibles				
Software	400,709	37,464	(2,925)	435,248
Other	41,435	651	(1,581)	40,505
Infrastructure	7,328,340	358,753	(27)	7,687,066
Right-to-use leased asset:				
Land	115	—	—	115
Buildings and Improvements	34,347	12,622	—	46,969
Equipment	664	2,860	—	3,524
Total Capital Assets Being Depreciated	8,964,339	450,918	(23,507)	9,391,750
Less Accumulated Depreciation for:				
Buildings and Improvements	(357,353)	(21,246)	—	(378,599)
Equipment	(185,829)	(26,422)	14,779	(197,472)
Intangibles				
Software	(175,835)	(28,145)	2,664	(201,316)
Other	(30,479)	(490)	687	(30,282)
Infrastructure	(3,258,454)	(156,573)	—	(3,415,027)
Right-to-use leased asset:				
Land	—	(25)	—	(25)
Buildings and Improvements	—	(10,642)	—	(10,642)
Equipment	—	(456)	—	(456)
Total Accumulated Deprecation	(4,007,950)	(243,999)	18,130	(4,233,819)
Total Capital Assets Being Depreciated, Net	4,956,389	206,919	(5,377)	5,157,931
Governmental Activities Capital Assets, Net	$ 5,707,921	$ 391,983	$ (323,462)	$ 5,776,442

Description	Balance July 1, 2021	Increases	Decreases	Balance June 30, 2022
Business-Type Activities:				
Capital Assets Not Being Depreciated				
Land	$ 25,710	$ 1,144	$ —	$ 26,854
Construction in Progress	231,033	213,199	(150,525)	293,707
Total Capital Assets Not Being Depreciated	256,743	214,343	(150,525)	320,561
Capital Assets Being Depreciated:				
Buildings and Improvements	1,937,746	148,459	(14,363)	2,071,842
Equipment	576,087	52,377	(37,379)	591,085
Intangibles				
Software	29,880	492	(1,221)	29,151
Other	30,986	6,714	(131)	37,569
Infrastructure	301,537	9,642	(47)	311,132
Right-to-use leased asset:				
Leased Land	—	5,767	—	5,767
Leased Buildings	1,016	40,465	(3)	41,478
Leased Equipment	—	31,142	(636)	30,506
Leased Infrastructure	—	3,081	—	3,081
Total Capital Assets Being Depreciated	2,877,252	298,139	(53,780)	3,121,611
Less Accumulated Depreciation for:				
Buildings and Improvements	(734,640)	(45,742)	7,705	(772,677)
Equipment	(405,802)	(32,332)	27,092	(411,042)
Intangibles				
Software	(28,501)	(442)	1,162	(27,781)
Other	(20,721)	(3,841)	124	(24,438)
Infrastructure	(133,382)	(8,854)	7	(142,229)
Right-to-use leased asset:				
Leased Land	—	(552)	—	(552)
Leased Buildings	(94)	(5,331)	3	(5,422)
Leased Equipment	—	(8,435)	636	(7,799)
Leased Infrastructure	—	(633)	—	(633)
Total Accumulated Deprecation	(1,323,140)	(106,162)	36,729	(1,392,573)
Total Capital Assets Being Depreciated, Net	1,554,112	191,977	(17,051)	1,729,038
Business-Type Activities Capital Assets, Net	$ 1,810,855	$ 406,320	$ (167,576)	$ 2,049,599

Major Component Units

Description	Balance July 1, 2021	Increases	Decreases	Balance June 30, 2022
Capital Assets Not Being Depreciated				
Land	$ 14,948	$ 201	$ —	$ 15,149
Construction in Progress	3,363	17,584	(421)	20,526
Total Capital Assets Not Being Depreciated	18,311	17,785	(421)	35,675
Capital Assets Being Depreciated:				
Buildings and Improvements	208,307	2,018	(14,378)	195,947
Equipment	56,661	2,337	(5,948)	53,050
Intangibles	203	—	—	203
Infrastructure	1,878	11	—	1,889
Total Capital Assets Being Depreciated	267,049	4,366	(20,326)	251,089
Less Accumulated Depreciation for:				
Buildings and Improvements	(85,223)	(5,930)	55	(91,098)
Equipment	(26,020)	(3,877)	3,473	(26,424)
Intangibles	(18)	$ (39)	—	(57)
Infrastructure	(710)	—	—	(710)
Total Accumulated Deprecation	(111,971)	(9,846)	3,528	(118,289)
Total Capital Assets Being Depreciated, Net	155,078	(5,480)	(16,798)	132,800
Major Component Unit Capital Assets, Net	$ 173,389	$ 12,305	$ (17,219)	$ 168,475

Depreciation expense was charged to functions/programs of the primary government as follows (expressed in thousands):

Governmental Activities:	
General Government	$ 13,287
Education	1,583
Health and Human Services	31,847
Regulatory	2,368
Public Safety and Corrections	16,801
Agriculture and Commerce	441
Natural Resources	18,998
Transportation	158,674
Total Governmental Activities Depreciation Expense	$ 243,999

Construction In Progress is composed of the following (expressed in thousands):

Project Description:

Governmental Activities	Amount Authorized	Amount Expended Through June 30, 2022	Balance Authorized
Secretary of State	$ 1,869	$ 1,454	$ 415
Office of Management and Budget	7,748	439	7,309
Attorney General	1,761	911	850
Department of Health	4,098	1,021	3,077
Environmental Quality	296	226	70
Veterans Home	669	639	30
Department of Human Services	94,993	14,369	80,624
Corrections and Rehabilitation	2,203	1,639	564
Adjutant General	34,587	32,589	1,998
State Historical Society	1,203	434	769
Game and Fish	179	—	179
Parks & Recreation	20,674	1,643	19,031
Department of Transportation	593,044	397,816	195,228
Total Governmental Activities	$ 763,324	$ 453,180	$ 310,144

Business-Type Activities	Amount Authorized	Amount Expended Through June 30, 2022	Balance Authorized
Mill and Elevator	$ 49,523	$ 26,142	$ 23,381
University System	536,336	258,749	277,587
Workforce Safety and Insurance	34,100	11,900	22,200
Total Business-Type Activities	$ 619,959	$ 296,791	$ 323,168

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, 2022, 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 2010 Series B, the 2012 Series A, the 2017 Series A bonds and the 2020 Series A are not subject to optional and/or extraordinary optional redemption prior to maturity upon the occurrence of certain events. The Authority shall issue bonds to refund the note on or before maturity. 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 2022 were $11.97 million. For fiscal year 2022, principal and interest paid by the Authority on the bonds was $12.03 million. The total principal and interest remaining to be paid as of June 30, 2022, is $141.1 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 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 total principal and interest remaining to be paid as of June 30, 2022 is $586.4 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 LIBOR 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 2022, revenue pledged and total principal and interest paid by Student Loan Trust were $21,000 and $9,000, 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 $1.48 billion maturing at various times from July 1, 2022 through January 1, 2053. 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 $266.5 million and $29.0 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 2022 were $20.6 million. Principal and interest paid for the current fiscal year were $20.6 million, with total remaining principal and interest of $380.2 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, 2029 are not subject to optional redemption prior to maturity except under extraordinary circumstances. 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 2022 were $19.9 million. Principal and interest paid for the current fiscal year were $50.2 million, with total remaining principal and interest of $510.9 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 2022 were $223,000. Principal and interest paid for the current fiscal year was $887,500, with total remaining principal and interest of $212.6 million payable through June 2042.

Revenue Bonds outstanding (expressed in thousands):

Primary Government

	Maturities	Interest Rates	Balance 6/30/22	
Governmental-Type Activities:				
Building Authority	2022-2041	1.50-6.25	$ 101,883	
Legacy Bond Fund	2022-2041	0.87-3.20	389,842	
Business-Type Activities:				
Student Loan Trust	6/1/2029	1.11	1,000	1)
Housing Finance:				
Homeownership	2023-2053	0.10-4.92	1,479,607	1)
University System:				2)
BSC—Bismarck	2023-2033	2.00-4.00	6,240	
Dakota College at Bottineau	2023-2047	2.00-5.00	2,605	
MaSU—Mayville	2023-2030	1.25-6.63	2,254	
MiSU–Minot	2023-2041	0.40-3.00	7,655	
NDSCS—Wahpeton	2023-2037	3.00	6,496	
NDSU—Fargo	2023-2047	1.50-5.00	112,746	
UND—Grand Forks	2023-2050	0.75-5.00	165,219	
VCSU—Valley City	2023-2046	3.35-4.00	4,826	
Williston State College	2023-2041	3.10	5,130	
State Fair Association	2023-2029	3.00	1,285	
Total Revenue Bonds Payable—Primary Government			$ 2,286,788	

1) Entire amount of bonds payable are not associated with capital assets of the State.

2) At June 30, 2022, NDSU had pledged $10.6 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.

MiSU 2010 bond issue contains a provision that terminates the bond issue at a redemption price equal to 104 percent of the outstanding principal amount plus accrued interest upon the occurrence of one or more of the following events:

- Enactment of legislation or the adoption of final regulations that would deem or render the bonds not qualified for Build America Bonds.
- The federal government discontinues the Build America Bond program retroactively applied to bonds issued prior to determination.
- A written opinion by bond counsel that the bonds aren't qualified Build America Bonds.

Major Component Units

	Maturities	Interest Rates	Balance 6/30/22
Public Finance Authority	2022-2045	0.24-5.00	$ 460,467
Transmission Authority	2023-2042	3.55	150,000
University System Foundation	2023-2039	0.75-7.33	48,111
Total Revenue Bonds Payable—Major Component Units			$ 658,578

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
2023	$ 5,625	$ 13,269	$ 53,192	$ 46,725
2024	22,610	13,518	66,525	52,791
2025	20,525	13,142	67,153	51,217
2026	20,560	12,767	65,792	49,586
2027	20,975	12,349	70,535	47,883
2028 - 2032	112,625	53,764	285,256	214,310
2033 - 2037	128,845	36,702	293,073	173,144
2038 - 2042	142,909	14,124	299,204	127,175
2043 - 2047	—	—	336,169	75,958
2048 - 2052	—	—	227,523	19,748
2053 - 2057	—	—	8,020	183
Bond Premium	17,051	(17,051)	22,622	(22,622)
Total	$491,725	$152,584	$1,795,064	$836,098

Major Component Units

	Principal	Interest
2023	$ 31,565	$ 26,009
2024	35,845	24,919
2025	35,730	23,415
2026	36,790	22,150
2027	36,299	20,190
2028 - 2032	185,704	74,718
2033 - 2037	166,854	36,692
2038 - 2042	78,423	10,091
2043 - 2047	8,851	871
Bond Premium	42,517	(42,517)
Total	$ 658,578	$ 196,538

Refunding and Defeased Bonds

Minot State University
MiSU refinanced $7.7 million of Wellness Fund Bonds with an interest rate of 6.389 percent. The bonds were used to recall $7.4 million of outstanding 2010 Wellness Fund Bonds. The bonds were refunded to reduce total debt service payments over the next nineteen years by $2.9 million. The economic gain realized as a result of the refunding was $2.3 million.

North Dakota State College of Science
NDSCS refinanced $6.7 million of Housing Facilities Bonds with an interest rate of 3.76 percent. The bonds were used to recall $6.7 million of outstanding 2012 Housing Facilities Bonds. The bonds were refunded to reduce total debt service payments over the next nineteen years by $1.5 million. The economic gain realized as a result of the refunding was $439,000.

University of North Dakota
UND issued certificates of participation to advance refund the 2012 Housing and Auxiliary bonds of $11.4 million and the 2013 Housing and Auxiliary bonds of $5.9 million with an interest rate of 4.24 percent and 3.86 percent, respectively. The total debt service payments will be reduced by $1.4 million and $548,000, respectively over the next twelve years. The economic gain realized on the advance refunding was $1.39 million and $385,000, respectively.

2. NOTES PAYABLE

The following is a schedule of notes payable outstanding at June 30, 2022 (expressed in thousands):

Primary Government

	Maturities	Interest Rates	6/30/2022	
Governmental Activities:				
Office of Management and Budget	2023-2034	2.43	$ 10,056	
Department of Human Services	2023-2035	2.05-3.00	2,305	
School for the Blind	2023-2037	2.60	120	
Health Department	2023-2035	3.65	563	
Environmental Quality	2023-2035	3.65	461	
Attorney General's Office	2023-2035	2.05	270	
Veteran's Home	2023-2036	2.05	656	
Corrections	2023-2036	2.05	980	
Historical Foundation	2023-2033	2.05	173	
Information Technology Department	2023-2026	0.00-3.20	1,573	
Proprietary Activities:				
Bank of North Dakota	2022-2024	2.22-3.32	108,000	1)
University System	2023-2035	1.00-5.15	27,343	
Total Revenue Bonds Payable— Primary Government			$ 152,500	

Major Component Units

	Maturities	Interest Rates	Balance 6/30/22
University System Foundation	2023-2036	1.00-4.35	$ 24,146
State Fair Foundation	2022	4.22	65
Total Revenue Bonds Payable— Major Component Units			$ 24,211

1) 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 $1.1 billion are currently being used as security to meet these minimum levels.

Short Term Borrowings:

The Bank of North Dakota issued short-term debt to fund loans on a short-term basis.

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 $17.3 million as of June 30, 2022. 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

	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2023	$ 2,296	$ 2,116	$ 57,496	$ 2,640
2024	1,250	364	45,512	1,364
2025	1,260	333	18,643	551
2026	1,262	305	3,052	371
2027	1,205	274	3,750	350
2028 - 2032	6,673	899	5,891	753
2033 - 2037	3,211	134	1,009	211
2037 - 2041	—	—	—	—
Total	$ 17,157	$ 4,425	$ 135,353	$ 6,240

Major Component Units

	Principal	Interest
2023	$ 109	$ 212
2024	6,524	508
2025	1,774	426
2026	2,049	384
2027	6,012	292
2028 - 2032	3,338	215
2033 - 2037	4,276	556
2038 - 2042	129	12
Total	$ 24,211	$ 2,605

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 3.00 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.

On August 22, 2019, Williston State College (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. WSC will make an interest semi-annual principal and interest payment beginning FY2021 through FY2048.

The following is a schedule of certificates of participation outstanding at June 30, 2022 (expressed in thousands):

Primary Government

	Maturities	Interest Rates	Balance 6/30/22
Proprietary Activities:			
University System	2023-2062	3.55 – 5.00	$262,217

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

	Business-type Activities				
	Principal	Interest		Principal	Interest
2023	$1,490	$9,215	2033 - 2037	$14,633	$40,845
2024	9,555	9,202	2038 - 2042	22,113	37,381
2025	1,678	8,786	2043 - 2047	28,916	32,240
2026	1,794	8,760	2048 - 2052	47,783	24,743
2027	2,629	10,599	2053 - 2057	76,333	14,224
2028 - 2032	11,411	42,803	2058 - 2062	43,882	3,118
			Total	$262,217	$241,916

4. LEASES PAYABLE

Primary Government

	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2023	$ 10,091	$ 1,516	$ 12,561	$ 1,935
2024	7,232	928	9,849	1,568
2025	6,780	464	7,477	1,364
2026	3,347	330	5,456	1,154
2027	2,109	294	3,679	1,058
2028 - 2032	9,602	2,086	12,155	3,697
2033 - 2037	1,082	—	8,918	2,307
2038 - 2042	99	—	1,868	1,403
2043 - 2047	67	—	2,578	929
2048 - 2052	—	—	2,924	342
2053 - 2057	—	—	30	4
Total	$ 40,409	$ 5,618	$ 67,465	$ 15,761

Major Component Units

	Principal	Interest
2023	$ 74,359	$ 53,259
2024	78,017	49,601
2025	81,854	45,764
2026	85,881	41,737
2027	90,105	37,513
2028 - 2032	521,533	116,555
2033 - 2037	182,485	8,941
Total	$ 1,114,234	$ 353,370

Changes in General Long-Term Liabilities

Changes in Long-Term Liabilities for the year ended June 30, 2022, are summarized as follows (expressed in thousands):

Primary Government

	Beginning Balance	Additions	Reductions*	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Notes Payable	$ 16,406	2,812	(2,061)	$ 17,157	$ 2,233
Bonds Payable	112,488	389,842	(10,605)	491,725	5,195
Leases Payable	36,906	14,086	(10,583)	40,409	10,091
Compensated Absences	53,013	41,320	(42,531)	51,802	4,346
Claims/Judgments Payable	8,565	2,640	(4,215)	6,990	1,664
Total Long-Term Liabilities	$ 227,378	$ 450,700	$ (69,995)	$ 608,083	$ 23,529
Business-Type Activities:					
Notes Payable	$ 207,285	$ 19,418	$ (91,350)	$ 135,353	$ 57,289
Bonds Payable	1,692,518	424,603	(322,058)	1,795,063	59,524
Certificates of Participation	104,123	159,652	(1,557)	262,218	1,490
Leases Payable	49,106	32,395	(14,006)	67,495	12,561
Intergovernmental Payable	20,085	—	(1,355)	18,730	696
Compensated Absences	40,426	3,614	(4,020)	40,020	5,631
Dividends Payable	92,173	82,406	(92,173)	82,406	82,406
Claims/Judgments Payable	1,002,042	106,287	(107,730)	1,000,599	121,680
Total Long-Term Liabilities	$ 3,207,758	$ 828,375	$ (634,249)	$ 3,401,884	$ 341,277

Major Component Units

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Notes Payable	$ 25,003	$ 3,000	$ (3,792)	$ 24,211	$ 2,260
Bonds Payable	531,855	163,630	(36,906)	658,579	33,955
Leases Payable	1,185	—	(71)	1,114	74
Intergovernmental Payable	562	95	(36)	621	40
Compensated Absences	—			—	—
Total Long-Term Liabilities	$ 558,605	$ 166,725	$ (40,805)	$ 684,525	$ 36,329

* Bonds payable reductions include amortization of premium and discount of $1,710,000.

**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-Type Activities		Major Component Units	
	Total	Current	Total	Current
Notes Payable	$ 4,007	$ 353	$ 24,146	$ 2,260
Bonds Payable	13,100	1,385	48,111	3,065
Leases Payable	10,406	1,013	1,114	74
Intergovernmental Payable	—	—	621	40
Total	$ 27,513	$ 2,751	$ 73,992	$ 5,439

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 $1,572,911 of notes payable, $6,244,531 of leases payable, $3,774,121 of compensated absences and $5,881,101 of claims and judgments. In addition, payments on long term debt (notes payable and leases payable) for internal service funds of $2.5 million is included above along with additions to notes payable and leases payable for internal service funds of $3.8 million.

Other governmental activities compensated absences generally have been liquidated by the General Fund (63.4%), the Highway Fund (10.0%), the Federal Fund (14.5%), 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, 2022.

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, 2022, all unfunded commitments in the State distressed debt portfolios had been released.

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, 2022.

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 unfunded commitments of $8.5 million as of June 30, 2022.

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 $130.7 million as of June 30, 2022.

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 $768.7 million in unfunded private equity commitments as of June 30, 2022.

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, 2022. The remaining six funds are closed-ended limited partnerships that are not eligible for redemptions. Those six funds have a combined unfunded commitment of $250.5 million as of June 30, 2022.

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, 2022, 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 $412.4 million at June 30, 2022 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

INVESTMENTS MEASURED AT FAIR VALUE	Fair Value 6/30/22	Level 1	Level 2	Level 3
Short term securities:				
Commercial paper	$ 27,977	$ —	$ 27,977	$ —
Short term bills and notes	45,293	—	45,293	—
Total short term securities	73,270	—	73,270	—
Fixed income investments:				
Asset backed securities	577,124	—	577,124	—
Bank loans	25,956	—	25,956	—
Collateralized bonds	2,446	—	2,446	—
Collateralized mortgage obligations	10,690	—	10,690	—
Commercial mortgage-backed	377,868	—	377,868	—
Corporate bonds	2,456,535	—	2,455,222	1,313
Corporate convertible bonds	19,220	—	19,220	—
Funds - Fixed Income ETF	135,215	16,841	118,374	—
Government Agencies	1,550,133	1,490,077	60,056	—
Government Bonds	1,077,882	105	1,077,777	—
Government MBS	1,970,664	—	1,970,664	—
Government - issued Commercial Mortgage-Backed	13,960	—	13,960	—
Index Linked Government Bonds	650,572	—	650,572	—
Municipal / Provincial Bonds	27,577	—	27,577	—
Non- Government Backed C.M.O.s	140,879	—	140,879	—
Sukak	2,530	—	2,530	—
Other Fixed Income	793	—	793	—
Collateralized Debt	9,742	—	9,742	—
Total fixed income investments	9,049,786	1,507,023	7,541,450	1,313
Equity Investments:				
Common stock	4,971,859	4,971,456	1	402
Convertible equity	11,207	6,432	4,744	31
Funds - Equities ETF	124,956	124,299	655	2
Preferred stock	5,521	3,220	2,301	—
Rights / Warrants	1	1	—	—
Miscellaneous	624	624	—	—
Stapled securities	1,311	1,311	—	—
Total equity investments	5,115,479	5,107,343	7,701	435
Other Investments:				
Currency	5,597	5,597	—	—
FX Contracts	7	7	—	—
Global Tactical Asset Allocation MF	652,140	—	652,140	—
Master Limited Partnership	2,551	2,551	—	—
REITs	12,223	12,223	—	—
Real Estate	11,194	—	—	11,194
Swap	1,330	—	1,330	—
Total other investments	685,042	20,378	653,470	11,194
Derivative Investments:				
Exchange cleared swaps	(2,988)	—	(2,988)	
Options	(3,387)	(2,921)	(466)	—
Swaps	(32,373)	—	(32,373)	—
Grain future contracts	5,747	5,747	—	—

Total derivative investments	(33,001)	2,826	(35,827)	—
Total investments measured at fair value	$ 14,890,576	$ 6,637,570	$ 8,240,064	$ 12,942

INVESTMENTS MEASURED AT THE NET ASSET VALUE (NAV)	Fair Value 6/30/22	Unfunded Commitments	Redemption Frequency (If currently eligible)	Redemption Notice Period
Commingled Funds - Debt	$ 1,559,743	$ —	Daily, monthly	1 - 15 days
Commingled Funds - Equities	3,412,972	—	Daily, monthly	1 - 15 days
Commingled Funds - Fixed Income	21,240	—	Daily	< 5 days
Distressed Debt	211,353	—	Quarterly, not eligible	60 days
Long / short	284,678	—	Monthly	15 days
Mezzanine Debt	169	8,499	Not eligible	Not eligible
Private Credit	1,372,454	350,600	Not eligible	Not eligible
Private Equity	811,623	1,002,244	Not eligible	Not eligible
Real Assets	3,504,035	692,888	Quarterly, not eligible	30 - 90 days
Hedge Fund	61,860	240,000	N/A	N/A
Private Infrastructure	177,725	105,000	N/A	N/A
Total investments measured at the NAV	11,417,852	$ 2,399,231		
Total investments	$ 26,308,428			

Major Component Units

INVESTMENTS MEASURED AT FAIR VALUE	Fair Value 6/30/22	Level 1	Level 2	Level 3
Short term securities				
Certificates of deposit	$ 470	$ —	$ 470	$ —
Short term bills and notes	7,397	—	7,397	—
Total short term securities	7,867	—	7,867	—
Fixed income investments:				
Gov't Agencies	22,274	22,274	—	—
Total fixed income investments	22,274	22,274	—	—
Total investments	$ 30,141	$ 22,274	$ 7,867	$ —

NOTE 4 - NET POSITION

The government-wide Governmental Activities Statement of Net Position reports $8,029,841,388 of restricted net position, of which $1,074,607,167 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 $8,126,184,841 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)

	General	Special Revenue Federal	Special Revenue State	Nonmajor Governmental	Total
Fund Balances:					
Nonspendable:					
Inventory	$ 3,506	$ 24,031	$ 9,667	$ —	$ 37,204
Long - Term Receivables	18	—	—	—	18
Prepaid Expenditures	4,459	12,792	11,047	—	28,298
Permanent Trust Fund for Veteran's Postwar	—	—	—	6,998	6,998
Permanent Trust Fund for Coal Dev.	—	—	—	70,296	70,296
Total Nonspendable	7,983	36,823	20,714	77,294	142,814
Restricted for:					
Distribution to Common Schools	—	—	5,971,958	—	5,971,958
State Education Aid	—	—	439,998	—	439,998
Lignite Research	—	—	30,389	—	30,389
Water Projects and Energy Conservation	—	—	469,098	—	469,098
Well Plugging and Site Reclamation	—	—	17,686	—	17,686
Agriculture & Commerce	—	—	56,495	—	56,495
Natural Resources	—	—	28,956	—	28,956
Highway Projects	—	—	398,214	—	398,214
Transportation	—	—	36,033	—	36,033
Petroleum Tank Release Compensation	—	—	6,040	—	6,040
Debt Service	—	—	—	314,155	314,155
Capital Improvement Projects	567	—	—	4,117	4,684
Other	—	—	85,641	—	85,641
Total Restricted	567	17,845	7,540,508	318,272	7,877,192
Committed to:					
Strategic Investments & Improvements	—	—	976,860	—	976,860
Oil and Gas Impact Grants	—	—	409	—	409
Buydown Interest Programs	—	—	78,222	—	78,222
Human Services & Health Operations	—	—	61,785	—	61,785
Clean Sustainable Energy Fund	19,503	—	—	—	19,503
Outdoor Heritage Grants	—	—	38,278	—	38,278
Charitable Gaming Operating Fund	—	—	27,687	—	27,687
Water Development & Management Projects	—	—	1,456	—	1,456
Oil, Gas, and Energy Research	—	—	37,463	—	37,463
Judicial & Legal	—	—	12,193	—	12,193
Public Safety & Corrections	21,787	—	3,385	—	25,172
Agriculture & Commerce	7,450	—	12,209	—	19,659
State Rail and Special Roads	—	—	17,499	—	17,499
Insurance Regulatory Operations	—	—	6,950	—	6,950
Parks and Recreation Operations	—	—	11,527	—	11,527
Economic Assistance & Social Services	13,294	—	—	—	13,294
Tax Relief	294,799	—	—	—	294,799
Stabilization	717,413	—	—	—	717,413
Theodore Roosevelt Presidential Library & Museum	52,344	—	—	—	52,344
Veteran's Postwar	—	—	—	309	309
Other	9,846	—	33,433	167	43,446
Total Committed	1,136,436	—	1,319,356	476	2,456,268

	General	Special Revenue Federal	Special Revenue State	Nonmajor Governmental	Total
Assigned to:					
Education	$ —	$ —	$ 4,562	$ —	$ 4,562
Human Services & Health Operations	—	—	145,170	—	145,170
Judicial & Legal	—	—	10,475	—	10,475
Correction and Rehabilitation Operations	—	—	7,476	—	7,476
Strategic Investments & Improvements	—	—	68,349	—	68,349
Agriculture & Commerce	—	—	5,366	—	5,366
Environmental Quality	—	—	1,836	—	1,836
Securities Regulations	—	—	1,972	—	1,972
Other	—	—	20,224	—	20,224
Total Assigned	—	—	265,430	—	265,430
Unassigned	9,795,178	—	—	—	9,795,178
Total Fund Balances	$ 10,940,164	$ 54,668	$ 9,146,008	$ 396,042	$ 20,536,882

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, 400 East Broadway, Suite 505, Bismarck, North Dakota 58501.

At June 30, 2022 number of participating political subdivisions in PERS was:

Cities	97
Counties	51
School Districts	131
Other	94
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.

Members that made a qualifying election under Senate Bill 2015 to move from the Defined Contribution Plan back to the Defined Benefit Plan have a 2% increase on employee contributions. 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 for both the PERS plan as well as the defined contribution plan.

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. Contribution rates are established as a percent of covered compensation as follows:

	Member Contributions	Employer Contributions
PERS		
Members first enrolled prior to 1/1/20	7.00 %	7.12 %
Members first enrolled after to 1/1/20	7.00 %	8.26 %
Members returning to the Defined Benefit Plan as a result of Senate Bill 2015	9.00 %	7.12 %
Judges Retirement System	8.00 %	17.52 %
Law Enforcement with previous service		
State – BCI Plan	6.00 %	9.81 %
State – National Guard	5.50 %	9.81 %
Political subdivisions	5.50 %	9.81 %
Law Enforcement without previous service	5.50 %	7.93 %

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, 400 East Broadway, Suite 505, Bismarck, North Dakota 58501.

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 accrued 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 13.8% and the employer rate is 20.2%. Both the member and the employer contribution rate will increase by 0.5% in January 2023, 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, 400 East Broadway, Suite 505, Bismarck, North Dakota 58501.

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. 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, 2022, 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	9
Total	207

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:	14,204	135	175	9,438
Terminated Employees:				
Vested	8,673	35	—	1,827
Inactive	7,610	20	—	1,423
Active Employees:				
Vested	17,247	70	1	8,326
Nonvested	7,532	81	—	3,476
Total plan membership	55,266	341	176	24,490
Date of annual valuation	July 1, 2022	July 1, 2022	July 1, 2022	July 1, 2022

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, 2022:

	Target Allocation			
	PERS and NDHPRS	JSND	TFFR	RHIC*
Domestic equities	30.0 %	2.0 %	— %	39.0 %
International equities	21.0 %	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 %

*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, 2022:

PERS	(6.32)%
NDHPRS	(6.50)%
JSND	(5.55)%
TFFR	(6.17)%
RHIC*	(14.48)%

*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.

REALIZED GAINS AND LOSSES

Realized gains and losses on sales of investments are components of net change in fair value of investments and are computed as described in note 1. For the year ended June 30, 2022, the following are the net realized gains (losses):

PERS	$170,740,373
NDHPRS	4,337,609
JSND	2,461,462
TFFR	127,985,911
Retiree Health Insurance Credit (RHIC)	17,279,324
Defined Contribution Plan	195,667
Deferred Compensation Plan	13,843,422

C. FUNDING STATUS AND PROGRESS

NET PENSION LIABILITY OF THE PLANS

The components of the net pension liability of the Plans at June 30, 2022 were as follows (expressed in thousands):

	PERS	NDHPRS	JSND	TFFR
Total pension liability	$ 6,607,469	$ 170,663	$ 70,493	$ 4,479,973
Plan fiduciary net position	(3,635,772)	(92,324)	(86,178)	(3,023,920)
Net pension liability (asset)	$ 2,971,697	$ 78,339	$ (15,685)	$ 1,456,053
Plan fiduciary net position as a percentage of the total pension liability	55.03 %	54.10 %	122.25 %	67.50 %

ACTUARIAL ASSUMPTIONS

PERS

The total pension liability was determined by an actuarial valuation as of July 1, 2022, 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 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 the Public Safety with prior Main System, and 7.93% for the 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.

HPRS

The total pension liability was determined by an actuarial valuation as of July 1, 2022, 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 July 1, 2014 through July 1, 2019.

The employer rate to the System is the statutory contribution rate of 20.20% 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, 2022, 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, 2022, using the following actuarial assumptions:

Actuarial Cost Method: Entry Age

Asset Valuation Method: Level percentage of payroll, closed

Inflation: 2.30%

Salary Increase (Payroll Growth): 3.80% - 14.80%; varying by service, including inflation and productivity.

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. The pre-retirement mortality table was updated to the Pub T-2010 Employee table projected with generational improvement using Scale MP- 2019.The actuarial assumptions used were based on the results of an experience study dated March 19, 2020.

