

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2022

2001 SENATE APPROPRIATIONS

SB 2022

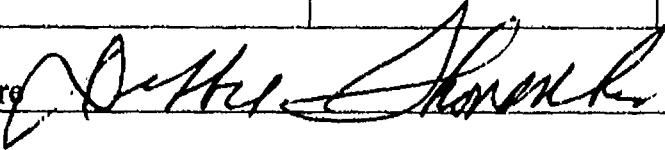
2001 SENATE STANDING COMMITTEE MINUTES

Statewide Information Technology-IT Department

Senate Appropriations Committee

☐ Conference Committee

Hearing Date January 8, 2001

Tape Number	Side A	Side B	Meter #
5	Info Tech Dept		15.1-54.0
		Info Tech Dept	0.0-31.0
Committee Clerk Signature 			

Minutes:

Curtis L. Wolfe, CIO, presented an overview for the Information Technology Department for statewide and agency information technology plans. Planning presentation handouts (attached). He stated that they have 12 goals (slide presentation) and the importance for cost support for high quality service and use, and for the value and economics. The goals are as follows: Goal 1, Build E-Government: State Portal and completed applications, applications are in progress, Phase I is in experiment, Phase II, integrate, and Phase III reinvent; Goal 2, Promote "Anytime-Anywhere" education: growth online training is currently at 8%, by 2002 should be 40% online; need to expand technology in the classroom-distance learning mainly in rural areas for foreign languages, math, sciences. Exploring vendor programs for free education. Administrative systems-web access, virtual university. Distance learning and technical workforce development with video services; Referenced that SB 2043 last session passed with no money which is needed now. Education Technology Council Chapter 54-59, K-12 technology

the powers and duties, video conferencing and LAN equipment. Need Workforce development and distance education. Goal 3, Encourage enterprise solutions, encourage enterprise-wide solutions. Enterprise Resource Planning (ERP). Replace systems-Geographic Info System (GIS), Electronic Doc Mgt System (EDMS), and Criminal Justice Integration; Goal 4, Reinvent Government Business process, business process; Goal 5, Strengthen State IT Professionals; Goal 6, Advance Project Management; Goal 7, Coordinate Technology Research & Planning; Goal 8, Fund Innovations; Goal 9, Integrate State Broad band Network; Goal 10, Modify Public Policy; Goal 11, Develop workforce; and Goal 12, Enhance State Radio Network.

End Tape 5, Side A meter 54.0 --Beginning Tape 5, Side B meter 0.0

Senator Bowman: When your plans are done, will they be outdated as you go along?

Curt Wolfe: Network roll out; one time cost routers; contracts for 3 year length; software initiative is 20 year program to be keep up to date.

Senator Andrist: With computer technology struggle, payout with technology will there be dollar and cents payback?

Curt Wolfe: On the economic workforce side or we wouldn't waste the time. Funds needed for the distance learning and workforce broad band access or we will not be accessible. Our work and economics need technology.

Senator Robinson: I know the package is important but it is also overwhelming, the meaning of figures and initiatives, as a whole and struggling with the issues.

Curtis Wolfe: The state did not fund in the past but now there is a need to be funded. The subcommittees will be kept informed. The legislatures need to hear from more sources.

Senator Heitkamp: With the mapping of towns, a lot of schools will be closing. The high speed service to all towns will be the key to keeping these schools open, is this true?

Curtis Wolfe: Right now we have narrowed it down to 194 cities and it depends on the stats of these towns. Main purpose is for public sector and there are concerns from the private sector on expenses for capacity. Any community needs to be creative on goals and fair prices.

Senator Schobinger: How about wireless referring to an advertisement on TV for Dell Systems?

Curtis Wolfe: Depending on the distance for schools; right now short distant technology is not there but long distant.

Senator Robinson: How many elementary are not able distance wise to high school for wireless solutions?

Curt Wolfe: An analysis to have to be done.

Senator Solberg: This is an important issue this session, more questions to come to know knowledge of the system. Possible caucuses with both houses to hear and understand Curt's overview to explain this process. There is a backlog and it is costing the state now.

Tape 5, Side B meter 14.1

Nancy Waltz, Associate Director, IT Department, presented information (handouts attached). She introduced Phil Miller and Dennis Klipfel, agents with the IT Dept. She stated different agents from the IT Dept. are assigned to state agencies.

Senator Robinson: What type of comparison do we have to other states; what is the norm and how do we compare?

Nancy Waltz: We have tried to compare-our numbers are high, no good comparison.

Senator Tallackson: Is the whole budget included here?

Nancy Waltz: Everything is included for these funding sources. Tape 5, Side B, meter 31.0

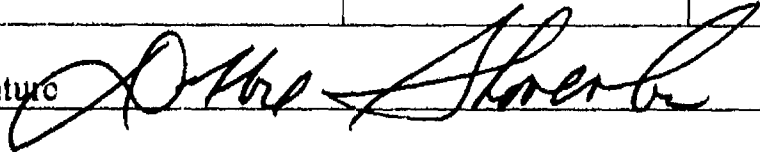
2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 2022

Senate Appropriations Committee

☐ Conference Committee

Hearing Date January 15, 2001

Tape Number	Side A	Side B	Meter #
4	IT Dept		0.0-54.0
4		IT Dept	0.0-31.7
Committee Clerk Signature 			

Minutes:

Senator Nething opened the hearing for the Information Technology Department.

Curt Wolfe, Chief Information Officer, Information Technology Department, opened testimony to identify the program, strategies and responsibilities. This is a new finding approach in the budget with pass through dollars, to special fund from general fund with state agencies.

Schafer's budget \$107,021,119 and Hoeven's budget at \$96,903,519. Gave an overview of the budget and contents.

Senator Grindberg: Explain \$20 million your asking back.

Curt Wolfe: The \$20 million asking back is to replace administrative systems, K-12; old system needs to be web based; approximately \$35 to \$40 million when completed. Requested RFP from vendor, had six respondents; now in the evaluation process and down to three finalists, there will be a detailed evaluation to select vendor. The \$20 million was in Schafer budget; all funding

can't be funded over one biennium; over 5 to 6 years to be implemented will need more money re applications to older system to interface but in reality it is a structured fashion.

Senator Solberg: Are the computer systems pulling together? Are there any systems to combine?

Curt Wolfe: The initiative is that all be related with new network, all the schools; support would be an ongoing basis; all play role in the administration of the networks as they are deployed.

Ivan group-higher education and all capitalize with investments made.

Senator Solberg: HIPA; How far advanced is the dialog with requirements to the private sector?

Curt Wolfe: We are looking at an alternative with HIPA with less money without rewriting Medicaid System.

Senator Tomac: Why the difference in FTE positions? Because of certain programs and agencies? Are they not in the agencies budgets?

Curt Wolf: These are special funded positions; agency budget with general funds and IT Department budgets are special funds-depends on specific agency.

Senator Tomac: GIS-why?

Curt Wolfe: Study was done on the state.

Senator Tomac: Are K-12 schools concerned with wide area network? Are schools along I-94 Included with costs due to new system? My concern is penalizing schools that are ahead than other schools and now will cost these school districts again.

Curt Wolfe: No. For example with K-12, we are trying to be creative like not telling schools in the Great Western Network to replace certain systems. All schools will be connected and we are telling them what is needed for their own gain. We are not asking them to replace Internet Service but to update access speeds.

Mike Ressler, Director of Operations at ITD, (testimony attached), stating ITD is responsible for providing technology solutions to state government agencies and this includes county government for network connections and soon to include K-12 and libraries across the state. We are responsible for creating information technology policies, standards and guidelines by coordinating agency input and researching existing technology solutions with a section staff of four. The administration section has 14 people and responsible for administrative support, human resources, payroll, billing and other accounting functions. The Software Development group develops and maintains computer software applications with a staff of 86 people and contracts for another 22 programmers. ITD is requesting an increase of 33 new FTE's. 30 from special funded and contingent upon other state agencies receiving funding for their development projects. Computer Services staffed by 36 people to provide computer operations, printing facilities, database support, and technical service support for all the hardware and software utilized. The Telecommunications staff of 27 is responsible state wide area network, all telephone systems (40 plus) throughout the state along with a central help desk. New initiatives for the next biennium include the following projects: Payment for Phase 1 of the wide area network. Phase 2 deployment involves connection all the high schools and libraries across the state, general funds \$7,922,549 less \$3,700,000 from Universal Service Fund as part of the E-Rate program, netting the cost to \$4,222,549. ITD operates on a fee for service basis with state agencies. Another initiative to save state government substantial dollars is a shared electronic data management system (EDMS). Last year ITD launched DiscoverND which is the state of North Dakota's web portal. ERP (Enterprise Resource Planning System) 3 FTE's; Additional Security analysts 2 FTE's; 1 FTE Administration; 1 FTE Info Tech Business Analyst;

Page 4

Senate Appropriations Committee

Bill/Resolution Number 2022

Hearing Date January 15, 2001

Summary 2001-2003 Budget \$96,903,519 (Special Funds \$71,185,087, General Funds \$25,718,432).

Senator Grindberg: The \$71 mill from Special Funds; are these the fees from state agencies?

Mike Ressler: Yes.

Tape #4, Side A, meter 44.0

Mary Anne Alhadeff, President & CEO, Prairie Public Broadcasting (PPB), (testimony attached), stating Senator Bill 2022 includes their budget for operating grant of \$1,407,513. Each week, over a quarter million people use their service and about 1/3 of their broadcast schedule is a safe-haven for families. PPB provides more than 1700 hours of original and local productions. There is a federal mandate for public television stations to convert their operations to digital by May of 2003, channel 22 in Bismarck, and this is our greatest challenge at this time. Extension with FFC will be hard to get and our license depends on compliance. Charts and graphs attached.

End Side A, meter 54.0

Tape #4, Side B, meter 0.0

Dan Pullen, from Center for Innovation in Instruction (CII), explained the Phase II roll out with reorganizing of K-12 technology to develop joint network with the IT Department, if approved. Optional budget package (attached) will be submitted if this occurs for 2001-2003.

Senator Nething: Is your budget satisfactory as it?

Dan Pollen: Yes it is.

Jody French, Project Coordinator for ND SENDIT, testified giving history and providing current service. We now give Internet services for K-12 schools. We want to provide regional support

with technology, consultation, as a help desk support for distance education. (Pamphlet attached).

Laura Glatt, Vice Chancellor Administration, North Dakota University System, testified on ERP system for administration software system replacement; gave overview (see attached).

Senator Solberg: Is this replacing the computer program from 4 years ago; did that go down?

Laura Glatt, It was a partnership with other colleges; it did not go forward and this is the new option.

Tape 4, side B, meter 12.1

Tana Kincaid, from Vocational Technician Education, spoke stating the importance of formalizing technology for all factors of education. Technology today hinges on all aspects of our education with programming and networking. Most occupations today require trouble shooting skills and most positions are offered at a lower level like middle schools. The Advisory Committee need for what programs make sense and what ND needs for the future. In ND we need incentives like many companies offer today. Research will make the whole program work. Teacher training is very important to support the higher levels with information technology skills.

Senator Holmberg: What is your background to get where you are today?

Tana Kincaid: I have a Bachelors in communications but not in learning the technology of today that was mostly by on the job.

Darin King, Director of Technology for Grand Forks Public Schools, testified in support of this bill with regard to the items that would impact K-12 schools throughout the state. Phase II of the state network is an exciting project that has far reaching potential for K12 students in ND bring affordable Internet access. Technology has the potential to transform the way teachers teach and

students learn in our state. Programs like ExploreNet, Cisco Networking Academics and Information Technology Essentials will be able to expand into additional school districts and increase the number of technology workers available to our workforce.

Mark Johnson, NDACo Executive Director, (testimony attached), spoke in favor of the bill stating that county government is the service delivery arm of the State and has become more and more dependent on the data network that links all together. This will provide the lowest possible cost for critical network access in ND and for e-commerce of the future.

Christopher Bade, Information System Manager for the ND Water Commission, (testimony attached), and also represents the State GIS Technical Committee, appeared support of this bill. The Water Commission identified GIS as a major enhancement to our technology infrastructure. With the increasing demands associated with ND water source coupled with changes in technology, the data availability will dictate the implementation of GIS capabilities. This is what prompted the Water Commission to approach ITD with the request to provide GIS data-hub services at the state enterprise level. Tape 4, Side B, meter 31.0

Senator Nething: What does GIS stand for?

Christopher Bader: Geographic Information Systems.

With no opposition to this bill, the hearing was closed.

Tape 4, Side B, meter 31.7

February 8, 2001 Full Committee (tape 1, side a, 0.0 -30.8)

Senator Nething, Chairman, called the Senate Appropriations Committee to order.

Roll Call taken with 14 senators responding.

Senator Nething reopened the hearing on S/B2022.

Senator Solberg, Chair of the Information Technology Subcommittee, distributed copies of proposed amendments (18048.0101) and explained that a replacement of same was being completed at this time to make a correction (notation that would allow the Information Technology Department to transfer spending authority between line items). He explained the amendments.

Senator Robinson: This whole technology program is a new concept --- something we have needed for a long time--this would be a one system for all state agencies, institutions, high schools, grade schools, libraries, etc. Some years ago higher education put in its system at approximately 30 million --- now the department can do the whole state at a fraction more. Believes there will be 194 locations total ---an example used: Bismarck being the hub: sending things to Williston; one line to Job Service, one line to Higher Education, one line to Vocational Education, one line to the Courts, one line to the Law Enforcement ...and now there will be one large line to handle all -- plus additional room for growth. The proposed system will have excess capacity --- the price tag is high, but the potential is great.