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, 2022 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	5.75 %	Domestic equities	5.37 %	Global equity	6.60 %
International equity	6.45 %	Core fixed income	1.31 %	Global fixed income	0.40 %
Private equity	9.20 %	Limited duration fixed income	0.59 %	Global real assets	4.60 %
Domestic fixed income	0.34 %	Global equity	5.74 %	Cash equivalents	(1.10)%
International fixed income	0.00 %	Diversified short-term fixed income	1.86 %		
Global real assets	4.56 %	Short-term corporate fixed income	0.53 %		
Cash equivalents	0.00 %	US high yield	4.22 %		
		Emerging market debt	4.96 %		

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 3.69%; and the resulting Single Discount Rate is 5.10%.

For HPRS, the expected rate of return on pension plan investments is 6.50%; the municipal bond rate is 3.69%; and the resulting Single Discount Rate is 5.02%.

For JSND, the discount rate was 3.00% as of June 30, 2022. 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, 2022 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, 2022. 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, 2022.

For TFFR, the discount rate was 7.25% as of June 30, 2022. 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, 2022 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, 2022. 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, 2022.

SENSITIVITY OF NET PENSION LIABILITY

The following presents the net pension liability of the Plans as of June 30, 2022, calculated using the discount rate of 5.10% for PERS, 5.02% 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, 2022	1% Decrease (4.10%)	Current Discount Rate (5.10%)	1% Increase (6.10%)
PERS	$ 3,942,553	$ 2,971,697	$ 2,175,743

Net Pension Liability (Asset) As of June 30, 2022	1% Decrease (4.02%)	Current Discount Rate (5.02%)	1% Increase (6.02%)
NDHPRS	$ 40,085	$ 23,295	$ 9,514

Net Pension Liability (Asset) As of June 30, 2022	1% Decrease (2.00%)	Current Discount Rate (3.00%)	1% Increase (4.00%)
JSND	$ (8,404)	$ (15,685)	$ (21,896)

Net Pension Liability (Asset) As of June 30, 2022	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
TFFR	$ 2,000,483	$ 1,456,053	$ 1,004,517

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, 2022*

	JSND	NDHPRS
Total pension liability (asset)		
Service cost	$ 58	$ 6,693
Interest	2,629	7,305
Change of benefit terms	—	(135)
Difference between expected and actual experience	(201)	(2,197)
Changes of assumptions	2,898	(60,572)
Benefit payments, including refund of employee contributions	(4,669)	(5,952)
Net change in total pension liability (asset)	715	(54,858)
Total pension liability (asset) - beginning	64,129	178,229
Total pension liability (asset) - ending (a)	$ 64,844	$ 123,371
Plan fiduciary net position		
Contributions - employer	$ —	$ 2,294
Contributions - employee	14	1,548
Contributions - service credit repurchase	—	401
Transfers and other income	—	—
Net investment income	6,025	19,638
Benefit payments, including refund of employee contributions	(4,669)	(5,952)
Administrative expense	(17)	(37)
Net change in plan fiduciary net position	1,353	17,892
Plan fiduciary net position - beginning	95,251	82,184
Plan fiduciary net position - ending (b)	$ 96,604	$ 100,076
Net pension liability (asset) - ending (a) - (b)	$ (31,760)	$ 23,295
Plan fiduciary net position as a percentage of the total pension liability (asset)	148.98 %	81.12 %
Covered payroll	$ 175	$ 11,516
Plan net pension liability (asset) as a percentage of covered payroll	-18130.00 %	202.28 %

*The 2022 information presented has a measurement date of June 30, 2021. Information is expressed in thousands.

JOB SERVICE NORTH DAKOTA (JSND)

Net Pension Asset

At June 30, 2022, the State recorded a net pension asset of $31,759,726 for all of the Job Service North Dakota pension plan. The net pension asset was measured as of June 30, 2021 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, 2022 the State recognized pension expense of $1,812,767. At June 30, 2022 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	—	(746,794)	—	—
Changes in proportion and differences between employer contributions and proportionate share of contributions	—	—	—	—
Employer contributions subsequent to the measurement date	—	—	—	—
Total	$ —	$ (746,794)	$ —	$ —

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
2023	$ 102,443	$ —
2024	(396,831)	—
2025	(37,331)	—
2026	(415,075)	—
Total	$ (746,794)	$ —

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 3.75 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 (2.75 percent) or 1-percentage-point higher (4.75 percent) than the current rate:

	1% Decrease (2.75%)	Current Discount Rate (3.75%)	1% Increase (4.75%)
State’s proportionate share of the net pension asset	(25,184,835)	(31,759,726)	(37,379,068)

NORTH DAKOTA HIGHWAY PATROLMEN’S RETIREMENT SYSTEM (NDHPRS)

Net Pension Liability

At June 30, 2022, the State recorded a net pension liability of $23,295,192 for all of the North Dakota Highway Patrolmen’s Retirement System pension plan. The net pension liability was measured as of June 30, 2021 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, 2022 the State recognized pension expense of $5,237,670. At June 30, 2022 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	$ 515,653	$ (2,033,963)	$ —	$ —
Changes of assumptions	44,346,775	(49,086,426)	—	—
Net difference between projected and actual earnings on pension plan investments	—	(8,630,224)	—	—
Changes in proportion and differences between employer contributions and proportionate share of contributions	—	—	—	—
Employer contributions subsequent to the measurement date	2,478,861	—	—	—
Total	$ 47,341,289	$ (59,750,613)	$ —	$ —

$2,478,861 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, 2023.

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
2023	$ (678,385)	$ —
2024	(1,072,294)	—
2025	(1,540,533)	—
2026	(8,340,448)	—
2027	(3,256,525)	—
Total	$ (14,888,185)	$ —

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 7.00 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 (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State’s proportionate share of the net pension liability	$ 40,084,617	$ 23,295,192	$ 9,514,031

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, 2022, the State recorded a net pension liability of $505,713,200 for all of the PERS system. The net pension liability was measured as of June 30, 2021 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, 2021 the State's proportion was 48.51894235 percent, which is a decrease of 1.2631366 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, 2022, the discrete component units recorded a net pension liability of $190,000 for all of the PERS system. The net pension liability was measured as of June 30, 2021 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, 2021 the discrete component unit's proportion was 0.018251 percent, which is an increase of 0.016881 percent from the prior year.

Deferred Inflows and Outflows of Resources

For the year ended June 30, 2022 the State recognized pension expense of $76,140,919 and the component unit recognized pension expense of $38,000. At June 30, 2022 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	$ 11,930,272	$ (53,359,088)	$ 3,000	$ (19,000)
Changes of assumptions	587,101,777	(765,239,023)	210,000	(274,000)
Net difference between projected and actual earnings on pension plan investments	—	(199,213,776)	—	(71,000)
Changes in proportion and differences between employer contributions and proportionate share of contributions	34,436,292	(40,429,716)	63,000	(22,000)
Employer contributions subsequent to the measurement date	42,740,834	—	13,000	—
Total	$ 676,209,175	$ (1,058,241,603)	$ 289,000	$ (386,000)

$42,740,834 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, 2023.

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
2023	$ (68,853,744)	$ (13,000)
2024	(96,502,475)	(24,000)
2025	(79,106,072)	(17,000)
2026	(179,767,871)	(56,000)
2027	(278,252)	—
Thereafter	(264,848)	—
Total	$ (424,773,262)	$ (110,000)

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 7.00 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 (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State's proportionate share of the net pension liability	$ 818,939,462	$ 505,713,200	$ 244,814,802
Component's proportionate share of the net pension liability	303,000	190,000	97,000

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, 2022, the State recorded a net pension liability of $6,001,425 for all of the TFFR. The net pension liability was measured as of June 30, 2021 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, 2021 the State's proportion was 0.56958 percent, which is a decrease of 0.0226786 percent from the prior year.

Deferred Inflows and Outflows of Resources

For the year ended June 30, 2022 the State recognized pension expense of $110,588. At June 30, 2022 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	$ 41,696	$ (253,095)	$ —	$ —
Changes of assumptions	210,797	—	—	—
Net difference between projected and actual earnings on pension plan investments	—	(1,758,504)	—	—
Changes in proportion and differences between employer contributions and proportionate share of contributions	993,494	(1,896,613)	—	—
Employer contributions subsequent to the measurement date	516,783	—	—	—
Total	$ 1,762,770	$ (3,908,212)	$ —	$ —

$516,783 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, 2023.

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
2023	$ (624,663)	$ —
2024	(563,776)	—
2025	(599,062)	—
2026	(730,036)	—
2027	(75,863)	—
Thereafter	(68,825)	—
Total	$ (2,662,225)	$ —

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	$ 9,011,362	$ 6,001,425	$ 3,501,978

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, 2022.

Pension Plan	Net Pension Asset	Deferred Outflows of Resources Pension	Net Pension Liability	Deferred Inflows of Resources Pension	Pension Expense
Job Service ND	$ (31,759,726)	$ —	$ —	$ 746,794	$ 1,812,767
ND Highway Patrolmen's Retirement System	—	47,341,289	23,295,192	59,750,613	5,237,670
ND Public Employees' Retirement System	—	676,209,175	505,713,191	1,058,241,603	76,140,919
ND Teachers' Fund for Retirement	—	1,762,770	6,001,425	3,908,212	110,588
Total	$ (31,759,726)	$ 725,313,234	$ 535,009,808	$ 1,122,647,222	$ 83,301,944

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. Employees under the judicial branch or the Board of Higher Education and State Institutional under jurisdiction of the Board of Higher Education are not eligible to participate in the plan. The 2013 Legislative Assembly passed legislation to expand eligibility to the plan to include all new state employees hired on or after October 1, 2013 through July 31, 2017. The Defined Contribution Plan had 88 participants as of June 30, 2022.

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 $503,267 for the year ended June 30, 2022.

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.

Employment Class	Years Of Service	By The Participant	By The Institution	Total
I and III	0 thru 10	4.50%	12.50%	17.00%
	over 10	5.00%	13.00%	18.00%
II	0 thru 2	3.50%	7.50%	11.00%
	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 (additional employer contribution)	less than 3	0.00%	0.00%	0.00%
	3 to less than 6	0.00%	4.00%	4.00%
	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 $45.2 million to TIAA-CREF during the fiscal year ending June 30, 2022.

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, 400 East Broadway, Suite 505, Bismarck, North Dakota 58501.

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	14,290
Active participants	19,018
Total Membership	33,308

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, 2022 is as follows (expressed in thousands):

	RHIC
Total OPEB liability	$ 263,968
Plan fiduciary net position	(154,483)
Net OPEB liability (asset)	$ 109,485
RHIC fiduciary net position as a percentage of the total OPEB liability	58.52 %

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, 2022 is summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Large Cap Domestic Equities	5.75 %
Small Cap Domestic Equities	— %
International equities	6.00 %
Core-Plus Fixed Income	0.22 %

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 3.69%; and the resulting Single Discount Rate is 5.39%. 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, 2022 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, 2022, calculated using the single 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 or 1-percentage-point higher than the current rate (expressed in thousands):

Net OPEB Liability (Asset) As of June 30, 2022	1% Decrease (4.39%)	Current Discount Rate (5.39%)	1% Increase (6.39%)
RHIC	$ 153,212	$ 120,031	$ 92,176

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, 2022, the State reported a liability of $27,400,643 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021, 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, 2021, the State's proportion was 35.114882 percent, which is a decrease of 16.807508 percent from the prior year.

Deferred Inflows and Outflows of Resources

For the year ended June 30, 2022 the State recognized OPEB expense of $3,445,238. At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to OPEB 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	$ 1,573,391	$ (745,869)	$ —	$ —
Changes of assumptions	4,243,891	—	—	—
Net difference between projected and actual earnings on OPEB plan investments	—	(9,325,827)	—	—
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,655,536	(2,497,720)	—	—
Employer contributions subsequent to the measurement date	6,079,035	—	—	—
Total	$ 13,551,853	$ (12,569,416)	$ —	$ —

$6,079,035 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, 2022.

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:

	Primary Government	Component Units
2023	$ (826,628)	$ —
2024	(900,140)	—
2025	(1,352,800)	—
2026	(2,131,762)	—
2027	114,732	—
Total	$ (5,096,598)	$ —

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, 2022, calculated using the discount rate of 6.50%, 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 (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 OPEB liability	$ 35,965,380	$ 27,400,643	$ 20,097,474

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, 2022. 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 $1,001,072 at June 30, 2022 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, 2022, the Employer recognized OPEB expense of $(125,204). The Employer reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following:

	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 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, 2022, 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):

Net OPEB Liability As of June 30, 2022	1% Decrease (3.09%)	Current Discount Rate (4.09%)	1% Increase (5.09%)
Met Life	$ 1,095	$ 1,001	$ 920

Schedule of Changes in Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Net Position (b)	Net OPEB Liability (a) - (b)
Balances at 7/1/21	$ 1,215,321	$ —	$ 1,215,321
Changes for the Year:			
Service cost	281	—	281
Interest	29,966	—	29,966
Benefit changes	—	—	—
Experience losses (gains)	(17,503)	—	(17,503)
Changes of assumptions	(137,948)	—	(137,948)
Contributions - Employer	—	89,045	89,045
Benefits paid	(89,045)	(89,045)	(178,090)
Administrative expenses	—	—	—
Net changes	(214,249)	—	(214,249)
Balances at 6/30/22	$ 1,001,072	$ —	$ 1,001,072

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, 2022.

OPEB Plan	Deferred Outflows of Resources - OPEB	Net OPEB Liability	Deferred Inflows of Resources - OPEB	OPEB Expense
ND Public Employees' Retirement System	$ 13,551,853	$ 27,400,643	$ 12,569,416	$ 3,445,238
JSND Met Life Insurance Benefit	—	1,001,072	—	(125,204)
Total	$ 13,551,853	$ 28,401,715	$ 12,569,416	$ 3,320,034

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 $20,500 or 100% of gross annual compensation for calendar year 2022. 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 15,567 active participants as of June 30, 2022.

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	$	150,768	90 %
Other Jurisdictions		16,550	10 %
Total Value	$	167,318	100 %

NOTE 9 - PERS UNIFORM GROUP INSURANCE PROGRAM

The PERS Uniform Group Insurance Program, an enterprise fund, contracts with Sanford Health Plan to provide health care insurance to the employees of the State of North Dakota, or any of its political subdivision, 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 coming 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 State.

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, 2022, was as follows (expressed in thousands):

	Home-Ownership Bond Funds
Condensed Statement of Net Position	
Current assets – other	$ 334,649
Noncurrent assets – other	1,365,379
Total Assets	1,700,028
Current liabilities – other	65,285
Noncurrent liabilities – other	1,429,612
Total Liabilities	1,494,897
Net position – restricted	201,443
Total Net Position	$ 201,443
Condensed Statement of Revenues, Expenses and Change in Fund Net Position	
Operating revenues	$ 39,737
Operating expenses	(39,305)
Operating income	432
Change in net position	432
Total net position, beginning of year	201,116
Equity transfer out	(105)
Total net position, end of year	$ 201,443
Condensed Statement of Cash Flows	
Net cash provided by operating activities	$ (80,405)
Net cash used for noncapital financing activities	112,661
Net cash used for investing activities	(21,445)
Net change in cash and cash equivalents	10,811
Cash and cash equivalents, beginning of year	284,851
Cash and cash equivalents, end of year	$ 295,662

NOTE 11 - MAJOR COMPONENT UNIT TRANSACTIONS

BISMARCK STATE COLLEGE AND BISMARCK STATE COLLEGE FOUNDATION

On January 25, 2007, BSC and BSC Foundation entered into a 15-year lease agreement to facilitate the construction of a Mechanical Maintenance 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 $1.4 million debt service retirement. Upon payment of all the bonds, BSC will have the option to purchase the premises for $100. On August 15, 2013, an addendum was made to the lease agreement to facilitate an addition to the facility.

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.

	BSC	BSC Foundation
NECE Building	$ 9,548,989	$ 10,846,116
Accumulated Depreciation	(3,280,043)	(3,754,335)
Net Value of NECE Building	$ 6,268,946	$ 7,091,781

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 an operating 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, 2022, 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 1, 2023. 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 2022, total annual rent of $327,000 was paid by NDSU for these two buildings, in addition to the $1.39 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 $413,156 in fiscal year 2022 for debt service under this agreement. As of June 30, 2022, the outstanding balance on the bonds are reflected as “Due to Component Units” by NDSU, is $3.0 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 2022, NDSU paid $775,000 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, 2022, the outstanding balance on the bonds, reflected as “Due to Component Units” by NDSU, is $7.3 million.

Other Transactions

The Foundation provides meeting space rental and database support service to NDSU for an annually negotiated fee.
NDSU paid the foundation $837,000 for the fiscal year ending December 31, 2021.

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 $129,000 during the fiscal year ending December 31, 2021.

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, 2022.

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 $8.7 million in fiscal year 2022. 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 $5.1 million in fiscal year 2022, 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, 2022, the UND AF had recorded accounts payable to UND of $2.0 million for reimbursable costs and services. As of June 30, 2022, the UND AF had recorded accounts receivable from UND of approximately $798,000, 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. Under this noncancellable sublease with UND, UND AF will receive future minimum rentals of $1.6 million over the next five years.

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 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 64 percent of such sponsorship revenue, net of direct costs, and remits 36 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 2022, gross tickets sales were $5.2 million of which RE Arena, Inc. recognized revenue of $2.7 million.

Gross tickets sales for the next athletic season year are recorded in deferred revenue at gross by REA for a total of $3.1 million.

REA recognized net sponsorship (advertising) revenue of $846,031 and net paid to UND in sponsorship (advertising) income of $476,000. REA allocated $500,000 of net income to UND athletic department for the year ended May 31, 2022. 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 $87,000 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, 2022, UND provided approximately $1.6 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 $286,000 in investment management fees during the year ended June 30, 2022.

During the year ended June 30, 2022, the Organization paid $27.3 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 2022 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, 2022 were $2.5 million. The bonds are secured by a lease with UND.

On October 24, 2003, the UND Foundation issued $4.4 million of tax-exempt lease revenue bonds to finance the purchase of land and the construction of a facility for occupancy by the Minot Center for Family Practice in Minot, North Dakota. The center is a department of the School of Medicine & Health Sciences at UND. The UND Foundation recorded a receivable from UND of $4.4 million due under the direct-financing lease agreement. In June 2008, the $3.7 million remaining balance of the 2003 bonds was refinanced with Lease Revenue Refunding Bonds, Series 2008. In April 2018, the $2.2 million remaining balance of the 2008 bonds was refinanced with Lease Revenue Refunding Bonds, Series 2018. During fiscal year 2022, the Series 2018 bonds were paid in full.

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	$ 1,486,164
Financial standby letters of credit	517,094
Guarantees provided	7,601

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 seventeen months to twenty nine 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, 2021 were $31,321,000.

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, 2021 were $8,220,000.

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 $300,785,000 at December 31, 2021. 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, 2021.

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 $40,342,000 at June 30, 2022.

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 $8,150,000 as of June 30, 2022.

INNOVATION TECHNOLOGY LOAN FUND

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 $4,249,000 at June 30, 2022.

WATER INFRASTRUCTURE REVOLVING LOAN FUND

In the normal course of business, the Loan Fund makes various commitments that are not reflected in the financial statements. These commitments include nine loan commitments for $40.3 million at June 30, 2022

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 $142,728,000 at June 30, 2022.

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 $202,118,000 at June 30, 2022.

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 $152,155,000 at December 31, 2021.

NOTE 13 - INTEREST RATE SWAP

BANK OF NORTH DAKOTA

The Bank has outstanding interest rate swap agreements with a notional amount $545,000,000 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 LIBOR
April 5, 2017	May 1, 2032	$50,000,000	2.39%	1 Month LIBOR
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 3, 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, 2021:

		Fair Value		Changes in Fair Value	
Swap	National Amount	Classification	Amount	Classification	Amount
June 2014	$ 50,000,000	Other assets	$ (5,924,000)	Deferred outflow	$ 3,537,000
April 2015	50,000,000	Other assets	(2,691,000)	Deferred outflow	3,026,000
August 2016	50,000,000	Other assets	(337,000)	Deferred outflow	2,937,000
April 2017	50,000,000	Other assets	(4,666,000)	Deferred outflow	3,557,000
June 2017	50,000,000	Other assets	(3,355,000)	Deferred outflow	3,137,000
March 2018	50,000,000	Other assets	(6,035,000)	Deferred outflow	3,474,000
June 2018	50,000,000	Other assets	(6,380,000)	Deferred outflow	3,515,000
April 2019	50,000,000	Other assets	(5,806,000)	Deferred outflow	3,442,000
Sept 2019	50,000,000	Other assets	1,330,000	Deferred inflow	2,618,000
Oct 2019	50,000,000	Other assets	(68,000)	Deferred outflow	2,783,000
Dec 2019	45,000,000	Other assets	(519,000)	Deferred outflow	1,027,000

At December 31, 2021, 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, 2021, the interest expense of the variable rate federal funds, variable rate 1 month LIBOR 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 Variable		
Year Ended December 31:	Contract Interest	Federal Fund Interest	1-Month LIBOR Interest	Interest Rate Swap, net
2022	$ 10,857,000	$ 356,000	$ 100,000	$ 10,401,000
2023	10,707,000	347,000	100,000	10,260,000
2024	10,259,000	320,000	100,000	9,839,000
2025	10,259,000	320,000	100,000	9,839,000
2026	10,259,000	320,000	100,000	9,839,000
2027-2031	45,761,000	4,690,000	483,000	40,588,000
2032-2034	10,619,000	2,294,000	17,000	8,308,000
	$ 108,721,000	$ 8,647,000	$ 1,000,000	$ 99,074,000

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, 2022, the Agency had eight swaps with a positive fair value totaling $4,569. 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, 2022, the Agency owed the swap providers a fixed rate on the notional amount of the swaps of $5,476,000 and the swap providers owed the Agency a variable rate on the notional amounts of $3,160,000 making the net payment that the Agency owed the swap providers $2,316,000.

Due to the difference in the variable rate indices, the swaps had a net positive fair value of $3,668,000 as of June 30, 2022. 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, 2022. 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, 2022. 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, 2022 are as follows:

1. Bond Series	2015 C	2015 E	2015 F	2017 C
2. Issuance Date	6/23/2015	5/1/2016	12/8/2015	5/10/2017
3. Maturity Date	1/1/2046	7/1/2036	1/1/2047	7/1/2047
4. Notional Amount	$ 12,690,000	$ 19,800,000	$ 15,765,000	$ 20,545,000
5. Variable-rate Bonds	$ 12,690,000	$ 19,800,000	$ 15,765,000	$ 20,545,000
6. Fixed Rate	2.486 %	2.257 %	2.320 %	2.783 %
7. LIBOR Percentage	66.20 %	66.40 %	100.00 %	100.00 %
8. Additional Percentage	0.10 %	0.22 %	0.00 %	0.00 %
9. Bonds Variable-rate	0.91000 %	0.91000 %	1.65000 %	2.73904 %
10. Fair Value	$ 325,000	$ 259,000	$ 732,000	$ 523,000
11. Percentage of LIBOR	1.28280 %	1.40638 %	1.78671 %	1.78671 %
12. Synthetic Rate	2.11320 %	1.76062 %	2.18329 %	3.73483 %
13. Actual Synthetic Rate	2.99321 %	2.04854 %	2.30369 %	2.75609 %
14. Change in Fair Value	$ 624,000	$ 1,003,000	$ 1,598,000	$ 2,593,000
15. Optional Termination Date	N/A	N/A	1/1/2025	7/1/2027

1. Bond Series	2017 H	2018 C	2019 B	2019E
2. Issuance Date	12/21/2017	6/14/2018	2/13/2019	6/25/2019
3. Maturity Date	7/1/2039	1/1/2049	1/1/2043	1/1/2050
4. Notional Amount	$ 28,250,000	$ 9,355,000	$ 25,000,000	$ 12,265,000
5. Variable-rate Bonds	$ 28,250,000	$ 9,355,000	$ 25,000,000	$ 12,265,000
6. Fixed Rate	2.266 %	3.515 %	2.693 %	3.171 %
7. LIBOR Percentage	66.40 %	100.00 %	70.00 %	100.00 %
8. Additional Percentage	0.09 %	0.00 %	0.00 %	0.00 %
9. Bonds Variable-rate	0.90000 %	1.60000 %	1.11000 %	1.60000 %
10. Fair Value	$ 498,000	$ (161,000)	$ 511,000	$ 517,000
11. Percentage of LIBOR	1.27638 %	1.78671 %	1.25070 %	1.78671 %
12. Synthetic Rate	1.88962 %	3.32829 %	2.55180 %	2.98429 %
13. Actual Synthetic Rate	2.22646 %	3.50048 %	3.05666 %	3.18844 %
14. Change in Fair Value	$ 2,185,000	$ 1,290,000	$ 1,906,000	$ 2,009,000
15. Optional Termination Date	7/1/2023	7/1/2027	1/1/2024	7/1/2028

1.	Bond Series	2022C	2022E
2.	Issuance Date	4/28/2022	6/14/2022
3.	Maturity Date	7/1/2052	1/1/2053
4.	Notional Amount	$ 30,000,000	$ 25,000,000
5.	Variable-rate Bonds	$ 30,000,000	$ 25,000,000
6.	Fixed Rate	2.640 %	3.808 %
7.	LIBOR Percentage	100.00 %	100.00 %
8.	Additional Percentage	0.05 %	0.05 %
9.	Bonds Variable-rate	1.60000 %	1.60000 %
10.	Fair Value	$ 1,204,000	$ (720,000)
11.	Percentage of LIBOR	1.83671 %	1.83671 %
12.	Synthetic Rate	2.40729 %	3.57129 %
13.	Actual Synthetic Rate	2.78025 %	4.09642 %
14.	Change in Fair Value	$ 1,204,000	$ (720,000)
15.	Optional Termination Date	1/1/2032	1/1/2032

Using rates as of June 30, 2022, 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, 2022. As rates vary, variable-rate bond interest payments and net swap payments will vary. (Expressed in thousands.)

Fiscal Year Ending June 30	Variable-Rate Bond Principal	Variable-Rate Bond Interest	Interest Rate Swap, Net	Total
2023	$ 780	$ 2,870	$ 2,314	$ 5,964
2024	1,470	2,845	2,306	6,621
2025	2,385	2,808	2,294	7,487
2026	3,175	2,733	2,267	8,175
2027	4,960	2,650	2,230	9,840
2028-2032	36,325	11,737	10,325	58,387
2033-2037	51,370	8,427	8,106	67,903
2038-2042	45,300	5,256	5,315	55,871
2043-2047	22,805	3,048	3,276	29,129
2048-2052	26,815	1,179	1,384	29,378
2053-2057	3,285	6	8	3,299
	$ 198,670	$ 43,559	$ 39,825	$ 282,054

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 2022, a total of $111,544,700 in claims was recognized. The liability of $998,771,000 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, 2022 and 2021:

Fiscal Year	Beginning Balance	Current Year Claims and Changes In Estimates	Claims Payments	Ending Balance
2022	$ 3,748,309	$ 520,593	$ (417,908)	$ 3,850,994
2021	3,746,363	641,476	(639,530)	3,748,309

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 $15,068,511.

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, 2022 and 2021:

Fiscal Year	Beginning Balance	Current Year Claims and Changes In Estimates	Claims Payments	Ending Balance
2022	$ 3,462,971	$ 1,930,118	$ (3,362,982)	$ 2,030,107
2021	4,938,728	1,248,167	(2,723,924)	3,462,971

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 1,205 policies to participating entities for a total building and content coverage of $18.8 billion. The Bonding Fund is used to provide fidelity bonding of public employees and officials. The Fund has issued 1,608 policies to participating entities. The total coverage for the Bonding Fund is $879.7 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, 2022 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, 2022, coverage extended to the following employers:

Annual Premium	
$250 - $5,000	20,474
$5,001 - $50,000	4,327
$50,001 - $100,000	354
Over $100,000	297
Total Employers	25,452

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, 2022, 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	Central Value	High
Full value basis, undiscounted	$ 1,394,635	$ 1,501,671	$ 1,602,757
Present value basis, discounted at 4%	925,389	998,771	1,050,261

WSI has adjusted the estimated liability for unpaid loss and loss adjustment expense to the actuary's 4 percent discounted expected value of $998,771,000 at June 30, 2022.

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 2022 calendar year has two coverage levels, with retention limits of $10 million and $20 million. For the year ended June 30, 2022 WSI recorded ceded losses of $1,679,305 and ceded premiums of $650,841.

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 & Ins	
	2022	2021	2022	2021	2022	2021
Unpaid claims and claims adjustment expenses at the beginning of the year	$ 1,808	$ 1,031	$ 134	$ 134	$1,000,099	$1,029,792
Incurred claims and claims adjustment expenses:						
Provision for current fiscal year	1,674	3,511	(3)	59	136,741	144,856
Change in provision for prior fiscal year	1,151	(2,645)	—	—	(30,454)	(141,790)
Payments and claims and adjustment expenses attributable to:						
Current fiscal year insured events	(2,939)	(3,705)	(131)	(193)	(34,397)	(32,823)
Prior fiscal years' insured events	—	—	134	134	(78,476)	(91,783)
Total Payments	(2,939)	(3,705)	3	(59)	(112,873)	(124,606)
Change in provision for discount	—	—	—	—	5,258	91,847
Total unpaid claims and claims adjustment expenses at the end of the year	$ 1,694	$ (1,808)	$ 134	$ 134	$ 998,771	$1,000,099

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, 2022, the total outstanding balance on these contracts was $109.7 million.

JUDICIARY SYSTEM

As of June 30, 2022, the Judiciary System had commitments to for juvenile court contracts totaling $1.8 million, of which $1.2 millions is left to be paid.

MILL AND ELEVATOR

As of June 30, 2022, the Mill had commitments to purchase 5,507,731 bushels of spring wheat and 784,946 bushels of durum.

JOB SERVICE NORTH DAKOTA

As of June 30, 2022, the Agency has commitments to pay $713,457 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.

SCHOOL CONSTRUCTION ASSISTANCE REVOLVING LOAN FUND

As of June 30, 2022, the Fund had six outstanding commitments for $50.8 million.

HOUSING INCENTIVE FUND

The Fund makes various commitments relating to construction projects to meet unmet housing needs across North Dakota. The Fund had $8,575,157 of signed commitments for construction projects as of June 30, 2022. The Fund had $12,498,261 of HIF funds awarded for construction projects as of June 30, 2022. The total paid on these commitments as of June 30, 2022 was $3,923,104.

DEPARTMENT OF HUMAN SERVICES

As of June 30, 2022, the Department of Human Services had significant commitments for the purchase of various types of services totaling $737,769,538.

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, 2022 were $3.04 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, 2022, the North Dakota Department of Transportation (Special Revenue Fund) had non-construction contract commitments of approximately $139.1 million, of which $0.1 million represents federal programs which are cost reimbursable. Construction commitments at June 30, 2022 totaled approximately $407 million, of which $324 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, 2022, for which funds have not been disbursed or written agreements entered into in the amount of $7.3 million.

NORTH DAKOTA SOYBEAN COUNCIL

As of June 30, 2022, the North Dakota Soybean Council had significant commitments of approximately $3.6 million. This amount mainly consists of grants for the research and development of soybeans.

STATE WATER COMMISSION

As of June 30, 2022, the State Water Commission had long-term commitments of $349.4 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):

	Original Issue	Paid To Date	Amount To Be Paid
BSC	$ 38,000	$ 271	$ 37,729
DCB	3,769	2,709	1,060
DSU	7,021	174	6,847
LRSC	—	—	—
MaSU	1,903	632	1,271
MiSU	4,333	730	3,603
NDSCS	661	642	19
NDSU	170,869	69,358	101,511
UND	285,509	229,067	56,442
VCSU	27,763	26,059	1,704
Total	$ 539,828	$ 329,642	$ 210,186

OTHER CONSTRUCTION COMMITMENTS

That State has entered into construction commitments. As of June 30, 2022, the following commitment exists on other construction contracts, in thousands:

Office of Management and Budget	$	719
Secretary of State		566
Attorney General		625
Health Department		3,076
Veterans Homes		30
Department of Human Services		80,624
State Historical Society		1,385
Game and Fish		172
Department of Transportation		195,578

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 $266,000.

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, 2020, was completed and issued in March of 2021. As a result of this audit, approximately $178,000 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 $563.1 million as of June 30, 2022. The State recognized revenue of $23.3 million of tobacco settlement revenue during the year ended June 30, 2022. 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

BANK OF NORTH DAKOTA

Subsequent to year end, the bank paid off its entire debt balance of $186 million.

The bank had unrealized losses of $277 million as of October 31, 2022. The bank strategically increased its portfolio exposure by 2 billion in 2022 as the rising rate environment offered sound investment options. The mark to market variances of some of the available-for-sale portfolios are offset by the pickup the bank has on SWAP gains. As of October 31, 2022, derivative gains are recorded at $73.5 million.

PUBLIC FINANCE AUTHORITY

Subsequent to year end, the Authority issued $320.9 million of legacy fund infrastructure program bonds payable. The bonds have a net interest rate of 4.58% and mature between 2023 and 2041.

HOUSING FINANCE AUTHORITY

The Agency issued Series 2022F Homeownership Revenue Bonds totaling $75 million in August 2022. The bonds have an interest rate ranging from 1.55% to 5.00% and mature between July 1, 2023 and January 1, 2053. Subsequent events have been evaluated through October 5, 2022, the date these financial statements were available to be issued.

MILL AND ELEVATOR

Subsequent to year end, the Mill and Elevator entered into a contract for $33 million for the construction of a storage and handling facility.

NORTH DAKOTA DEVELOPMENT FUND

The fund approved loans subsequent to year end totaling $4,025,000.

UNIVERSITY SYSTEMS

NDSU Foundation has drawn down $9.8 million on the construction loan for the Nodak Insurance Football Performance Complex subsequent to the audit report date of April 29, 2022. NDSU Foundation has experiences endowment pool losses of 13 percent or $57 million since April 29,2022

NOTE 21 - NEW PRONOUNCEMENTS

The State implemented the following new pronouncement for fiscal year 2022:

GASB Statement No. 87, *Leases*, establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. This Statement requires recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. This Statement is effective for reporting periods beginning after June 15, 2021. Earlier application is encouraged.

GASB Statement No. 92, *Omnibus 2020*, provides additional guidance to improve consistency of authoritative literature by addressing practice issues identified during the application of certain GASB statements. This statement provides accounting and financial reporting requirements for specific issues related to leases, intra-entity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activity of public entity risk pools, fair value measurements and derivative instruments. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Earlier application is encouraged.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*, provides guidance to address accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR), most notable, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. This statement provides exceptions and clarifications regarding hedging derivative instruments for such transactions that result from the replacement of IBOR. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Earlier application is encouraged.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32* provides additional guidance for determining whether a primary government is financially accountable for a potential component unit. This Statement requires that the financial burden criterion in paragraph 7 of Statement No. 84, *Fiduciary Activities,* be applicable to only defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement No. 67, *Financial Reporting for Pension Plans,* or paragraph 3 of

Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans,* respectively. This Statement (1) requires that a Section 457 plan be classified as either a pension plan or an other employee benefit plan depending on whether the plan meets the definition of a pension plan and (2) clarifies that Statement 84, as amended, should be applied to all arrangements organized under IRC Section 457 to determine whether those arrangements should be reported as fiduciary activities. The requirements of this Statement that (1) exempt primary governments that perform the duties that a governing board typically performs from treating the absence of a governing board the same as the appointment of a voting majority of a governing board in determining whether they are financially accountable for defined contribution pension plans, defined contribution OPEB plans, or other employee benefit plans and (2) limit the applicability of the financial burden criterion in paragraph 7 of Statement 84 to defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement 67 or paragraph 3 of Statement 74, respectively, are effective immediately. The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021.

The State will implement the following new pronouncements for fiscal years ending after 2022. Management has not yet determined the effect these Statements will have on the State's financial statements.

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* Arrangements provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs). 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 SBITAs 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.

GASB Statement No. 99, *Omnibus 2022,* provides guidance on the following accounting matters:

a. Classification and reporting of derivative instruments within the scope of Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument.
b. Clarification of provisions in Statement No. 87, *Leases*, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives.
c. Clarification of provisions in Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, related to (a) the determination of the public-private and public-public partnership (PPP) term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset.
d. Clarification of provisions in Statement No. 96, *Subscription-Based Information Technology Arrangements*, related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability.

e. Extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt.
f. Accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP).
g. Disclosures related to nonmonetary transactions.
h. Pledges of future revenues when resources are not received by the pledging government.
i. Clarification of provisions in Statement No. 34, *Basic Financial Statements— and Management's Discussion and Analysis—for State and Local Governments*, as amended, related to the focus of the government-wide financial statement.
j. Terminology updates related to certain provisions of Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*.
k. Terminology used in Statement 53 to refer to resource flows statements.

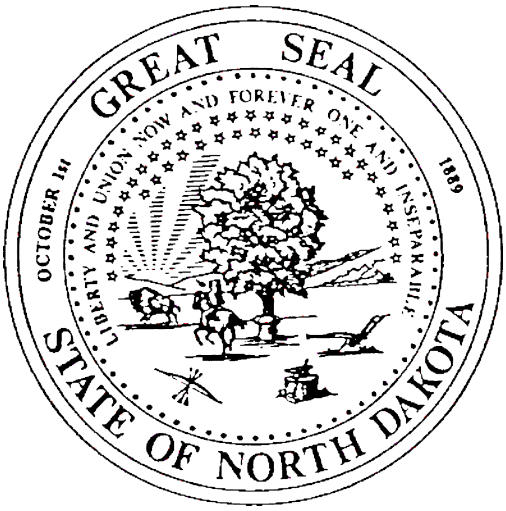
The requirements of this statement are effective as follows:

a. 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 State[1]ment 53 and Statement 63 are effective upon issuance.
b. The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.
c. 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,* provides guidance on accounting and financial reporting requirements for accounting changes and error corrections. Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

GASB Statement No. 101, *Compensated Absences,* provides guidance on the recognition and measurement guidance for compensated absences. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used. This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities. This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Required Supplementary Information



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STATE OF NORTH DAKOTA

Required Supplemental Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2022

	Approved Budget 2021-2023 Biennium	Appropriation Adjustments 2021-2023 Biennium	Adjusted Budget 2021-2023 Biennium	Actual Biennium To Date Thru 6-30-22	Difference Uncollected/ Unspent Thru 6-30-22
Budgetary Fund Balance, July 1	$ 710,259,973	$ —	$ 710,259,973	$ 1,877,183,365	$ 1,166,923,392
Resources (Inflows):					
Sales and Use Tax	1,765,334,000	—	1,765,334,000	976,113,737	(789,220,263)
Income Tax	1,003,000,000	—	1,003,000,000	669,424,802	(333,575,198)
Oil And Gas Production Tax	238,369,403	—	238,369,403	266,112,633	27,743,230
Oil Extraction Tax	161,630,597	—	161,630,597	133,887,367	(27,743,230)
Insurance Premium Tax	101,573,801	—	101,573,801	63,732,191	(37,841,610)
Cigarette, Cigar and Tobacco Tax	43,775,200	—	43,775,200	23,372,772	(20,402,428)
Wholesale Liquor Tax	16,932,000	—	16,932,000	9,799,661	(7,132,339)
Coal Conversion Tax	—	—	—	1,743,191	1,743,191
Gaming Tax	9,753,592	—	9,753,592	301,316	(9,452,276)
Lottery	14,600,000	—	14,600,000	5,600,000	(9,000,000)
Department Fees and Collections	78,075,658	—	78,075,658	38,533,152	(39,542,506)
Mineral Leasing Fees	35,000,000	—	35,000,000	40,089,968	5,089,968
Motor Vehicle Excise Tax	260,864,000	—	260,864,000	137,876,350	(122,987,651)
Interest on Public Funds	20,000,000	—	20,000,000	4,392,750	(15,607,250)
Gas Tax Administration	1,873,744	—	1,873,744	936,872	(936,872)
Transfers In	595,500,000	—	595,500,000	223,372,177	(372,127,823)
Total Revenue Inflows	4,346,281,995	—	4,346,281,995	2,595,288,939	(1,750,993,056)
Amounts Available for Appropriation	5,056,541,968	—	5,056,541,968	4,472,472,304	(584,069,664)
Charges to Appropriations (Outflows):					
General Government:					
Governor's Office	4,587,944	29,172	4,617,116	2,196,641	2,420,475
Secretary of State	5,263,621	490,287	5,753,908	2,802,801	2,951,107
Secretary of State Public Printing	257,931	—	257,931	228,041	29,890
Office of Management and Budget	34,026,399	21,232,083	55,258,482	34,977,336	20,281,146
Information Technology	28,975,953	19,909	28,995,862	15,345,073	13,650,789
State Auditor	9,119,110	—	9,119,110	4,380,029	4,739,081
State Treasurer	1,705,918	15,000	1,720,918	850,995	869,923
Attorney General	42,646,718	143,531	42,790,249	21,454,988	21,335,261
Tax Department	64,241,316	—	64,241,316	28,791,388	35,449,928
Legislative Assembly	19,692,464	869,899	20,562,363	5,711,005	14,851,358
Legislative Council	16,370,410	4,665,515	21,035,925	7,355,253	13,680,672
Supreme Court	112,312,790	—	112,312,790	52,360,922	59,951,868
Legal Counsel for Indigents	19,294,363	—	19,294,363	9,343,086	9,951,277
Ethics Commission	623,984	—	623,984	272,773	351,211
Education:					
Public Instruction	1,658,396,873	250,001	1,658,646,874	781,218,302	877,428,572
Land Department	—	2,520	2,520	—	2,520
State Library	5,831,721	—	5,831,721	2,486,472	3,345,249
School for the Deaf	7,406,556	125,783	7,532,339	3,599,610	3,932,729
School for the Blind	4,761,879	—	4,761,879	2,236,088	2,525,791
Vocational Education	41,735,063	—	41,735,063	20,994,272	20,740,791
Health & Human Services:					
Dept. of Health	44,103,431	—	44,103,431	16,882,407	27,221,024
Dept. of Environmental Quality	13,661,075	—	13,661,075	6,071,430	7,589,645
Veteran's Home	5,805,643	—	5,805,643	2,936,524	2,869,119
Indian Affairs Commission	1,095,715	—	1,095,715	411,258	684,457
Veteran's Affairs	1,570,624	53,095	1,623,719	665,313	958,406
Dept. of Human Services-Management	97,670,503	3,334,797	101,005,300	40,204,788	60,800,512
Dept. of Human Services-Program and Policy	1,294,065,172	8,375,722	1,302,440,894	518,750,495	783,690,399
Dept. of Human Services-Centers	98,529,055	(5,845,850)	92,683,205	49,660,159	43,023,046
Dept. of Human Services-Institutions	87,515,749	(150,646)	87,365,103	39,859,269	47,505,834
Dept. of Human Services-County Social Service	1,240,391	—	1,240,391	157	1,240,234
Protection and Advocacy	3,139,350	—	3,139,350	1,368,828	1,770,522
Job Service	410,229	—	410,229	211,505	198,724
Regulatory:					
Industrial Commission	51,595,873	—	51,595,873	37,164,398	14,431,475
Labor Commission	2,394,186	—	2,394,186	810,512	1,583,674
Public Service Commission	6,431,087	—	6,431,087	2,832,810	3,598,277
Public Safety and Corrections:					
Highway Patrol	36,327,762	50,530	36,378,292	13,849,059	22,529,233
Corrections & Rehab	218,165,809	6,267,438	224,433,247	90,134,674	134,298,573
Adjutant General	24,862,232	1,541,612	26,403,844	11,752,049	14,651,795
Agriculture & Commerce:					
Department of Commerce	34,667,572	9,396,086	44,063,658	24,372,191	19,691,467
Department of Agriculture	23,959,712	—	23,959,712	16,596,347	7,363,365
State Fair	542,833	—	542,833	271,417	271,416
Racing Commission	407,894	7,560	415,454	205,323	210,131
Natural Resources:					
Historical Society	19,411,350	1,181,603	20,592,953	9,046,945	11,546,008
Council on the Arts	1,662,766	13,874	1,676,640	671,282	1,005,358
Parks and Recreation	13,573,491	1,126,520	14,700,011	7,374,352	7,325,659
Transportation:					
Aeronautics Commission	475,000	—	475,000	344,204	130,796
Department of Transportation	—	41,400	41,400	23,041	18,359
Transfers Out	832,421,813	35,316,970	867,738,783	431,058,954	436,679,829
Total Charges to Appropriations	4,992,957,330	88,554,411	5,081,511,741	2,320,134,766	2,761,376,975
Ending Budgetary Fund Balance	$ 63,584,638	$ (88,554,411)	$ (24,969,773)	$ 2,152,337,538	$ 2,177,307,311

Required Supplemental Information
Budgetary Comparison Schedule
Budget to GAAP Reconciliation
General Fund
For the Fiscal Year Ended June 30, 2022

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	2,595,288,939
Differences-Budget to GAAP:	
The period of availability for revenue recognition for budget purposes differs from the GAAP basis.	(21,752,184)
Funds considered General funds for GAAP but not for Budget	99,652,500
Certain due from other funds are recorded under GAAP, but not Budget	91,125
Reimbursement activity between state agencies is eliminated only for GAAP	(277,909)
Proceeds are recorded for new leases on GAAP, but not for Budget	7,177,850
Repayment received on loan receivable are revenue for Budget to GAAP	(14,066,525)
Total revenues, lease acquisitions, and transfers as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds	$ 2,666,113,796
Uses/Outflows of resources	
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	2,320,134,766
Differences-Budget to GAAP:	
Estimated liabilities are recorded as expenditures for GAAP but not for Budget	1,316,814
Funds considered General funds for GAAP but not for Budget	128,353,628
New leases are recorded as expenditures for GAAP, but not for Budget	7,177,850
Certain due to other funds are recorded under GAAP, but not for Budget	6,786,712
Total expenditures, sale of capital assets, and transfers as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds	$ 2,463,769,770

Required Supplemental Information
Budgetary Comparison Schedule
Federal Fund
For the Fiscal Year Ended June 30, 2022

	Approved Budget 2021-2023 Biennium	Appropriation Adjustments 2021-2023 Biennium	Adjusted Budget 2021-2023 Biennium	Actual Biennium To Date Thru 6-30-22	Difference Uncollected/ Unspent Thru 6-30-22
Budgetary Fund Balance, July 1	$ —	$ —	$ —	$ —	$ —
Resources (Inflows):					
Other Budgeted Income	5,794,903,920	1,508,015,669	7,302,919,589	2,775,046,443	(4,527,873,146)
Total Revenue Inflows	5,794,903,920	1,508,015,669	7,302,919,589	2,775,046,443	(4,527,873,146)
Amounts Available for Appropriation	5,794,903,920	1,508,015,669	7,302,919,589	2,775,046,443	4,527,873,146
Charges to Appropriations (Outflows):					
General Government:					
Secretary of State	3,121,865	4,021,430	7,143,295	1,346,012	5,797,283
Office of Management and Budget	500,000	12,660,333	13,160,333	1,869,395	11,290,938
Information Technology	14,078,179	46,988,081	61,066,260	7,871,379	53,194,881
State Auditor	1,472,960	(100,000)	1,372,960	500,806	872,154
State Treasurer	50,160,000	95,402,288	145,562,288	118,921,616	26,640,672
Attorney General	14,650,990	3,566,188	18,217,178	5,767,301	12,449,877
Tax Department	125,000	—	125,000	6,347	118,653
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	2,380,000	3,294,563	1,247,250	2,047,313
Education:					
Public Instruction	674,653,996	145,079,304	819,733,300	353,098,365	466,634,935
State Library	4,443,884	—	4,443,884	1,079,792	3,364,092
School for the Deaf	423,109	(300,000)	123,109	63,923	59,186
School for the Blind	97,500	5,000	102,500	98,919	3,581
Vocational Education	81,814,843	18,916,228	100,731,071	6,080,909	94,650,162
Health & Human Services:					
Dept. of Health	193,256,901	143,117,704	336,374,605	143,916,249	192,458,356
Dept. of Environmental Quality	25,585,277	2,965,000	28,550,277	11,487,772	17,062,505
Veteran's Home	1,300,000	2,240,374	3,540,374	1,397,110	2,143,264
Veteran's Affairs	1,803,650	647,000	2,450,650	690,711	1,759,939
Dept. of Human Services-Management	137,298,878	25,396,995	162,695,873	52,645,527	110,050,346
Dept. of Human Services-Program and Policy	2,617,845,768	428,985,011	3,046,830,779	1,424,500,520	1,622,330,259
Dept. of Human Services-Centers	44,666,940	10,900	44,677,840	16,161,717	28,516,123
Dept. of Human Services-Institutions	25,788,340	4,961,002	30,749,342	23,663,122	7,086,220
Dept. of Human Services-County Social Service	1,176,874	88,000	1,264,874	55,274	1,209,600
Protection and Advocacy	4,263,590	—	4,263,590	1,917,638	2,345,952
Job Service	64,389,161	—	64,389,161	26,333,583	38,055,578
Regulatory:					
Insurance Department	1,264,642	—	1,264,642	321,138	943,504
Industrial Commission	238,004	181,635,352	181,873,356	7,718,591	174,154,765
Labor Commission	516,868	—	516,868	255,567	261,301
Public Service Commission	11,196,971	20,000	11,216,971	3,689,268	7,527,703
Public Safety and Corrections:					
Highway Patrol	17,989,627	2,858,000	20,847,627	13,086,612	7,761,015
Corrections & Rehab	39,462,078	23,817,334	63,279,412	37,584,512	25,694,900
Adjutant General	142,927,728	93,477,819	236,405,547	63,820,429	172,585,118
Agriculture & Commerce:					
Department of Commerce	112,320,270	61,155,470	173,475,740	31,975,080	141,500,660
Department of Agriculture	14,635,914	5,500,000	20,135,914	6,985,790	13,150,124
Natural Resources:					
Historical Society	7,141,953	1,122,450	8,264,403	1,771,941	6,492,462
Council on the Arts	2,537,982	—	2,537,982	1,542,517	995,465
Game and Fish	41,456,533	1,040,097	42,496,630	17,567,695	24,928,935
Parks and Recreation	21,595,895	15,948,630	37,544,525	1,835,368	35,709,157
Water Commission	61,066,031	75,043,250	136,109,281	47,865,572	88,243,709
Transportation:					
Aeronautics Commission	845,000	5,000,000	5,845,000	780,006	5,064,994
Department of Transportation	1,355,876,156	104,132,916	1,460,009,072	337,316,356	1,122,692,716
Total Charges to Appropriations	5,794,903,920	1,508,015,669	7,302,919,589	2,775,046,443	4,527,873,146
Ending Budgetary Fund Balance	$ —	$ —	$ —	$ —	$ —

Required Supplemental Information
Budgetary Comparison Schedule
Budget to GAAP Reconciliation
Federal Fund
For the Fiscal Year ended June 30, 2022

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	2,775,046,443
Differences-Budget to GAAP:	
The period of availability for revenue recognition for budget purposes differs from the GAAP basis.	74,327,958
Total revenues, lease acquisitions, and transfers as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds	$ 2,849,374,401
Uses/Outflows of resources	
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	2,775,046,443
Differences-Budget to GAAP:	
Estimated liabilities are recorded as expenditures for GAAP but not for Budget	361,091,946
New Loans issued are expenditures for Budget but not for GAAP	(4,835,830)
GAAP, but not Budget expenditures are reduced by year end inventory balances	20,195,791
Intrafund activity eliminated for GAAP	(326,188,314)
Certain due to other funds are recorded under GAAP, but not for Budget	1,328,271
Total expenditures, sale of capital assets, and transfers as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds	$ 2,826,638,307

Required Supplemental Information
Budgetary Comparison Schedule
State Fund
For the Fiscal Year Ended June 30, 2022

	Approved Budget 2021-23 Biennium	Appropriation Adjustments 2021-23 Biennium	Adjusted Budget 2021-23 Biennium	Actual Biennium To Date Thru 6-30-22	Difference Uncollected/ Unspent Thru 6-30-22
Budgetary Fund Balance, July 1	$ —	$ —	$ —	$ —	$ —
Resources (Inflows):					
Other Budgeted Income	3,040,184,209	478,276,219	3,518,460,428	1,224,002,680	(2,294,457,748)
Total Revenue Inflows	3,040,184,209	478,276,219	3,518,460,428	1,224,002,680	(2,294,457,748)
Amounts Available for Appropriation	3,040,184,209	478,276,219	3,518,460,428	1,224,002,680	(2,294,457,748)
Charges to Appropriations (Outflows):					
General Government:					
Governor's Office	—	244,246	244,246	191,350	52,896
Secretary of State	5,183,709	448,018	5,631,727	1,172,148	4,459,579
Office of Management & Budget	15,023,413	286,461	15,309,874	5,284,510	10,025,364
Information Technology	232,091,926	80,000,000	312,091,926	128,832,780	183,259,146
State Auditor	4,353,192	100,000	4,453,192	1,674,004	2,779,188
State Treasurer	20,000,000	—	20,000,000	19,999,900	100
Attorney General	34,508,138	911,287	35,419,425	14,040,547	21,378,878
Administrative Hearings	2,881,529	—	2,881,529	1,045,147	1,836,382
Legislative Council	70,000	—	70,000	25,934	44,066
Supreme Court	502,500	—	502,500	227,600	274,900
Legal Counsel for Indigents	1,994,850	—	1,994,850	743,585	1,251,265
Education:					
Public Instruction	603,279,754	10,319,360	613,599,114	309,060,211	304,538,903
Land Department	10,402,999	17,676,151	28,079,150	6,261,377	21,817,773
State Library	87,259	—	87,259	33,270	53,989
School for the Deaf	3,086,419	369,585	3,456,004	933,529	2,522,475
School for the Blind	1,379,178	—	1,379,178	727,494	651,684
Vocational Education	3,204,974	1,500,000	4,704,974	1,228,767	3,476,207
Health & Human Services:					
Dept. of Health	31,361,873	—	31,361,873	9,598,268	21,763,605
Dept. of Environmental Quality	21,384,653	2,056,000	23,440,653	9,676,723	13,763,930
Veteran's Home	19,724,040	248,225	19,972,265	8,394,402	11,577,863
Dept. of Human Services-Management	2,631,764	5,438,680	8,070,444	2,894,969	5,175,475
Dept. of Human Services-Program and Policy	131,394,944	2,468,600	133,863,544	13,057,479	120,806,065
Dept. of Human Services-Centers	26,588,030	(1)	26,588,029	7,104,343	19,483,686
Dept. of Human Services-Institutions	17,229,985	559,907	17,789,892	6,324,996	11,464,896
Dept. of Human Services-County Social Service	187,500,121	785,000	188,285,121	90,945,309	97,339,812
Job Service	606,102	—	606,102	49,551	556,551
Regulatory:					
Insurance Department	30,209,538	250,000	30,459,538	14,409,717	16,049,821
Industrial Commission	24,131,181	472,004	24,603,185	12,376,772	12,226,413
Public Service Commission	2,264,724	(20,000)	2,244,724	614,103	1,630,621
Financial Institutions	9,106,507	275,000	9,381,507	4,215,736	5,165,771
Securities Commission	2,808,984	—	2,808,984	1,353,076	1,455,908
Public Safety and Corrections:					
Highway Patrol	12,494,025	66,431	12,560,456	6,464,532	6,095,924
Corrections & Rehab	27,185,537	—	27,185,537	9,561,821	17,623,716
Adjutant General	27,978,503	1,950,848	29,929,351	3,758,606	26,170,745
Agriculture & Commerce:					
Department of Commerce	39,458,285	1,188,986	40,647,271	9,548,336	31,098,935
Department of Agriculture	19,874,861	2,500,000	22,374,861	9,286,032	13,088,829
Racing Commission	166,601	—	166,601	70,732	95,869
Natural Resources:					
Historical Society	287,999	75,000	362,999	16,646	346,353
Council of Arts	10,000	269,000	279,000	187,413	91,587
Game and Fish	50,911,601	2,245,699	53,157,300	21,147,128	32,010,172
Parks and Recreation	13,536,498	3,796,286	17,332,784	6,313,093	11,019,691
Water Commission	479,733,098	285,217,547	764,950,645	174,947,726	590,002,919
Transportation:					
Aeronautics Commission	29,896,987	2,360,661	32,257,648	11,263,416	20,994,232
Department of Transportation	893,657,928	54,217,238	947,875,166	298,939,602	648,935,564
Total Charges to Appropriations	3,040,184,209	478,276,219	3,518,460,428	1,224,002,680	2,294,457,748
Ending Budgetary Fund Balance	$ —	$ —	$ —	$ —	$ —

Required Supplemental Information
Budgetary Comparison Schedule
Budget to GAAP Reconciliation
State Fund
For the Fiscal Year ended June 30, 2022

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	1,224,002,680
Differences-Budget to GAAP:	
The period of availability for revenue recognition for budget purposes differs from the GAAP basis.	1,676,710,513
Total revenues, lease acquisitions, and transfers as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds	$ 2,900,713,193
Uses/Outflows of resources	
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	1,224,002,680
Differences-Budget to GAAP:	
Estimated liabilities are recorded as expenditures for GAAP but not for Budget	1,969,711,870
New Loans issued are expenditures for Budget but not for GAAP	20,422,403
GAAP, but not Budget expenditures are reduced by year end inventory balances	750,273
Intrafund activity eliminated for GAAP	(618,633,936)
Certain due to other funds are recorded under GAAP, but not for Budget	(7,389,473)
Total expenditures, sale of capital assets, and transfers as reported on the statement of revenues, expenditures, and changes in fund balance-governmental funds	$ 2,588,863,817

Note To Required Supplemental Information -
Budgetary Reporting
For the Fiscal Year Ended June 30, 2022

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 Fiscal Year Ended June 30, 2022." 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 $2,074,846,299.

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, 2022, 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)	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
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%

*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
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%

*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)	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
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%

*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
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 %

*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	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
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 %

*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
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
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%

*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 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
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%

*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	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percentage of covered payroll
2022	$ 517	$ (517)	$ —	$ 4,053	12.75%
2021	543	(543)	—	4,260	12.75%
2020	535	(535)	—	4,196	12.75%
2019	542	(542)	—	4,252	12.75%
2018	561	(561)	—	4,397	12.75%
2017	547	(547)	—	4,294	12.75%
2016	528	(528)	—	4,329	12.75%
2015	532	(532)	—	4,173	12.75%

*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
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 %

*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)

	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
2022	$ 6,257	$ (6,253)	$ 4	$ 553,794	1.13 %
2021	6,563	(6,549)	14	571,568	1.15 %
2020	6,631	(6,626)	5	571,617	1.16 %
2019	6,425	(6,413)	12	561,580	1.14 %
2018	6,434	(6,424)	10	563,479	1.14 %

*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*
(Dollars in thousands)

	2022	2021	2020	2019
Total pension liability (asset)				
Service cost	$ 143,197	$ 242,751	$ 135,139	$ 172,184
Interest	345,662	296,285	317,129	294,701
Change of benefit terms	—	—	—	—
Difference between expected and actual experience	3,714	47,336	213,457	(210,896)
Changes of assumptions	1,375,419	(1,743,329)	1,663,289	(464,473)
Benefit payments, including refund of employee contributions	(252,066)	(231,300)	(218,554)	(197,758)
Net change in total pension liability (asset)	1,615,926	(1,388,257)	2,110,460	(406,242)
Total pension liability (asset) - beginning	4,991,543	6,379,800	4,269,340	4,675,582
Total pension liability (asset) - ending (a)	$ 6,607,469	$ 4,991,543	$ 6,379,800	$ 4,269,340
Plan fiduciary net position				
Contributions - employer	$ 96,631	$ 91,266	$ 85,504	$ 81,588
Contributions - employee	89,634	85,915	81,478	78,213
Contributions - service credit repurchase	10,249	7,129	10,819	7,220
Contributions - other	—	—	—	—
Net investment income	(256,072)	844,933	101,106	159,824
Transfers from other plans	14	(2)	(3)	(5)
Benefit payments, including refund of employee contributions	(252,066)	(231,300)	(218,554)	(197,758)
Administrative expense	(2,341)	(2,569)	(2,730)	(2,531)
Net change in plan fiduciary net position	(313,951)	795,372	57,620	126,551
Plan fiduciary net position - beginning	3,949,723	3,154,351	3,096,731	2,970,180
Plan fiduciary net position - ending (b)	$ 3,635,772	$ 3,949,723	$ 3,154,351	$ 3,096,731
Net pension liability (asset) - ending (a) - (b)	$ 2,971,697	$ 1,041,820	$ 3,225,449	$ 1,172,609
Plan fiduciary net position as a percentage of the total pension liability (asset)	55.03%	79.13%	49.44%	72.53%
Covered payroll	$ 1,248,308	$ 1,213,676	$ 1,167,768	$ 1,098,416
Plan net pension liability (asset) as a percentage of covered payroll	85.84%	85.84%	276.21%	106.75%

*Complete data for this schedule is not available prior to 2014.

2018	2017	2016	2015	2014
$ 164,018	$ 113,148	$ 126,444	$ 104,158	$ 94,611
279,835	269,771	243,285	236,420	218,719
—	—	—	2	—
(65,346)	(3,612)	15,915	4,396	25,783
125,225	741,492	108,139	(76,152)	—
(182,522)	(162,992)	(149,664)	(134,930)	(119,886)
321,210	957,807	344,119	133,894	219,227
4,354,372	3,396,565	3,052,446	2,918,552	2,699,325
$ 4,675,582	$ 4,354,372	$ 3,396,565	$ 3,052,446	$ 2,918,552
$ 80,727	$ 78,934	$ 77,080	$ 70,842	$ 61,661
77,486	76,007	74,219	68,392	59,394
19,985	11,805	9,179	6,652	8,325
—	—	—	—	—
249,165	311,761	11,334	81,537	316,630
(24)	32	23,575	—	—
(182,522)	(162,992)	(149,664)	(134,930)	(119,886)
(2,473)	(2,607)	(2,538)	(2,365)	(2,211)
242,344	312,940	43,185	90,128	323,913
2,727,836	2,414,896	2,371,711	2,281,583	1,957,670
$ 2,970,180	$ 2,727,836	$ 2,414,896	$ 2,371,711	$ 2,281,583
$ 1,705,402	$ 1,626,536	$ 981,669	$ 680,735	$ 636,969
63.53%	62.65%	77.70%	77.70%	78.18%
$ 1,075,958	$ 1,063,372	$ 973,536	$ 973,536	$ 888,452
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*

(Dollars in thousands)

	2022	2021	2020	2019
Total pension liability (asset)				
Service cost	$ 3,281	$ 6,693	$ 2,878	$ 2,818
Interest	8,548	7,305	7,869	7,527
Change of benefit terms	—	(135)	—	—
Difference between expected and actual experience	1,844	(2,197)	729	(68)
Changes of assumptions	39,467	(60,572)	66,142	3,043
Benefit payments, including refund of employee contributions	(5,848)	(5,952)	(5,704)	(5,391)
Net change in total pension liability (asset)	47,292	(54,858)	71,914	7,929
Total pension liability (asset) - beginning	123,371	178,229	106,315	98,386
Total pension liability (asset) - ending (a)	$ 170,663	$ 123,371	$ 178,229	$ 106,315
Plan fiduciary net position				
Contributions - employer	$ 2,687	$ 2,294	$ 2,177	$ 2,091
Contributions - employee	1,826	1,548	1,470	1,412
Contributions - service credit repurchase	160	401	205	168
Contributions - other	—	—	—	—
Net investment income	(6,510)	19,638	2,667	4,251
Benefit payments, including refund of employee contributions	(5,848)	(5,952)	(5,705)	(5,391)
Administrative expense	(66)	(37)	(46)	(44)
Net change in plan fiduciary net position	(7,751)	17,892	768	2,487
Plan fiduciary net position - beginning	100,076	82,184	81,416	78,929
Plan fiduciary net position - ending (b)	$ 92,325	$ 100,076	$ 82,184	$ 81,416
Net pension liability (asset) - ending (a) - (b)	$ 78,338	$ 23,295	$ 96,045	$ 24,899
Plan fiduciary net position as a percentage of the total pension liability (asset)	54.10%	81.12%	46.11%	76.58%
Covered payroll	$ 12,267	$ 11,516	$ 11,410	$ 10,354
Plan net pension liability (asset) as a percentage of covered payroll	638.60%	202.28%	841.78%	240.48%

*Complete data for this schedule is not available prior to 2014.