Some schools already have more than the state has --- and will have in the proposed system. If they wish to continue with all those programs -- they will have to pay for the additional.

Senator Nething: Are there concerns with the costs or cuts? Curtis Wolfe, Director of Information Technology Department indicates the savings in the higher education system area alone will be tremendous --- plus the speed, data storage and retrieving along with voice video.

Senator Robinson: Yes, to both the cost and cuts --- but realize it is the best we can do now.

Senator Gary Nelson: Believe higher education investigated a new program --- 6 million to 10 million price tag --- Curtis Wolfe and his department are doing it for almost half of the amount -- and it will be for the entire state. Need to coordinate and encourage all state government entities to participate here.

Senator Nething: Need to amend for that reason?

Senator Gary Nelson: Not sure that we would not be setting a precedence -- there is a need for flexibility and need to encourage the rest of state government to participate. This is a new expanded mission --- can't see what will happen in the future --- but we have an outstanding manager in Curtis Wolfe, think we should let him do his job.

Senator Nething: If we were to start over with today's technology -- we would have to be more flexible -- this is a two year bill --- not a blank check forever!

Senator Solberg: All Mr. Wolfe is asking for is two years.

Senator Robinson: Appreciate the discussion. Maybe we can do both --- the communication has been great with Mr. Wolfe and his staff--they advise all involved of the plans and keep people informed throughout any project.

Senator Nething: Proceed in that fashion -- reporting to an interim committee?

Senator Gary Nelson: Can do that --- there is a two year sunset -- and the communication has been great---with Mr. Wolfe there is a comfort level -- would expect he will continue to report to the Budget Committee.

Senator Nething: Feel a need for an Information Technology interim committee?

Senator Gary Nelson: Think continue, has been 3 interim's now, the initiative brought us to this level. Think Mr. Wolfe will keep us abreast. And the ERP program could have a severe dollar problem == It has gone down 8 million; reduction and flexibility is good.

Perhaps the question is what will be lose if we do not adopt the ERP program this blennium? We could recoup investments in the future.

Senator Nething: Further amend to include a study?

Senator Solberg: We have no study resolution?

Senator Gary Nelson: Not aware of one --- statement comes by direction from council.

Senator Bowman: Technology is in place -- right that we apply for federal dollars --- requirements of funding mechanism part of this? High Schools for example: will there be a mandate that they should be part of this ?

Sandy Paulson, OMB Analysis: High schools go through the billing process -- become special funds for Information Technology Department.

Senator Bowman: Federal dollars flow? Maximize same dollars?

Senator Gary Nelson: 10 million system/ do for 5 million. Get federal funds there --- then let Mr. Wolfe manage the project.

Senator Solberg: 44 new positions in Information Technology Department (ITD) --- out of this federal program. If not funded -- 14 positions won't happen --- salaries/benefits, all costs including equipment are in the budget --- special funds -- 96 million. 71 million income (lots of federal dollars).

Senator Andrist: Who would have access to this?

Senator Solberg: State wide system -- will need to be authorized to access -- but will have a complete bookkeeping system -- and one can check the spending of higher education, state department, schools etc. When fully operational. Audits could be done off this system.

Senator Nething: Each campus could have reports regarding federal student loans.

Senator Gary Nelson: Higher Education is all encompassing -- registration, financial aid -- this system should replace all the higher education technology programs --- bring to a level where doing more.

Senator Solberg: Department of Public Instruction --- all schools report there?

Senator Andrist: Source of funds -- fee for service? 25.7 general fund dollars?

Senator Nething: Fees added?

Senator Solberg: Yes, telephone on up.

Senator Robinson: The 20 some year old higher education system has problems -- this should be good timing; gives the needed flexibility.

Senator Solberg moved the amendments be adopted; Senator Robinson seconded; motion carried.

Senator Solberg moved a DO PASS AS AMENDED; seconded by Senator Schobinger. No discussion; roll call vote: 11 yes, 0 no, 3 absent and not voting. Senator Solberg accepted the floor assignment.

Office of Management and Budget
January 15, 2001

PROPOSED AMENDMENTS TO SENATE BILL NO. 2022

Page 1, line 14, replace "3,500,000" with "2,200,000"

Page 1, line 18, replace "20,488,873" with "11,971,373"

Page 1, line 20, replace "500,000" with "200,000"

Page 1, line 21, replace "\$107,021,019" with "\$96,903,519"

Page 1, line 23, replace "\$35,835,932" with "\$25,718,432"

Renumber accordingly

Statement of purpose of amendment:

To decrease the education technology commission grants special line item by \$1,300,000 of general funds, to decrease the enterprise resource planning system special line item by \$8,517,500 of general funds, and to decrease the IT innovation fund special line item by \$300,000 of general funds.

Date: 2-8-01

Roll Call Vote #: 1

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2022

Senate Appropriations Committee

☐ Subcommittee on _____

or

☐ Conference Committee

Legislative Council Amendment Number 18048.0102

Action Taken Go Pass As Amended

Motion Made By Sen Solberg Seconded By Sen Schobinger

Senators	Yes	No	Senators	Yes	No
Dave Nething, Chairman	✓				
Ken Solberg, Vice-Chairman	✓				
Randy A. Schobinger	✓				
Elroy N. Lindaas					
Harvey Tallackson	✓				
Larry J. Robinson	✓				
Steven W. Tomac					
Joel C. Heitkamp					
Tony Grindberg	✓				
Russell T. Thane	✓				
Ed Kringstad	✓				
Ray Holmberg	✓				
Bill Bowman	✓				
John M. Andrist	✓				

Total Yes 11 No 0

Absent 3

Floor Assignment Senator Solberg

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2022: Appropriations Committee (Sen. Nothing, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (11 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING). SB 2022 was placed on the Sixth order on the calendar.

Page 1, line 14, replace "3,500,000" with "2,200,000"

Page 1, line 18, replace "20,488,873" with "11,971,373"

Page 1, line 20, replace "500,000" with "200,000"

Page 1, line 21, replace "107,021,019" with "96,903,519"

Page 1, line 23, replace "35,835,932" with "25,718,432"

Page 1, after line 23, insert:

"SECTION 2. TRANSFERS. Notwithstanding section 54-16-04, the director of the office of management and budget and the state treasurer shall make transfers of funds between line items of appropriations in section 1 of this Act for the information technology department as may be requested by the chief information officer."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2022 - Information Technology Department - Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$25,985,352		\$25,985,352
Operating expenses	38,076,824		38,076,824
Equipment	5,595,000		5,595,000
Center for Innovation and Instruction	934,583		934,583
Education Technology Commission grants	3,500,000	(\$1,300,000)	2,200,000
SENDIT network	1,973,669		1,973,669
IT technical education program development	590,300		590,300
Wide area network	9,968,905		9,968,905
Enterprise resource planning system	20,488,873	(\$8,517,500)	11,971,373
Prairie Public Broadcasting	1,407,513		1,407,513
IT innovation fund	<u>500,000</u>	<u>(300,000)</u>	<u>200,000</u>
Total all funds	\$107,021,019	(\$10,117,500)	\$96,903,519
Less estimated income	<u>71,185,087</u>	_____	<u>71,185,087</u>
General fund	\$35,835,932	(\$10,117,500)	\$25,718,432
FTE	212.00	0.00	212.00

Dept. 112 - Information Technology Department - Detail of Senate Changes

REDUCE FUNDING FOR THE EDUCATIONAL TELECOMMUNICATIONS COUNCIL ¹	ADJUST FUNDING FOR THE ENTERPRISE RESOURCE PLANNING SYSTEM ²	REDUCE FUNDING FOR IT INNOVATION FUND	TOTAL SENATE CHANGES
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Salaries and wages
Operating expenses
Equipment
Center for Innovation

REPORT OF STANDING COMMITTEE (410)
February 8, 2001 3:51 p.m.

Module No: SH-23-2795
Carrier: Solberg
Insert LC: 18048.0102 Title: .0200

and instruction				
Education Technology	(\$1,300,000)			(\$1,300,000)
Commission grants				
BENDIT network				
IT technical education				
program development				
Wide area network				
Enterprise resource		(\$8,517,500)		(8,517,500)
planning system				
Prairie Public Broadcasting				
IT Innovation fund			(\$300,000)	(300,000)
Total all funds	(\$1,300,000)	(\$8,517,500)	(\$300,000)	(\$10,117,500)
Less estimated income				
General fund	(\$1,300,000)	(\$8,517,500)	(\$300,000)	(\$10,117,500)
FTE	0.00	0.00	0.00	0.00

¹ This amendment reduces funding for the statewide information technology network by decreasing the funding from the general fund for the Educational Telecommunications Council from \$3,500,000 to \$2,200,000.

² This amendment provides for the following adjustments in funding for the enterprise resource planning (ERP) system which result in funding being reduced from \$20,499,873 to \$11,971,373, of which \$11,482,500 is from the general fund:

Decrease in funding for operating expenses	(\$9,000,000)
Increase in funding due to transfer of	482,500
funding from the Department of Public	
Instruction related to the Quality	
Schools Commission (\$70,000) and student	
data base (\$412,500)	
Total	(\$8,517,500)

Senate Bill No. 2022 - Other Changes - Senate Action

This amendment also adds a section allowing the Information Technology Department to transfer spending authority between line items.

2001 HOUSE APPROPRIATIONS

SB 2022

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2022 - Overview

House Appropriations Committee

☐ Conference Committee

Hearing Date March 2, 2001

Tape Number	Side A	Side B	Meter #
1	x		104 - 6213
		x	0 - 5176
2	x		60 - 1094
Committee Clerk Signature			

Minutes:HOUSE APPROPRIATIONS COMMITTEE OVERVIEW MEETING OF
SB2022.

Rep. Timm: House Appropriations Committee was called to order and roll call was taken. This morning we have an overview by the ITD Department and its scheduled for two hours, and then we have an overview of the Department of Commerce, proposed Department of Commerce. I think we should be able to get through all of that this morning and we will start off by hearing from the Information Technology Department.

Mr. Curt Wolfe, CIO Information Technology Department. (followed written testimony with questions and answers following the testimony.)

Tape 1 - Side A (104 - 2096)

Mr. Mike Ressler, Director of Operations. Information Technology Department (followed written testimony with questions and answers following the testimony.)

Tape 1 - Side A (2100 - 6213)

Tape 1 - Side B (0 - 2190)

Ms. Mary Anne Alhadeff, President and CEO, Prairie Public Broadcasting. (followed written testimony with questions and answers following the testimony)

Tape 1 - Side B (2190 - 3190)

NDSU Representative, Administrative Software System Replacement - ERP (followed written testimony with questions and answers following the testimony)

Tape 1 - Side B (3250 -5176)

Mr. Darin King, Director of Technology, Grand Forks Public Schools. (followed written testimony with questions and answers following the testimony)

Tape 2 Side A (60 - 759)

Mr. Jeff Swank, President of the ITCND, (followed written testimony with questions and answers following the testimony) Did not give a copy of his testimony to the clerk)

Tape 2 Side A (759 - 1094)

End of House Appropriations Committee overview meeting on SB2022.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2022

House Appropriations Committee
Government Operations Division

☐ Conference Committee

Hearing Date March 8, 2001

Tape Number	Side A	Side B	Meter #
03-08-01 tape #1	0 - 6220	0 - 6220	
03-08-01 tape #2	0 - 6220	0 - 191	
Committee Clerk Signature <i>Kathie Hall</i>			

Minutes:

The committee was called to order, and opened the hearing on SB 2022.

Kurt Wolf: Said introductions, and explained that the persons who will testify first are the persons that did not get a chance to testify at the full committee overview.

Bill Goetz, Chief of Staff in Governor's office: Is here to reaffirm the governor's position to support the bill and how it came from the governor's recommendation.

Dan Pullen, Center for Innovation in Instruction (CII): Had prepared written testimony. He also had a handout regarding their optional budget package.

(#908 - 1800 : questions and answers)

Wayne Wermager, Sendit: Had a power point presentation of what Sendit is, and how they fit into the big picture. Sendit is an e-mail product.

(# 2286 : questions and answers)

Wayne Kutzer, State Director for the State Board for Vocational & Technical Education:

Had prepared written testimony.

(# 3797 - 5080 : questions and answers)

Roxanne, LC: Explains that the CII and Sendit employees are not state employees.

Sheila Peterson: Explains further the employees situation.

Chris Bader, Water Commission: Had a slide presentation. Appears in support of the ITD department and their putting together a GIS system and data hub, that would be housed in ITD, but the agencies would use it.

(side B, #490 - 2250 : questions and answers - Chris Bader answers, Kurt Wolf answers)

Lisa Feldner, Bismarck Public Schools, ERP (Enterprise Resource Planning) Evaluation Committee: Had prepared written testimony.

(#2682 - 3180 : questions and answers -

Rep. Byerly: Why do you say the project can be done for under \$880,000, while the budget it is stated as \$11,971,000?

Lisa Feldner: K-12 is just a piece of it. ERP is for state government, higher education, and K-12.

Rep. Byerly: If they apportioned the cost, to develop this system, the schools would probably all run for cover. Is this a correct assumption?