2018	2017	2016	2015	2014
$ 2,738	$ 2,701	$ 2,226	$ 2,038	$ 1,894
7,203	6,951	6,311	6,008	5,750
—	—	—	—	—
(621)	22	40	984	(300)
—	1,257	3,946	395	—
(4,981)	(4,806)	(4,713)	(4,746)	(3,784)
4,339	6,125	7,810	4,679	3,560
94,047	87,922	80,112	75,433	71,873
$ 98,386	$ 94,047	$ 87,922	$ 80,112	$ 75,433
$ 2,153	$ 2,156	$ 2,127	$ 2,002	$ 1,865
1,453	1,456	1,436	1,352	1,243
282	249	—	97	87
—	—	—	—	—
6,716	8,500	317	2,335	9,240
(4,981)	(4,806)	(4,713)	(4,746)	(3,784)
(30)	(30)	(32)	(31)	(28)
5,593	7,525	(865)	1,009	8,623
73,336	65,811	66,676	65,667	57,044
$ 78,929	$ 73,336	$ 65,811	$ 66,676	$ 65,667
$ 19,457	$ 20,711	$ 22,111	$ 13,436	$ 9,766
80.22%	77.98 %	74.85 %	83.23 %	87.05 %
$ 10,737	$ 10,629	$ 10,527	$ 10,146	$ 9,348
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*

(Dollars in thousands)

	2022	2021	2020	2019
Total pension liability (asset)				
Service cost	$ 42	$ 58	$ 57	$ 70
Interest	2,342	2,629	3,038	3,130
Change of benefit terms	—	—	—	—
Difference between expected and actual experience	3,413	(201)	(1,122)	(505)
Changes of assumptions	4,717	2,899	540	—
Benefit payments, including refund of employee contributions	(4,865)	(4,669)	(4,582)	(4,627)
Net change in total pension liability (asset)	5,649	716	(2,069)	(1,932)
Total pension liability (asset) - beginning	64,844	64,128	66,197	68,129
Total pension liability (asset) - ending (a)	$ 70,493	$ 64,844	$ 64,128	$ 66,197
Plan fiduciary net position				
Contributions - employer	$ —	$ —	$ —	$ —
Contributions - employee	9	14	27	29
Contributions - service credit repurchase	—	—	—	—
Contributions - other	—	—	—	—
Net investment income	(5,551)	6,025	2,621	6,230
Benefit payments, including refund of employee contributions	(4,866)	(4,669)	(4,582)	(4,627)
Administrative expense	(18)	(17)	(19)	(17)
Net change in plan fiduciary net position	(10,426)	1,353	(1,953)	1,615
Plan fiduciary net position - beginning	96,603	95,250	97,203	95,588
Plan fiduciary net position - ending (b)	$ 86,177	$ 96,603	$ 95,250	$ 97,203
Net pension liability (asset) - ending (a) - (b)	$ (15,684)	$ (31,759)	$ (31,122)	$ (31,006)
Plan fiduciary net position as a percentage of the total pension liability (asset)	122.25 %	148.98 %	148.53 %	146.84 %
Covered payroll	$ 175	$ 175	$ 315	$ 417
Plan net pension liability (asset) as a percentage of covered payroll	-25573.44%	-18130.18%	-9892.34%	-7443.56%

*Complete data for this schedule is not available prior to 2014.

2018	2017	2016	2015	2014
$ 80	$ 56	$ 71	$ 128	$ 88
3,501	4,130	4,281	5,026	5,107
—	—	—	—	—
(310)	(1,648)	(2,007)	(1,806)	(1,607)
5,812	4,421	70	(310)	—
(4,583)	(4,534)	(4,601)	(4,694)	(4,595)
4,500	2,425	(2,186)	(1,656)	(1,007)
63,629	61,204	63,390	65,046	66,053
$ 68,129	$ 63,629	$ 61,204	$ 63,390	$ 65,046
$ —	$ —	$ —	$ —	$ —
33	39	44	50	56
—	—	—	—	—
—	—	—	—	—
2,919	5,239	4,840	3,260	11,888
(4,583)	(4,534)	(4,601)	(4,694)	(4,595)
(46)	(13)	(32)	(30)	(31)
(1,677)	731	251	(1,414)	7,318
97,265	96,534	96,283	97,697	90,379
$ 95,588	$ 97,265	$ 96,534	$ 96,283	$ 97,697
$ (27,459)	$ (33,636)	$ (35,330)	$ (32,893)	$ (32,651)
140.30 %	152.86 %	157.72 %	151.89 %	150.20 %
$ 417	$ 499	$ 567	$ 791	$ 843
-6590.37%	-6746.56 %	-6256.45 %	-4160.24 %	-3874.93 %

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)

	2022	2021	2020	2019
Total pension liability (asset)				
Service cost	$ 92,336	$ 87,088	$ 80,591	$ 77,756
Interest	311,929	300,698	306,791	296,876
Change of benefit terms	—	—	—	—
Difference between expected and actual experience	(8,505)	8,366	(20,732)	(23,495)
Changes of assumptions	—	—	51,813	—
Benefit payments, including refund of employee contributions	(251,847)	(241,128)	(230,851)	(221,228)
Net change in total pension liability (asset)	143,913	155,024	187,612	129,909
Total pension liability (asset) - beginning	4,336,060	4,181,036	3,993,424	3,863,515
Total pension liability (asset) - ending (a)	$ 4,479,973	$ 4,336,060	$ 4,181,036	$ 3,993,424
Plan fiduciary net position				
Contributions - employer	$ 100,331	$ 98,264	$ 93,032	$ 89,445
Contributions - employee	92,462	90,557	85,735	82,429
Contributions - service credit repurchase	2,017	2,559	2,175	1,917
Contributions - other	25	126	159	159
Net investment income	(198,881)	684,173	86,206	135,043
Benefit payments, including refund of employee contributions	(251,847)	(241,128)	(230,851)	(221,228)
Administrative expense	(2,592)	(2,678)	(2,095)	(2,251)
Net change in plan fiduciary net position	(258,485)	631,873	34,361	85,514
Plan fiduciary net position - beginning	3,282,405	2,650,532	2,616,171	2,530,657
Plan fiduciary net position - ending (b)	$ 3,023,920	$ 3,282,405	$ 2,650,532	$ 2,616,171
Net pension liability (asset) - ending (a) - (b)	$ 1,456,053	$ 1,053,655	$ 1,530,504	$ 1,377,253
Plan fiduciary net position as a percentage of the total pension liability (asset)	67.50 %	75.70 %	63.40 %	65.50 %
Covered payroll	$ 786,912	$ 770,700	$ 729,661	$ 701,528
Plan net pension liability (asset) as a percentage of covered payroll	185.00 %	136.70 %	209.80 %	196.10 %

*Complete data for this schedule is not available prior to 2014.

**Restated in 2015 due to GASB 68 implementation.

2018	2017	2016	2015	2014
$ 78,041	$ 75,476	$ 68,239	$ 60,618	$ 56,752
287,375	276,412	265,440	249,064	237,821
—	—	—	—	—
(27,939)	(10,749)	(8,093)	2,209	9,347
—	—	—	171,325	—
(207,979)	(196,516)	(185,969)	(172,239)	(162,259)
129,498	144,623	139,617	310,977	141,661
3,734,017	3,589,394	3,449,777	3,138,800	2,997,139
$ 3,863,515	$ 3,734,017	$ 3,589,394	$ 3,449,777	$ 3,138,800
$ 86,676	$ 86,059	$ 82,840	$ 78,422	$ 62,355
79,878	79,309	76,343	72,268	56,555
2,181	2,553	2,768	1,601	2,034
194	236	45	172	48
211,345	266,688	8,239	73,205	294,246
(207,979)	(196,516)	(185,969)	(172,239)	(162,259)
(2,129)	(2,173)	(1,852)	(1,923)	(1,586)
170,166	236,156	(17,586)	51,506	251,393
2,360,491	2,124,335	2,141,921	2,090,415	1,839,584
$ 2,530,657	$ 2,360,491	$ 2,124,335	$ 2,141,921	$ 2,090,977
$ 1,332,858	$ 1,373,526	$ 1,465,059	$ 1,307,856	$ 1,047,823
65.50 %				
$ 679,809	63.20 %	59.20 %	62.10 %	66.60 %
196.10 %	$ 674,971	$ 649,725	$ 615,105	$ 580,053
	203.50 %	225.50 %	212.60%	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*
(Dollars in thousands)

	2022	2021	2020	2019
Total OPEB liability (asset)				
Service cost	$ 4,004	$ 4,273	$ 4,042	$ 3,828
Interest	15,155	14,658	15,498	15,217
Change of benefit terms	—	—	—	—
Difference between expected and actual experience	616	2,165	315	(1,374)
Changes of assumptions	30,533	—	4,372	5,002
Benefit payments, including refund of employee contributions	(13,746)	(12,885)	(12,317)	(11,505)
Net change in total OPEB liability (asset)	36,562	8,211	11,910	11,168
Total OPEB liability (asset) - beginning	237,952	229,741	217,831	206,663
Total OPEB liability (asset) - ending (a)	$ 274,514	$ 237,952	$ 229,741	$ 217,831
Plan fiduciary net position				
Contributions - employer	$ 12,566	$ 13,111	$ 13,392	$ 12,977
Contributions - employee	12	16	16	16
Contributions - service credit repurchase	457	375	557	377
Net investment income	(26,757)	36,527	6,905	8,178
Benefit payments, including refund of employee contributions	(13,746)	(12,885)	(12,317)	(11,505)
Administrative expense	(383)	(431)	(454)	(437)
Other	—	—	10	—
Net change in plan fiduciary net position	(27,851)	36,713	8,109	9,606
Plan fiduciary net position - beginning	182,334	145,621	137,512	127,906
Plan fiduciary net position - ending (b)	$ 154,483	$ 182,334	$ 145,621	$ 137,512
Net OPEB liability (asset) - ending (a) - (b)	$ 120,031	$ 55,618	$ 84,120	$ 80,319
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	56.28 %	76.63 %	63.38 %	63.13 %
Covered payroll	$ 1,032,405	$ 1,090,258	$ 1,139,971	$ 1,115,858
Plan net OPEB liability (asset) as a percentage of covered employee payroll	11.63 %	5.10 %	7.38 %	7.20 %

*Complete data for this schedule is not available prior to 2017.

2018	2017
$ 3,767	$ 3,430
14,485	14,327
—	—
2,732	(2,231)
—	8,861
(11,016)	(10,014)
9,968	14,373
196,695	182,322
$ 206,663	$ 196,695
$ 12,834	$ 12,576
16	16
747	464
8,211	12,074
(11,016)	(10,014)
(480)	(443)
—	—
10,312	14,673
117,594	102,921
$ 127,906	$ 117,594
$ 78,757	$ 79,101
61.89 %	59.78 %
$ 1,094,217	$ 1,081,841
7.20 %	7.31 %

*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)

	2022	2021	2020	2019
Total OPEB liability (asset)				
Service cost	$ —	$ —	$ —	$ 4
Interest	30	32	37	42
Change of benefit terms	—	—	—	—
Difference between expected and actual experience	(17)	—	(192)	—
Changes of assumptions	(138)	—	46	—
Benefit payments, including refund of employee contributions	(89)	(83)	(78)	(84)
Net change in total OPEB liability (asset)	(214)	(51)	(187)	(38)
Total OPEB liability (asset) - beginning	1,215	1,266	1,453	1,491
Total OPEB liability (asset) - ending (a)	$ 1,001	$ 1,215	$ 1,266	$ 1,453
Plan fiduciary net position				
Contributions - employer	$ 89	$ 83	$ 78	$ 84
Contributions - employee	—	—	—	—
Contributions - service credit repurchase	—	—	—	—
Contributions - other	—	—	—	—
Net investment income	—	—	—	—
Benefit payments, including refund of employee contributions	(89)	(83)	(78)	(84)
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)	$ 1,001	$ 1,266	$ 1,266	$ 1,453
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

*Complete data for this schedule is not available prior to 2018.

2018
$ 4
43
—
—
—
(80)
(33)
1,524
$ 1,491
$ 80
—
—
—
—
(80)
—
—
—
$ —
$ 1,491
0.00 %
n/a
n/a

*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 Employees Retirement System

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	$157,390	$157,543	$140,537	$127,129	$125,714	$116,564	$124,336	$107,514	$107,864	$97,985
Contribution in relation to the actuarially determined contribution	96,631	91,266	85,504	81,588	80,727	78,934	77,081	70,843	61,661	48,847
Contribution deficiency (excess)	$60,759	$66,277	$55,033	$45,541	$44,987	$37,630	$47,255	$36,671	$46,203	$49,138
Covered payroll	1,248,308	1,213,676	1,167,768	1,098,416	1,075,958	1,063,372	1,048,548	973,536	888,452	800,878
Contributions as a percentage of covered payroll	7.74 %	7.52 %	7.32 %	7.43 %	7.50 %	7.42 %	7.35 %	7.28 %	6.94 %	6.10 %

Highway Patrolmen's Retirement System

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	$ 3,921	$ 4,081	$ 3,256	$ 2,936	$ 2,949	$ 3,060	$ 2,307	$ 2,201	$ 2,348	$ 2,191
Contribution in relation to the actuarially determined contribution	2,687	2,293	2,177	2,091	2,153	2,156	2,127	2,002	1,865	1,586
Contribution deficiency (excess)	$ 1,234	$ 1,788	$ 1,079	$ 845	$ 796	$ 904	$ 180	$ 199	$ 483	$ 605
Covered payroll	12,267	11,516	11,410	10,354	10,737	10,629	10,527	10,146	9,348	8,167
Contributions as a percentage of covered payroll	21.90 %	19.91 %	19.08 %	20.20 %	20.05 %	20.28 %	20.21 %	19.73 %	19.95 %	19.42 %

Job Service North Dakota

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Contribution in relation to the actuarially determined contribution	—	—	—	—	—	—	—	—	—	—
Contribution deficiency (excess)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Covered payroll	133	200	386	417	417	499	565	674	843	1,011
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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	$97,341	$101,655	$93,688	$90,778	$88,307	$89,231	$84,724	$71,168	$59,513	$52,396
Contribution in relation to the actuarially determined contribution	100,331	98,264	93,032	89,445	86,676	86,059	82,840	78,422	62,355	59,301
Contribution deficiency (excess)	$(2,990)	$ 3,391	$ 656	$ 1,333	$ 1,631	$ 3,172	$ 1,884	$(7,254)	$(2,842)	$(6,905)
Covered payroll	786,912	770,700	729,661	701,528	679,809	674,971	649,725	615,105	580,053	551,656
Contributions as a percentage of covered payroll	12.75 %	12.75 %	12.75 %	12.75 %	12.75 %	12.75 %	12.75 %	12.75 %	10.75 %	10.75 %

Retiree Health Insurance Credit Plan

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	$12,414	$13,340	$12,145	$12,707	$12,252	$11,696	$ 7,544	$ 6,439	$ 7,014	$ 7,411
Contribution in relation to the actuarially determined contribution	12,566	13,111	13,392	12,977	12,835	12,575	12,350	11,479	10,710	9,960
Contribution deficiency (excess)	$ (152)	$ 229	$(1,247)	$ (270)	$ (583)	$ (879)	$(4,806)	$(5,040)	$(3,696)	$(2,549)
Covered payroll	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	914,368
Contributions as a percentage of covered payroll	1.22 %	1.20 %	1.17 %	1.16 %	1.17 %	1.16 %	1.08 %	1.09 %	1.07 %	1.09 %

Required Supplementary Information
Information About the State's Pension and Other Post Employment Benefit Plans
For the Fiscal Year Ended June 30, 2022

ND Public Employees Retirement System

Benefit Changes	There were no benefit changes during the year..
Changes of Assumptions	The investment return assumption was lowered from 7.00 to 6.50 percent for the July 1, 2022 valuation.

Highway Patrolmen's Retirement System

Benefit Changes	There were no benefit changes during the year.
Changes of Assumptions	The investment return assumption was lowered from 7.00 to 6.50 percent for the July 1, 2022 valuation.

Job Service North Dakota

Benefit Changes	There were no changes made in the plan provisions since the prior valuation.
Changes of Assumptions	The Board approved the following changes to the actuarial assumptions beginning with the July 1, 2022 actuarial valuation: • The investment return assumption was lowered from 3.75 to 3.00 percent for the July 1, 2022 valuation. All other actuarial assumptions used in the July 1, 2022 are the same as the last actuarial valuation as of July 1, 2021.

ND Teachers' Fund for Retirement

Changes of Assumptions	In 2020, amounts reported as changes of assumptions resulted primarily from a decrease in the investment return assumption from 7.75% to 7.25%, the inflation assumption lowered from 2.75% to 2.30%, lower individual salary increases, and an updated mortality improvement scale. In 2015, amounts reported as changes of assumptions resulted primarily from a decrease in the investment return assumption from 8% to 7.75% and an updated mortality improvement scale.

Retiree Health Insurance Credit Plan

Benefit Changes	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.
Changes of Assumptions	The Board approved the following changes to the actuarial assumptions beginning with the July 1, 2022 actuarial valuation: • The investment return assumption was lowered from 6.50 to 5.75 percent for the July 1, 2022 valuation. All other actuarial assumptions used in the July 1, 2022 are the same as the last actuarial valuation as of July 1, 2021.

Required Supplementary Information
Information About the State's Pension and Other Post Employment Benefit Plans
For the Fiscal Year Ended June 30, 2022

Schedule of Employer Contributions

PERS

Valuation Date	July 1, 2021
Actuarial Cost Method	Entry Age Normal Method
Amortization Method	Level Percentage of Payroll, Open Period 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	7.0%
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 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 7.50% to 7.00% beginning with the actuarial valuation as of July 1, 2020. Other updates to actuarial assumptions since the July 1, 2019 valuation include changes to mortality tables used for the valuation as well as changes to rates of annual salary increases, separation for active membership, disability, and retirement. The actuarial assumptions were based on an experience review for the period from July 1, 2014 to July 1, 2019 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, 2022

HPRS

Valuation Date	July 1, 2022
Actuarial Cost Method	Entry Age Normal Method
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	7.0%
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), 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 economic assumptions were updated beginning with the actuarial valuation as of July 1, 2020 based on a review performed by GRS. The investment return assumption was decreased from 7.50% to 7.00% 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 2014 through June 30 2019. 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 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, 2022

JSND

Valuation Date	July 1, 2022
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	3.75%
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	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 4.25% to 3.75%, first effective July 1, 2021. 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, 2022

TFFR:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, closed
Remaining amortization Period	22 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, 2022

RHIC

Valuation Date	July 1, 2022
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	6.50%
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 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

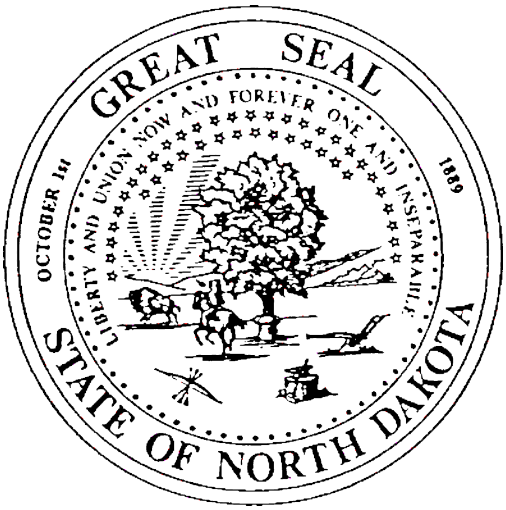
	Public Employees Retirement System	Highway Patrolmen's Retirement System	Job Service North Dakota	Teachers' Fund for Retirement	Retiree Health Insurance Credit Fund
2022	(6.32)%	(6.50)%	(5.55)%	(6.17)%	(14.48)%
2021	27.43 %	23.90 %	6.81 %	26.36 %	25.58 %
2020	3.57 %	3.28 %	3.09 %	3.37 %	5.37 %
2019	5.69 %	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 %
2013	13.52 %	13.38 %	12.07 %	13.60 %	0.00 %

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Required Supplementary Information
Information About the State's Pension and Other Post Employment Benefit Plans
For the Fiscal Year Ended June 30, 2022

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.

935-Legacy Bond Program
Legacy Bond Program through the Bank of North Dakota to be used for infrastructure projects and programs.

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.

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

	Perm Trust Fund			Debt Service Funds			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	$ 2,695,490	$ 188,618	$ 2,884,108	$ 30,000	$ 300,198,000	$ 300,228,000	$ 5,532,000	$ 308,644,108
Cash and Cash Equivalents	—	141,784	141,784	—	—	—	—	141,784
Investments at the Bank of ND	—	90,000	90,000	663,000	13,385,000	14,048,000	—	14,138,000
Investments	39,798,078	6,877,070	46,675,148	—	—	—	—	46,675,148
Accounts Receivable - Net	—	4	4	—	—	—	—	4
Taxes Receivable - Net	127,364	464	127,828	—	—	—	—	127,828
Interest Receivable - Net	46,992	13,598	60,590	—	—	—	—	60,590
Due from Other Funds	—	11	11	—	—	—	—	11
Loans and Notes Receivable - Net	36,197,749	—	36,197,749	—	—	—	—	36,197,749
Total Assets	78,865,673	7,311,549	86,177,222	693,000	313,583,000	314,276,000	5,532,000	405,985,222
DEFERRED OUTFLOWS OF RESOURCES								
Total Deferred Outflows of Resources	—	—	—	—	—	—	—	—
Total Assets and Deferred Outflows of Resources	$ 78,865,673	$ 7,311,549	$ 86,177,222	$ 693,000	$ 313,583,000	$ 314,276,000	$ 5,532,000	$ 405,985,222
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts Payable	4,134	4,237	8,371	—	121,000	121,000	—	129,371
Accrued Payroll	—	—	—	—	—	—	—	—
Securities Lending Collateral	8,231,482	—	8,231,482	—	—	—	—	8,231,482
Due to Other Funds	166,877	—	166,877	—	—	—	1,415,000	1,581,877
Total Liabilities	8,402,493	4,237	8,406,730	—	121,000	121,000	1,415,000	9,942,730
DEFERRED INFLOWS OF RESOURCES								
Total Deferred Inflows of Resources	—	—	—	—	—	—	—	—
Fund Balances:								
Nonspendable	70,296,156	6,998,208	77,294,364	—	—	—	—	77,294,364
Restricted			—	693,000	313,462,000	314,155,000	4,117,000	318,272,000
Committed	167,024	309,104	476,128	—		—	—	476,128
Total Fund Balances	70,463,180	7,307,312	77,770,492	693,000	313,462,000	314,155,000	4,117,000	396,042,492
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 78,865,673	$ 7,311,549	$ 86,177,222	$ 693,000	$ 313,583,000	$ 314,276,000	$ 5,532,000	$ 405,985,222

STATE OF NORTH DAKOTA

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2022

	Perm Trust Fund			Debt Service Funds			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	$ —	$ 31,323	$ 31,323	$ —	$ —	$ —	$ —	$ 31,323
Oil, Gas, and Coal Taxes	1,493,992	—	1,493,992	—	—	—	—	1,493,992
Licenses, Permits and Fees	—	15,945	15,945	—	—	—	—	15,945
Sales and Services	—	8,260	8,260	—	—	—	—	8,260
Interest and Investment Income (Loss)	(455,261)	(747,802)	(1,203,063)	2,000	6,000	8,000	21,355	(1,173,708)
Miscellaneous	—	33,672	33,672	—	—	—	—	33,672
Total Revenues	1,038,731	(658,602)	380,129	2,000	6,000	8,000	21,355	409,484
EXPENDITURES								
Current:								
General Government	39,913	68,960	108,873	—	—	—	—	108,873
Health and Human Services	—	144,567	144,567	—	—	—	—	144,567
Regulatory	—	—	—	—	—	—	—	—
Capital Outlay	—	—	—	—	—	—	—	—
Debt Service:								
Principal	—	—	—	7,185,000	—	7,185,000	—	7,185,000
Interest and Other Charges	—	—	—	4,842,000	—	4,842,000	—	4,842,000
Total Expenditures	39,913	213,527	253,440	12,027,000	—	12,027,000	—	12,280,440
Revenues over (under) Expenditures	998,818	(872,129)	126,689	(12,025,000)	6,000	325,424,000	21,355	(11,870,956)
OTHER FINANCING SOURCES (USES)								
Bonds and Notes Issued	—	—	—	—	389,842,000	389,842,000	—	389,842,000
Bond and Note Cost of Issuance	—	—	—	—	(1,886,000)	(1,886,000)	—	(1,886,000)
Transfers In	—	—	—	11,968,000	—	11,968,000	—	11,968,000
Transfers Out	(1,653,309)	—	(1,653,309)	—	(74,500,000)	(74,500,000)	(25,308,000)	(101,461,309)
Total Other Financing Sources (Uses)	(1,653,309)	—	(1,653,309)	11,968,000	313,456,000	325,424,000	(25,308,000)	298,462,691
Net Change in Fund Balances	(654,491)	(872,129)	(1,526,620)	(57,000)	313,462,000	313,405,000	(25,286,645)	286,591,735
Fund Balances - Beginning of Year	71,117,671	8,179,441	79,297,112	750,000		750,000	29,403,645	109,450,757
Fund Balances - End 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

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.

909 – Small Employer Loan Fund (SELF)
The Small Employer Loan Fund was established by Bank of North Dakota to assist local financial institutions and certified development corporations in providing loans to assist very small North Dakota businesses in their recovery from the negative impacts caused by the COVID-19 pandemic.

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.