Lisa Feldner: It may depend on the school. The ones listed on her list are all willing to make some contribution. Discussed a per pupil charge, if purchased out of state, would cost about \$7 per student, because they would not be purchasing the hardware.

Mark Johnson, ND Association of Counties: Had prepared written testimony.

Mary Anne Alhadeff, President, Prairie Public TV: Had some documentation regarding their trends and membership, requested at the overview from last week..

Kurt Wolf: Handed out some charts and graphs regarding the ITD budget as a percent of the total budget. The telephone service is included in that number, so the closer number of their budget is 4.2%. He also handed out a couple other documents that reflect data processing budgets of the various agencies, and agency telephone budgets. There were a few more diagrams on the historical funding sources for ITD revenue, compared to special funds, and an ITD special fund comparison. Most of the federal funds come out of Human Services, and DOT, and Job Service. Special funds would be like Game and Fish.

Jerry: Handed out documentation regarding the costs of the routers and equipment put into each school. Every school is ND, no matter what the size, this is the minimal equipment they will have installed. This was bid out, and these prices reflect a discount.

(tape 2, #0 - 2045 : questions and answers - Kurt Wolf answers, Mike Ressler answers, regarding the school systems, pricing, and what they are getting for these prices. They discuss the DCN contract, and all the possibilities. They reference the "green bar" sheet and explain what that sheet will cover, funding sources, and requested FTE's if any, etc. There were questions regarding grants, requirements, and decreasing student populations and factors. They also discussed Phase I and Phase II, and the number of schools, libraries, and state agencies already set up.)

(tape 2, #2045 - 6220) : Kurt Wolf, Mike Ressler discuss the sheets handed out previously, titled Information Technology Department Budget Initiatives. They begin discussing Phase I, equipment costs, page 3 of their document. The "green bar" sheet is also referenced. Mike Ressler explains the finances of these programs. Kurt Wolf gave some general history of

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the ERP program. They discuss the shares of Higher Ed, K-12 and State Government. Curt Wolf explained that the direction from the last legislative session was not really clear, so they made some conclusions. They also discussed the lease/option-borrowing issue. A letter from the Attorney General's office was handed out along with the explanation they gave.

Chris Kalesh, DPI: Explained that the schools need this system. Had a handout.

Answered some previously asked questions.

The chairman closed the hearing on this bill.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2022

House Appropriations Committee
Government Operations Division

☐ Conference Committee

Hearing Date March 12, 2001

Tape Number	Side A	Side B	Meter #
03-12-01 tape #1	1595 - 3528		
Committee Clerk Signature <i>Kathleen Hall</i>			

Minutes:

The committee was called to order, and opened committee work on SB 2022.

Chairman Byerly: The ITD department has provided us with a list of expenses already spent, phase I, and then a list of phase II. Questions the authority they had to do this spending.

(The committee read through the list of schools, locations, and discuss that they all are getting a free T1 line at absolutely no cost to them. Roxanne, LC, explains that the counties, courthouses and agencies will be charged differently. They discussed the e-rate credit grants received from the federal government. They would like another report that shows the anticipated monthly charges to the same entities in phase I and phase II. They also questioned why in some small towns there is a need for more than one T1 line. Rep. Skarphol suggests there should be some limit on what is done here.)

The chairman closed the committee work on this bill.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2022

House Appropriations Committee
Government Operations Division

☐ Conference Committee

Hearing Date March 14, 2001

Tape Number	Side A	Side B	Meter #
03-14-01 tape #1	5550 - 5991		
Committee Clerk Signature <i>Kathie Hall</i>			

Minutes:

The committee was called to order, and opened committee work on SB 2022.

Roxanne, LC: Handed out some information regarding the statewide area network, and the locations requested last week to be updated. It includes estimated income and estimated expenses, either \$800 or \$900. Higher ed has some higher costs.

The chairman closed the committee work on this bill.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2022

House Appropriations Committee
Government Operations Division

☐ Conference Committee

Hearing Date March 15, 2001

Tape Number	Side A	Side B	Meter #
03-15-01 tape #2	0 - 3120		
Committee Clerk Signature <i>Kathie Hall</i>			

Minutes:

The committee was called to order, and opened committee work on SB 2022.

Chip Thomas, ND Health Care Association: Currently hospitals are making independent arrangements with telecommunication carriers to link up various satellites and outreach efforts. This is primarily a central / western ND phenomenon. The different carriers result in a very different pricing. The concerns are whether they are able to get the best price possible to cover as much of western ND as possible. There are some other programs that are available, but there are noticeable geographical gaps. Dickinson and Williston are most notable. Gave an example of Bismarck hospitals reaching into the Dickinson and Bowman areas. One thought they have is to allow the hospital association to access at the state rate the statewide network. Gave an example of the savings from local hospitals. They could then focus on one enterprise, and reach out to everyone. Not commenting on the eastern part of the state. Chairman Byerly asked me to address why hospitals. He answers because they are one of the few, and most exclusive except

for nursing homes, not-for-profit enterprises that serves all of ND. There will probably others who make a request, but the benchmark should be the applicability of service to all North Dakotans.

The state and providers will be required to meet certain federal requirements that go under HIPAA. It has to do with medical standardized billing through extensive privacy guarantees, particularly in the area of electronic information transfers. We in the state dealing with medicaid recipients will be needing a relevant information system. The state intends to use this network, and it would be much easier for us to work with them and the entity responsible for its operation in standardizing privacy policies if we were part of the network at the outset. That would be another rationale for putting us on the system.

In terms of a long range plan, ND will be going through significant shifts, many of which hospitals will not be able to do much about, dealing with demographics. We are attempting to deal with this by going to a statewide emergency medical system. If in any event a hospital is no longer able to justify its existence, those who reside there would be able to have emergency medical medicine. It would be essential to have a two-way audio and video system that would be provided by this network. We also could argue that teaching persons near their homes would create a better chance of them staying in the area. We would like to use the network for teaching, and retaining persons in the state.

Chairman Byerly: Basically what you are saying is that the hospitals would be willing to pay the freight, but would like to pay the same freight as what the others would be charged. To get the access?

Chip Thomas: In my discussions with the department of human services we always have difficulty in terms of compensation, and as an alternative for a payment of treatment, this would be a benefit to us as it reduces our overhead.

Rep. Koppelman: Do you envision the hospitals using the statewide network, regardless of your request, is it the vehicle you think they will access for the needs you are talking about? Would there be a way to dovetail as a form of alternative to another subsidy with human services, or could it be in lieu of something?

Chip Thomas: As the situation is right now, those who are using it are those who are in the capacity to afford it. The ones that are not on it that should be do not have a large enough facility to subsidize it. Gave an example. Not sure of the second question. Our idea would be that if a medicaid beneficiary or any other person that would be able to go local rather than having to transport them.

Rep. Koppelman: Would accessing the state network at the same rate of state entities cost the state money, or is it geared to be a pay as you go proposition?

Chairman Byerly: The way he understands the contract that ITD has with DCN, it is for "x" number of hookups at a certain rate.

Chip Thomas: He understands that the first T1 line is \$800 per month. Subsequent lines are \$600. Thinks their contract is for up to 600. If we were allowed on, we would just become part of the bid package, and we would pay our share.

Rep. Skarphol: How many hospitals do you envision getting on here?

Chip Thomas: When he includes the Jamestown hospital, it would be 47. They envision each hospital to be online. The better the technical communication, the less need for the patient

to go to the physician. The T1 line has better quality that there is basically no fear of medical compromise.

Rep. Skarphol: On the wireless aspect of a T1 line, say in a library, and the hospital wants to access it by wireless, is the audio/video at the same level?

Rep. Byerly: Probably not to the same level, can't say if it is acceptable. To Chip: Having the hospital have the T1 is only half of it, because you have the satellite clinics out there. If the hospital has a T1, you still need something at the clinic in the small towns. Gave an example.

Chip Thomas: They have made that as one connection. They connect through a loop. They thought that would be more efficient than running separate lines to each location.

Rep. Skarphol: The ITD proposal has like 15 employees in the department of human services to set up the requirements for HIPAA. If the DHS is successful in getting this done, how applicable is that to your situation, and how valuable would that be to you? Would that save you from establishing similar software, similar communication equipment?

Chip Thomas: He is in subcommittee now regarding HIPAA. No one knows what HIPAA is even going to entail. It is going to entail many changes. HIPAA changes are going to be about double what Y2K changes entailed. Our expenses are on the software side and operating side, not the hardware. Our expenses are going to be with the people. We are of the opinion that we need to show good faith. With HIPAA, it is not if we do it, it is when and how fast we do it.

Rep. Glassheim: The \$800 per month is designed to pay for the T1 line to the libraries and schools. I understand that private businesses could hook up, but they would have to pay to bring the line to their business.

Chairman Byerly: Not at the state rate. The state contracted for those "x" number of hookups and if a private business wants to get onto the network, but it will be at a different rate, not the state rate. You would have to contract with DCN.

(They discussed the DCN network, local carriers, and the connection fee and monthly fee in general, without specifics).

Chairman Byerly: Comments that he still does not feel comfortable with this just being hospitals making this request. He sees all sorts of others requesting to get onto the network.

Rep. Koppelman: Asks how much extra connections were built into the DCN/state contract.

Chairman Byerly: Doesn't really know. They contracted for about 600, and have about 480 schools and libraries.

Rep. Koppelman: Questions if there is intended use for those extra connections?

Chairman Byerly: There may be some need for more than one T1 line. So the numbers are not easy to follow. Hopes that they contracted for a number close to what they needed.

Rep. Skarphol: Requests Chip Thomas to get back to the committee as to how many lines he was hoping for.

Chairman Byerly: Also requests information on hospitals, clinics, and satellite and outreach clinics are requesting. Are they doing away with leased lines ?

Chip Thomas: Can follow up with Rep. Skarphol's question, and will follow up as soon as possible.

Rep. Glassheim: Would they need live time patient right there clinic setting, or could they go a couple blocks to a school to transmit information? If they have to be in the room with a patient, that would be different than just needing access in a close location.

Chip Thomas: That should be able to be answered when he answers Rep. Skarphol question.

Chairman Byerly: We will need some more information, but will not need it until next week when they start working on the ITD budget.

Rep. Huether: The capability at DCN is very great. It was built up to carry a lot, and does not believe it had been used to close to its capacity.

Rep. Carlisle: Asks a question about wireless, and its capability.

Chairman Byerly: Explains that the wireless will not get from the hospital to a remote clinic.

(Some discussion and examples on the wireless capability, and the number of schools and libraries, and government agencies).

The chairman closed the committee work on this bill.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2022

House Appropriations Committee
Government Operations Division

☐ Conference Committee

Hearing Date March 22, 2001

Tape Number	Side A	Side B	Meter #
03-22-01 tape #2	0 - 6210	0 - 671	
Committee Clerk Signature <i>Kathleen Hall</i>			

Minutes:

The committee was called to order, and opened committee work on SB 2022.

Chairman Byerly: Handed out a document title Information Technology Costs for the 2001-3003 Biennium. These are the costs associated and coming out of the agency budgets. Trying to get the various papers and handouts given organized so they could discuss the issues somewhat more clearly.

(Discussion today began on #1 of Curt Wolf's memo - Infrastructure. They went on to discuss T-1 lines, and the network. The committee began wondering about the directive from last session, and what the bills from 1999 said. Legislative Council staff was requested to get this information ready to explain tot he committee at the next meeting).

The chairman closed the committee meeting on this bill.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2022

House Appropriations Committee
Government Operations Division

☐ Conference Committee

Hearing Date March 23, 2001

Tape Number	Side A	Side B	Meter #
03-23-01 tape #1	0 - 5069	0 - 6213	
03-23-01 tape #2	0 - 3600		
Committee Clerk Signature <i>Sally Hall</i>			

Minutes:

The committee was called to order, and opened committee work on SB 2022.

John Bjornson, Legislative Council: Appeared and gave some historical information regarding last session bills SB 2044 and SB 2043. These were the bills that set up the IT Department and gave them the powers and duties to set up the infrastructure.

(Questions and answers of John Bjornson from the committee and some general committee discussion).

[side B] (ITD personnel come back for questions and answers)

(The committee asks questions regarding why libraries were chosen to receive the T1 lines. They also asked about the loans made and that whole issue of loans versus leases. A copy of the contract between ITD and DCN was handed out. There was discussion as to whether there are any federal grants that can be used to help cover any of these costs.)

[tape 2] (Continuing discussion as to any federal grant money available. Jerry Fossum from ITD helps answer this question. More questions regarding the equipment costs for the schools and the wide area network. Some schools may not want or need this information. The investment won't be made if the school doesn't want it. Further discussion as to the role of DPI and education dollars).

Joe Lennertz, DPI: Answers in response to a question of whether or not the schools can or would make some contributions to this expense of the network installation, he thinks they could not use their federal technology dollars for this use. He said he would look into it for the committee.

(Committee discussion as to the area network information they had received today from the department).

The chairman closed the committee work on this bill.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2022

House Appropriations Committee
Government Operations Division

☐ Conference Committee

Hearing Date March 26, 2001

Tape Number	Side A	Side B	Meter #
03-26-01 tape #1	2426 - 6215	0 - 3019	
Committee Clerk Signature <i>Kathleen Hall</i>			

Minutes:

The committee was called to order, and opened committee work on SB 2022.

Chairman Byerly: Thinks they beat the wide area network to death last Friday. They probably need to move on.

Rep. Skarphol: We did ask OMB to get some information for us.