STATE OF NORTH DAKOTA

Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2022

	Addiction Counselor Internship Loan	Agriculture Diversification Development Fund	Bonding	Clean Sustainable Energy Loan Fund	Edutech	Fire and Tornado	Guaranteed Student Loan
ASSETS							
Current Assets:							
Cash Deposits at the Bank of ND	$ 105,698	$ 9,625,000	$ 1,047,657	$ 67,000	$ 637,549	$ 1,576,237	$ 51,724,906
Cash and Cash Equivalents	—	—	685,065	—	—	802,187	—
Investments at the Bank of ND	—	—	—	—	—	—	—
Investments	—	—	1,976,323	—	—	17,135,502	—
Accounts Receivable - Net	—	—	159,601	—	9,817	38	—
Interest Receivable - Net	1,370	—	24,060	12,000	—	138,890	—
Intergovernmental Receivable - Net	—	—	—	—	—	—	—
Due from Other Funds	—	—	—	—	—	—	217,058
Due from Fiduciary Funds	—	—	—	—	—	—	—
Prepaid Items	—	—	—	—	—	342,065	—
Inventory	—	—	—	—	—	—	—
Loans and Notes Receivable - Net	3,938	—	—	—	—	—	—
Other Assets	—	—	—	—	—	—	—
Restricted Cash at the Bank of ND	—	—	—	—	210,000	—	2,227
Restricted Cash and Cash Equivalents	—	—	—	—	—	—	—
Restricted Investments at the Bank of ND	—	—	—	—	—	—	—
Restricted Loans Receivable - Net	—	—	—	—	—	—	—
Total Current Assets	111,006	9,625,000	3,892,706	79,000	857,366	19,994,919	51,944,191
Noncurrent Assets:							
Loans and Notes Receivable - Net	74,128	—	—	14,250,000	—	—	—
Other Noncurrent Assets	—	—	—	—	—	—	—
Capital Assets:							
Nondepreciable	—	—	—	—	—	—	—
Depreciable, Net	—	—	—	—	—	—	—
Total Noncurrent Assets	74,128	—	—	14,250,000	—	—	—
Total Assets	185,134	9,625,000	3,892,706	14,329,000	857,366	19,994,919	51,944,191
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	—	—	261	—	26,686	352	—
Accrued Payroll	—	—	—	—	21,556	—	—
Securities Lending Collateral	—	—	22,829	—	—	154,226	—
Interest Payable	—	—	1,382	94,000	—	7,506	—
Intergovernmental Payable	—	—	—	—	—	3,859	—
Due to Other Funds	—	—	—	15,019,000	14,399	—	5,000
Claims/Judgments Payable	—	—	134,068	—	—	1,693,827	—
Compensated Absences Payable	—	—	—	—	—	—	—
Leases Payable	—	—	—	—	—	—	—
Bonds Payable	—	—	—	—	—	—	—
Unearned Revenue	—	—	—	—	—	—	—
Other Current Liabilities	—	—	—	—	—	—	3,432,227
Total Current Liabilities	—	—	158,540	15,113,000	62,641	1,859,770	3,437,227
Noncurrent Liabilities:							
Compensated Absences Payable	—	—	—	—	—	—	—
Leases Payable	—	—	—	—	—	—	—
Bonds Payable	—	—	—	—	—	—	—
Financial Derivative Instrument	—	—	—	—	—	—	—
Net Pension Liability	—	—	—	—	—	—	—
Net Pension OPEB	—	—	—	—	—	—	—
Other Noncurrent Liabilities	—	—	—	—	—	—	28,123,334
Total Noncurrent Liabilities	—	—	—	—	—	—	28,123,334
Total Liabilities	—	—	158,540	15,113,000	62,641	1,859,770	31,560,561
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	—	—	—	—	—	—	2,227
Unrestricted	185,134	9,625,000	3,734,166	(784,000)	794,725	18,135,149	20,381,403
Total Net Position	$ 185,134	$ 9,625,000	$ 3,734,166	$ (784,000)	$ 794,725	$ 18,135,149	$ 20,383,630

(Continued on Next Page)

HIT Planning Loan 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
$ —	$ 20,804,000	$ 21,582,006	$ 12,029,000	$ 7,043,000	$ 316,382	$ 1,452,713	$ 6,555,508	$ 11,659,599	$ 50,227,000
—	—	—	—	—	—	1,635,593	—	500	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	30,368,921	—	—	—
—	—	415,672	—	—	100,614,091	26,258,022	—	958,825	—
712	777,000	—	—	25,000	—	—	37,264	—	1,517,000
—	—	—	—	—	—	—	—	—	—
—	—	625,520	—	—	—	—	—	50,628	—
—	—	—	—	—	—	92,105	—	—	—
—	—	—	—	—	1,755,016	—	—	31,708	—
—	—	—	—	—	39,864,086	—	—	2,462,647	—
662,393	5,992,000	—	5,524,000	2,041,000	—	—	4,424,788	—	19,674,000
—	—	—	—	—	—	20,668	—	1,201	—
5,237,842	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
5,900,947	27,573,000	22,623,198	17,553,000	9,109,000	142,549,575	59,828,022	11,017,560	15,165,108	71,418,000
478,928	103,033,000	—	11,297,000	41,386,000	—	—	33,300,157	—	238,751,000
—	—	—	—	—	934,959	—	—	—	—
—	—	13,431,592	—	—	27,925,374	—	—	—	—
—	—	15,423,326	—	—	131,020,462	123,759	—	1,345,066	—
478,928	103,033,000	28,854,918	11,297,000	41,386,000	159,880,795	123,759	33,300,157	1,345,066	238,751,000
6,379,875	130,606,000	51,478,116	28,850,000	50,495,000	302,430,370	59,951,781	44,317,717	16,510,174	310,169,000
—	—	—	—	—	5,747,088	—	—	—	—
—	—	—	—	—	10,794,194	—	—	1,852,383	—
—	—	—	—	—	289,684	—	—	43,362	—
—	—	—	—	—	16,830,966	—	—	1,895,745	—
1,887	—	2,280,310	—	—	37,474,270	159,293	6,513	176,760	—
—	—	19,923	—	—	820,481	90,779	—	397,766	—
—	—	—	—	—	—	—	—	—	—
—	—	17,450	—	—	—	—	—	—	—
—	—	2,416	—	—	—	—	—	—	—
—	138,000	20,092,132	20,000	56,000	109,453,776	25,473	16,169,985	24,418	332,000
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	95,369	7,370	—	—	—
—	—	41,583	—	—	7,262,977	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
1,887	138,000	22,453,814	20,000	56,000	155,106,873	282,915	16,176,498	598,944	332,000
—	—	—	—	—	1,044,049	76,284	—	—	—
—	—	5,245,505	—	—	15,013,953	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	5,747,088	—	—	—	—
—	—	—	—	—	8,474,445	—	—	1,435,467	—
—	—	—	—	—	427,768	—	—	77,197	—
—	—	—	—	—	—	—	—	—	—
—	—	5,245,505	—	—	30,707,303	76,284	—	1,512,664	—
1,887	138,000	27,699,319	20,000	56,000	185,814,176	359,199	16,176,498	2,111,608	332,000
—	—	—	—	—	16,388,877	—	—	2,769,541	—
—	—	—	—	—	158,289	—	—	30,540	—
—	—	—	—	—	16,547,166	—	—	2,800,081	—
—	—	28,854,918	—	—	136,668,905	123,759	—	1,345,066	—
—	—	—	—	—	—	—	—	—	—
5,237,842	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
1,140,146	130,468,000	(5,076,121)	28,830,000	50,439,000	(19,768,911)	59,468,823	28,141,219	12,149,164	309,837,000
$ 6,377,988	$ 130,468,000	$ 23,778,797	$ 28,830,000	$ 50,439,000	$ 116,899,994	$ 59,592,582	$ 28,141,219	$ 13,494,230	$ 309,837,000

STATE OF NORTH DAKOTA

Combining Statement of Net Position
Nonmajor Enterprise Funds (Continued)
June 30, 2022

	Small Employer Loan Fund	State Fair	State Lottery Fund	Student Loan	Unemployment Compensation	Water Infrastructure Revolving Loan Fund	Total
ASSETS							
Current Assets:							
Cash Deposits at the Bank of ND	$ —	$ 7,748,171	$ 7,361,549	$ —	$ 571,842	$ 28,665,000	$ 240,799,817
Cash and Cash Equivalents	—	—	537,526	—	255,642,174	—	259,303,045
Investments at the Bank of ND	—	2,000,000	—	—	—	—	2,000,000
Investments	—	—	—	—	—	—	49,480,746
Accounts Receivable - Net	—	28,676	271,758	—	23,787,841	—	152,504,341
Interest Receivable - Net	—	—	—	—	1,021,240	226,000	3,780,536
Intergovernmental Receivable - Net	—	—	—	—	567,319	—	567,319
Due from Other Funds	—	—	—	9,000	—	—	902,206
Due from Fiduciary Funds	—	—	—	—	—	—	92,105
Prepaid Items	—	59,729	11,710	—	—	—	2,200,228
Inventory	—	—	—	—	—	—	42,326,733
Loans and Notes Receivable - Net	—	—	—	—	—	2,764,000	41,086,119
Other Assets	—	—	—	—	—	—	21,869
Restricted Cash at the Bank of ND	—	—	—	—	—	—	5,450,069
Restricted Cash and Cash Equivalents	—	—	—	677,000	—	—	677,000
Restricted Investments at the Bank of ND	—	—	—	1,000,000	—	—	1,000,000
Restricted Loans Receivable - Net	—	—	—	139,000	—	—	139,000
Total Current Assets	—	9,836,576	8,182,543	1,825,000	281,590,416	31,655,000	802,331,133
Noncurrent Assets:							
Loans and Notes Receivable - Net	—	—	—	409,000	—	32,379,000	475,358,213
Other Noncurrent Assets	—	—	1,397,053	—	—	—	2,332,012
Capital Assets:							
Nondepreciable	—	741,502	—	—	—	—	42,098,468
Depreciable, Net	—	21,114,179	184,351	—	—	—	169,211,143
Total Noncurrent Assets	—	21,855,681	1,581,404	409,000	—	32,379,000	688,999,836
Total Assets	—	31,692,257	9,763,947	2,234,000	281,590,416	64,034,000	1,491,330,969
DEFERRED OUTFLOWS OF RESOURCES							
Decrease in Fair Value of Hedging Derivatives	—	—	—	—	—	—	5,747,088
Derived from Pensions	—	1,255,306	779,352	—	—	—	14,681,235
Derived from OPEB	—	13,624	17,376	—	—	—	364,046
Total Deferred Outflows of Resources	—	1,268,930	796,728	—	—	—	20,792,369
LIABILITIES							
Current Liabilities:							
Accounts Payable	—	73,759	618,684	—	7,233,911	—	48,052,686
Accrued Payroll	—	—	85,897	—	—	—	1,436,402
Securities Lending Collateral	—	—	—	—	—	—	177,055
Interest Payable	—	—	—	—	—	—	120,338
Intergovernmental Payable	—	—	—	—	1,383,819	—	1,390,094
Due to Other Funds	—	—	5,620,320	3,000	51,742	44,000	167,069,245
Claims/Judgments Payable	—	—	—	—	—	—	1,827,895
Compensated Absences Payable	—	70,000	—	—	—	—	172,739
Leases Payable	—	—	40,995	—	—	—	7,345,555
Bonds Payable	—	130,000	—	—	—	—	130,000
Unearned Revenue	—	—	312,495	—	—	—	312,495
Other Current Liabilities	—	—	—	—	—	—	3,432,227
Total Current Liabilities	—	273,759	6,678,391	3,000	8,669,472	44,000	231,466,731
Noncurrent Liabilities:							
Compensated Absences Payable	—	34,683	59,764	—	—	—	1,214,780
Leases Payable	—	—	134,637	—	—	—	20,394,095
Bonds Payable	—	1,155,014	—	1,000,000	—	—	2,155,014
Financial Derivative Instrument	—	—	—	—	—	—	5,747,088
Net Pension Liability	—	956,363	630,842	—	—	—	11,497,117
Net Pension OPEB	—	44,093	34,963	—	—	—	584,021
Other Noncurrent Liabilities	—	—	—	—	—	—	28,123,334
Total Noncurrent Liabilities	—	2,190,153	860,206	1,000,000	—	—	69,715,449
Total Liabilities	—	2,463,912	7,538,597	1,003,000	8,669,472	44,000	301,182,180
DEFERRED INFLOWS OF RESOURCES							
Derived from Pensions	—	2,008,252	1,223,309	—	—	—	22,389,979
Derived from OPEB	—	25,910	14,346	—	—	—	229,085
Total Deferred Inflows of Resources	—	2,034,162	1,237,655	—	—	—	22,619,064
Net Position							
Net Investment in Capital Assets	—	20,570,667	8,719	—	—	—	187,572,034
Restricted for:							
Debt Service	—	—	—	815,000	—	—	815,000
Loan Purposes	—	—	—	—	—	—	5,237,842
Unemployment Compensation	—	—	—	—	272,920,944	—	272,920,944
Other	—	—	1,397,053	—	—	—	1,399,280
Unrestricted	—	7,892,446	378,651	416,000	—	63,990,000	720,376,994
Total Net Position	$ —	$ 28,463,113	$ 1,784,423	$ 1,231,000	$ 272,920,944	$ 63,990,000	$ 1,188,322,094



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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, 2022

	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	$ —	$ —	$ 51,838	$ —	$ 616,197	$ 1,947,706	$ 3,953,206
Royalties and Rents	—	—	—	—	—	—	—
Interest and Investment Income	2,938	—	—	79,000	—	—	—
Miscellaneous	—	—	—	—	—	—	—
Total Operating Revenues	2,938	—	51,838	79,000	616,197	1,947,706	3,953,206
OPERATING EXPENSES							
Cost of Sales and Services	—	—	—	—	—	—	—
Salaries and Benefits	—	—	—	—	201,455	—	—
Operating	6,010	375,000	—	769,000	566,761	597,855	4,133,848
Claims	—	—	3,460	—	—	2,290,676	—
Interest	—	—	—	94,000	—	—	—
Depreciation	—	—	—	—	—	—	—
Miscellaneous	—	—	4,985	—	—	105,974	—
Total Operating Expenses	6,010	375,000	8,445	863,000	768,216	2,994,505	4,133,848
Operating Income (Loss)	(3,072)	(375,000)	43,393	(784,000)	(152,019)	(1,046,799)	(180,642)
NONOPERATING REVENUES (EXPENSES)							
Grants and Contracts	—	—	—	—	—	—	—
Interest and Investment Income (Loss)	72	—	(236,700)	—	—	(2,426,912)	42,070
Interest Expense	—	—	(3,621)	—	—	(34,962)	—
Gain (Loss) on Sale of Capital Assets	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—
Total Nonoperating Revenues (Expenses)	72	—	(240,321)	—	—	(2,461,874)	42,070
Income (Loss) Before Contributions and Transfers	(3,000)	(375,000)	(196,928)	(784,000)	(152,019)	(3,508,673)	(138,572)
Transfers In	—	10,000,000	—	—	—	—	—
Transfer Out	—	—	—	—	—	—	—
Change in Net Position	(3,000)	9,625,000	(196,928)	(784,000)	(152,019)	(3,508,673)	(138,572)
Total Net Position - Beginning of Year, as Restated	188,134		3,931,094	—	946,744	21,643,822	20,522,202
Total Net Position - End of Year	$ 185,134	$ 9,625,000	$ 3,734,166	$ (784,000)	$ 794,725	$ 18,135,149	$ 20,383,630

(Continued on Next Page)

HIT Planning Loan 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
$ —	$ —	$ 9,562,781	$ —	$ —	$ 392,463,149	$ 383,959,307	$ —	$ 9,783,869
—	—	—	—	—	—	—	—	138,283
23,769	2,196,000	—	—	455,000	—	—	440,991	—
—	—	—	—	—	—	1,977	345,198	106,765
23,769	2,196,000	9,562,781	—	455,000	392,463,149	383,961,284	786,189	10,028,917
—	—	—	—	—	337,669,537	—	—	5,932,906
—	—	235,953	—	—	21,980,915	1,078,063	—	2,499,703
9,055	648,000	11,033,591	391,000	234,000	9,972,377	357,549,342	324,664	904,560
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	—	2,148,115	—	—	6,446,563	28,632	—	191,248
—	—	—	—	—	—	—	—	—
9,055	648,000	13,417,659	391,000	234,000	376,069,392	358,656,037	324,664	9,528,417
14,714	1,548,000	(3,854,878)	(391,000)	221,000	16,393,757	25,305,247	461,525	500,500
—	—	—	—	—	—	—	—	—
—	13,000	17,254	9,000	5,000	3,298	(1,690,154)	3,048	—
—	—	(278,810)	—	—	(1,842,941)	—	(30,650)	—
—	—	—	—	—	(60,479)	—	—	5,910
—	—	—	—	—	184,154	(162,500)	—	—
—	13,000	(261,556)	9,000	5,000	(1,715,968)	(1,852,654)	(27,602)	5,910
14,714	1,561,000	(4,116,434)	(382,000)	226,000	14,677,789	23,452,593	433,923	506,410
—	2,144,000	—	15,000,000	—	—	—	27,570,085	—
(3,000,000)	—	—	—	—	(7,705,839)	—	—	—
(2,985,286)	3,705,000	(4,116,434)	14,618,000	226,000	6,971,950	23,452,593	28,004,008	506,410
9,363,274	126,763,000	27,895,231	14,212,000	50,213,000	109,928,044	36,139,989	137,211	12,987,820
$ 6,377,988	$ 130,468,000	$ 23,778,797	$ 28,830,000	$ 50,439,000	$ 116,899,994	$ 59,592,582	$ 28,141,219	$ 13,494,230

Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Nonmajor Enterprise Funds (Continued)
For the Fiscal Year Ended June 30, 2022

	School Construction Assistance Loan Fund	Small Employer Loan Fund	State Fair	State Lottery Fund	Student Loan	Unemployment Compensation	Water Infrastructure Revolving Loan Fund	Total
OPERATING REVENUES								
Sales and Services	$ —	$ —	$ 6,549,707	$ 29,329,209	$ —	$ 82,240,700	$ —	$ 920,457,669
Royalties and Rents	—	—	—	—	—	—	—	138,283
Interest and Investment Income	4,843,000	—	—	—	35,000	—	935,000	9,010,698
Miscellaneous	—	—	—	—	—	—	—	453,940
Total Operating Revenues	4,843,000	—	6,549,707	29,329,209	35,000	82,240,700	935,000	930,060,590
OPERATING EXPENSES								
Cost of Sales and Services	—	—	—	—	—	—	—	343,602,443
Salaries and Benefits	—	—	1,845,024	1,062,179	—	—	—	28,903,292
Operating	1,346,000	915	4,295,707	20,856,121	15,000	—	424,000	414,452,806
Claims	—	—	—	—	—	75,427,408	—	77,721,544
Interest	—	—	—	7,259	10,000	—	—	111,259
Depreciation	—	—	1,205,732	36,585	—	—	—	10,056,875
Miscellaneous	—	—	—	—	—	—	—	110,959
Total Operating Expenses	1,346,000	915	7,346,463	21,962,144	25,000	75,427,408	424,000	874,959,178
Operating Income (Loss)	3,497,000	(915)	(796,756)	7,367,065	10,000	6,813,292	511,000	55,101,412
NONOPERATING REVENUES (EXPENSES)								
Grants and Contracts	—	—	3,014,696	—	—	—	—	3,014,696
Interest and Investment Income (Loss)	29,000	—	17,699	4,841	1,000	4,151,797	—	(56,687)
Interest Expense	—	—	(49,012)	—	—	—	—	(2,239,996)
Gain (Loss) on Sale of Capital Assets	—	—	—	—	—	—	—	(54,569)
Other	—	—	(451)	—	—	—	—	21,203
Total Nonoperating Revenues (Expenses)	29,000	—	2,982,932	4,841	1,000	4,151,797	—	684,647
Income (Loss) Before Contributions and Transfers	3,526,000	(915)	2,186,176	7,371,906	11,000	10,965,089	511,000	55,786,059
Transfers In	—	—	271,417	—	—	—	27,061,000	82,046,502
Transfer Out	(1,050,000)	(27,570,085)	—	(6,720,000)	—	—	—	(46,045,924)
Change in Net Position	2,476,000	(27,571,000)	2,457,593	651,906	11,000	10,965,089	27,572,000	91,786,637
Total Net Position - Beginning of Year, as Restated	307,361,000	27,571,000	26,005,520	1,132,517	1,220,000	261,955,855	36,418,000	1,096,535,457
Total Net Position - End of Year	$ 309,837,000	$ —	$ 28,463,113	$ 1,784,423	$ 1,231,000	$ 272,920,944	$ 63,990,000	$ 1,188,322,094



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STATE OF NORTH DAKOTA

Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2022

	Addiction Counselor Internship Loan	Agriculture Diversification Development Fund	Bonding	Clean Sustainable Energy Loan Fund	Edutech	Fire and Tornado	Guaranteed Student Loan
Cash Flows from Operating Activities:							
Receipts from Customers and Users	$ —	$ —	$ 38,471	$ —	$ 613,739	$ 1,953,417	$ 3,733,839
Interest Income on Loans	—	—	—	—	—	—	—
Receipts from Loan Principal Repayments	—	—	—	—	—	—	1,872,170
Receipts from Other Funds	—	—	—	—	—	—	—
Receipts from Others	—	—	—	—	—	—	—
Payments to Other Funds	—	—	—	—	—	(556)	—
Payments for Loan Funds	—	—	—	—	—	—	(3,086,812)
Payments to Suppliers	—	—	(5)	—	(579,011)	(597,902)	(850,474)
Payments to Employees	—	—	382	—	(195,282)	—	—
Claim Payments	—	—	(3,460)	—	—	(2,511,665)	—
Payments to Others	(6,010)	(375,000)	—	—	—	—	—
Other	—	—	—	—	—	—	—
Net Cash Provided by (Used for) Operating Activities	(6,010)	(375,000)	35,388	—	(160,554)	(1,156,706)	1,668,723
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	—	10,000,000	—	—	—	—	—
Transfers Out	—	—	—	—	—	—	—
Principal Payments on Due To Other Funds	—	—	—	—	—	—	—
Grants Received	—	—	—	—	—	—	—
Net Cash Provided by (Used for) Noncapital Financing Activities	—	10,000,000	—	—	—	—	—
Cash Flows from Capital and Related Financing Activities:							
Acquisition and Construction of Capital Assets	—	—	—	—	—	—	—
Proceeds from Bonds	—	—	—	15,000,000		—	—
Principal Payments - Bonds	—	—	—	—	—	—	—
Interest Payments - Bonds	—	—	—	—	—	—	—
Payment of Bond Issue Costs	—	—	—	—	—	—	—
Principal Payments on Lease Payable	—	—	—	—	—	—	—
Interest Paid on Lease Payable	—	—	—	—	—	—	—
Net Cash Provided by (Used for) Capital and Related Financing Activities	—	—	—	15,000,000	—	—	—
Cash Flows from Investing Activities:							
Proceeds from Sale and Maturities of Investment Securities	—	—	—	—	—	—	—
Purchase of Investment Securities	—	—	—	—	—	—	—
Net Increase (Decrease) In Investments	—	—	142,308	—	—	3,419,466	—
Interest and Dividends on Investments	72	—	(242,041)	—	—	(2,479,834)	42,070
Net Increase (Decrease) In Loans	—	—	—	(15,000,000)	—	—	—
Disbursements for Loans and Loan Purchases	(7,500)	—	—	—	—	—	—
Receipt of Loan Principal Repayments	—	—	—	—	—	—	—
Proceeds from Collection of Loans and Notes Receivable	21,497	—	—	—	—	—	—
Loan Income Received	1,717	—	—	67,000	—	—	—
Net Cash Provided by (Used for) Investing Activities	15,786	—	(99,733)	(14,933,000)	—	939,632	42,070
Net Change in Cash:							
Net Increase (Decrease) in Cash and Cash Equivalents	9,776	9,625,000	(64,345)	67,000	(160,554)	(217,074)	1,710,793
Cash and Cash Equivalents at June 30, 2021	95,922	—	1,797,067	—	1,008,103	2,595,498	50,016,340
Cash and Cash Equivalents at June 30, 2022	$ 105,698	$ 9,625,000	$ 1,732,722	$ 67,000	$ 847,549	$ 2,378,424	$ 51,727,133
Reconciliation:							
Current:							
Cash Deposits at the Bank of North Dakota	105,698	9,625,000	1,047,657	67,000	637,549	1,576,237	51,724,906
Cash and Cash Equivalents	—	—	685,065	—	—	802,187	—
Restricted Cash Deposits at the Bank of North Dakota	—	—	—	—	210,000	—	2,227
Restricted Cash and Cash Equivalents	—	—	—	—	—	—	—
Cash and Cash Equivalents	$ 105,698	$ 9,625,000	$ 1,732,722	$ 67,000	$ 847,549	$ 2,378,424	$ 51,727,133

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HIT Planning Loan 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
$ —	$ —	$ 9,503,726	$ —	$ —	$ 425,418,084	$ 331,765,065	$ —	$ 9,535,838	$ —
24,774	—	—	—	—	—	—	—	—	—
803,397	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	415,556	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	(226,692)	(5,463)	—
—	—	—	—	—	—	—	—	—	—
(10,205)	—	(15,864,973)	—	—	(411,798,619)	(357,574,251)	—	(7,012,360)	(1,347,000)
—	—	(235,428)	—	—	(21,541,515)	(1,069,811)	—	(2,387,267)	—
—	—	—	—	—	—	—	—	—	—
—	(543,000)	—	(171,000)	(235,000)	—	—	(102,380)	—	—
—	—	—	—	—	—	26,113,236	—	—	—
817,966	(543,000)	(6,596,675)	(171,000)	(235,000)	(7,922,050)	(765,761)	(329,072)	546,304	(1,347,000)
—	—	—	—	—	65,000,000	—	—	—	—
—	—	—	—	—	(25,653,273)	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	(1,873,608)	—	—	—	—
—	2,144,000	1	15,000,000	—	—	—	1,807,992	—	—
(3,000,000)	—	—	—	—	(7,066,668)	(162,500)	—	—	(1,050,000)
—	—	—	—	—		—	(3,116,039)	—	—
—	—	—	—	—	—	—	—	—	—
(3,000,000)	2,144,000	1	15,000,000	—	30,406,451	(162,500)	(1,308,047)	—	(1,050,000)
—	—	(12,802,705)	—	—	(15,720,219)	(59,550)	—	(169,549)	—
—	—	20,000,000	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	(92,132)	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	(60,620)	—	—	(7,911,957)	—	—	—	—
—	—	(169,228)	—	—	(393,674)	—	—	—	—
—	—	6,875,315	—	—	(24,025,850)	(59,550)	—	(169,549)	—
—	—	—	—	—	—	170,517,419	—	—	—
—	—	—	—	—	—	(168,170,000)	—	—	—
—	—	—	—	—	—	(1,690,154)	—	—	—
—	13,000	17,254	9,000	5,000	3,298	—	3,048	—	29,000
—	—	—	—	—	—	—	—	—	—
—	(14,584,000)	—	(7,823,000)	—	—	—	(150)	—	(15,418,000)
—	—	—	—	—	—	—	—	—	16,214,000
—	6,833,000	—	3,500,000	2,019,000	—	—	7,284,846	—	—
—	2,169,000	—	—	459,000	—	—	462,145	—	4,722,000
—	(5,569,000)	17,254	(4,314,000)	2,483,000	3,298	657,265	7,749,889	—	5,547,000
(2,182,034)	(3,968,000)	295,895	10,515,000	2,248,000	(1,538,151)	(330,546)	6,112,770	376,755	3,150,000
7,419,876	24,772,000	21,286,111	1,514,000	4,795,000	1,854,533	3,418,852	442,738	11,283,344	47,077,000
$ 5,237,842	$ 20,804,000	$ 21,582,006	$ 12,029,000	$ 7,043,000	$ 316,382	$ 3,088,306	$ 6,555,508	$ 11,660,099	$ 50,227,000
—	20,804,000	21,582,006	12,029,000	7,043,000	316,382	1,452,713	6,555,508	11,659,599	50,227,000
—	—	—	—	—	—	1,635,593	—	500	—
5,237,842	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
$ 5,237,842	$ 20,804,000	$ 21,582,006	$ 12,029,000	$ 7,043,000	$ 316,382	$ 3,088,306	$ 6,555,508	$ 11,660,099	$ 50,227,000

Combining Statement of Cash Flows
Nonmajor Enterprise Funds (Continued)
For the Fiscal Year Ended June 30, 2022

	Small Employer 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	$ —	$ 6,632,562	$ 21,209,399	$ 165,000	$ 80,552,431	$ —	$891,121,571
Interest Income on Loans	—	—	—	—	—	—	24,774
Receipts from Loan Principal Repayments	—	—	—	—	—	—	2,675,567
Receipts from Other Funds	—	—	—	—	—	—	415,556
Receipts from Others	—	—	—	—	819,940	—	819,940
Payments to Other Funds	—	—	—	—	—	—	(232,711)
Payments for Loan Funds	—	—	—	—	—	—	(3,086,812)
Payments to Suppliers	—	(4,251,902)	(13,399,144)	(15,000)	(9,853,628)	(154,000)	(823,308,474)
Payments to Employees	—	(1,783,428)	(1,053,096)	—	(2,272,828)	—	(30,538,273)
Claim Payments	—	—	—	—	(65,633,330)	—	(68,148,455)
Payments to Others	—	—	(34,906)	—	(174,910)	—	(1,642,206)
Other	(915)	—	—	—	—	—	26,112,321
Net Cash Provided by (Used for) Operating Activities	(915)	597,232	6,722,253	150,000	3,437,675	(154,000)	(5,787,202)
Cash Flows from Noncapital Financing Activities:							
Proceeds from Sale of Notes and Other Borrowings	—	—	—	—	—	—	65,000,000
Principal Payments - Notes and Other Borrowings	—	—	—	—	—	—	(25,653,273)
Interest Payments - Bonds	—	—	—	(9,000)	—	—	(9,000)
Interest Payments - Notes and Other Borrowings	—	—	—	—	—	—	(1,873,608)
Transfers In	—	—	—	—	—	4,882,000	33,833,993
Transfers Out	(27,570,085)	—	(7,420,000)	—	—	—	(46,269,253)
Principal Payments on Due To Other Funds	—	—	—	—	—	—	(3,116,039)
Grants Received	—	3,286,113	—	—	—	—	3,286,113
Net Cash Provided by (Used for) Noncapital Financing Activities	(27,570,085)	3,286,113	(7,420,000)	(9,000)	—	4,882,000	25,198,933
Cash Flows from Capital and Related Financing Activities:							
Acquisition and Construction of Capital Assets	—	—	—	—	—	—	(28,752,023)
Proceeds from Bonds	—	—	—	—	—	—	35,000,000
Principal Payments - Bonds	—	(130,000)	—	—	—	—	(130,000)
Interest Payments - Bonds	—	(49,012)	—	—	—	—	(141,144)
Payment of Bond Issue Costs	—	(12,711)	—	—	—	—	(12,711)
Principal Payments on Lease Payable	—	—	—	—	—	—	(7,972,577)
Interest Paid on Lease Payable	—	—	—	—	—	—	(562,902)
Net Cash Provided by (Used for) Capital and Related Financing Activities	—	(191,723)	—	—	—	—	(2,571,357)
Cash Flows from Investing Activities:							
Proceeds from Sale and Maturities of Investment Securities	—	—	—	2,000,000	—	—	172,517,419
Purchase of Investment Securities	—	—	—	(2,000,000)	—	—	(170,170,000)
Net Increase (Decrease) In Investments	—	—	—	—	—	—	1,871,620
Interest and Dividends on Investments	—	17,698	3,065	1,000	4,596,087	20,000	2,037,717
Net Increase (Decrease) In Loans	—	—	—	—	—	—	(15,000,000)
Disbursements for Loans and Loan Purchases	—	—	—	—	—	(2,563,000)	(40,395,650)
Receipt of Loan Principal Repayments	—	—	—	—	—	3,118,000	19,332,000
Proceeds from Collection of Loans and Notes Receivable	—	—	—	—	—	—	19,658,343
Loan Income Received	—	—	—	—	—	725,000	8,605,862
Net Cash Provided by (Used for) Investing Activities	—	17,698	3,065	1,000	4,596,087	1,300,000	(1,542,689)
Net Change in Cash:							
Net Increase (Decrease) in Cash and Cash Equivalents	(27,571,000)	3,709,320	(694,682)	142,000	8,033,762	6,028,000	15,297,685
Cash and Cash Equivalents at June 30, 2021	27,571,000	4,038,851	8,593,757	535,000	248,180,254	22,637,000	490,932,246
Cash and Cash Equivalents at June 30, 2022	$ —	$ 7,748,171	$ 7,899,075	$ 677,000	$ 256,214,016	$ 28,665,000	$506,229,931
Reconciliation:							
Current:							
Cash Deposits at the Bank of North Dakota	—	7,748,171	7,361,549	—	571,842	28,665,000	240,799,817
Cash and Cash Equivalents	—	—	537,526	—	255,642,174	—	259,303,045
Restricted Cash Deposits at the Bank of North Dakota	—	—	—	—	—	—	5,450,069
Restricted Cash and Cash Equivalents	—	—	—	677,000	—	—	677,000
Cash and Cash Equivalents	$ —	$ 7,748,171	$ 7,899,075	$ 677,000	$ 256,214,016	$ 28,665,000	$506,229,931

(Continued on Next Page)

Combining Statement of Cash Flows
Nonmajor Enterprise Funds (Continued)
For the Fiscal Year Ended June 30, 2022

	Addiction Counselor Internship Loan	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)	$ (3,072)	$ (375,000)	$ 43,393	$ (784,000)	$ (152,019)	$ (1,046,799)	$ (180,642)
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 Activities	—	—	—	—	—	—	—
Interest Received on Program Loans	—	—	—	(79,000)	—	—	—
Provision for Losses	—	—	—	750,000	—	—	2,215,358
Other	—	—	—	—	—	—	—
Deferred Outflows	—	—	108	—	—	—	—
Deferred Inflows	—	—	274	—	—	—	—
Change in Assets and Liabilities:							
(Increase) Decrease in Accounts Receivable	—	—	(8,382)	—	(7,087)	5,711	(217,058)
(Increase) Decrease in Interest Receivable	(2,938)	—	—	—	—	—	—
(Increase) Decrease in Student Loans Receivable	—	—	—	—	—	—	—
(Increase) Decrease in Due From	—	—	—	—	—	—	—
(Increase) Decrease in Intergovernmental Receivable	—	—	—	—	4,628	—	—
(Increase) Decrease in Notes Receivable	—	—	—	—	—	—	—
(Increase) Decrease in Prepaid Items	—	—	—	—	—	—	—
(Increase) Decrease in Inventories	—	—	—	—	—	—	—
(Increase) Decrease in Other Assets	—	—	—	—	—	—	—
Increase (Decrease) in Accounts Payable	—	—	(5)	—	18,998	(47)	—
Increase (Decrease) in Claims\Judgments Payable	—	—	—	—	—	(115,015)	—
Increase (Decrease) in Intergovernmental Payable	—	—	—	—	—	(556)	—
Increase (Decrease) in Accrued Payroll	—	—	—	113,000	6,173	—	—
Increase (Decrease) in Compensated Absences Payable	—	—	—	—	—	—	—
Increase (Decrease) in Due To	—	—	—	—	(31,247)	—	(146,626)
Increase (Decrease) in Net Pension Liability	—	—	—	—	—	—	—
Increase (Decrease) in Net OPEB Liability	—	—	—	—	—	—	—
Increase (Decrease) in Other Liabilities	—	—	—	—	—	—	(2,309)
Total Adjustments	(2,938)	—	(8,005)	784,000	(8,535)	(109,907)	1,849,365
Net Cash Provided by (Used for) Operating Activities	$ (6,010)	$ (375,000)	$ 35,388	$ —	$ (160,554)	$ (1,156,706)	$ 1,668,723
Noncash Transactions:							
Net Change in Fair Value of Investments	$ —	$ —	$ (263,920)	$ —	$ —	$ (3,444,568)	$ —
Reduction in pension and OPEB liability	—	—	—	—	—	(372,658)	—
Reinstatement of Debt Expense	—	—	—	—	—	—	—
Transfer of non-cash assets from Small Employer Loan Fund	—	—	—	—	—	—	—
Interest Revenue on Prize Reserves	—	—	—	—	—	—	—
Lease for building	—	—	—	—	—	—	—
Loans transferred in from State Water Commission RLF	—	—	—	—	—	—	—
Total Noncash Transactions	$ —	$ —	$ (263,920)	$ —	$ —	$ (3,817,226)	$ —

Combining Statement of Cash Flows
Nonmajor Enterprise Funds (Continued)
For the Fiscal Year Ended June 30, 2022

	HIT Planning Loan 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 (Used for) Operating Activities:						
Operating Income (Loss)	$ 14,714	$ 1,548,000	$ (3,854,878)	$ (391,000)	$ 221,000	$ 16,393,757
Adjustments to Reconcile Operating						
Income to Net Cash Provided by Operating Activities:						
Depreciation	—	—	2,148,115	—	—	6,446,563
Amortization\Accretion	—	—	—	—	—	8,039,792
Reclassification of Interest Revenue\Expense	—	—	—	—	(455,000)	—
Net Depreciation In Fair Value of Investments	—	—	—	—	—	—
Interest Expense Paid on Lease Activities	—	—	—	—	—	393,674
Interest Received on Program Loans	—	(2,196,000)	—	—	—	—
Provision for Losses	—	95,000	—	216,000	—	—
Other	—	—	—	—	—	214,814
Deferred Outflows	—	—	—	—	—	(1,041,722)
Deferred Inflows	—	—	—	—	—	—
Change in Assets and Liabilities:						
(Increase) Decrease in Accounts Receivable	—	—	54,909	—	—	(47,810,255)
(Increase) Decrease in Interest Receivable	1,004	—		—	—	—
(Increase) Decrease in Student Loans Receivable	—	—	—	—	—	—
(Increase) Decrease in Due From	—	10,000	(113,964)	—	(1,000)	—
(Increase) Decrease in Intergovernmental Receivable	—	—	—	—	—	—
(Increase) Decrease in Notes Receivable	803,397	—	—	—	—	—
(Increase) Decrease in Prepaid Items	—	—	—	—	—	(774,523)
(Increase) Decrease in Inventories	—	—	—	—	—	(9,930,072)
(Increase) Decrease in Other Assets	—	—	—	—	—	(113,768)
Increase (Decrease) in Accounts Payable	(1,149)	—	(4,525,114)	—	—	18,822,058
Increase (Decrease) in Claims\Judgments Payable	—	—	—	—	—	—
Increase (Decrease) in Intergovernmental Payable	—	—	(398,084)	—	—	—
Increase (Decrease) in Accrued Payroll	—	—	525	—	—	85,919
Increase (Decrease) in Compensated Absences Payable	—	—	—	—	—	(80,805)
Increase (Decrease) in Due To	—	—	91,816	4,000	—	—
Increase (Decrease) in Net Pension Liability	—	—	—	—	—	1,476,009
Increase (Decrease) in Net OPEB Liability	—	—	—	—	—	—
Increase (Decrease) in Other Liabilities	—	—	—	—	—	(43,491)
Total Adjustments	803,252	(2,091,000)	(2,741,797)	220,000	(456,000)	(24,315,807)
Net Cash Provided by (Used for) Operating Activities	$ 817,966	$ (543,000)	$ (6,596,675)	$ (171,000)	$ (235,000)	$ (7,922,050)
Noncash Transactions:						
Net Change in Fair Value of Investments	$ —	$ —	$ —	$ —	$ —	$ —
Reduction in pension and OPEB liability	—	—	—	—	—	—
Reinstatement of Debt Expense	—	—	—	—	—	—
Transfer of non-cash assets from Small Employer Loan Fund	—	—	—	—	—	—
Interest Revenue on Prize Reserves	—	—	—	—	—	—
Lease for building	—	—	—	—	—	—
Loans transferred in from State Water Commission RLF	—	—	—	—	—	—
Total Noncash Transactions	$ —	$ —	$ —	$ —	$ —	$ —

PERS Uniform Group Insurance	Rebuilders Permanent Loan Program	Roughrider Industries	School Construction Assistance Loan Fund	Small Employer Loan Fund	State Fair	State Lottery Fund	Student Loan	Unemployment Compensation	Water Infrastructure Revolving Loan Fund	Total
$ 25,305,247	$ 461,525	$ 500,501	$ 3,497,000	$ (915)	$ (796,756)	$ 7,367,064	$ 10,000	$ 6,813,292	$ 511,000	$ 55,101,412
28,632	—	191,248	—	—	1,205,732	36,585	—	—	—	10,056,875
—	—	—	—	—	—	—	—	—	—	8,039,792
—	(440,991)	—	(4,843,000)	—	—	—	9,000	—	(935,000)	(6,664,991)
—	—	5,910	—	—	—	—	—	—	—	5,910
—	—	—	—	—	—	—	—		—	393,674
—	—	—	—	—	—	—	—	—	—	(2,275,000)
—	(345,198)	—	—	—	—	—	—	—	244,000	3,175,160
—	—	—	—	—	—	—	—	—	—	214,814
—	—	668,648	—	—	307,336	351,976	—	—	—	286,346
—	—	2,166,574	—	—	1,413,538	949,448	—	—	—	4,529,834
										—
(26,075,610)	—	(186,148)	—	—	82,855	(126,911)	—	(1,481,897)	—	(75,769,873)
—	—	—	—	—	—	—	—	—	—	(1,934)
—	—	—	—	—	—	—	133,000	—	—	133,000
(92,105)	—	108,623	—	—	—	—	(3,000)	—	—	(91,446)
—	—	—	—	—	—	—	—	564,495	—	569,123
—	—	—	—	—	—	—	—	—	—	803,397
—	—	(7,491)	—	—	(4,852)	(1,710)	—	—	—	(788,576)
—	—	(219,219)	—	—	—	—	—	—	—	(10,149,291)
84,732	—	—	—	—	—	(25,824)	—	—	—	(54,860)
(36,902)	(4,408)	36,001	—	—	48,657	(496,329)	—	(328,196)	—	13,533,564
—	—	—	—	—	—	—	—	—	—	(115,015)
11,993	—	—	—	—	—	—	—	(2,042,088)	—	(2,428,735)
4,981	—	(237,767)	—	—	—	(6,650)	—	—	—	(33,819)
3,271	—	—	—	—	13,990	(18,165)	—	—	—	(81,709)
—	—	239,188	(1,000)	—	—	(86,310)	1,000	(87,931)	26,000	8,890
—	—	(2,689,219)	—	—	(1,649,927)	(1,253,727)	—	—	—	(4,116,864)
—	—	(29,526)	—	—	(23,341)	(13,799)	—	—	—	(66,666)
—	—	(1,019)	—	—	—	46,605	—	—	—	(214)
(26,071,008)	(790,597)	45,803	(4,844,000)	—	1,393,988	(644,811)	140,000	(3,375,617)	(665,000)	(60,888,614)
$ (765,761)	$ (329,072)	$ 546,304	$ (1,347,000)	$ (915)	$ 597,232	$ 6,722,253	$ 150,000	$ 3,437,675	$ (154,000)	$ (5,787,202)
$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ (3,708,488)
—	—	—	—	—	—	—	—	—	—	(372,658)
—	30,650	—	—	—	—	—	—	—	—	30,650
—	26,196,016	—	—	—	—	—	—	—	—	26,196,016
—	—	—	—	—	—	1,822	—	—	—	1,822
—	—	—	—	—	—	175,632	—	—	—	175,632
—	—	—	—	—	—	—	—	—	22,134,000	22,134,000
$ —	$ 26,226,666	$ —	$ —	$ —	$ —	$ 177,454	$ —	$ —	$ 22,134,000	$ 44,456,974

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.

STATE OF NORTH DAKOTA

Combining Statement of Net Position
Internal Service Funds
June 30, 2022

	Central Services	Fleet Services	Information Technology Department	Risk Management	Total
ASSETS					
Current Assets:					
Cash Deposits at the Bank of ND	$ 1,240,657	$ 24,540,497	$ 9,961,915	$ 1,700,217	$ 37,443,286
Cash and Cash Equivalents	4,887	—	—	295,955	300,842
Investments at the Bank of ND	—	—	—	172,087	172,087
Investments	—	—	—	6,785,997	6,785,997
Accounts Receivable - Net	17,785	1,661,163	221,506	62,694	1,963,148
Interest Receivable - Net	—	—	—	53,222	53,222
Intergovernmental Receivable - Net	57,142	51,503	1,522,565	—	1,631,210
Due from Other Funds	175,887	2,887,221	10,842,686	7,391	13,913,185
Prepaid Items	11,460	37,892	5,640,748	147,852	5,837,952
Inventory	128,302	—	—	—	128,302
Total Current Assets	1,636,120	29,178,276	28,189,420	9,225,415	68,229,231
Noncurrent Assets:					
Capital Assets:					
Nondepreciable	—	—	—	—	—
Depreciable, Net	1,095,116	90,137,808	9,082,349	136,637	100,451,910
Total Noncurrent Assets	1,095,116	90,137,808	9,082,349	136,637	100,451,910
Total Assets	2,731,236	119,316,084	37,271,769	9,362,052	168,681,141
DEFERRED OUTFLOWS OF RESOURCES					
Derived from Pensions	736,297	1,629,128	32,349,222	415,224	35,129,871
Derived from OPEB	16,743	34,433	743,223	18,364	812,763
Total Deferred Outflow of Resources	753,040	1,663,561	33,092,445	433,588	35,942,634
LIABILITIES					
Current Liabilities:					
Accounts Payable	135,861	1,191,441	3,506,438	28,260	4,862,000
Accrued Payroll	87,614	228,453	3,430,912	37,113	3,784,092
Securities Lending Collateral	—	—	—	65,650	65,650
Interest Payable	1,567	—	50,454	2,584	54,605
Intergovernmental Payable	—	3,425	—	—	3,425
Due to Other Funds	49,239	429,316	678,319	34,958	1,191,832
Claims/Judgments Payable	—	—	—	741,287	741,287
Compensated Absences Payable	5,743	7,337	298,075	4,045	315,200
Notes Payable	—	—	1,227,884	—	1,227,884
Leases Payable	166,349	—	1,655,442	—	1,821,791
Total Current Liabilities	446,373	1,859,972	10,847,524	913,897	14,067,766
Noncurrent Liabilities:					
Claims/Judgments Payable	—	—	—	5,139,814	5,139,814
Compensated Absences Payable	62,786	80,211	3,267,419	48,504	3,458,920
Notes Payable	—	—	345,027	—	345,027
Leases Payable	726,975	—	3,695,765	—	4,422,740
Net Pension Liability	583,201	1,330,547	24,184,258	327,824	26,425,830
Net OPEB Liability	30,212	73,814	1,263,520	43,012	1,410,558
Total Noncurrent Liabilities	1,403,174	1,484,572	32,755,989	5,559,154	41,202,889
Total Liabilities	1,849,547	3,344,544	43,603,513	6,473,051	55,270,655
DEFERRED INFLOWS OF RESOURCES					
Derived from Pensions	1,144,734	2,655,340	46,773,329	639,626	51,213,029
Derived from OPEB	13,812	34,422	517,813	19,067	585,114
Total Deferred Inflow of Resources	1,158,546	2,689,762	47,291,142	658,693	51,798,143
NET POSITION					
Net Investment in Capital Assets	201,791	90,137,809	9,082,348	136,637	99,558,585
Unrestricted	274,392	24,807,530	(29,612,789)	2,527,259	(2,003,608)
Total Net Position	476,183	114,945,339	(20,530,441)	2,663,896	97,554,977

Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2022

	Central Services	Fleet Services	Information Technology Department	Risk Management	Total
OPERATING REVENUES					
Sales and Services	$ 2,542,559	$ 35,193,729	$ 93,596,361	$ 4,365,060	$ 135,697,709
Miscellaneous	—	105,138	—	—	105,138
Total Operating Revenues	2,542,559	35,298,867	93,596,361	4,365,060	135,802,847
OPERATING EXPENSES					
Cost of Sales and Services	926,085	—	—	—	926,085
Salaries and Benefits	1,116,271	2,693,097	44,694,381	500,288	49,004,037
Operating	396,707	19,140,234	50,024,501	482,894	70,044,336
Claims	—	—	—	2,640,009	2,640,009
Interest	—	—	209,515	—	209,515
Depreciation	242,319	9,235,064	4,243,699	39,991	13,761,073
Miscellaneous	—	327,476	—	—	327,476
Total Operating Expenses	2,681,382	31,395,871	99,172,096	3,663,182	136,912,531
Operating Income (Loss)	(138,823)	3,902,996	(5,575,735)	701,878	(1,109,684)
NONOPERATING REVENUES					
Interest and Investment Income (Loss)	—	—	—	(786,881)	(786,881)
Interest Expense	(40,930)	—	—	(13,410)	(54,340)
Gain on Sale of Capital Assets	—	1,340,468	47,360	—	1,387,828
Other	—	—	—	—	—
Total Nonoperating Revenues (Expenses)	(40,930)	1,340,468	47,360	(800,291)	546,607
Income (Loss) Before Contributions and Transfers	(179,753)	5,243,464	(5,528,375)	(98,413)	(563,077)
Transfers In	—	—	—	—	—
Changes in Net Position	(179,753)	5,243,464	(5,528,375)	(98,413)	(563,077)
Total Net Position - Beginning of Year, as restated	655,936	109,701,875	(15,002,066)	2,762,309	98,118,054
Total Net Position - End of Year	$ 476,183	$ 114,945,339	$ (20,530,441)	$ 2,663,896	$ 97,554,977

Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2022

	Central Services	Fleet Services	Information Technology	Risk Management	Total
Cash Flows from Operating Activities:					
Receipts from Customers and Users	$ 729,897	$ 253,681	$ 3,597,912	$ 3,519	$ 4,585,009
Receipts from Other Funds	1,774,555	33,623,451	87,905,846	4,172,242	127,476,094
Payments to Other Funds	—	—	—	(3,557,394)	(3,557,394)
Payments to Suppliers	(1,354,304)	(19,540,941)	(48,329,496)	(611,635)	(69,836,376)
Payments to Employees	(987,785)	(2,833,271)	(41,034,048)	(474,790)	(45,329,894)
Claim Payments	—	—	—	(392,364)	(392,364)
Net Cash Provided by (Used for) Operating Activities	162,363	11,502,920	2,140,214	(860,422)	12,945,075
Cash Flows from Capital and Related Financing Activities:					
Acquisition and Construction of Capital Assets	(30,745)	(13,315,272)	(1,193,968)	—	(14,539,985)
Proceeds from Sale of Capital Assets	—	3,179,463	47,360	—	3,226,823
Principal Payments - Notes and Other Borrowings	—	—	(1,118,681)	—	(1,118,681)
Payment on Leases	(158,558)	—	—	—	(158,558)
Interest Payments - Leases	(40,930)	—	—	—	(40,930)
Principal Payments on Lease Payable	—	—	(1,348,359)	—	(1,348,359)
Net Cash Provided by (Used for) Capital and Related Financing Activities	(230,233)	(10,135,809)	(3,613,648)	—	(13,979,690)
Cash Flows from Investing Activities:					
Proceeds from Sale and Maturities of Investment Securities	—	—	—	364,360	364,360
Interest and Dividends on Investments	—	—	—	235,538	235,538
Net Cash Provided by (Used for) Investing Activities	—	—	—	599,898	599,898
Net Change in Cash:					
Net Increase (Decrease) in Cash and Cash Equivalents	(67,870)	1,367,111	(1,473,434)	(260,524)	(434,717)
Cash and Cash Equivalents at June 30, 2021	1,313,414	23,173,386	11,435,349	2,256,696	38,178,845
Cash and Cash Equivalents at June 30, 2022	$ 1,245,544	$ 24,540,497	$ 9,961,915	$ 1,996,172	$ 37,744,128
Reconciliation:					
Cash Deposits at the Bank of North Dakota	$ 1,240,657	$ 24,540,497	$ 9,961,915	$ 1,700,217	$ 37,443,286
Cash and Cash Equivalents	4,887	—	—	295,955	300,842
Cash and Cash Equivalents	$ 1,245,544	$ 24,540,497	$ 9,961,915	$ 1,996,172	$ 37,744,128
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:					
Operating Income (Loss)	$ (138,823)	$ 3,902,996	$ (5,575,735)	$ 701,878	$ (1,109,684)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:					
Depreciation	242,319	9,235,064	4,243,699	39,991	13,761,073
Deferred Outflows	282,397	1,008,927	13,629,886	181,197	15,102,407
Deferred Inflows	875,081	1,910,878	36,659,189	499,479	39,944,627
Change in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	(2,460)	(1,470,252)	511,498	(51,523)	(1,012,737)
(Increase) Decrease in Due From	(9,285)	(140,568)	(1,637,346)	(1,676)	(1,788,875)
(Increase) Decrease in Intergovernmental Receivable	(9,305)	(19,438)	(966,756)	—	(995,499)
(Increase) Decrease in Prepaid Items	(8,537)	28,088	(598,398)	(147,852)	(726,699)
Increase in Inventories	(4,597)	—	—	—	(4,597)
Increase (Decrease) in Accounts Payable	34,727	(101,318)	—	(113,201)	(179,792)
Increase In Interest Payable	—	—	2,375,257	—	2,375,257
Increase in Claims/Judgments Payable	—	—	—	(1,330,179)	(1,330,179)
Increase (Decrease) in Intergovernmental Payable	—	3,425	—	—	3,425
Increase in Accrued Payroll	719	32,548	321,465	(2,773)	351,959
Increase in Compensated Absences Payable	(3,970)	6,644	(117,143)	(7,161)	(121,630)
Increase (Decrease) in Due To	18,799	205,097	127,662	16,642	368,200
Increase (Decrease) In Net OPEB Liability	(13,373)	(36,099)	(563,198)	17,385	(595,285)
Decrease In Net Pension Liability	(1,101,329)	(3,063,072)	(46,269,866)	(662,629)	(51,096,896)
Total Adjustments	301,186	7,599,924	7,715,949	(1,562,300)	14,054,759
Net Cash Provided by (Used for) Operating Activities	$ 162,363	$ 11,502,920	$ 2,140,214	$ (860,422)	$ 12,945,075
Noncash Transactions:					
Net Change in Fair Value of Investments	—	—	—	(1,042,737)	(1,042,737)
Decrease in Securities Lending Collateral	—	—	—	37,240	37,240
Assumption of Notes Payable	—	—	1,572,911	—	1,572,911
Assets Acquired Through Lease	893,324	—	5,351,207	—	6,244,531
Total Noncash Transactions	$ 893,324	$ —	$ 6,924,118	$ (1,005,497)	$ 6,811,945

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 - City Lodging Tax Suspense
Accounts for city lodging tax collected by the State Tax Commissioner.

435 - City Sales Tax Suspense
Accounts for city sales and use taxes collected by the State Tax Commission.

437 - City Motor Vehicle Rental Tax
Accounts for city motor vehicle rental tax collected by the state tax commissioner.

438 - City Restaurant and Lodge Tax Suspense
A city 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 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 collecting the tax.



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Combining Statement of Fiduciary Net Position
Pension, Investment and Private-Purpose Trust Funds
June 30, 2022

	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	$ 270,116	$ 221,306	$ —	$ 1,340	$ 76,883	$ 1,441,571
Cash and Cash Equivalents	—	—	—	—	—	—
Receivables:						
Contributions Receivable	1,216,019	90,660	730,304	593	545,741	792,296
Accounts Receivable - Net	—	—	—	—	—	—
Taxes Receivable for Other Governments - Net	—	—	—	—	—	—
Interest Receivable - Net	—	—	214,063	199	—	532
Due from Other Funds	—	—	—	—	—	199
Due from Fiduciary Funds	—	—	—	—	—	—
Due from Component Units	—	—	—	—	—	—
Total Receivables	1,216,019	90,660	944,367	792	545,741	793,027
Investments, at Fair Value:						
Investments at the Bank of ND	—	—	—	—	—	—
Equities	—	—	—	—	—	—
Equity Pool	—	—	50,615,327	17,152,361	—	96,887,675
Fixed Income Pool	3,045,746	149,804	21,506,347	68,585,665	—	54,944,364
Cash and Cash Pool	3,293,943	342,385	493,318	518,444	—	498,576
Real Estate Pool	—	—	18,763,032	—	—	—
Mutual Funds	160,978,323	16,279,378	—	—	—	—
Total Investments	167,318,012	16,771,567	91,378,024	86,256,470	—	152,330,615
Invested Securities Lending Collateral	—	—	589,333	—	—	—
Capital Assets (Net of Depreciation)	78,042	485	2,106	623	27,871	71,755
Total Assets	168,882,189	17,084,018	92,913,830	86,259,225	650,495	154,636,968
DEFERRED OUTFLOWS OF RESOURCES						
Derived from Pensions	—	—	—	—	—	—
Total Deferred Outflows of Resources	—	—	—	—	—	—
LIABILITIES						
Accounts Payable	26,686	97	—	81,755	12,915	153,882
Accrued Payroll	35,480	—	—	—	26,893	—
Securities Lending Collateral	—	—	589,333	—	—	—
Due to Local Governments	—	—	—	—	—	—
Tax Refunds Payable	—	—	—	—	—	—
Due to Other Funds	4,018	162	—	—	94,263	14
Amounts Held in Custody for Others	2,000	—	—	—	—	—
Other Deposits	—	—	—	—	—	—
Compensated Absences Payable	28,926	—	—	—	17,833	—
Total Liabilities	97,110	259	589,333	81,755	151,904	153,896
DEFERRED INFLOWS OF RESOURCES						
Derived from Pensions	—	—	—	—	—	—
Unavailable Revenue	—	—	—	—	—	—
Total Deferred Inflows of Resources	—	—	—	—	—	—
NET POSITION						
Net Position Restricted for:						
Pension Benefits	168,785,079	17,083,759	92,324,497	86,177,470	—	154,483,072
Other Employee Benefits	—	—	—	—	498,591	—
External Investment Pool Participants	—	—	—	—	—	—
Individuals, Organizations, and Other Governments	—	—	—	—	—	—
Other Purposes	—	—	—	—	—	—
Total Net Position Restricted for Pension Benefits and Other Purposes	$ 168,785,079	$ 17,083,759	$ 92,324,497	$ 86,177,470	$ 498,591	$ 154,483,072

(Continued on Next Page)

Pension and Other Employee Benefit Trust 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
$ 19,246,161	$ 23,308,382	$ 44,565,759	$ —	$ —	$ —	$ —	$ —
103,993	—	103,993	—	—	—	—	—
11,011,361	31,994,826	46,381,800	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
8,369,490	11,279,712	19,863,996	348,923	3,503	121,650	51,412	525,488
—	—	199	—	—	—	—	—
—	824	824	—	—	—	—	—
—	—	—	—	—	—	—	—
19,380,851	43,275,362	66,246,819	348,923	3,503	121,650	51,412	525,488
—	—	—	—	—	—	—	—
—	1,584,149,652	1,584,149,652	78,627,236	2,385,056	48,090,523	20,061,206	149,164,021
1,993,965,838	—	2,158,621,201	—	—	—	—	—
847,231,911	787,437,048	1,782,900,885	54,070,285	4,205,797	19,621,828	15,520,887	93,418,797
19,434,001	32,514,380	57,095,047	500,742	205,353	776,730	401,836	1,884,661
739,160,400	557,108,366	1,315,031,798	33,935,800	—	12,884,257	3,996,646	50,816,703
—	—	177,257,701	—	—	—	—	—
3,599,792,150	2,961,209,446	7,075,056,284	167,134,063	6,796,206	81,373,338	39,980,575	295,284,182
23,022,445	20,080,497	43,692,275	848,251	61,478	560,831	301,656	1,772,216
174,532	680,999	1,036,413	—	—	—	—	—
3,661,720,132	3,048,554,686	7,230,701,543	168,331,237	6,861,187	82,055,819	40,333,643	297,581,886
—	1,113,188	1,113,188	—	—	—	—	—
—	1,113,188	1,113,188	—	—	—	—	—
2,697,848	4,140,663	7,113,846	85,194	2,212	35,836	14,852	138,094
119,901	—	182,274	—	—	—	—	—
23,022,445	20,080,497	43,692,275	848,251	61,478	560,831	301,656	1,772,216
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
14,068	28,184	140,709	—	—	—	—	—
—	—	2,000	—	—	—	—	—
—	—	—	—	—	—	—	—
93,968	—	140,727	—	—	—	—	—
25,948,230	24,249,344	51,271,831	933,445	63,690	596,667	316,508	1,910,310
—	1,498,287	1,498,287	—	—	—	—	—
—	—	—	—	—	—	—	—
—	1,498,287	1,498,287	—	—	—	—	—
3,635,771,902	3,023,920,243	7,178,546,022	—	—	—	—	—
—	—	498,591	—	—	—	—	—
—	—	—	167,397,792	6,797,497	81,459,152	40,017,135	295,671,576
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
$ 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

Combining Statement of Fiduciary Net Position
Pension, Investment and Private-Purpose Trust Funds (Continued)
June 30, 2022

	Private-Purpose Trust Funds				
	Grain Insolvency Trust Fund	Student and Cultural Donations	Mandan Remediation Trust	College SAVE	Total
ASSETS					
Cash Deposits at the Bank of ND	$ 616,924	$ 422	$ 5,618,915	$ —	$ 6,236,261
Cash and Cash Equivalents	—	—	—	840,394	840,394
Receivables:					
Contributions Receivable	—	—	—	—	—
Accounts Receivable - Net	—	—	—	153,836	153,836
Taxes Receivable for Other Governments - Net	—	—	—	—	—
Interest Receivable - Net	—	5,333	—	—	5,333
Due from Other Funds	—	—	—	—	—
Due from Fiduciary Funds	—	—	—	—	—
Due from Component Units	—	—	—	—	—
Total Receivables	—	5,333	—	153,836	159,169
Investments, at Fair Value:					
Investments at the Bank of ND	—	—	—	—	—
Equities	—	—	—	—	—
Equity Pool	—	—	—	—	—
Fixed Income Pool	—	1,324,232	—	—	1,324,232
Cash and Cash Pool	—	—	—	—	—
Real Estate Pool	—	—	—	—	—
Mutual Funds	—	—	—	647,375,545	647,375,545
Total Investments	—	1,324,232	—	647,375,545	648,699,777
Invested Securities Lending Collateral	—	53,655	—	—	53,655
Capital Assets (Net of Depreciation)	—	—	—	—	—
Total Assets	616,924	1,383,642	5,618,915	648,369,775	655,989,256
DEFERRED OUTFLOWS OF RESOURCES					
Derived from Pensions	—	—	—	—	—
Total Deferred Outflows of Resources	—	—	—	—	—
LIABILITIES					
Accounts Payable	—	189	36,871	1,078,512	1,115,572
Accrued Payroll	—	—	—	—	—
Securities Lending Collateral	—	53,655	—	—	53,655
Due to Local Governments	—	—	—	—	—
Tax Refunds Payable	—	—	—	—	—
Due to Other Funds	—	—	—	—	—
Amounts Held in Custody for Others	—	—	—	—	—
Other Deposits	—	—	—	—	—
Compensated Absences Payable	—	—	—	—	—
Other Liabilities	—	—	—	—	—
Total Liabilities	—	53,844	36,871	1,078,512	1,169,227
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	616,924	1,329,798	5,582,044	647,291,263	654,820,029
Total Net Position Restricted for Pension Benefits and Other Purposes	$ 616,924	$ 1,329,798	$ 5,582,044	$ 647,291,263	$ 654,820,029

Custodial Funds			
Child Support	Student and Other	Tax Collection	Total
$ 5,977,464	$ 4,619,441	$ 28,638,531	$ 39,235,436
—	347,193	—	347,193
—	—	—	—
422,945	952,304	—	1,375,249
—	—	42,288,779	42,288,779
—	25	—	25
—	1,544	—	1,544
—	—	—	—
—	774	—	774
422,945	954,647	42,288,779	43,666,371
—	50,000	—	50,000
—	—	—	—
—	—	—	—
—	—	—	—
—	—	—	—
—	—	—	—
—	—	—	—
—	50,000	—	50,000
—	—	—	—
—	—	—	—
6,400,409	5,971,281	70,927,310	83,299,000
—	—	—	—
—	—	—	—
5,852,257	49,121	—	5,901,378
—	101,299	—	101,299
—	—	—	—
—	—	66,677,285	66,677,285
—	—	77,826	77,826
548,152	—	—	548,152
—	—	—	—
—	20,937	—	20,937
—	—	—	—
—	—	—	—
6,400,409	171,357	66,755,111	73,326,877
—	—	—	—
—	—	4,172,197	4,172,197
—	—	4,172,197	4,172,197
—	—	—	—
—	—	—	—
—	—	—	—
—	5,799,924	—	5,799,924
—	—	2	2
$ —	$ 5,799,924	$ 2	$ 5,799,926

Combining Statement of Changes in Fiduciary Net Position
Pension, Investment and Private-Purpose Trust Funds
For the Fiscal Year Ended June 30, 2022

	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	—	503,267	2,686,795	—	—	12,565,573
Employee	16,032,276	551,993	1,825,729	9,299	6,013,536	12,234
From Participants	—	—	—	—	—	—
Student, Patient, and Inmate Accounts	—	—	—	—	—	—
Tax Collections for Local Governments	—	—	—	—	—	—
Transfers from Other Funds	712,500	1,205	—	—	—	—
Transfers from Other Plans	1,737,082	—	—	—	—	—
Donations	—	—	—	—	—	—
Total Contributions	18,481,858	1,056,465	4,512,524	9,299	6,013,536	12,577,807
Investment Income:						
Net Change in Fair Value of Investments	(27,438,499)	(4,557,395)	(8,022,147)	(7,105,726)	—	(30,112,037)
Interest and Dividends	(205,073)	1,468,973	1,747,872	1,862,254	454	3,893,161
Less Investment Expense	—	5,720	239,010	308,015	—	537,631
Net Investment Income (Loss)	(27,643,572)	(3,094,142)	(6,513,285)	(5,551,487)	454	(26,756,507)
Securities Lending Activity:						
Securities Lending Income	—	—	3,314	—	—	—
Less Securities Lending Expense	—	—	—	—	—	—
Net Securities Lending Income	—	—	3,314	—	—	—
Repurchase Service Credit	—	—	159,747	—	—	456,895
Miscellaneous Income (Expense)	162,500	6,844	62	—	890,175	(1)
Total Additions	(8,999,214)	(2,030,833)	(1,837,638)	(5,542,188)	6,904,165	(13,721,806)
DEDUCTIONS						
Benefits Paid to Participants	9,195,151	782,229	5,840,127	4,865,682	6,125,693	—
Child Support Distributions	—	—	—	—	—	—
Distributions to District Courts	—	—	—	—	—	—
Distributions of Taxes to Local Governments	—	—	—	—	—	—
Student, Patient, and Inmate Accounts	—	—	—	—	—	—
Refunds	—	—	7,897	—	—	2,631
Prefunded Credit Applied	—	—	—	—	—	13,743,479
Transfer to Other Plans	—	—	—	—	550,000	—
Payments in Accordance with Trust Agreements	—	—	—	—	—	—
Administrative Expenses	812,126	6,255	65,650	18,357	551,867	383,458
Total Deductions	10,007,277	788,484	5,913,674	4,884,039	7,227,560	14,129,568
Redemption of Units at $1.00 Per Unit	—	—	—	—	—	—
Net Increase (Decrease) in Fiduciary Net Position	(19,006,491)	(2,819,317)	(7,751,312)	(10,426,227)	(323,395)	(27,851,374)
Net Position - Beginning of Year, as Restated	187,791,570	19,903,076	100,075,809	96,603,697	821,986	182,334,446
Net Position - End of Year	$ 168,785,079	$ 17,083,759	$ 92,324,497	$ 86,177,470	$ 498,591	$ 154,483,072