Dave, OMB: Was told that most of the requested information had been handed out already. Did hand out some more information on connection costs received from Chris Kalesh, DPI. Joe Lennertz has made a request of the federal government to find out if the federal funds the schools get for technology can be applied to reimburse some of the state costs.

(The committee had some general discussion. They wanted the information to find out what costs the schools were running into. Rep. Skarphol explained why he wanted the information. The question whether it is good to just give the equipment and lines without the schools making some contribution, and what kind of contribution could be made).

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[side B]

(Further discussion as to finding a way to work out a contribution plan from the schools to recoup costs for the routers and T1 lines. They discussed various options, including recouping all of the state general funds this biennium, or possibly taking smaller portions over a larger period of time.)

The chairman closed the committee work on this bill.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2022

House Appropriations Committee
Government Operations Division

☐ Conference Committee

Hearing Date March 27, 2001

Tape Number	Side A	Side B	Meter #
03-27-01 tape #1	0 - 6212	0 - 6215	
03-27-01 tape #2	0 - 312		
Committee Clerk Signature <i>Kathleen Hall</i>			

Minutes:

The committee was called to order, and opened committee work on SB 2022.

Chairman Byerly: Discusses where they left off yesterday. That there is \$4 million in DPI for grants for technology. We had just started on page 2 of the spread sheet, which talks about training for K-12 teachers, and CII and voc-ed.

(Discussion on these items. Rep. Skarphol has some comments and information regarding ExploreNet. The representative from ExploreNet felt that this money was set aside specifically for them, but would be willing to have only a portion of the budget set aside specifically for ExploreNet. Rep. Byerly remembers Wayne Kutzer speaking to the committee about voc ed funds. The committee discussed this at great lengths and played with the idea of moving these funds out of ITD and into the education or voc ed bill where they think they would be more appropriate.)

(The committee also discussed SB 2043, the companion bill that now allows ITD to borrow/lease money not in the budget, to do that which they did this current biennium without legislative approval. The committee discussed this at some length.)

More discussion as to all the different costs that will be charged to the agencies, that some of these agencies are going to have a most difficult time paying their IT bill. They have no choice but to pay these charges. Rep. Skarphol commented on an even that happened to the tax department some time ago, that they had ITD come help them with a computer problem, and then their bill to have done this was so big, the tax department had to quit using the program because they couldn't afford to run it any more. The committee discussed the possibility of this happening to other agencies, and breaking their budgets over this too. They discuss policy, and the needs for everyone having this system, the T1 line and router, etc.)

[side B]

Chairman Byerly: Explains that they have still been talking about the backbone, the wide area network. They have been talking about getting this into the schools. There is a possibility to make a requirement that before the school gets the whole system, the school needs "x" number of students. To make some protection for the small schools. Could explore this if they want. Another option is to go ahead with charging a fee.

(Discussion continued on e-government, GIS, electronic document management system, innovation fund, and Sendit. Discussion continued on Sendit and e-rate credits, and not charging access fees.)

The chairman closed the committee work on this bill.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2022

House Appropriations Committee
Government Operations Division

☐ Conference Committee

Hearing Date March 28, 2001

Tape Number	Side A	Side B	Meter #
03-28-01 tape #1	0 - 6215	0 - 806	
Committee Clerk Signature <i>Kathleen Hall</i>			

Minutes:

The committee was called to order, and opened committee work on SB 2022.

(The committee had previously discussed the possibility of moving ExploreNet out of the ITD budget and into the vocational budget. The subcommittee requested the EE subcommittee to come to the meeting and discuss this between the two committees. Rep. Monson, Rep. Wald and Rep. Guleson from the EE committee were present. They explained their views on ExploreNet and heard the committee's thoughts on the reason for moving the program. Rebecca Ternes from ExploreNet was present and gave some comments. The committees discussed this together and then decided to think about making the change).

(The committee also discussed the e-mail received from Joe Lennertz, and that the question he posed was not what the committee had asked. They also discussed the letter that Rep. Glassheim received.)

Rep. Glassheim: Some of the questions have stressed that we don't know and there is uncertainty, and if the budget cuts are done for this, fine. He would like the committee however to make informed decisions, one way or the other. The questions are valid, but the committee doesn't get the answers to make the decisions.

Chairman Byerly: That's why we are asking Mr. Wolfe to provide the answers.

Rep. Skarphol: He has constituents that he has to answer to, and they think we are spending their money, and we have to do that carefully.

Rep. Huether: Agrees, but doesn't agree. Discusses the referral on sales taxes.

Rep. Carlisle: Where will ITD find all these employees?

Chairman Byerly: Hopefully the entry level persons will come from our colleges. The senior level will probably be from other companies.

Dave, OMB: Mike Ressler (ITD) has said they have a very good relationship with the State School of Science. The aggressive pay schedule will help hiring and keeping persons.

Chairman Byerly: We need to meet with the EE subsection again, and needs some clarification from Dave on \$1 million, \$2 million, \$3 million. That will help. He wants to find this out before ITD comes in again. Does not want another overview again. Does want to know from the department if we cut so much, what are they not going to get. We also will need to know if we cut some from the budget, how many less people are they going to need. Also upset about this being spread out in all these budgets. There is no way to track this all down.

Rep. Skarphol: Would also like to have any current information on the HIPAA program.

The chairman closed the committee work on this bill.

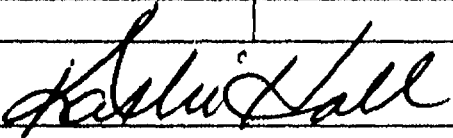
2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2022

House Appropriations Committee
Government Operations Division

☐ Conference Committee

Hearing Date March 29, 2001

Tape Number	Side A	Side B	Meter #
03-29-01 tape #1	0 - 6219	0 - 1759	
Committee Clerk Signature 			

Minutes:

The committee was called to order, and opened committee work on SB 2022.

Chairman Byerly: Began discussing ERP, and explaining to Pam, from OMB what they had previously discussed with Dave, OMB. We had talked about taking "x" number of dollars out of ERP, would they be able to have identified end-point . If you had this amount of dollars, you'd get this done, etc.

Pam, OMB: That would actually delay the payment to who the vendor might be. Oracle had proposed with their \$11 million was to start with the University systems, because that was a priority. They would do everything for the University and that \$11 million in the budget would be in a payment stream.

Chairman Byerly: So ITD expects this to go on no matter how much it costs, and no matter how long it takes?

Pam. OMB: This is just the first \$11 million, like a down payment on a huge contract.

Right now the three finalists are preparing their final offers on some amount of money. The final costs will be determined later. There is a concern that the costs will creep up over time. Higher Ed has been determined to be the priority need. Everyone has agreed that that is the priority. Oracle has said that the higher ed programs are integrated, and they should do them all at the same time. It makes more sense and is more efficient. She has not heard of any talk of royalty possibilities. Getting this contract would be good for the vendor, because this is the first state to do this. The vendors have experience, but have not done one state in the same capacity that we are requesting. The \$11 million is just a guesstimate on the amount of higher ed only. She has no idea as to what the rest of the costs would be. Was just an arbitrary number.

(Rep. Glassheim questioned how Curt Wolf came up some specific dollar amounts as to what the committee could cut. They dollar amount must reflect something, as the numbers are not just whole round numbers, they are very, very specific. Pam answered that the vendors might approach this in different ways, some may try to break down the costs differently than others. The committee asked questions about some other programs, like the quality schools).

(In the afternoon the committee went back to discussion from the budget sheets, and went line by line in the bill.

Rep. Skarphol: Moves to remove line 16, the IT technical education program development funds. Seconded by Rep. Thoreson.

(committee discussion)

Voice vote adopted the amendment.

Rep. Carlisle: Moved to leave line 13, at \$600,334, the CII money. Seconded by Rep. Skarphol.

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(committee discussion)

Voice vote adopted the amendment.

Rep. Skarphol: Moves to remove \$800,000 from line 15, Sendit. Seconded by Rep.

Carlisle.

(committee discussion)

Rep. Glassheim: Is not comfortable with the process. He would like to have someone in person explain to the committee what would be being cut out of the programs when we cut the funding.

Voice vote adopted the amendment.

Rep. Skarphol: Moves to adopt amendment to charge the schools \$2500 per year with a sunset clause of 2 years from now. This contribution is toward equipment, not connection charges. Seconded by Rep. Glassheim.

(committee discussion)

Voice vote adopted the amendment.

Rep. Skarphol: Moved to remove line 20, IT innovation fund. Seconded by Rep.

Carlisle.

(committee discussion)

Voice vote adopted the amendment.

The chairman closed the committee work on this bill.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2022

House Appropriations Committee
Government Operations Division

☐ Conference Committee

Hearing Date April 2, 2001

Tape Number	Side A	Side B	Meter #
04-02-01 tape #1	0 - 6220	0 - 1949	
Committee Clerk Signature <i>Kathleen Hall</i>			

Minutes:

The committee was called to order, and opened committee work on SB 2022.

Roxanne, LC: Handed out 2 documents, technology general funds grants for 1999 - 2001, and ITD telecommunications division.

(committee discussion as to what they did last meeting. They went on to discuss the requested FTE's within the organizational chart just handed out).

Rep. Skarphol: Moves to remove two requested FTE's. Seconded by Rep. Carlisle.

(committee discussion - at # 1064 Roxanne, LC, gave a summary of what changes the committee had already done).

Voice vote adopts the amendment.

Rep. Koppelman: Moves to change salaries and wages \$142,666 from general to special funds. Seconded by Rep. Carlisle.

(committee discussion)

Voice vote adopts the amendment.

(The discussion shifted onto e-government. Dave from OMB explained some information to the committee.)

Rep. Skarphol: Moves to reduce e-government, which is line #13 on the pink sheet by 1 FTE, \$167,088. Seconded by Rep. Thoreson.

Voice vote adopted the amendment.

(The discussion then went on to the GIS hub. Rep. Skarphol wanted to see some reporting requirements, and thought maybe they would have to amend SB 2043, not the budget. Rep. Glassheim favors the GIS hub, and there was discussion on this issue. They tried to come to some sort of compromise.)

Rep. Skarphol: Moves to amend to put off for 1 year the GIS hub, contingent upon them working out a plan, and going to the budget section for approval. Seconded by Rep. Glassheim.

Voice vote adopted the amendment.

(Discussion went on to e-document management system, security, and research and planning.)

Chairman Byerly: There is a body and there is additional general funds and operating expenses, etc. There is also additional funds for contracting and research. This is #14 on the pink sheets. One FTE, operating and equipment expenses. They call it R&D money, grant money. That is why he felt no pains in taking the Innovation fund.

Rep. Glassheim: They intended the Innovation fund as a loan fund, to be paid back. Didn't quite understand that before.

Rep. Skarphol: Number 9 on the pink sheets, and number 10?

Chairman Byerly: Those are miscellaneous, and he was trying to work through the spread sheet first, and then go back to the miscellaneous. He always figured the department heads were the research and planning people. It was their job to keep up with technology and the competitors. It's basically a slush fund to deal with questions from the IT committee, and to pay for research on various technology issues.

Roxanne, LC: One of the intended uses was to pay for consultants and grant writing.

Rep. Glassheim: Moves to take \$100,000 out of the research and planning line.

Seconded by Rep. Skarphol.

Voice vote adopts the amendment.

Chairman Byerly: Has been ignoring rest of small things. Remember the DOT budget, and a CARS and RIMS system. There are all these funds that authorize the projects, and these bodies to do these projects are in the ITD budget.

Rep. Glassheim: You get some general fund savings but not 100% out of taking some of these projects out?

Chairman Byerly: No. If you spend the money on CARS, you put down less asphalt. Like HIPAA, the federal government requires us to do that, even though we don't have a definition of what HIPAA is yet. These are the kinds of positions that if they need them they hire them, if they don't need them, they don't hire them. If you add all this money up, it is basically spending authority we are giving them. He can't say they need "x" less people for HIPAA for example. They will end up hiring a pool of programmers, and some will work on projects, and then move on to another project. Those positions will then be there forever. You could cut "x%" of spending authority, but doesn't know what that would accomplish. That's where we are.

Rep. Skarphol: Explains that he has talked to Workers Comp. About their imaging process, and they will let him know how much they spent on this system. Gave some information on their backup system and remote imaging. Workers Comp, the tax department, and the DOT are established in imaging, and the Secretary of State is getting into this. There may be some duplication of equipment.

Chairman Byerly: The intention he thinks is to catch this where it gets to the point that there is lots of individual systems out there. That is the intention of EDMS, he thinks.

Doesn't know how to go in and say instead of having 30 you can have 26 of these programers. Basically it is spending authority to hire up to that many people, not to exceed that many people.

Rep. Skarphol: Am I correct in assuming that they said they haven't even begun this process because they don't know what they have to do?

Chairman Byerly: In HIPAA they don't. All of the requirements haven't been defined.

Rep. Skarphol: If they don't get into this for a year from now, the unexpended dollars for employees, they don't have the ability to utilize those dollars somewhere else?

Chairman Byerly: They just sit there. You heard Mr. Ressler say this morning in regard to borrowing money, they have the ability to borrow up to their spending authority. So, any amount of money in the budget under "total all funds", yes they could use up to that amount of money for virtually anything they want.

Rep. Glassheim: They have special fund income, not general fund authorization to replace the HIPAA people with something else?