(Continued on Next Page)

Pension and Other Employee Benefit Trust 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
$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
—	—	—	—	—	—	—	—
96,630,783	100,331,347	212,717,765	—	—	—	—	—
89,633,939	92,462,223	206,541,229	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	713,705	—	—	—	—	—
—	—	1,737,082	—	—	—	—	—
—	—	—	—	—	—	—	—
186,264,722	192,793,570	421,709,781	—	—	—	—	—
(315,774,045)	(248,369,374)	(641,379,223)	(13,341,741)	(1,077,670)	(7,856,274)	(6,685,193)	(28,960,878)
68,878,159	56,305,952	133,951,752	3,330,486	147,667	1,611,620	895,252	5,985,025
9,307,158	6,924,716	17,322,250	425,672	13,148	203,260	104,325	746,405
(256,203,044)	(198,988,138)	(524,749,721)	(10,436,927)	(943,151)	(6,447,914)	(5,894,266)	(23,722,258)
130,680	134,425	268,419	6,673	343	4,094	2,543	13,653
—	26,870	26,870	1,336	68	817	508	2,729
130,680	107,555	241,549	5,337	275	3,277	2,035	10,924
10,249,235	2,017,055	12,882,932	—	—	—	—	—
14,125	25,166	1,098,871	—	—	—	—	—
(59,544,282)	(4,044,792)	(88,816,588)	(10,431,590)	(942,876)	(6,444,637)	(5,892,231)	(23,711,334)
236,144,369	244,705,096	507,658,347	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
15,758,175	7,142,359	22,911,062	—	—	—	—	—
—	—	13,743,479	—	—	—	—	—
163,705	—	713,705	—	—	—	—	—
—	—	—	—	—	—	—	—
2,340,267	2,592,340	6,770,320	—	—	—	—	—
254,406,516	254,439,795	551,796,913	—	—	—	—	—
—	—	—	(3,250,000)	—	(3,176,051)	(3,800,000)	(10,226,051)
(313,950,798)	(258,484,587)	(640,613,501)	(13,681,590)	(942,876)	(9,620,688)	(9,692,231)	(33,937,385)
3,949,722,700	3,282,404,830	7,819,658,114	181,079,382	7,740,373	91,079,840	49,709,366	329,608,961
$ 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

Combining Statement of Changes in Fiduciary Net Position
Pension, Investment and Private-Purpose Trust Funds (Continued)
For the Fiscal Year Ended June 30, 2022

	Private-Purpose Trust Funds				
	Grain Insolvency Trust Fund	Cultural Donations	Remediation Trust	College SAVE	Total
ADDITIONS					
Contributions:					
Child Support Collections	$ —	$ —	$ —	$ —	$ —
Collections for District Courts	—	—	—	—	—
Employer	—	—	—	—	—
Employee	—	—	—	—	—
From Participants	—	—	—	53,659,608	53,659,608
Student, Patient, and Inmate Accounts	—	—	—	—	—
Tax Collections for Local Governments	—	—	—	—	—
Transfers from Other Funds	—	—	—	—	—
Transfers from Other Plans	—	—	—	—	—
Donations	—	—	—	—	—
Total Contributions	—	—	—	53,659,608	53,659,608
Investment Income:					
Net Change in Fair Value of Investments	—	(109,295)	—	39,188,602	39,079,307
Interest and Dividends	573	44,865	8,083	14,018,796	14,072,317
Less Investment Expense	—	2,361	—	—	2,361
Net Investment Income (Loss)	573	(66,791)	8,083	53,207,398	53,149,263
Securities Lending Activity:					
Securities Lending Income	—	211	—	—	211
Less Securities Lending Expense	—	—	—	—	—
Net Securities Lending Income	—	211	—	—	211
Repurchase Service Credit	—	—	—	—	—
Miscellaneous Income (Expense)	616,351	2,459	—	—	618,810
Total Additions	616,924	(64,121)	8,083	106,867,006	107,427,892
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	172,960	55,273,753	55,492,765
Administrative Expenses	—	1,088	45,257	4,129,045	4,175,390
Total Deductions	—	47,140	218,217	59,402,798	59,668,155
Redemption of Units at $1.00 Per Unit	—	—	—	—	—
Net Increase (Decrease) in Fiduciary Net Position	616,924	(111,261)	(210,134)	47,464,208	47,759,737
Net Position - Beginning of Year, as Restated	—	1,441,059	5,792,178	599,827,055	607,060,292
Net Position - End of Year	$ 616,924	$ 1,329,798	$ 5,582,044	$ 647,291,263	$ 654,820,029

Custodial Funds			
Child Support	Students and Other	Tax Collection	Total
$ 134,986,380	$ —	$ —	$ 134,986,380
—	2,664,791	—	2,664,791
—	—	—	—
—	—	—	—
—	8,930	—	8,930
—	6,095,140	—	6,095,140
—	—	332,299,158	332,299,158
—	—	—	—
—	—	—	—
—	2,471,704	—	2,471,704
134,986,380	11,240,565	332,299,158	478,526,103
—	—	—	—
—	25	—	25
—	—	—	—
—	25	—	25
—	—	—	—
—	—	—	—
—	—	—	—
—	—	—	—
—	1,019,934	—	1,019,934
134,986,380	12,260,524	332,299,158	479,546,062
—	4,779	—	4,779
134,986,380	—	—	134,986,380
—	4,052,814	—	4,052,814
—	—	330,824,214	330,824,214
—	6,093,671	—	6,093,671
—	—	38,956	38,956
—	—	—	—
—	—	1	1
—	—	—	—
—	3,364,150	1,435,985	4,800,135
134,986,380	13,515,414	332,299,156	480,800,950
—	—	—	—
—	(1,254,890)	2	(1,254,888)
	7,054,814		7,054,814
$ —	$ 5,799,924	$ 2	$ 5,799,926

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Schedule 1 -- Net Position by Component
Last Ten Fiscal Years

(accrual basis of accounting)

	2013	2014	2015	2016
Governmental Activities				
Net Investment in Capital Assets	$ 2,331,214,264	$ 2,502,234,624	$ 3,622,722,021	$ 4,299,696,899
Restricted	3,786,154,729	4,976,564,822	6,254,673,532	6,246,873,312
Unrestricted	5,597,014,917	7,109,867,360	6,812,545,677	5,781,826,861
Total Governmental Activities Net Position	**$ 11,714,383,910**	**$ 14,588,666,806**	**$ 16,689,941,230**	**$ 16,328,397,072**
Business-Type Activities				
Net Investment in Capital Assets	792,067,993	844,395,270	1,023,384,933	1,155,758,401
Restricted	632,431,958	600,269,799	485,012,106	533,664,273
Unrestricted	1,019,582,872	1,287,315,405	1,439,859,232	1,528,847,402
Total Business-Type Activities Net Position	**$ 2,444,082,823**	**$ 2,731,980,474**	**$ 2,948,256,271**	**$ 3,218,270,076**
Primary Government				
Net Investment in Capital Assets	3,123,282,257	3,346,629,894	4,646,106,954	5,455,455,300
Restricted	4,418,586,687	5,576,834,621	6,739,685,638	6,780,537,585
Unrestricted	6,616,597,789	8,397,182,765	8,252,404,909	7,310,674,263
Total Primary Government Net Position	**$ 14,158,466,733**	**$ 17,320,647,280**	**$ 19,638,197,501**	**$ 19,546,667,148**

2017	2018	2019	2020	2021	2022
$ 4,759,286,304	$ 4,988,838,700	$ 5,185,682,467	$ 5,427,964,743	$ 5,558,196,905	$ 5,673,770,741
6,224,908,099	6,355,103,413	6,639,785,616	6,543,041,908	7,676,068,973	8,029,841,388
5,989,501,438	7,172,275,944	8,786,695,069	9,578,050,070	11,474,698,414	11,480,822,257
$ 16,973,695,841	**$ 18,516,218,057**	**$ 20,612,163,152**	**$ 21,549,056,721**	**$ 24,708,964,292**	**$ 25,184,434,386**
1,223,438,996	1,214,133,386	1,246,740,894	1,243,098,375	1,339,862,982	1,419,736,052
888,080,253	924,610,477	972,887,591	1,374,338,655	1,670,769,520	1,538,720,043
1,633,421,219	1,779,197,611	1,904,500,531	1,952,266,055	1,905,177,868	1,986,232,970
$ 3,744,940,468	**$ 3,917,941,474**	**$ 4,124,129,016**	**$ 4,569,703,085**	**$ 4,915,810,370**	**$ 4,944,689,065**
5,982,725,300	6,202,972,086	6,432,423,361	6,671,063,118	6,898,059,887	7,093,506,793
7,112,988,352	7,279,713,890	7,612,673,207	7,917,380,563	9,346,838,493	9,568,561,431
7,622,922,657	8,951,473,555	10,691,195,600	11,530,316,125	13,379,876,282	13,467,055,227
$ 20,718,636,309	**$ 22,434,159,531**	**$ 24,736,292,168**	**$ 26,118,759,806**	**$ 29,624,774,662**	**$ 30,129,123,451**

Schedule 2 -- Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2013	2014	2015	2016
Expenses				
Governmental Activities:				
General Governmental	$ 889,332,121	$ 1,283,916,089	$ 1,171,207,640	$ 1,055,377,601
Education	875,991,527	1,075,062,067	1,415,255,393	1,175,550,087
Health and Human Services	1,318,899,711	1,433,598,932	1,706,333,172	1,776,822,167
Regulatory	44,813,739	54,727,821	66,743,817	69,084,070
Public Safety and Corrections	209,732,547	243,149,474	249,290,966	227,617,802
Agriculture and Commerce	93,212,834	96,055,152	106,455,113	106,845,611
Natural Resources	114,752,488	119,395,831	236,079,321	321,992,458
Transportation	595,646,719	1,066,103,806	603,812,692	679,070,102
Interest on Long Term Debt	8,454,110	7,601,561	7,154,580	1,334,285
Total Governmental Activities Expenses	4,150,835,796	5,379,610,733	5,562,332,694	5,413,694,183
Business-Type Activities:				
Bank of North Dakota	68,887,617	76,366,749	71,053,171	85,822,027
Housing Finance	48,368,304	40,901,946	37,510,475	40,245,934
Loan Programs	8,756,357	12,759,106	11,366,158	17,322,830
State Lottery	19,713,987	19,264,562	20,359,788	26,038,434
Unemployment Compensation	118,377,072	113,988,509	144,920,974	225,358,209
University System	1,080,816,602	1,129,869,106	1,170,159,474	1,211,438,892
Workers Compensation	448,535,174	418,500,961	377,926,363	366,662,703
Other	279,389,712	269,600,028	549,799,020	569,432,422
Total Business-Type Activities Expenses	2,072,844,825	2,081,250,967	2,383,095,423	2,542,321,451
Total Primary Government Expenses	**$ 6,223,680,621**	**$ 7,460,861,700**	**$ 7,945,428,117**	**$ 7,956,015,634**
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Governmental	32,815,967	38,080,695	37,107,914	36,278,126
Education	6,086,567	6,064,710	6,806,001	7,071,212
Health and Human Services	38,381,590	39,915,016	64,507,593	42,982,802
Regulatory	32,359,807	45,384,490	25,862,700	52,583,727
Public Safety and Corrections	26,614,392	28,552,402	30,428,332	24,446,658
Agriculture and Commerce	35,652,945	36,600,243	31,198,196	38,222,183
Natural Resources	26,356,862	29,681,837	33,895,342	35,142,635
Transportation	120,821,133	120,058,651	132,160,558	122,699,922
Operating Grants and Contributions	1,867,800,810	2,083,789,612	1,888,797,868	1,755,539,596
Capital Grants and Contributions	5,353,007	11,045,879	1,388,033	3,416,338
Total Governmental Activities Program Revenues	2,192,243,080	2,439,173,535	2,252,152,537	2,118,383,199
Business-Type Activities:				
Charges for Services:				
Bank of North Dakota	161,080,000	155,548,000	175,117,000	207,836,000
Housing Finance	42,649,030	36,150,366	34,386,013	36,286,659
Loan Programs	7,538,124	7,548,651	10,365,115	12,212,352
State Lottery	27,999,486	27,051,014	27,212,010	35,736,460
Unemployment Compensation	127,174,321	133,701,408	127,328,232	147,802,377
University System	486,262,379	507,302,753	517,570,660	537,645,053
Workers Compensation	320,237,794	318,779,835	339,806,696	308,682,776
Other	289,981,947	276,895,777	554,752,747	573,829,155
Operating Grants and Contributions	370,855,633	439,950,824	312,136,231	298,603,154
Capital Grants and Contributions	19,865,857	18,703,628	36,923,275	29,609,083
Total Business-Type Activities Program Revenues	1,853,644,571	1,921,632,256	2,135,597,979	2,188,243,069
Total Primary Government Program Revenues	**$ 4,045,887,651**	**$ 4,360,805,791**	**$ 4,387,750,516**	**$ 4,306,626,268**
Net (Expense)/Revenue				
Governmental Activities	(1,958,592,716)	(2,940,437,198)	(3,310,180,157)	(3,295,310,984)
Business-Type Activities	(219,200,254)	(159,618,711)	(247,497,444)	(354,078,382)
Total Primary Government Net Expense	**$ (2,177,792,970)**	**$ (3,100,055,909)**	**$ (3,557,677,601)**	**$ (3,649,389,366)**
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes:				
Individual and Corporate Income Taxes	863,018,492	700,867,920	732,975,064	414,964,865
Sales and Use Taxes	1,654,186,763	1,756,777,615	1,804,380,378	1,348,342,960
Oil, Gas and Coal Taxes	2,518,921,322	3,335,934,782	2,734,507,198	1,457,361,212
Business and Other Taxes	83,470,020	82,437,250	92,936,834	99,295,506
Unrestricted Investment Earnings	17,967,764	130,011,232	117,643,232	64,347,477
Tobacco Settlement	22,332,577	23,652,803	21,789,723	22,776,760
Miscellaneous	206,709,383	198,533,139	161,725,312	119,545,563
Contributions to Permanent Fund Principal	13,722,930	14,251,211	16,382,336	15,637,987
Special Items	—	—	—	(4,948,596)
Extraordinary Item	—	—	—	—
Transfers	(409,585,575)	(424,008,500)	(542,713,254)	(603,556,908)
Total Governmental Activities	4,970,743,676	5,818,457,452	5,139,626,823	2,933,766,826
Business-Type Activities:				
Miscellaneous	39,166,106	1,857,975	9,562,071	93,003
Special Items	(14,728,630)	—	—	—
Transfers	358,701,147	455,888,029	535,979,992	611,332,622
Total Business-Type Activities	383,138,623	457,746,004	545,542,063	611,425,625
Total Primary Government	**$ 5,353,882,299**	**$ 6,276,203,456**	**$ 5,685,168,886**	**$ 3,545,192,451**
Change in Net Position				
Governmental Activities	3,012,150,960	2,878,020,254	1,829,446,666	(361,544,158)
Business-Type Activities	163,938,369	298,127,293	298,044,619	257,347,243
Total Primary Government	**$ 3,176,089,329**	**$ 3,176,147,547**	**$ 2,127,491,285**	**$ (104,196,915)**

2017	2018	2019	2020	2021	2022
$ 955,118,609	$ 1,034,864,058	$ 1,183,233,944	$ 1,034,052,808	$ 1,214,720,174	$ 1,511,677,383
1,214,358,440	1,208,513,849	1,238,988,634	1,288,935,269	1,440,183,047	1,537,651,374
1,851,801,955	1,930,264,975	1,947,263,363	2,077,950,367	2,429,626,253	2,527,706,456
76,261,665	60,781,953	61,213,248	78,441,824	262,054,990	153,118,491
238,515,283	241,143,887	230,666,579	249,751,212	303,434,122	259,572,771
100,774,792	95,411,926	99,247,117	107,574,065	235,626,424	138,348,393
286,546,075	230,194,737	261,307,506	217,545,757	292,875,625	326,713,061
529,532,248	444,530,511	443,629,333	429,801,053	518,412,351	546,264,425
2,677,665	2,502,540	1,952,361	1,691,314	4,267,910	4,973,283
5,255,586,732	5,248,208,436	5,467,502,085	5,485,743,669	6,701,200,896	7,006,025,637
88,791,813	86,073,174	98,931,503	103,391,326	93,811,024	67,629,011
40,997,193	46,083,037	52,714,991	56,536,682	60,546,134	56,986,319
13,172,549	13,320,203	12,665,669	16,395,752	11,287,518	8,811,142
20,637,595	23,214,880	26,174,686	18,929,003	23,631,524	21,962,144
156,930,938	115,486,597	84,205,911	611,219,223	731,052,695	75,427,408
1,204,936,394	1,178,669,412	1,198,989,180	1,227,857,663	1,349,698,370	1,350,756,645
254,467,332	270,197,345	297,497,091	220,279,394	208,717,011	213,028,340
571,077,157	632,911,836	594,491,102	616,265,019	652,042,298	771,218,508
2,351,010,971	2,365,956,484	2,365,670,133	2,870,874,062	3,130,786,574	2,565,819,517
$ 7,606,597,703	**$ 7,614,164,920**	**$ 7,833,172,218**	**$ 8,356,617,731**	**$ 9,831,987,470**	**$ 9,571,845,154**
33,728,302	33,504,205	37,185,115	31,944,485	39,724,160	34,801,028
7,530,807	6,987,309	7,147,934	10,566,897	11,240,158	38,841,000
43,283,756	48,201,500	80,627,617	47,748,086	40,135,912	42,907,917
29,390,590	31,489,459	29,490,252	37,130,755	43,663,963	45,108,826
23,272,409	30,370,076	32,002,961	20,811,638	18,539,074	23,597,161
35,559,194	40,756,601	32,809,364	38,228,838	37,917,725	42,576,324
35,392,128	33,128,741	38,390,527	44,662,134	41,529,095	43,343,120
124,378,227	120,482,453	120,377,945	116,062,224	121,945,135	115,516,012
2,221,211,526	2,156,381,884	2,121,702,987	2,028,277,553	4,178,131,574	2,869,390,395
1,205,837	94,772	106,834	1,939	—	4,090,669
2,554,952,776	2,501,397,000	2,499,841,536	2,375,434,549	4,532,826,796	3,260,172,452
223,476,000	221,210,000	251,626,000	279,302,000	248,655,000	205,560,000
37,984,271	39,821,469	49,362,786	58,096,789	49,989,561	44,366,000
11,530,798	7,391,511	13,095,470	17,114,318	15,543,719	13,284,979
27,744,572	31,520,906	35,511,058	24,505,932	30,501,286	29,329,209
193,118,386	162,161,260	114,657,558	452,421,028	549,743,788	82,240,700
546,737,253	549,206,645	540,691,218	528,517,702	546,245,171	586,903,796
244,720,318	239,542,884	249,787,742	230,442,756	185,328,576	169,374,325
577,288,875	639,883,523	600,125,017	623,799,925	655,012,904	805,400,331
380,842,641	363,266,299	410,790,831	596,060,095	855,176,187	135,133,591
32,025,992	4,769,350	19,925,817	17,501,749	17,610,105	54,601,115
2,275,469,106	2,258,773,847	2,285,573,497	2,827,762,294	3,153,806,297	2,126,194,046
$ 4,830,421,882	**$ 4,760,170,847**	**$ 4,785,415,033**	**$ 5,203,196,843**	**$ 7,686,633,093**	**$ 5,386,366,498**
(2,700,633,956)	(2,746,811,436)	(2,967,660,549)	(3,110,309,120)	(2,168,374,100)	(3,745,853,185)
(75,541,865)	(107,182,637)	(80,096,636)	(43,111,768)	23,019,723	(439,625,471)
$ (2,776,175,821)	**$ (2,853,994,073)**	**$ (3,047,757,185)**	**$ (3,153,420,888)**	**$ (2,145,354,377)**	**$ (4,185,478,656)**
418,040,178	452,792,812	604,088,632	513,419,336	581,766,062	646,802,135
1,236,701,340	1,326,248,557	1,435,129,762	1,364,664,641	1,327,568,100	1,459,331,771
1,490,398,754	2,196,877,038	2,586,569,876	1,949,036,077	1,746,983,327	3,027,333,528
98,374,118	100,127,079	110,714,853	107,173,491	128,552,656	137,741,934
489,070,430	380,164,919	360,264,138	333,528,092	1,676,824,486	(905,927,220)
21,599,800	55,305,183	20,752,400	21,159,397	22,586,170	23,205,519
119,134,899	163,996,339	231,745,021	190,047,481	185,658,136	316,225,687
11,895,026	4,393,122	11,014,244	9,515,851	11,162,710	4,870,341
—	—	—	—	—	—
(38,379,966)	—	—	—	—	—
(503,278,766)	(367,497,321)	(290,718,287)	(440,249,767)	(365,978,579)	(483,294,196)
3,343,555,813	4,312,407,728	5,069,560,639	4,048,294,599	5,315,123,068	4,226,289,499
4,846,618	2,921,705	5,162,713	3,576,763	336,679	2,723,709
—	—	—	—	—	—
598,094,515	285,002,133	277,018,465	485,109,074	334,080,678	454,006,736
602,941,133	287,923,838	282,181,178	488,685,837	334,417,357	456,730,445
$ 3,946,496,946	**$ 4,600,331,566**	**$ 5,351,741,817**	**$ 4,536,980,436**	**$ 5,649,540,425**	**$ 4,683,019,944**
642,921,857	1,565,596,292	2,101,900,090	937,985,479	3,146,748,968	480,436,314
527,399,268	180,741,201	202,084,542	445,574,069	357,437,080	17,104,974
$ 1,170,321,125	**$ 1,746,337,493**	**$ 2,303,984,632**	**$ 1,383,559,548**	**$ 3,504,186,048**	**$ 497,541,288**

Schedule 3 -- Fund Balances, Governmental Funds
Last Ten Fiscal Years

(modified accrual basis of accounting)

	2013	2014	2015	2016
General Fund				
Nonspendable	$ 1,355,179,441	$ 2,447,681,621	$ 3,465,933,483	$ 3,908,797,255
Restricted	—	—	—	—
Committed	840,061,206	1,365,420,166	1,332,805,458	997,494,805
Unassigned	2,142,277,489	1,421,552,566	1,061,519,282	421,702,619
Total General Fund	**4,337,518,136**	**5,234,654,353**	**5,860,258,223**	**5,327,994,679**
All Other Governmental Funds				
Nonspendable	85,991,097	88,250,884	179,976,824	197,452,648
Restricted	3,679,248,354	4,913,528,772	6,037,108,398	6,000,049,002
Committed	1,200,571,048	1,628,346,627	1,230,446,562	617,111,539
Assigned	64,730,555	224,403,093	—	79,512,397
Unassigned	(6,075,964)	—	(8,477,525)	(3,376,686)
Total All Other Governmental Funds	**5,024,465,090**	**6,854,529,376**	**7,439,054,259**	**6,890,748,900**
Total Fund Balances, Governmental Funds	**$ 9,361,983,226**	**$ 12,089,183,729**	**$ 13,299,312,482**	**$ 12,218,743,579**

2017	2018	2019	2020	2021	2022
$ 4,761,588,134	$ 5,551,216	$ 6,638,440	$ 6,194,850	$ 7,560,989	$ 7,983,403
—	8,990,891	279,367	396	1,189,782	567,263
364,544,853	411,711,769	348,222,819	1,066,688,590	1,020,424,743	1,136,436,411
353,772,107	6,242,855,378	7,231,354,796	7,655,894,378	9,708,645,637	9,795,178,076
5,479,905,094	**6,669,109,254**	**7,586,495,422**	**8,728,778,214**	**10,737,821,151**	**10,940,165,153**
208,038,662	216,171,493	101,738,203	103,260,391	136,551,832	134,831,158
5,996,248,585	6,124,510,110	6,488,554,439	6,410,963,955	7,514,294,011	7,876,626,867
480,910,925	398,555,411	1,187,965,245	840,247,407	953,335,924	1,319,832,396
228,964,056	381,732,051	374,609,779	419,726,973	386,292,467	265,429,426
(3,146,889)	—	(1,642,214)	(4,821,080)	(9,019,900)	—
6,911,015,339	**7,120,969,065**	**8,151,225,452**	**7,769,377,646**	**8,981,454,334**	**9,596,719,847**
$ 12,390,920,433	**$ 13,790,078,319**	**$ 15,737,720,874**	**$ 16,498,155,860**	**$ 19,719,275,485**	**$ 20,536,885,000**

Schedule 4 -- Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

(modified accrual basis of accounting)

	2013	2014	2015	2016
Revenues				
Individual and Corporate Income Taxes	$ 845,590,604	$ 736,426,799	$ 714,657,090	$ 424,229,756
Sales and Use Taxes	1,652,264,305	1,747,358,775	1,790,646,715	1,353,955,780
Oil, Gas, and Coal Taxes	2,518,629,175	3,336,441,100	2,734,607,036	1,457,086,135
Business and Other Taxes	80,514,313	85,216,692	93,445,691	99,743,017
Licenses, Permits and Fees	191,268,529	205,896,279	215,706,207	207,163,123
Intergovernmental	1,428,170,719	1,433,023,985	1,626,610,762	1,643,431,832
Sales and Services	51,333,672	54,206,137	81,988,980	57,382,857
Royalties and Rents	389,989,643	474,293,031	398,048,916	237,379,524
Fines and Forfeits	23,770,098	23,022,332	26,167,673	22,979,377
Interest and Investment Income	250,383,144	515,486,326	149,053,816	63,615,120
Tobacco Settlement	31,344,429	33,896,173	30,512,364	31,872,848
Commodity Assessments	28,572,996	24,788,270	23,662,092	25,007,037
Miscellaneous	56,131,404	37,337,036	17,176,577	43,591,538
Total Revenues	7,547,963,031	8,707,392,935	7,902,283,919	5,667,437,944
Expenditures				
Current:				
General Government	316,117,619	391,604,389	690,034,696	363,410,801
Education	874,348,965	1,073,921,730	1,116,260,493	1,174,928,314
Health and Human Services	1,316,596,317	1,430,474,509	1,707,702,397	1,774,061,712
Regulatory	35,368,070	47,317,516	58,625,606	60,161,098
Public Safety and Corrections	199,319,379	230,055,951	237,542,738	216,354,458
Agriculture and Commerce	92,435,869	95,791,431	106,304,742	106,791,473
Natural Resources	105,696,650	107,874,535	185,712,117	307,669,526
Transportation	550,383,353	1,015,136,123	550,382,661	613,815,927
Intergovernmental - Revenue Sharing	570,905,886	887,469,331	811,392,745	693,793,125
Capital Outlay	428,030,196	250,938,968	648,582,253	770,056,268
Debt Service:				
Principal	17,421,039	18,094,333	35,744,666	63,766,311
Interest and Other Charges	8,744,962	7,999,247	7,915,666	4,544,267
Total Expenditures	4,515,368,305	5,556,678,063	6,156,200,780	6,149,353,280
Revenue over (under) Expenditures	3,032,594,726	3,150,714,872	1,746,083,139	(481,915,336)
Other Financing Sources (Uses)				
Bonds and Notes Issued	—	—	—	—
Bonds and Note Cost of Issuance	—	—	—	—
Payment of Refunded Bonds	—	—	—	—
Lease Acquisitions	282,145	52,526	244,493	149,891
Sale of Capital Assets	641,170	336,557	49,910	5,712,951
Other	—	—	—	—
Transfers In	398,824,628	104,808,196	1,176,200,047	838,882,833
Transfers Out	(808,397,373)	(528,711,650)	(1,718,913,302)	(1,443,399,242)
Total Other Financing Sources (Uses)	(408,649,430)	(423,514,371)	(542,418,852)	(598,653,567)
Extraordinary Item	—	—	—	—
Net Changes in Fund Balances	**$ 2,623,945,296**	**$ 2,727,200,501**	**$ 1,203,664,287**	**$ (1,080,568,903)**
Debt Service as a Percentage of Noncapital Expenditures	**<1%**	**<1%**	**<1%**	**$—**

2017	2018	2019	2020	2021	2022
$ 397,563,377	$ 459,742,512	$ 594,902,271	$ 514,474,130	$ 580,658,626	$ 664,895,947
1,227,777,645	1,308,380,507	1,447,039,166	1,382,950,275	1,326,013,473	1,461,872,541
1,489,177,632	2,198,245,617	2,586,461,875	1,949,413,720	1,746,635,471	3,016,379,426
99,358,473	100,050,115	113,491,911	107,904,881	125,055,742	138,985,340
201,347,912	209,425,979	208,629,095	205,881,199	205,204,816	197,636,285
1,718,291,215	1,666,435,743	1,722,371,509	1,935,418,579	2,954,711,047	2,894,663,210
56,713,042	59,147,530	87,945,566	63,647,829	61,109,068	61,158,343
256,351,062	358,554,090	428,518,481	350,303,312	353,401,250	617,606,229
25,792,953	27,794,757	31,643,952	28,740,584	36,954,902	24,960,386
863,607,155	668,469,231	568,502,158	267,822,601	2,736,264,540	(1,183,555,882)
25,677,716	55,305,183	20,752,400	21,159,397	22,586,170	23,205,519
27,771,103	25,879,090	24,055,725	23,180,351	27,911,971	27,563,462
19,059,502	32,577,808	26,261,882	32,010,373	27,671,984	24,438,015
6,408,488,787	7,170,008,162	7,860,575,991	6,882,907,231	10,204,179,060	7,969,808,821
375,462,221	196,145,504	212,878,777	221,601,805	421,622,553	411,498,194
1,212,413,715	1,205,816,564	1,236,434,495	1,286,565,575	1,417,944,095	1,519,738,946
1,830,146,819	1,895,273,724	1,901,317,937	2,036,979,868	2,346,331,566	2,485,114,631
66,319,143	50,990,125	44,017,306	66,636,947	238,371,129	137,003,570
221,427,867	217,079,519	206,073,620	228,482,829	248,403,023	235,852,853
100,053,823	93,502,803	97,290,753	106,261,515	230,631,647	137,476,833
270,375,075	210,225,132	240,134,308	196,940,075	264,426,811	306,294,713
446,115,824	369,478,453	359,256,938	330,326,337	380,064,758	397,269,719
574,300,791	826,616,477	964,483,838	805,934,582	761,332,025	1,115,020,869
585,432,696	339,847,100	341,357,479	383,713,350	401,825,733	296,216,316
11,576,381	16,169,612	10,839,024	20,566,373	6,434,015	17,247,882
2,809,155	2,532,662	2,073,539	1,800,116	4,027,874	6,418,386
5,696,433,510	5,423,677,675	5,616,158,014	5,685,809,372	6,721,415,229	7,065,152,912
712,055,277	1,746,330,487	2,244,417,977	1,197,097,859	3,482,763,831	904,655,909
—	42,812,909	—	3,344,100	89,728,267	389,962,280
—	—	—	—	—	(1,886,000)
—	(20,347,000)	—	—	—	—
1,728,159	175,968	184,258	145,827	1,310,560	14,086,369
27,150	19,343	1,141,039	269,769	191,812	644
—	—	—	—	—	—
346,374,625	291,318,581	285,737,190	563,143,071	742,667,620	444,562,760
(849,628,391)	(658,815,902)	(576,455,477)	(1,003,565,640)	(1,108,701,068)	(927,860,759)
(501,498,457)	(344,836,101)	(289,392,990)	(436,662,873)	(274,802,809)	(81,134,706)
(38,379,966)	—	—	—	—	—
$ 172,176,854	**$ 1,401,494,386**	**$ 1,955,024,987**	**$ 760,434,986**	**$ 3,207,961,022**	**$ 823,521,203**
<1%	**<1%**	**<1%**	**<1%**	**<1%**	**<1%**