Chairman Byerly: There is nothing that says this money is HIPAA money. Its just special funds. If the federal government decided not to do HIPAA, and there were other projects

that other agencies wanted and were willing to pay ITD for, they could do those. You would be giving them spending authority, and if they have the money they can do anything they want to. There is no differentiation to where the money comes from for the spending authority.

Rep. Skarphol: Gives an example. Is there any way we can put some restraints on their ability to transfer money without being onerous?

Chairman Byerly: Asks Dave of OMB if they can do so. The number of employees has always been limited by the salaries and wages line item. But since this is special funds, they could exceed this even couldn't they?

Dave, OMB: They can't exceed the traditional line item, but if you look at section 2 of the bill, there was an amendment done by the Senate that deals with what you are talking about. The only place where the salaries are limited to a dollar amount certain is elected officials. Otherwise, the departments have some room to figure out how much and how many to pay within their budget authority.

Chairman Byerly: Section 2 bothers him, because everyone else who wants to transfer has to come to the budget section. Here the CIO gets to decide and goes to the director of OMB who transfers the money. You might as well give him a single line item.

Dave, OMB: Explains that the Senate added this because of all of these initiatives that are supposed to happen, and its hard to get the dollar amount done on these. This is where the performance measures you desire will fit together nicely.

The chairman closed the committee work on this bill.

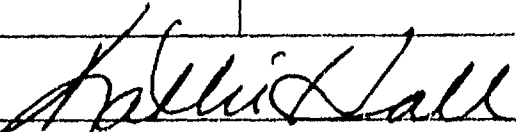
2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2022

House Appropriations Committee
Government Operations Division

☐ Conference Committee

Hearing Date April 3, 2001

Tape Number	Side A	Side B	Meter #
04-03-01 tape #1	0 - 6220	0 - 490	
Committee Clerk Signature 			

Minutes:

The committee was called to order, and opened committee work on SB 2022.

Chairman Byerly: He had spent some time talking with people, partners in DCN. They are very hesitant to opening this up to the hospitals. They said it was never ending with the other groups that then wanted in. He did find out that hospitals are entitled to money under the e-rate program, and there is also a federal rural program they are entitled to money for. They can get money to offset costs of connecting. That is information that I have gathered.

Rep. Huether: Can the hospitals as a group deal with DCN?

Chairman Byerly: Anybody can deal with DCN, they can join a group and try to come up with their own rate. They would have to deal with local providers.

Rep. Glassheim: What would the disadvantage be to the hospitals in not going through the state system and making their own arrangements?

Chairman Byerly: They would not have as good a rate deal. They could get some other money to offset costs though.

Rep. Glassheim: What would the disadvantage be to our system if others did get on it?

Chairman Byerly: Other than our contract that says it can only be used for state and educational purposes? He is not positive that the contract could be gotten out of, and would create a problem for the 3 years of the contract.

Rep. Huether: It would be revenue to the local providers.

Chairman Byerly: There would be a hook up cost, and it wouldn't be like the schools, free. Even then, we probably would charge the hospitals a lot more that they would be willing to pay for all the costs associated.

Rep. Huether: Believes Chip Thomas said the hospitals would pay like \$8000 - \$9000 per month.

Rep. Skarphol: Thinks Chip Thomas is assuming the costs would be similar to those on the list, and the costs would be based on volume. The only real advantage he sees if the hospitals got on the state system is that the contract with the state provides that they would get upgrades as needed with the service.

Chairman Byerly: The schools, K-12, believe that they are going to be paying something on a monthly basis for these systems, exclusive of our amendment of \$2500 per year for 2 years. I am 99.9% sure that Mr. Ressler and Mr. Wolf told us and said the schools have no monthly costs. Asked Dave to make 100% sure that there are no costs to the schools.

(Dave, OMB said that it was his understanding was that ITD said the schools would have no monthly costs. He will double check.)

Chairman Byerly: The schools think that they will have regular monthly fee, exclusive of the annual fee we amended in. The schools I talked to understood the annual fee, but then brought up the monthly fee.

(some committee discussion as to the hospitals, number of nursing homes, group homes, and all other entities that would like to get included in the T1 lines)

(committee back in the afternoon)

(General discussion on schools K-12, quality schools, what actually is being requested for software, short term and long term goals, spending now, or waiting and putting this on hold for more years. Rep. Glassheim favors moving ahead with the ERP spending now, and not waiting any longer. He believes the university is in real need for their computer system, and why hold off on the others. Further discussion on ERP).

Rep. Koppelman: Moves to adopt amendment 18048.0201, an amendment regarding ERP. Seconded by Rep. Carlisle.

Vote on Motion : 5 yes, 2 no, 0 absent and not voting. Motion passes.

(More committee discussion on the funds requested, the breakdown of how much would give what, higher ed needs for the computer programs and ERP Rep. Glassheim pleads to restore some funding for at least the higher ed portion of the program.)

Rep. Glassheim: Moves to restore the amounts for higher ed financial aid programming. Seconded by Rep. Carlisle.

Vote on Motion : 6 yes, 1 no, 0 absent and not voting. Motion passes.

(committee discussion)

Rep. Skarphol: Moves DO PASS AS AMENDED. Seconded by Rep. Koppelman.

Page 4

Government Operations Division

Bill/Resolution Number SB 2022

Hearing Date April 3, 2001

Vote on Do Pass as Amended : 6 yes, 1 no, 0 absent and not voting.

Rep. Byerly will carry this bill to the full committee.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2022

House Appropriations Committee
Government Operations Division

☐ Conference Committee

Hearing Date April 4, 2001

Tape Number	Side A	Side B	Meter #
04-04-01 tape #1	0 - 1167		
Committee Clerk Signature <i>Kelli Lall</i>			

Minutes:

The committee was called to order, and opened committee work on SB 2022.

(The committee had the prepared amendment to review. They went through the amendment to make sure everything in there is what they wanted. They went through the various portions of the amendment and found no substantive changes. There was one mistake in the explanation where the numbers were in the wrong column).

The chairman closed the committee work on this bill.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2022

House Appropriations Committee

☐ Conference Committee

Hearing Date April 5, 2001

Tape Number	Side A	Side B	Meter #
04-05-01 tape #1	0 - 6220	0 - 180	
Committee Clerk Signature <i>Kelli Hall</i>			

Minutes:

The committee was called to order, and opened committee work on SB 2022.

Rep. Byerly: Explains the amendment to the full committee as passed out of the subcommittee, 18048.0203. He went through the amendment section by section and explained where the changes were and why the subcommittee made them. Moved to adopt the amendment.

Seconded by Rep. Koppelman.

(committee discussion and questions).

Voice vote adopted the amendment.

Rep. Glassheim: Explained some of his thoughts on the process of having come up with the amendments from subcommittee. Moved to restore \$5 million into ERP. Seconded by Rep. Warner.

(committee discussion)

Voice vote failed to adopt the amendment.

Page 2

Appropriations

Bill/Resolution Number SB 2022

Hearing Date April 5, 2001

Rep. Svedjan: Moved to adopt an amendment regarding hospitals and the wide area network. Seconded by Rep. Warner.

(committee discussion)

Voice vote failed to adopt the amendment.

Rep. Aarsvold: Moved to remove section 3 of the amendment. Seconded by Rep. Gulleson.

(committee discussion)

Voice vote failed to adopt the amendment.

Rep. Skarphol: Moved DO PASS AS AMENDED. Seconded by Rep. Monson.

Vote on Do Pass as Amended : 15 yes, 5 no, 1 absent and not voting.

Rep. Byerly is assigned to carry this bill to the floor.

Date: 3-29-01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 582022

House Appropriations - Government Operations Division **Committee**

☒ Subcommittee on ~~Government Operations~~ Govt Ops.
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Motion to amend

Motion Made By Rep. Skarphol Seconded By Rep. Thomson

[illegible]

Total (Yes) _____ No De 14

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Remove line 16

Date:

Roll Call Vote #:

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO.

House

Appropriations - Government Operations Division

Committee

☒

Subcommittee on

or

**Legislative Council Amendment Number**

Action Taken

Motion Made By

**Seconded
By**

Rep. Skarphol

[illegible]**Total**

(Yes)

No

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

leave 2/3 of line 13.
leave of \$600,334.

leave at \$ 600,334.

Date: 5-2
Roll Call Vote #:

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 58 2022

House Appropriations - Government Operations Division **Committee**

☒ Subcommittee on ~~_____~~ Govt Ops.
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken motion to amend.

Motion Made By Rep Skapich Seconded By Rep. Carlisle

[illegible]

Total (Yes) _____ No _____ 0.1/1

Absent

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Remove \$800,000 from line 15

Date: 5-8
Roll Call Vote #:

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. *SR 202*

House Appropriations - Government Operations Division Committee

☒ Subcommittee on Govt Ops.
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken Motion to Amend.

Motion Made By Rep. Skarphol Seconded By Rep. Glassheim

[illegible]

Total (Yes) _____ No _____

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

is on an amendment, briefly indicate intent:
\$2,500 Per YR - for 2 years from schools
Sunset clause - from line 17
towards equipment / not connection charges

Date: 3-29-01
Roll Call Vote #: 5

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO.

SB 2022

House Appropriations - Government Operations Division Committee

☒ Subcommittee on Govt Ops.

☐ **Conference Committee**

Legislative Council Amendment Number

Action Taken

motion to amend

Motion Made By

Rep. Skarphol Seconded
By

**Seconded
By**

Rep. Carlisle

[illegible]

Total (Yes) _____ No _____

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

to remove June 20

Passed

Date: 4-2
Roll Call Vote #:

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. *SR 2022*

House Appropriations - Government Operations Division Committee

☒ Subcommittee on ~~_____~~ Govt Ops.
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Motion to amend

Motion Made By Rep. Sharpshol Seconded By Rep. Carlisle

[illegible]

Total **(Yes)** _____ **No** _____

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Remove 2 requested F&P
positions 3:4

Passes

Date: 4-201
Roll Call Vote #: 2

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. *SB 2022*

House Appropriations - Government Operations Division Committee

☒ Subcommittee on ~~_____~~ Govt Ops.
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken

Motion Made By

Seconded

[illegible]

Total (Yes) _____ No 211

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Salaries
Wage

Salaries & wages - \$ 142.6666 from general to special fund.

Date: 4-2-01
Roll Call Vote #: 3

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2022

House Appropriations - Government Operations Division Committee

☒ Subcommittee on ~~_____~~ Govt Ops.
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken Motion to amend.

Motion Made By Rep. Skarphol Seconded By Rep. Whonson

[illegible]

Total (Yes) _____ No _____

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

1/2 line
13 - e-gott on
pink
sheet

to reduce e-gott
by 1 FTZ

\$ 167,088.

Date: 9-27
Roll Call Vote #:

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB2022

House Appropriations - Government Operations Division Committee

☒ Subcommittee on Govt Ops.
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken

Motion Made By

Seconded By

[illegible]

Total (Yes) _____ No _____

Absent _____

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

* to put off for 1 year the GIS hub program - contingent upon working out a proper plan. \$750,000. budget section approval.

Date: 4-2-01
Roll Call Vote #: 5

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2022

House Appropriations - Government Operations Division Committee

☒ Subcommittee on ~~_____~~ Govt Ops.
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Motion to amend.

Motion Made By Rep. Glassheim Seconded By Rep. Skarphol

[illegible]

Total (Yes) _____ No 2000

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Remove \$100,000 of general fund
reserves

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2022

Page 1, line 2, after "department" insert "; and to provide legislative intent"

Page 1, remove line 18

Page 1, line 21, replace "96,903,519" with "84,932,146"

Page 1, line 22, replace "71,165,087" with "70,696,214"

Page 1, line 23, replace "25,718,432" with "14,235,932"

Page 2, after line 4, insert:

"SECTION 3. LEGISLATIVE INTENT - ENTERPRISE RESOURCE PLANNING - REPORT TO FIFTY-EIGHTH LEGISLATIVE ASSEMBLY. It is the intent of the fifty-seventh legislative assembly that during the biennium beginning July 1, 2001, and ending June 30, 2003, the Information Technology department review the enterprise resource planning concept and the request for proposal process anticipated to be used to solicit bids for the project, if authorized; that the department prepare a report and its recommendations relating to the project; and that the report and recommendations be presented to the appropriations committees of the fifty-eighth legislative assembly."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Dept. 112 - Information Technology Department - House Action

This amendment removes \$11,971,373 (\$11,482,500 from the general fund and \$488,873 from other funds) for the enterprise resource planning (ERP) project and authority for three FTE positions relating to the project. This amendment also adds a section of legislative intent that during the 2001-03 biennium, the Information Technology Department study the ERP concept and present recommendations to the Fifty-eighth Legislative Assembly.

Date: 4-3-01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2022

House Appropriations - Government Operations Division Committee

☒ Subcommittee on Govt Ops.
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken motion to amend 18048.0201

Motion Made By Rep. Keppelman Seconded By Rep. Carlisle

Representatives	Yes	No	Representatives	Yes	No
Rep. Rex R. Byerly - Chairman	✓		Rep. Elliot Glassheim		✓
Rep. Ron Carlisle - Vice Chairman	✓		Rep. Robert Huether		✓
Rep. Kim Koppelman	✓				
Rep. Bob Skarphol	✓				
Rep. Blair Thoreson	✓				

Total (Yes) 5 No 2

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Passed

Date: 4-3-01
Roll Call Vote #: 2

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2022

House Appropriations - Government Operations Division Committee

☒ Subcommittee on ~~Government Operations~~ Govt Ops.
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken motion to amend.

Motion Made By Rep. Glassheim Seconded By Rep. Carlisle

Representatives	Yes	No	Representatives	Yes	No
Rep. Rex R. Byerly - Chairman	✓		Rep. Eliot Glassheim	✓	
Rep. Ron Carlisle - Vice Chairman	✓		Rep. Robert Huether	✓	
Rep. Kim Koppelman		✓			
Rep. Bob Skarphol	✓				
Rep. Blair Thoreson	✓				

Total (Yes) 6 No 1

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

restore amounts for higher ed financial aid

Date: 4-3-01
Roll Call Vote #: 3

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2022

House Appropriations - Government Operations Division Committee

☒ Subcommittee on ~~Government Operations~~ Govt Ops.
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass As Amended

Motion Made By Rep. Skarphol Seconded By Rep. Koppelman

Representatives	Yes	No	Representatives	Yes	No
Rep. Rex R. Byerly - Chairman	✓		Rep. Eliot Glassheim		✓
Rep. Ron Carlisle - Vice Chairman	✓		Rep. Robert Huether	✓	
Rep. Kim Koppelman	✓				
Rep. Bob Skarphol	✓				
Rep. Blair Thoreson	✓				

Total (Yes) 6 No 1

Absent 0

Floor Assignment Rep Byerly

If the vote is on an amendment, briefly indicate intent:

April 5, 2001

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2022

Page 1, line 2, after "department" insert "; to provide a contingent appropriation; to provide a statement of legislative intent; and to provide an expiration date"

Page 1, line 10, replace "25,985,352" with "25,576,531"

Page 1, line 11, replace "36,076,824" with "35,661,772"

Page 1, line 12, replace "5,695,000" with "5,080,000"

Page 1, line 13, replace "934,583" with "600,334"

Page 1, line 15, replace "1,973,669" with "1,173,669"

Page 1, remove line 16

Page 1, line 17, replace "9,968,905" with "9,647,121"

Page 1, line 18, replace "11,971,373" with "1,503,666"

Page 1, line 19, replace "1,407,513" with "1,407,513"

Page 1, remove line 20

Page 1, line 21, replace "96,903,519" with "82,850,606"

Page 1, line 22, replace "71,185,087" with "71,883,880"

Page 1, line 23, replace "25,718,432" with "10,966,726"

Page 2, after line 4, insert:

"SECTION 3. ESTIMATED INCOME. The estimated income line item included in section 1 of this Act includes \$1,045,000, or so much of the line item as may be necessary, of payments from school districts that contain a high school. Each school district that contains a high school is to provide the information technology department \$2,500 per year for costs associated with being connected to the statewide wide area network.

SECTION 4. CONTINGENT APPROPRIATION - GEOGRAPHIC INFORMATION SYSTEMS. If the information technology department develops a centralized geographic information system initiative proposal that identifies all geographic information system participants, a process for implementing a centralized geographic information system, and efficiencies resulting from a centralized geographic information system and the proposal is approved by the budget section of the legislative council, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$750,000 to the information technology department for implementing a centralized geographic information system for fiscal year beginning July 1, 2002, and ending June 30, 2003.

SECTION 5. LEGISLATIVE INTENT - ENTERPRISE RESOURCE PLANNING - REPORT TO FIFTY-EIGHTH LEGISLATIVE ASSEMBLY. It is the intent of the fifty-seventh legislative assembly that during the biennium beginning July 1, 2001, and ending June 30, 2003, the information technology department review the enterprise resource planning concept and the request for proposal process anticipated to be used to solicit bids for the project, if authorized; that the department prepare a report and its recommendations relating to the project; and that the report and recommendations be presented to the appropriations committees of the fifty-eighth legislative assembly.

SECTION 6. EXPIRATION DATE. Section 3 of this Act is effective through June 30, 2003, and after that date is ineffective."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2022 - Information Technology Department - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$25,985,352	\$25,985,352	(\$408,821)	\$25,576,531
Operating expenses	36,078,824	36,078,824	(415,052)	35,663,772
Equipment	5,595,000	5,595,000	(515,000)	5,080,000
Center for Innovation and Instruction	934,583	934,583	(334,249)	600,334
Education Technology Commission grants	3,500,000	2,200,000		2,200,000
SENDIT network	1,973,669	1,973,669	(800,000)	1,173,669
IT technical education program development	590,300	590,300	(590,300)	
Wide area network	9,968,905	9,968,905	(321,784)	9,647,121
Enterprise resource planning system	20,488,873	11,971,373	(10,487,707)	1,503,666
Prairie Public Broadcasting	1,407,513	1,407,513		1,407,513
IT Innovation fund	500,000	200,000	(200,000)	
Contingent GIS appropriation			<u>750,000</u>	<u>750,000</u>
Total all funds	\$107,021,019	\$96,903,519	(\$13,302,913)	\$83,600,606
Less estimated income	<u>71,185,087</u>	<u>71,185,087</u>	<u>698,793</u>	<u>71,883,880</u>
General fund	\$35,835,932	\$25,716,432	(\$14,001,708)	\$11,716,726
FTE	212.00	212.00	(8.00)	204.00

Dept. 112 - Information Technology Department - Detail of House Changes

	REDUCE FUNDING FOR THE CENTER FOR INNOVATION AND INSTRUCTION ¹	REDUCE FUNDING FOR SENDIT NETWORK ²	REMOVE FUNDING FOR IT TECHNICAL EDUCATION PROGRAM DEVELOPMENT ³	REMOVE FUNDING FOR THE IT INNOVATION FUND ⁴	PROVIDE A FUNDING SOURCE CHANGE FOR WIDE AREA NETWORK ⁵	REMOVE POSITIONS AND RELATED FUNDING FOR WIDE AREA NETWORK ⁶
Salaries and wages						
Operating expenses						
Equipment						
Center for Innovation and Instruction	(\$334,249)					
Education Technology Commission grants						
SENDIT network		(\$800,000)				
IT technical education program development			(\$590,300)			
Wide area network						(\$321,784)
Enterprise resource planning system						
Prairie Public Broadcasting						
IT Innovation fund				(\$200,000)		
Contingent GIS appropriation						
Total all funds	(\$334,249)	(\$800,000)	(\$590,300)	(\$200,000)	\$0	(\$321,784)
Less estimated income					<u>1,045,000</u>	
General fund	(\$334,249)	(\$800,000)	(\$590,300)	(\$200,000)	(\$1,045,000)	(\$321,784)
FTE	0.00	0.00	0.00	0.00	0.00	(2.00)

	PROVIDE CORRECT FUNDING FOR RECOMMENDED SALARY INCREASES	DECREASE FUNDING FOR E-GOVERNMENT INITIATIVE ⁷	REMOVE FUNDING FOR GIS ⁸	DECREASE FUNDING FOR RESEARCH AND PLANNING POSITION	REMOVE FUNDING FOR THE ENTERPRISE RESOURCE PLANNING SYSTEM ⁹	RESTORE FUNDING FOR HIGHER EDUCATION FINANCIAL AID SYSTEM ¹⁰
Salaries and wages		(\$140,404)	(\$268,417)			
Operating expenses		(21,684)	(293,368)	(100,000)		
Equipment		(5,000)	(510,000)			
Center for Innovation and Instruction						
Education Technology Commission grants						
BENDIT network						
IT technical education program development						
Wide area network						
Enterprise resource planning system					(11,971,373)	1,503,666
Prairie Public Broadcasting						
IT innovation fund						
Contingent GIS appropriation						
Total all funds	\$0	(\$167,088)	(\$1,071,785)	(\$100,000)	(\$11,971,373)	\$1,503,666
Less estimated income	<u>142,666</u>				<u>(488,873)</u>	
General fund	(\$142,666)	(\$167,088)	(\$1,071,785)	(\$100,000)	(\$11,482,500)	\$1,503,666
FTE	0.00	(1.00)	(2.00)	0.00	(3.00)	0.00

	PROVIDE FOR A CONTINGENT APPROPRIATION (GIS) ¹¹	TOTAL HOUSE CHANGES
Salaries and wages		(\$408,821)
Operating expenses		(415,052)
Equipment		(515,000)
Center for Innovation and Instruction		(334,249)
Education Technology Commission grants		
BENDIT network		(800,000)
IT technical education program development		(590,300)
Wide area network		(321,784)
Enterprise resource planning system		(10,487,707)
Prairie Public Broadcasting		
IT innovation fund		(200,000)
Contingent GIS appropriation	<u>750,000</u>	<u>750,000</u>
Total all funds	\$750,000	(\$13,302,913)
Less estimated income		<u>886,793</u>
General fund	\$750,000	(\$14,001,706)
FTE	0.00	(8.00)

- 1 This amendment reduces funding from the general fund for the Center for Innovation in Instruction by \$334,249, from \$934,683 to \$600,334.
- 2 This amendment reduces funding from the general fund for the BENDIT network by \$800,000, from \$1,973,669 to \$1,173,669.
- 3 This amendment removes funding from the general fund of \$590,300 for information technical education program development.
- 4 This amendment removes funding from the general fund of \$200,000 for an information technology innovation fund.
- 5 This amendment provides a change in funding relating to the costs associated with connecting the statewide wide area network to school districts that contain a high school. Each school district that contains a high school will be required to provide the Information Technology Department \$2,500 per year for connection to the statewide wide area network. This will result in approximately \$1,045,000 in special funds revenues and therefore the general fund appropriation for the wide area network is reduced by \$1,045,000.
- 6 This amendment removes funding of \$321,784 from the general fund and two FTE positions associated with the implementation of the wide area network.
- 7 This amendment reduces \$167,088 of funding from the general fund and removes one FTE associated with the e-government initiative.
- 8 This amendment removes funding of \$1,071,785 from the general fund and two FTE positions for the geographic information system (GIS).
- 9 This amendment removes funding of \$11,971,373, of which \$11,482,500 is from the general fund for the enterprise resource planning (ERP) project and authority for three FTE positions relating to the project. This amendment also adds a section of legislative intent that during the 2001-03 biennium, the Information Technology Department study the ERP concept and present recommendations to the 2003 Legislative Assembly.
- 10 This amendment provides funding of \$1,503,666 from the general fund for a higher education financial aid system.
- 11 This amendment adds a section to the bill that provides a contingent appropriation of \$750,000 from the general fund to the department for the GIS initiative if the department submits a proposal regarding implementing a GIS initiative to the Budget Section and receives Budget Section approval. The total general fund changes of (\$14,001,706) include the contingent appropriation.

Date: 4-5-01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB2022

House APPROPRIATIONS

Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number

18048.0203

Action Taken

motion to adopt amendment

Motion Made By

Rep. Byerly

Seconded
By

Rep. Koppelman

Representatives	Yes	No	Representatives	Yes	No
Timm - Chairman					
Wald - Vice Chairman					
Rep - Aarsvold			Rep - Koppelman		
Rep - Boehm			Rep - Martinson		
Rep - Byerly			Rep - Monson		
Rep - Carlisle			Rep - Skarphol		
Rep - Delzer			Rep - Svedjan		
Rep - Glassheim			Rep - Thoreson		
Rep - Gulleason			Rep - Warner		
Rep - Huether			Rep - Wentz		
Rep - Kampenich					
Rep - Kerzman					
Rep - Kliniske					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

passed

Date: 4-5-01
Roll Call Vote #: 2

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2022

House APPROPRIATIONS Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken motion to further amend.

Motion Made By Rep. Glassheim Seconded By Rep. Warner

Representatives	Yes	No	Representatives	Yes	No
Timm - Chairman					
Wald - Vice Chairman					
Rep - Aarsvold			Rep - Koppelman		
Rep - Boehm			Rep - Martinson		
Rep - Byerly			Rep - Monson		
Rep - Carlisle			Rep - Skarphol		
Rep - Delzer			Rep - Svedjan		
Rep - Glassheim			Rep - Thoreson		
Rep - Gulleason			Rep - Warner		
Rep - Huether			Rep - Wentz		
Rep - Kempenich					
Rep - Kerzman					
Rep - Kliniske					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Restore \$5 million to ERT

failed

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 202

Page 1, line 4, after "department" insert "; and to provide legislative intent"

Page 6, after line 15, insert:

"SECTION 7. LEGISLATIVE INTENT. It is the intent of the legislative assembly that any hospital licensed by the state may access and utilize this state's wide area network services, provided the department determines that the access is not contrary to the state's carrier contract and that capacity exists within the network."

Renumber accordingly

Date: 4-5-01
Roll Call Vote #: 3

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2022

House APPROPRIATIONS Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken motion to further amend.

Motion Made By Rep. Svedjan Seconded By Rep. Warner

Representatives	Yes	No	Representatives	Yes	No
Timm - Chairman					
Wald - Vice Chairman					
Rep - Aarsvold			Rep - Koppelman		
Rep - Boehm			Rep - Martinson		
Rep - Byerly			Rep - Monson		
Rep - Carlisle			Rep - Skarphol		
Rep - Delzer			Rep - Svedjan		
Rep - Glassheim			Rep - Thoreson		
Rep - Gulleeson			Rep - Warner		
Rep - Huether			Rep - Wentz		
Rep - Kempenich					
Rep - Kerzman					
Rep - Kliniske					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Failed

Date: 4-5-01
Roll Call Vote #: 4

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2022

House APPROPRIATIONS Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken motion to further amend.