Schedule 5
Taxable Sales by Industry
Last Ten Calendar Years

	Calendar Year			
	2012	2013	2014	2015
Mining and Oil Extraction	$5,117,138,306	$4,374,052,860	$5,194,104,870	$3,195,799,670
Construction	1,073,180,098	985,079,023	965,197,436	893,628,575
Manufacturing	1,270,236,581	1,334,723,444	1,527,873,493	1,256,620,179
Transportation, Communications, And Public Utilities	652,478,635	569,453,738	630,444,105	566,226,446
Wholesale	5,987,059,129	6,434,467,781	7,391,400,913	5,339,698,317
Retail	6,348,806,735	6,569,146,675	6,900,590,520	6,634,790,900
Services	3,135,679,592	3,441,014,994	3,684,213,017	3,176,227,835
Accommodation and Food Service	1,706,097,731	1,756,625,375	1,928,607,097	1,839,842,915
Miscellaneous				
Total	$25,290,676,807	$25,464,563,890	$28,222,431,451	$22,902,834,837
Effective Tax Rate	5.08 %	5.08 %	5.00 %	5.35 %

Source: ND State Tax Department

Schedule 6
Sales Tax Revenue Payers by Industry
Calendar Years 2012 and 2021
(Dollars are in Millions)

	Calendar Year 2012			
	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
Retail Trade	8,248	26.3 %	$ 317,619,211	25.1 %
Wholesale Trade	5,206	16.6 %	$ 298,799,151	23.6 %
Services	11,574	37.0 %	$ 243,032,617	19.2 %
Transportation, Communications, And Public Utilities	496	1.6 %	$ 32,601,043	2.6 %
Manufacturing	2,638	8.4 %	$ 63,166,840	5.0 %
Construction	2,549	8.1 %	$ 53,240,660	4.2 %
Miscellaneous				
Mining and Oil Extraction	599	1.9 %	$ 255,911,915	20.2 %
Total	31,310	100.0 %	$ 1,264,371,437	100.0 %

Source: ND State Tax Department

Calendar Year					
2016	2017	2018	2019	2020	2021
$ 1,270,571,326	$ 1,933,586,774	$ 2,798,102,134	$ 3,099,269,900	$ 1,670,338,769	$ 1,550,152,783
788,360,652	572,742,527	581,608,306	618,279,202	552,912,062	572,799,245
955,191,364	940,433,285	1,073,576,742	1,167,694,348	199,376,511	1,138,536,628
359,835,574	325,778,272	520,830,231	607,973,352	309,734,767	542,253,695
3,564,195,615	3,971,599,479	4,849,827,096	4,972,679,709	3,840,938,987	4,239,430,757
6,137,317,234	6,039,261,375	6,253,114,138	6,686,103,548	7,175,885,046	8,117,420,573
2,547,155,903	2,411,082,485	2,420,785,043	2,537,470,588	3,361,463,017	2,328,226,383
1,705,940,154	1,706,215,062	1,765,283,726	1,834,041,363	1,476,480,919	1,853,920,237
$ 17,328,567,822	$ 17,900,699,259	$ 20,263,127,416	$ 21,523,512,010	$ 18,587,130,078	$ 20,342,740,301
5.42 %	5.06 %	5.12 %	5.11 %	5.13 %	5.13 %

Calendar Year 2021			
Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
10,820	30.4 %	$ 405,937,299	39.9 %
5,640	15.9 %	212,125,613	20.8 %
12,395	34.9 %	209,136,090	20.5 %
479.00	1.3 %	27,110,270	2.7 %
3,586	10.1 %	56,930,982	5.6 %
2,032	5.7 %	28,969,749	2.8 %
596	1.7 %	77,519,952	7.6 %
35,548	100.0 %	$ 1,017,729,954	100.0 %

Schedule 7
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(dollars in thousands)

	Fiscal Year			
	2013	2014	2015	2016
Governmental Activities				
Revenue bonds	$ 180,757	$ 163,031	$ 129,345	$ 64,049
Leases	1,068	667	600	467
Notes Payable	6,211	4,981	4,412	3,891
Total Governmental Activities	188,036	168,679	134,357	68,407
Business-type Activities				
Revenue bonds	919,506	901,527	884,086	1,040,019
Certificates of Participation	—	—	—	—
Leases	61,796	44,774	41,224	38,533
Notes payable	415,856	484,763.00	665,792	747,186
Total Business-Type Activities	1,397,158	1,431,064	1,591,102	1,825,738
Total Primary Government	$ 1,585,194	$ 1,599,743	$ 1,725,459	$ 1,894,145
Debt as a Percentage of Personal Income 1	4.8 %	4.1 %	4.3 %	4.4 %
Amount of Debt per Capita 1	$ 2,313	$ 2,279	$ 2,383	$ 2,560

[1] These ratios are calculated using personal income and population for the prior calendar year. See Schedule 10 for personal income and population data.

Details regarding the state's debt can be found in Note 3-L of the financial statements.

	Fiscal Year					
	2017	2018	2019	2020	2021	2022
$	54,105	$ 40,429	$ 29,950	$ 19,730	$ 112,488	$ 491,725
	1,695	1,415	1,118	834	3,301	40,409
	2,181	22,248	21,897	14,817	16,406	17,157
	57,981	64,092	52,965	35,381	132,195	549,291
	1,019,125	1,242,368	1,525,285	1,666,599	1,692,518	1,795,064
	—	—	96,843	104,120	104,123	262,217
	41,425	40,058	54,359	51,662	49,950	68,135
	1,299,860	1,289,686	1,120,787	648,266	198,740	134,711
	2,360,410	2,572,112	2,797,274	2,470,647	2,045,331	2,260,127
$	2,418,391	$ 2,636,204	$ 2,850,239	$ 2,506,028	$ 2,177,526	$ 2,809,418
	5.8 %	6.4 %	6.9 %	6.1 %	4.8 %	5.5 %
$	3,195	$ 3,478	$ 3,760	$ 3,306	$ 2,845	$ 3,625

Schedule 8
Pledged-Revenue Coverage
Last Ten Fiscal Years

Fiscal Year	Gross Revenues	Less: Operating Expenses	Net Available Revenues	Debt Service Requirements: Principal	Debt Service Requirements: Interest	Coverage
	BUILDING AUTHORITY BONDS					
2013	$ 8,394,000	$ —	$ 8,394,000	$ 5,806,000	$ 2,655,000	0.99
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
	Pledged revenues include interest and lease payments.					
	WATER COMMISSION BONDS					
2013	$ 9,863,578	$ —	$ 9,863,578	$ 5,760,272	$ 4,142,814	1.00
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
	Pledged revenues include user fees, interest, and Tobacco Settlement funds.					
	INFORMATION TECHNOLOGY BONDS					
2013	$ 58,427,069	$ 52,478,918	$ 5,948,151	$ 736,600	$ 39,805	7.66
2014	60,619,327	53,925,234	6,694,093	711,950	14,239	9.22
	Pledged revenues include user fees.					
	DEPARTMENT OF TRANSPORTATION BONDS					
2013	$ 5,344,822	$ —	$ 5,344,822	$ 3,725,000	$ 1,597,010	1.00
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
	Pledged revenues include interest and federal (intergovernmental revenues and transfers from fund 002), highway fund appropriations, and transfers from Highway fund (200).					
	LEGACY BONDS					
2022	$ 389,848,000	$ 1,886,000	$ 387,962,000	$ —	$ —	—
	Pledged revenues include user fees.					

Fiscal Year	Gross Revenues	Less: Operating Expenses	Net Available Revenues	Debt Service Requirements Principal	Debt Service Requirements Interest	Coverage
	STUDENT LOAN TRUST					
2013	$ 976,000	$ 658,000	$ 318,000	$ 2,200,000	$ 24,000	0.14
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
	Pledged revenues include federal revenues, and loan and investment interest.					
	HOUSING FINANCE AGENCY					
2013	$ 55,452,870	$ 36,480,000	$ 18,972,870	$ 209,045,000	$ 29,902,000	0.08
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
	Pledged revenues include income and proceeds from mortgage loan activity.					
	UNIVERSITY SYSTEM					
2013	$ 729,800,506	$ 1,012,017,963	$ (282,217,457)	$ 43,206,702	$ 12,842,418	(5.04)
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)
	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, 2022

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)
2012	702,227	$38,859,800	$55,421	3.1 %	411,710
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

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

	2021			2012		
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	81,400	1	19.53 %	79,400	1	18.49 %
Educational and Health Services	66,400	2	15.93 %	60,000	2	13.97 %
Retail Trade	44,900	3	10.78 %	46,500	3	10.83 %
Leisure and Hospitality	37,100	4	8.90 %	38,100	4	8.87 %
Professional and Business Services	33,000	5	7.92 %	31,500	5	7.33 %
Manufacturing	26,200	6	6.29 %	25,200	6	5.87 %
Construction	25,200	7	6.05 %	29,900	7	6.96 %
Financial Activities	24,600	8	5.90 %	21,900	9	5.10 %
Wholesale Trade	22,700	9	5.45 %	25,100	8	5.84 %
Transportation, Warehousing and Utilities	21,600	10	5.18 %	24,500	10	5.70 %
Other Services	14,300	11	3.43 %	16,100	11	3.75 %
Logging and Mining	13,600	12	3.26 %	24,400	12	5.68 %
Information	5,700	13	1.37 %	6,900	13	1.61 %
Total	416,700		100 %	429,500		100 %

Source: Job Service North Dakota: Current Employment Statistics Program.

Schedule 13
Education Enrollment
Last Ten Academic Years

Public School Enrollment

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Kindergarten	8,822	9,033	8,925	8,841	9,271	9,324	9,620	8,992	9,524	9,235
Grades 1-3	24,859	25,960	26,585	26,320	26,316	26,663	27,208	26,812	27,034	27,696
Grades 4-6	22,810	23,751	24,513	25,244	26,076	26,580	26,622	25,880	26,246	26,759
Grades 7-8	14,920	15,299	15,642	16,115	16,511	16,845	17,561	17,742	17,707	17,603
Grades 9-12	30,245	30,235	30,405	30,343	30,771	31,430	31,847	32,619	33,347	34,092
Total Enrollment	101,656	104,278	106,070	106,863	108,945	110,842	112,858	112,045	113,858	115,385
Special Education Students	13,399	13,675	13,988	14,429	15,175	15,902	16,459	16,485	17,054	—

Source: Department of Public Instruction

University System Full-Time Equivalent Student Enrollment

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Bismarck State College	2,955	2,909	2,912	2,860	2,646	2,611	2,598	2,558	2,390	2,466
Dakota College at Bottineau	502	518	459	490	527	590	596	552	615	550
Dickinson State University	1,201	1,176	1,070	1,114	1,128	1,090	1,093	1,147	1,154	1,155
Lake Region State College	943	978	981	971	995	1,005	974	867	791	797
Mayville State University	749	798	796	782	784	817	801	801	815	784
Minot State University	2,710	2,600	2,570	2,591	2,467	2,483	2,399	2,273	2,242	2,167
ND State College Of Science	2,295	2,272	2,305	2,298	2,253	2,126	2,076	2,020	2,029	2,064
North Dakota State University	12,797	12,934	12,834	12,782	12,784	12,394	11,704	11,252	10,861	10,701
University of North Dakota	12,606	12,420	12,455	12,180	11,964	11,585	11,164	10,933	10,842	10,760
Valley City State University	975	990	1,031	1,044	1,086	1,096	1,164	1,160	1,090	1,073
Williston State College	593	579	738	756	763	806	783	703	668	646
Total	38,326	38,174	38,151	37,870	37,398	36,603	35,352	34,268	33,497	33,164

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
EXECUTIVE BRANCH										
Adjutant General	178	177	170	155	155	155	155	151	154	203
Aeronautics Commission	6	6	6	7	7	7	7	7	7	6
Bank of North Dakota	177	180	180	182	183	190	190	190	174	182
Barley Council	5	5	5	5	5	5	1	1	1	1
Beef Commission	2	2	2	2	3	3	3	4	4	4
Career and Technical Education	34	34	29	27	27	25	25	55	55	47
Corn Council	5	6	6	6	6	6	3	3	3	2
Council on the Arts	5	5	5	5	5	5	5	5	5	6
Department of Agriculture	76	77	77	77	77	73	74	78	78	78
Department of Commerce	68	70	69	69	69	54	66	62	61	53
Department of Corrections and Rehabilitation	812	813	834	838	845	845	895	899	906	829
Department of Emergency Services	68	70	76	79	79	79	76	68	68	65
Department of Environmental Quality	0	0	0	0	0	0	2	158	163	148
Department of Financial Institutions	29	29	29	30	31	30	30	31	31	28
Department of Human Services	2,201	2,203	2,215	2,216	2,218	2,163	2,140	2,223	2,273	1,979
Department of Public Instruction	99	99	100	100	92	92	94	89	87	78
Department of Transportation	1,081	1,084	1,082	1,081	1,081	1,047	1,008	985	985	941
Department of Trust Lands	28	31	34	34	33	30	30	29	30	28
Ethics Commission	0	0	0	0	0	0	0	2	2	1
Game and Fish Department	158	158	164	163	163	163	164	166	165	164
Highway Patrol	198	213	215	215	204	204	204	204	202	184
Historical Society	73	72	73	80	80	77	78	77	81	79
Indian Affairs Commission	5	5	5	5	5	5	4	4	4	3
Industrial Commission	93	93	114	113	114	106	108	108	108	95
Information Technology Department	326	341	354	350	352	346	447	400	455	435
Job Service North Dakota	252	239	238	182	182	182	182	173	159	143
Milk Marketing Board	6	6	6	6	6	6	4	4	4	1
ND Department of Health	352	354	365	366	368	360	365	205	213	203
ND Horse Racing Commission	2	2	2	2	2	2	2	2	2	2
ND Housing Finance Agency	46	46	40	41	41	41	42	43	43	49
ND Mill and Elevator Association	131	134	135	142	147	153	151	150	153	155
ND Vision Services/School for the Blind	33	33	33	32	32	30	30	29	29	27
North Dakota University System	7,763	7,904	8,028	8,012	7,532	7,290	7,207	7,192	7,165	7,222
Office of Administrative Hearings	7	5	5	5	5	5	5	5	5	5

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
EXECUTIVE BRANCH, Continued										
Office of Management and Budget	134	134	132	124	123	117	118	114	109	100
Office of the Attorney General	214	217	248	253	253	240	249	246	249	236
Office of the Governor	18	18	18	18	19	17	17	17	17	16
Office of the Insurance Commissioner	49	49	49	49	49	46	46	41	41	33
Office of the Labor Commissioner	13	13	15	15	15	14	14	14	15	9
Office of the State Auditor	55	55	61	62	62	57	57	59	59	53
Office of the State Tax Commissioner	134	134	134	135	135	132	132	123	123	106
Office of the State Treasurer	8	8	8	8	8	7	7	7	7	7
Oilseed Council	1	1	2	1	1	1	1	1	1	1
Parks and Recreation Department	53	55	65	66	65	63	62	62	58	56
Protection and Advocacy	29	28	28	28	28	28	29	29	29	27
Public Employees Retirement System	33	33	33	35	35	35	35	35	36	36
Public Service Commission	44	44	46	46	47	47	47	44	44	42
Retirement and Investment Office	18	19	19	19	19	19	20	20	18	17
School for the Deaf	50	50	51	51	51	51	51	51	50	44
Secretary of State	31	31	34	34	34	32	32	32	33	28
Securities Department	9	9	9	9	9	10	9	9	11	8
Seed Department	30	30	30	30	31	31	30	30	30	23
Soybean Council	7	7	8	8	8	7	6	6	6	6
State Fair Association	27	28	27	27	26	27	28	26	26	19
State Library	30	30	31	30	30	29	29	28	28	24
Veteran's Affairs Department	8	8	8	9	9	9	7	7	8	8
Veterans Home	117	118	120	116	118	120	119	118	119	94
Water Commission	88	90	95	96	96	93	93	93	93	81
Wheat Commission	8	8	8	8	8	8	6	6	6	5
Workforce Safety and Insurance	254	256	266	265	265	265	267	265	264	234
LEGISLATIVE BRANCH										
Legislative Council	34	36	36	37	36	36	36	36	36	37
JUDICIAL BRANCH										
Judiciary Branch	362	363	364	392	392	355	363	363	362	351
Total State Employees	**16,177**	**16,368**	**16,639**	**16,598**	**16,118**	**15,675**	**15,706**	**15,681**	**15,748**	**15,146**

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
Office of the Tax Commissioner										
Number of returns filed electronically 1	352,150	383,906	412,559	428,347	391,234	460,464	447,690	417,060	463,418	446,023
Education										
Department of Public Instruction										
Public School Enrollment 2	101,656	104,278	106,070	106,863	108,945	110,842	112,858	112,045	113,858	115,385
North Dakota University System										
Full Tme Equivalent Student Enrollment 3	38,326	38,174	38,151	37,870	37,398	36,603	35,352	34,268	33,497	33,164
Health and Human Services										
North Dakota Department of Health										
Number of Autopsies Performed in ND 4	365	261	258	244	234	239	176	111	200	NA
North Dakota Department of Environmental Quality										
Air Quality - Percent of Facilities in Compliance 4	99	99	100	100	100	99	99	99	98	NA
Public Water Systems - Percent of Facilities in Compliance 4	96	95	96	98	99	98	99	100	100	NA
Department of Human Services										
Number of TANF Caseloads	3,032	2,773	2,515	2,367	2,313	2,206	1,968	1,981	2,035	1,712
Number of Medicaid Recipients	91,382	105,539	114,364	122,374	123,766	124,371	122,304	119,763	121,527	141,051
Regulatory										
Office of the Insurance Commissioner										
Licensed Insurance Agents 4	55,241	61,142	65,671	66,882	75,769	73,304	83,193	94,289	106,243	112,489
Public Service Commission										
Weighing and Measuring Devices Inspected	9,559	5,892	5,446	6,136	5,172	5,183	4,653	3,526	5,191	5,155
Weights and Measures Quality Assurance Inspections	—	166		216	207	160	79	180	302	269
Gas Pipeline Safety Inspections	83	127	72	81	82	78	42	49	106	42
Gas Pipeline Safety Inspection-Person Days	138	162	124	134	150	191	122	153	236	155
Public Safety and Corrections										
Department of Corrections and Rehabilitation										
Average Daily Adult Prison Population 4	1,553	1,617	1,767	1,794	1,813	1,709	1,766	1,492	1,459	NA
Office of the Attorney General-Bureau of Investigations										
Criminal Cases Opened 4	355	478	449	558	514	339	427	407	355	NA
Drug Cases Opened 3	403	380	387	544	446	278	402	338	325	NA
Office of the Attorney General-Crime Laboratory										
Toxicology Alcohol Blood and Breath Analyses 4	7,421	6,523	6,472	5,472	5,201	4,298	4,007	3,080	3,712	NA
Methamphetamine/Amphetamine Samples Processed 4	2,387	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	4,210	4,167	4,006	3,980	4,032	4,002	4,094	4,155	4,223	4,111
Agriculture and Commerce										
Department of Agriculture										
Pounds of Pesticide Waste Collected	248,354	310,754	384,857	137,297	180,692	340,074	521,584	114,597	258,115	258,115
Job Service North Dakota (JSND)										
Net Job Growth from Nonfarm Employment 4	15,500	16,900	(7,600)	(19,200)	-2,500	3,700	4,500	-29,300	4,300	NA
Source: Current Employment Statistics, BLS - JSND										
New Private Sector Businesses 4	1,371	940	382	(67)	-281	-172	336	115	542	NA
Source: Quarterly Census of Employment & Wages, BLS - JSND										
Game and Fish Department										
Registered Boats 4	69,381	53,558	61,328	67,026	57,220	60,660	62,672	60,123	63,523	NA
Hunting and Fishing Licenses Issued	359,734	357,488	354,728	356,548	351,704	343,709	343,530	342,272	377,378	NA
Department of Parks and Recreation										
Park Visitations 4	1,067,054	1,187,022	1,211,150	1,182,628	1,196,868	1,211,744	1,214,226	1,296,509	1,292,896	NA
Camping Nights 4	66,533	68,480	71,075	73,316	71,555	72,831	72,979	94,079	97,241	NA
Snowmobile Registrations 4	11,763	3,743	8,958	2,779	8,767	2,762	7,478	10,316	7,261	NA
OHV Registrations 4	12,198	26,200	12,753	25,316	13,673	27,148	13,115	42,509	39,289	NA
Transportation										
Department of Transportation										
Registered Vehicles 4	1,110,241	1,159,317	1,168,252	1,160,042	1,159,040	1,184,472	1,188,053	1,182,587	1,097,305	NA
Licensed Drivers	513,838	527,541	545,027	555,935	561,667	561,333	566,015	557,164	559,778	563,161
Unemployment Compensation										
Job Service North Dakota										
Number of Covered Workers 4	427,109	444,658	437,078	417,150	414,039	417,578	422,826	395,988	400,472	NA
Workforce Safety and Insurance										
Number of Claims Filed	25,835	26,395	24,798	21,227	20,045	19,830	19,913	18,813	17,845	17,477
Number of Covered Workers	402,771	418,234	435,993	427,899	408,107	405,367	409,559	414,371	386,414	391,512

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

Sources: The State agencies listed above provided the statistics for their agency

Schedule 16
Capital Assets by Function
Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
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	631,939	631,997	632,039	631,794	631,806	631,806	631,806	631,761	631,629	631,629
ND University System										
Buildings	512	528	528	534	534	516	516	470	475	449
Buildings Square Footage	15,019,252	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
Health and Human Services										
Dept. of Human Services										
Buildings	64	63	63	63	63	63	63	60	60	60
Public Safety and Corrections										
Department of Corrections										
and Rehabilitation	69	71	71	71	70	70	70	70	70	70
Buildings										
Office of the Adjutant General										
Headquarters, Camp and Armory Buildings	268	280	298	298	302	330	327	319	319	319
Natural Resources										
Game and Fish Department										
Wildlife Management Areas	201	204	201	200	201	201	201	202	203	201
Boats, ATV's, Snowmobiles, Tractors,Other	463	462	460	472	491	493	498	506	520	
Dept. of Parks and Recreation										
Park/Recreational Sites	15	15	15	15	15	15	15	15	15	14
Park Maintanenace Vehicles/Equipment	304	305	305	363	392	364	409	420	430	384
Transportation										
Department of Transportation										
Roadway Miles Maintained	8,509	8,509	8,563	8,614	8,614	8,614	8,622	8,624	8,624	8,624
Fleet Vehicles	3,600	3,652	3,664	3,726	3,740	3,541	3,406	3,386	3,291	3,291
Heavy Equipment	434	441	448	441	445	479	480	489	489	489
Buildings	126	142	158	159	162	164	165	167	169	169

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1 Net Earned Required Contribution and Investment Revenues	$ 140	$ 133	$ 70	$ 173	$ 101	$ 42	$ 204	$ 183	$68	$ (185)
2 Unallocated Expenses	22	33	36	67	26	21	25	8	(16)	9
3 Estimated Incurred Claims and Expense,End of Policy Year	(115)	39	94	26	21	87	39	(1)	59	3
4 Paid (Cumulative) as of:										
End of Policy Year	(157)	(32)	(35)	(77)	(86)	(19)	(106)	(136)	(193)	(131)
One Year Later	(157)	(32)	(35)	(77)	(86)	(19)	(106)	(136)	(193)	
Two Years Later	(157)	(32)	(35)	(77)	(86)	(19)	(106)	(136)		
Three Years Later	(157)	(32)	(35)	(77)	(86)	(19)	(106)			
Four Years Later	(157)	(32)	(35)	(77)	(86)	(19)				
Five Years Later	(157)	(32)	(35)	(77)	(86)					
Six Years Later	(157)	(32)	(35)	(77)						
Seven Years Later	(157)	(32)	(35)							
Eight Years Later	(157)	(32)								
Nine Years Later	(157)									
5 Re-estimated Incurred Claims and Expenses:										
End of Policy Year	(115)	39	94	26	(21)	87	39	(1)	59	3
One Year Later	(115)	39	94	26	(21)	87	39	(1)	(59)	
Two Years Later	(115)	39	94	26	(21)	87	39	(1)		
Three Years Later	(115)	39	94	26	(21)	87	39			
Four Years Later	(115)	39	94	26	(21)	87				
Five Years Later	(115)	39	94	26	(21)					
Six Years Later	(115)	39	94	26						
Seven Years Later	(115)	39	94							
Eight Years Later	(115)	39								
Nine Years Later	(115)									
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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1 Net Earned Required Contribution and Investment Revenues	$ 4,103	$ 5,388	$ (2,124)	$ 2,908	$ 4,765	$ 3,567	$ 3,845	$ 2,704	$ 4,989	$ 54
2 Unallocated Expenses	768	915	800	912	1,348	1,118	874	541	705	635
3 Estimated Incurred Claims and Expense, End of Policy Year	1,501	998	1,141	3,039	4,750	2,352	2,953	2,576	3,511	1,674
4 Paid (Cumulative) as of:										
End of Policy Year	1,106	562	9,378	8,890	3,805	8,318	3,218	2,253	3,705	2,939
One Year Later	1,871	1,067	1,553	3,117	4,466	1,158	3,218	2,253	3,705	
Two Years Later	1,905	1,080	1,564	3,119	4,466	1,158	3,218	2,253		
Three Years Later	1,905	1,080	1,564	3,119	4,466	1,158	3,218			
Four Years Later	1,905	1,080	1,564	3,119	4,466	1,158				
Five Years Later	1,905	1,080	1,564	3,119	4,466					
Six Years Later	1,905	1,080	1,564	3,119						
Seven Years Later	1,905	1,080	1,564							
Eight Years Later	1,905	1,080								
Nine Years Later	733									
5 Reestimated Incurred Claims and Expenses:										
End of Policy Year	1,501	998	1,516	3,039	4,750	2,352	3,040	2,953	3,511	1,674
One Year Later	2,009	1,146	1,725	3,292	4,692	3,153	3,040	2,953	3,511	
Two Years Later	2,012	1,122	1,723	3,229	4,634	3,153	3,040	2,953		
Three Years Later	2,012	1,122	1,723	3,226	4,634	3,153	3,040			
Four Years Later	2,012	1,122	1,723	3,226	4,634	3,153				
Five Years Later	2,012	1,122	1,723	3,226	4,634					
Six Years Later	2,012	1,122	1,723	3,226						
Seven Years Later	2,012	1,122	1,723							
Eight Years Later	2,012	1,122								
Nine Years Later	549									
6 Increase in Estimated Incurred Claims and Expense From End of Policy Year	511	125	582	191	(58)	—	87	0	0	0

Schedule 17
Claims Development Information
Last Ten Fiscal Years
(Expressed In Thousands)

Workforce Safety & Insurance

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1 Net Earned Required Contribution and Investment Revenues	$ 443	$ 502	$ 408	$ 377	$ 396	$ 343	$ 386	$ 353	$ 429	$ (31)
2 Unallocated Expenses	52	41	41	43	47	44	45	44	48	43
3 Estimated Incurred Claims and Expense, End Of Policy Year	300	338	315	229	198	193	187	177	145	126
4 Paid (Cumulative) as of:										
End of Policy Year	53	65	61	41	40	42	42	42	33	34
One Year Later	99	111	102	74	65	76	69	62	50	
Two Years Later	117	128	120	84	73	76	77	67		
Three Years Later	128	140	132	84	78	80	82			
Four Years Later	136	148	140	88	82	82				
Five Years Later	142	154	146	91	84					
Six Years Later	146	158	150	92						
Seven Years Later	148	160	152							
Eight Years Later	149	162								
Nine Years Later	150									
5 Reestimated Incurred Claims and Expenses:										
End of Policy Year	300	338	315	229	198	192	187	177	145	126
One Year Later	293	321	283	204	177	179	174	156	118	
Two Years Later	288	299	271	191	164	172	168	134		
Three Years Later	272	291	267	174	154	157	151			
Four Years Later	266	285	265	161	141	140				
Five Years Later	261	277	263	148	131					
Six Years Later	253	265	250	139						
Seven Years Later	236	249	240							
Eight Years Later	222	235								
Nine Years Later	215									
6 Increase in Estimated Incurred Claims and Expense From End of Policy Year	(78)	(88)	(65)	(81)	(57)	(37)	(19)	(21)	(27)	0

Schedule 18
Agricultural Production

Value of Export Shares of Agricultural Commodities - 2020 - 2021

	2020 Dollars	2020 % of U.S.	2021 Dollars	2021 % of U.S.
	(Mil.)		(Mil.)	
Wheat	1,035.5	16.48	1,077.7	14.91
Soybeans and Products	1,372.9	4.54	1,425.6	4.32
Other Oil Seeds and Products	581.3	29.07	714.6	34.25
Vegetables Fresh and Processed	268.1	5.86	330.4	4.04
Grain Products	157.8	4.02	135.4	3.40
Vegetable Oils	192.4	5.86	230.7	6.02
Feeds and Other Feed Grains	218.2	2.30	216.2	1.87
Corn	211.1	2.28	339.8	1.82
Other Plant Products	138.1	0.76	201.6	0.99
Beef, Veal and Pork	127.5	0.83	185.8	1.00
Other Livestock Products	53.8	1.35	63.5	1.27
Hides and Skins	9.4	1.15	14.1	0.28
Dairy Products	10.3	0.16	11.6	0.15
Other Poultry Products	3.0	0.14	3.2	0.12
Total	$ 4,379.4	2.98 %	$ 4,950.2	2.86 %

1/ Includes other nonpoultry meats, animal fat, live farm animals, and other animal parts.
2/ Includes turkey meat, eggs, and other fowl products.
3/ Includes processed feeds, fodder, barley, oats, rye, and sorghum.
4/ Includes peanuts (oil stock), other oil crops, corn meal, other oilcake and meal, protein substances, bran and residues.
5/ 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).

Totals may not add due to rounding.

2022 Crop Rank Among States

North Dakota Ranks	Crop Description	North Dakota Produces
1st	Canola	85 %
	Flaxseed	82 %
	Pinto Beans	57 %
	Durum Wheat	53 %
	Spring Wheat	53 %
	Dry Edible Peas	42 %
	All Dry Edible Beans	28 %
	Honey Production	22 %

Source: North Dakota Agricultural Statistics August 2022



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