Motion Made By Rep. Aarsvold Seconded By Rep. Gulleson

Representatives	Yes	No	Representatives	Yes	No
Timm - Chairman					
Wald - Vice Chairman					
Rep - Aarsvold			Rep - Koppelman		
Rep - Boehm			Rep - Martinson		
Rep - Byerly			Rep - Monson		
Rep - Carlisle			Rep - Skarphol		
Rep - Delzer			Rep - Svedjan		
Rep - Glassheim			Rep - Thoreson		
Rep - Gulleson			Rep - Warner		
Rep - Huether			Rep - Wentz		
Rep - Kempenich					
Rep - Kerzman					
Rep - Kliniske					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Remove Section 3 of amendment

Failed

Date: 4-5-01
Roll Call Vote #: 5

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2022

House APPROPRIATIONS

Committee

☐ Subcommittee on _____

or

☐ Conference Committee

Legislative Council Amendment Number

18048.0203

Action Taken

Do PASS As Amended.

Motion Made By

Rep. Skarphol

Seconded

By

Rep. Monson

Representatives	Yes	No	Representatives	Yes	No
Timm - Chairman	✓				
Wald - Vice Chairman	✓				
Rep - Aarsvold		✓	Rep - Koppelman	✓	
Rep - Boehm	✓		Rep - Martinson	✓	
Rep - Byerly	✓		Rep - Monson	✓	
Rep - Carlisle	✓		Rep - Skarphol	✓	
Rep - Delzer	✓		Rep - Svedjan	✓	
Rep - Glassheim		✓	Rep - Thoreson	✓	
Rep - Gulletson		✓	Rep - Warner		✓
Rep - Huether			Rep - Wentz	✓	
Rep - Kempenich	✓				
Rep - Kerzman		✓			
Rep - Kliniske	✓				

Total (Yes)

15 No

5

Absent

Floor Assignment

Rep. Byerly

If the vote is on an amendment, briefly indicate intent:

Committee	Page	Line	Amount	Change
Appropriations	1	1	1,000,000	
Education	1	1	1,000,000	
Health	1	1	1,000,000	
Transportation	1	1	1,000,000	
Public Safety	1	1	1,000,000	
Information Technology	1	1	1,000,000	
Contingent	1	1	1,000,000	
Other	1	1	1,000,000	
TOTAL	1	1	1,000,000	

1 The estimated income line item included in section 1 of this Act includes \$1,045,000, or so much of the line item as may be necessary, of payments from school districts that contain a high school. Each school district that contains a high school is to provide the information technology department \$2,500 per year for costs associated with being connected to the statewide wide area network.

2 The estimated income line item included in section 1 of this Act includes \$1,045,000, or so much of the line item as may be necessary, of payments from school districts that contain a high school. Each school district that contains a high school is to provide the information technology department \$2,500 per year for costs associated with being connected to the statewide wide area network.

3 The estimated income line item included in section 1 of this Act includes \$1,045,000, or so much of the line item as may be necessary, of payments from school districts that contain a high school. Each school district that contains a high school is to provide the information technology department \$2,500 per year for costs associated with being connected to the statewide wide area network.

4 The estimated income line item included in section 1 of this Act includes \$1,045,000, or so much of the line item as may be necessary, of payments from school districts that contain a high school. Each school district that contains a high school is to provide the information technology department \$2,500 per year for costs associated with being connected to the statewide wide area network.

5 The estimated income line item included in section 1 of this Act includes \$1,045,000, or so much of the line item as may be necessary, of payments from school districts that contain a high school. Each school district that contains a high school is to provide the information technology department \$2,500 per year for costs associated with being connected to the statewide wide area network.

6 The estimated income line item included in section 1 of this Act includes \$1,045,000, or so much of the line item as may be necessary, of payments from school districts that contain a high school. Each school district that contains a high school is to provide the information technology department \$2,500 per year for costs associated with being connected to the statewide wide area network.

7 The estimated income line item included in section 1 of this Act includes \$1,045,000, or so much of the line item as may be necessary, of payments from school districts that contain a high school. Each school district that contains a high school is to provide the information technology department \$2,500 per year for costs associated with being connected to the statewide wide area network.

8 The estimated income line item included in section 1 of this Act includes \$1,045,000, or so much of the line item as may be necessary, of payments from school districts that contain a high school. Each school district that contains a high school is to provide the information technology department \$2,500 per year for costs associated with being connected to the statewide wide area network.

9 The estimated income line item included in section 1 of this Act includes \$1,045,000, or so much of the line item as may be necessary, of payments from school districts that contain a high school. Each school district that contains a high school is to provide the information technology department \$2,500 per year for costs associated with being connected to the statewide wide area network.

10 The estimated income line item included in section 1 of this Act includes \$1,045,000, or so much of the line item as may be necessary, of payments from school districts that contain a high school. Each school district that contains a high school is to provide the information technology department \$2,500 per year for costs associated with being connected to the statewide wide area network.

11 The estimated income line item included in section 1 of this Act includes \$1,045,000, or so much of the line item as may be necessary, of payments from school districts that contain a high school. Each school district that contains a high school is to provide the information technology department \$2,500 per year for costs associated with being connected to the statewide wide area network.

The reports of the majority and the minority were placed on the Seventh order of business on the calendar for the succeeding legislative day.

REPORT OF STANDING COMMITTEE (MINORITY)
 SB 2022, as engrossed: Appropriations Committee (Rep. Timan, Chairman) A MINORITY
 of your committee (Rep. Aschold, Glassheim, Guleason, Korman, Kinast, Mawer)
 recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO
 PASS.

Page 1, line 2, after "Department" insert "; to provide a contingent appropriation; to provide a statement of legislative intent; and to provide an expiration date"

Page 1, line 10, replace "25,985,352" with "25,576,531"

Page 1, line 11, replace "36,076,824" with "35,661,772"

Page 1, line 12, replace "3,595,000" with "3,080,000"

Page 1, line 13, replace "334,563" with "800,334"

Page 1, line 15, replace "1,973,663" with "1,173,663"

Page 1, remove line 16

Page 1, line 17, replace "9,988,905" with "9,647,121"

Page 1, line 18, replace "11,971,373" with "8,503,886"

Page 1, line 19, replace "1,407,513" with "1,407,513"

Page 1, remove line 20

Page 1, line 21, replace "96,903,519" with "87,850,806"

Page 1, line 22, replace "71,185,087" with "71,883,880"

Page 1, line 23, replace "25,718,432" with "15,988,726"

Page 2, after line 4, insert:

SECTION 3. ESTIMATED INCOME. The estimated income line item included in section 1 of this Act includes \$1,045,000, or so much of the line item as may be necessary, of payments from school districts that contain a high school. Each school district that contains a high school is to provide the information technology department \$2,500 per year for costs associated with being connected to the statewide wide area network.

SECTION 4. CONTINGENT APPROPRIATION - GEOGRAPHIC INFORMATION SYSTEMS. If the information technology department develops a centralized geographic information system, a process for implementing a centralized geographic information system, and efficiencies resulting from a centralized geographic information system and the proposal is approved by the budget section of the legislative council, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$750,000 to the information technology department for implementing a centralized geographic information system for fiscal year beginning July 1, 2002, and ending June 30, 2003.

SECTION 5. LEGISLATIVE INTENT - ENTERPRISE RESOURCE PLANNING - REPORT TO FIFTY-EIGHTH LEGISLATIVE ASSEMBLY. It is the intent of the fifty-seventh legislative assembly that during the biennium beginning July 1, 2001, and ending June 30, 2003, the information technology department review the enterprise resource planning concept and the request for proposal process anticipated to be used to solicit bids for the project, if authorized; that the department prepare a report and its recommendations relating to the project; and that the report and recommendations be presented to the appropriations committees of the fifty-eighth legislative assembly.

SECTION 6. EXPIRATION DATE. Section 3 of this Act is effective through June 30, 2003, and after that date is ineffective.

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2022 - Information Technology Department - House Action

EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$25,985,352	\$408,821	\$26,394,173
Operating expenses	36,076,824	(115,053)	35,961,772
Equipment	5,595,000		5,595,000
Center for Information and Instruction	\$34,563	\$34,563	\$69,126
Information Technology	3,595,000		3,595,000
Information systems	1,973,663	(800,334)	1,173,329
IT infrastructure	3,080,000		3,080,000
Enterprise resource planning	20,488,373		20,488,373
Planning system	1,407,513		1,407,513
Public Safety	300,000		300,000
IT infrastructure	500,000		500,000
Contingent GIS appropriation			
Total all funds	\$147,823,019	\$68,803,519	\$216,626,538
Leg. estimated income	71,185,087	688,730	71,873,817
General fund	\$25,655,302	\$25,718,432	\$51,373,734



- 1 The amendment reduces funding from the general fund for the Center for Innovation at \$200,000 to \$100,000.
- 2 The amendment reduces funding from the general fund for the Center for Innovation at \$100,000 to \$50,000.
- 3 The amendment reduces funding from the general fund for the Center for Innovation at \$50,000 to \$25,000.
- 4 The amendment reduces funding from the general fund for the Center for Innovation at \$25,000 to \$12,500.
- 5 The amendment reduces funding from the general fund for the Center for Innovation at \$12,500 to \$6,250.
- 6 The amendment reduces funding from the general fund for the Center for Innovation at \$6,250 to \$3,125.
- 7 The amendment reduces funding from the general fund for the Center for Innovation at \$3,125 to \$1,562.
- 8 The amendment reduces funding from the general fund for the Center for Innovation at \$1,562 to \$781.
- 9 The amendment reduces funding from the general fund for the Center for Innovation at \$781 to \$390.
- 10 The amendment reduces funding from the general fund for the Center for Innovation at \$390 to \$195.
- 11 The amendment reduces funding from the general fund for the Center for Innovation at \$195 to \$97.

Dept. 112 - Information Technology Department - Detail of House Changes

61st DAY	2000	2001	2002	2003	2004
2000	2001	2002	2003	2004	2005

61st DAY	2000	2001	2002	2003	2004	2005
2000	2001	2002	2003	2004	2005	2006

REPORT OF CONFERENCE COMMITTEE

SB 2095, as engrossed: Your conference committee (Sens. Fischer, Kizer, T. Mathern and Reps. Weisz, Galvin, Sandvig) recommends that the HOUSE RECEDE from the House amendments on SJ page 937, adopt amendments as follows, and place SB 2095 on the Seventh order:

That the House recede from its amendments as printed on page 937 of the Senate Journal and pages 1002 and 1003 of the House Journal and that Engrossed Senate Bill No. 2095 be amended as follows:

Page 1, line 8, after "applicant's insert", where adjusted gross income or loss means the adjusted gross income or loss as computed for an individual for federal income tax purposes under the Internal Revenue Code, and remove "lower of the previous one year or the"

Page 1, line 9, overstrike "average of the previous three years of adjusted gross income," and remove "or the lower"

Page 1, remove lines 10 and 11

Page 1, line 12, remove "gross income" and overstrike "means the adjusted gross income as computed for an individual for"

Page 1, line 13, overstrike "federal income tax purposes under the Internal Revenue Code" and insert immediately thereafter "lower of either:

- a. The previous one year of adjusted gross income or loss, less any earned or unearned income on the tax return, plus any current earned or unearned income; or
- b. The average of the previous three years of adjusted gross income or loss, less the average of earned or unearned income for each of the previous three years, plus any current earned or unearned income"

Renumber accordingly

Engrossed SB 2095 was placed on the Seventh order of business on the calendar.

MOTION

REP. BELTER MOVED that SB 2022 and SB 2095 be laid over one legislative day, which motion prevailed.

REPORT OF CONFERENCE COMMITTEE

SB 2034, as engrossed: Your conference committee (Sens. Traynor, Watne, C. Nelson and Reps. Maragos, Wrangham, Delmore) recommends that the SENATE ACCEDE to the House amendments on SJ pages 1029-1030 and place SB 2034 on the Seventh order.

Engrossed SB 2034 was placed on the Seventh order of business on the calendar.



JOURNAL OF THE HOUSE

Fifty-seventh Legislative Assembly

The House convened at 1:00 p.m., with Speaker Bernstein presiding.

The prayer was offered by Pastor Gordon Stork, Century Baptist Church, Biemarck.

The roll was called and all members were present except Representatives Gunter and Thorpe.

A quorum was declared by the Speaker.

CORRECTION AND REVISION OF THE JOURNAL

MR. SPEAKER: Your Committee on Correction and Revision of the Journal (Rep. Kretschmar, Chairman) has carefully examined the Journal of the Sixtieth Day and recommends that it be corrected as follows and when so corrected, recommends that it be approved:

Page 1308, line 26, replace "CONFERENCE COMMITTEE REPORT" with "MESSAGE FROM THE SENATE"

Page 1308, line 27, replace "conference committee report on" with "House concur with the amendments to" and remove "be"

Page 1309, line 28, remove "adopted"

REP. KRETSCHMAR MOVED that the report be adopted, which motion prevailed.

MOTION

REP. BELTER MOVED that SB 2354 be referred to the Appropriations Committee, which motion prevailed. Pursuant to Rep. Belter's motion, SB 2354 was referred.

SIXTH ORDER OF BUSINESS

REP. BELTER MOVED that the amendments on the Sixth order of business to SB 2020 and SB 2021 be adopted, which motion prevailed.

SB 2020 and SB 2021, as amended, were placed on the Fourteenth order of business on the calendar.

SEVENTH ORDER OF BUSINESS

MOTION

REP. GLASSHEIM MOVED that the report of the Minority as printed on HJ page 1350 be substituted for the report of the Majority on Engrossed SB 2022.

REQUEST

REP. GLASSHEIM REQUESTED a recorded roll call vote on the motion that the report of the Minority be substituted for the report of the Majority on Engrossed SB 2022, which request was granted.

ROLL CALL

The question being on the motion that the report of the Minority be substituted for the report of the Majority on Engrossed SB 2022, the roll was called and there were 30 YEAS, 66 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Boucher; Cleary; Delmore; Eckre; Ekstrom; Fairfield; Froelich; Glassheim; Grunbo; Gullison; Hanson; Huether; Hunsaker; Kelsch, S.; Kerzman; Kinslake; Kroeber; Lemieux; Mahoney; Metcalf; Mueller; Niemeier; Nottestad; Onstad; Sandvig; Schmidt; Solberg; Warner; Winnich

NAYS: Bellow; Belter; Berg; Boehm; Brandenburg; Brekke; Brusegaard; Byerly; Carlisle; Carlson; Clark; Dekrey; Delzer; Devlin; Disrud; Dosch; Drovadal; Froseth; Gahrn; Grande; Grosz; Haas; Hawken; Herbel; Jensen; Johnson, D.; Johnson, N.; Kasper; Keiser; Kelsch, R.; Kampenich; Kingsbury; Klein, F.; Klein, M.; Klemm; Koppang; Koppelman; Kretschmar; Lloyd; Maragos; Marinson; Meyer; Monson; Neilson; Nicholas;

Tel: +90 312 268 85 85

2001 SENATE APPROPRIATIONS

CONFERENCE COMMITTEE

SB 2022

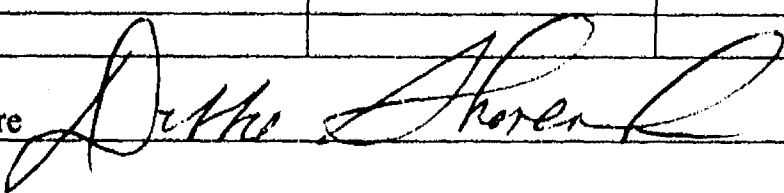
2001 SENATE CONFERENCE COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2022

Senate Appropriations Committee

☐ Conference Committee

Hearing Date April 13, 2001

Tape Number	Side A	Side B	Meter #
1	X		6.6-42.4
Committee Clerk Signature 			

Minutes:

Senator Solberg opened the conference committee hearing on SB 2022. Present from the Senate were Senator Solberg, Senator Schobinger, and Senator Robinson, present from the House were Representative Byerly, Representative Skarphol and Representative Huether.

Senator Solberg: I would like the House to explain line by line the changes/amendments made by the House and to explain each change.

Representative Byerly: Explained the changes to the bill starting on page 1, line by line and reasons considered. Also stated that they use the spreadsheet provided to the committees by Information Technology, stating there were no changes to Phase 1 & 2. All funding to ERP was eliminated and taken off. There were priorities and this was the third priority. Wide area network was the 1st priority and initiatives was the 2nd priority.

Senator Solberg: ERP (enterprise resource planning project), eliminated why, bases of the letter?

Representative Byerly: The Director of IT sent a letter in response to the request of a House committee member stating this was the third priority and savings to the general fund.

Senator Solberg: So the reason ERP was cut is because of priorities, the departments priorities.

Representative Byerly: We asked the department for specifics and modules on costs. The information requested was not received on ERP. Consideration and testimony was presented before the committee. We felt we are not ready to invest without the additional information requested from the IT.

Senator Solberg: Let's discuss more on the budget. The idea and rationale of your process on the entire bill, are there any questions.

Senator Robinson: I do have concerns here mainly the relationship with K-12 schools and the state wide system/network., the amount assessed to the schools and costs of the system to them.

Representative Byerly: We didn't get through all our amendments. He went on to explain the E-Government initiative, GIS, ERP, EDMS, salaries and wages.

Senator Solberg: Let's discuss one area at a time. Wide area network and billing the school \$5,000 a biennium per school. Is this all schools that signed up, is this mandated?

Representative Byerly: In SB 2043 included the mandate for sign up for schools.

Representative Byerly: Why don't both sides explain their changes at this first meeting. Shouldn't we go back now to the Senate amendments? Was the funding for ERP of \$8.5 million from OMB and the Governor's budget, I'm not sure.

Senator Solberg: We approved ERP with no additions of \$8.5 million and this was the Governor's budget.

Representative Byerly: The reduction to ETC grants from the Senate, Executive budget was \$3.5 million and the Senate reduced it to \$1.3 million?

Senator Solberg: The ETC grants, there was \$1 million unfunded grants with connectivity through the schools, this was the Governor's request. The transfer for spending authority was unlimited. The change was to free up other areas of the department where it was needed.

Representative Byerly: Unlimited, \$300,000 innovation?

Dave, OMB, that was in the Governor's request.

Representative Byerly: To summarize, changes by Senate other than the unlimited transfer of funds, these were all changes in the Hoeven budget?

Senator Solberg: That's right.

Representative Byerly: Went on to explain the amendments on page 2. There is no quality school initiative anymore, out of Governor's office the transfer for student data base will wrap into ERP eventually.

Senator Solberg: All reporting under one area.

Senator Robinson: The center piece proposed in the wide area network for K-12 schools.

Representative Huether: The \$2,500 per year to schools, \$5,000 for two years. I have not heard any concerns from the two schools I spoke with on this amount.

Senator Robinson: What will be next to these schools. We issue more and more costs to the public schools, a struggling history.

Senator Solberg: We will cover that area in our next meeting, the wide area network Phase 1 & 2. We will provide the spreadsheet to the committee members and a detailed areas that were reduced.

Senator Robinson: One more comment, the roll out of the wide area network and the FTE's package is critical.

Senator Solberg: This meeting is adjourned and recessed until our next meeting. Meter 42.4.

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2022

Senate Appropriations Committee

☒ Conference Committee

Hearing Date April 16, 2001

Tape Number	Side A	Side B	Meter #
Tape #3	x		0.0 - 48.3
Committee Clerk Signature <i>Donnie Pietsch</i>			

Minutes:

Senator Solberg, Chair of the SB2022 (Information Technology Department) Conference Committee, called the meeting to order at 3:30, Monday, April 16th in the Harvest Room.

Roll call: All members present: Senator Solberg; Senator Schobinger; Senator Robinson; Representative Byerly; Representative Skarphol; and Representative Huether.

Senator Solberg, My intent committee members to basically work off of this worksheet, and see what progress we can make. A comment about the letter from Mr. Wolff. I do not see where priorities are set, he was asked to draw out areas of the budget on certain levels of reduction. The way I read the letter, he felt the entire appropriation and bill was important to go forward. I did not feel that this was an area that ITD felt could be cut. Would like to begin to work out the differences and the process to work that out. The first one we have is a difference of 1 million,

45 thousand dollars on Phase 2 of the network, and the 1 million, 45 thousand dollars proposed by the House. Connectivity cost would be bore by the State. How many of the schools that we would be missing if we mandated a \$5,000 or \$2500 per year on this hookup, and as we do that, the money brought in by the universal service fund that we have an opportunity to recapture what percent of that we may get back, and we may be in danger if we get a lot of the small schools that do not want to sign up because of the cost. We may wind up losing , I believe a whole lot more dollars on the universal service fund than we would gain.

Representative Byerly, Mr. Chairman, here is the report we have requested from DPI. There were a couple of things that came up when we started dealing with this issue. The decision made by ITD to expand the network to include the libraries, when there was no mandate in 2043 last time for libraries. The schools presented a little bit different issue to us. We tied that together into one package that included many of the grants that are in this budget, and also grants that are in the DPI budget. We asked schools to get back to us on what their current Internet access charges are. Since then we have gotten a few odds and ends lower, where we found out what they are being charged. Based on this information we felt it was appropriate for K-12 to make a contribution in the area of purchasing of hardware. Each of the schools are now getting a bare minimum service. When the state network is finally in place they will be on the cutting edge of technology, with no monthly access charge, except for those that are going to require multiple T1's. We felt that \$2500 for 2 years (Note: in our amendment, there is an expiration date on that), was a very small price to pay for the capability that they are going to enjoy, especially in light of what they are already spending.

Senator Solberg. It looks like we have a small portion of the schools that we talked about. There is no doubt that it is a wide area. They will be paying monthly fees once they are hooked up.

Representative Byerly. We asked Mr. Wolff specifically that question, and he said on tape in our committee, NO, they do not pay any monthly connection fees. We asked if they are going to have any other costs from the State of North Dakota, and the answer to that was NO.

Senator Solberg. There is a postal rate charge, we have a postalized rate charge I believe is up to \$480 per month. This is the understanding that we worked off in the Senate all along.

Representative Byerly. Then we need to go back and review the minutes of our hearings. We were told that once they were connected there were no recurring costs to a school district or a library. We were told point blank that no school and no libraries are going to have any costs to be on the state wide network ever.

Senator Solberg. Never has been my understanding. This has been our understanding from Day 1 when we were putting the statewide network together. The whole idea that there was a postalized rate so there would be one charge per month, per unit, on a T-1 line. Am I correct Senator Robinson?

Senator Robinson. Yes, that is correct, and the advantage of going with a state wide system is that 51% of our system is in K through 12.

Representative Byerly, We have heard that before. I would hope that we would be here to gather new information which we have right now. If you are under the impression that schools have a recurring cost, that is new information to us. If there is a recurring cost, then we have something to talk about.

Representative Skarphol, What Representative Byerly has said is absolutely correct. We asked them and were told that there would be no charge to schools and libraries. Our assumption was that the \$800 a month that the State agencies were paying was to subsidize that. All of our committees were under the assumption that schools would pay absolutely nothing once they are hooked up.

Representative Byerly, This is a new twist for us, and that changes our perspective if that is the case. We would like to go back and review that.

Senator Solberg, We will hold that for the next meeting. On the standard \$21,784 on the school employees, this is what it would take to service the Phase 2 of the network. This is to take care of the accounts, and make sure they are up and running, that all factions of the network, bumps in the road, glitches in the network, that need to be taken care of. These are service personnel for the hookup for all the K - 12 and the libraries.

Representative Byerly, We reviewed the status of the employees that they currently have in ICD. There already are 11 employees engaged in that task. We did give them 2 more employees. We determined in going through the budget, we felt that two more would be sufficient. Over a

period of time, we have given Mr. Wolff almost carte blanche to do whatever he wants in that department.

Senator Solberg. I don't think that we have given him anything. We put into place, what was mandated, in the bill two years ago and I don't see any carte blanche, we will see what happens when this committee is done, but it is not there yet.

Representative Byerly. I am a little confused by the current 2043. Coupled with the testimony that we had upstairs that dealt with FTE, specifically in the area of software development for different agencies. 2043 would allow Mr. Wolff that if he needs more bodies to go out and do it within his budget.

Senator Solberg. Show me where all these FTE's are run in the Phase 2 of the network, that has not been implemented yet.

Representative Byerly. We requested an organizational chart (attached).

Representative Skarphol. One detail that we did not cover the other day was, Section 2, this transfer thing. Was this a Senate amendment or was that something requested by the Governor?

Senator Solberg. That was the Senate.

Representative Skarphol. Without any oversight of any kind, do you think that is appropriate?

Senator Solberg. I think that is appropriate. The standing committee will continue to monitor each area.

Representative Skarphol. It was not the Governors office that recommended this. The budget section was not involved in that oversight at all? I see committee fine, but a lot of those committee members are not budget committee members.

Senator Solberg. I would not have any problem with oversight on the budget section reporting to the budget committee.

Representative Byerly. I don't remember last sessions version of 2043 and 2044. Does it have the same kind of powers as the budget section to approve the expenditure of funds?

Senator Solberg. I don't remember if they have that or not.

Senator Robinson. To clear the air here. I have no problem whatsoever. Those committee meetings are all open, everyone received the minutes. If there ever was an agency that was forthright, upfront, this agency has been doing that. I think for the next meeting, we should pull the statute that refers to ITD. We need to keep in mind the rolling out of Phase 2 of the network is no small issue. We are talking 300 circuits in 194 communities. We had a history in the state of not living up to our commitments in the area of technology.

Senator Solberg. We have the FTE chart. I would guess that we are looking at 2 vacant positions on K-12.

Representative Byerly, There is actually 4 positions. 2 are marked as vacant and 2 are marked temporaries.

Senator Solberg, There is a temporary for Phase 1.

Representative Byerly, Those are the 2 temporaries that are out of the budget right now. Those are included as 2 of the 4.

Senator Solberg, Those are the 2 that you left intact? That is for Phase 1 of the network. By taking care of the agencies, cause the university systems etc. Phase 2 is the other 194 communities and/or 390 hookups. Are we going to be able to offer and provide the proper service.

Representative Byerly, They would have a total of 13 people involved in the process, coupled with the support they will get from SENDIT. We felt it the additional employees might be nice to have. We did not think based on the total package that they were entirely necessary.

Senator Solberg, That is the difference we have. We felt they are entirely necessary for phase 2 of the hookup, and be operational by January 2002. Any movement on that? I think it is absolutely necessary with the number of units we are putting on.

Representative Skarphol. It appears that we have 180 entities on line already in Phase 1. There is an initial need for help to do that, once you have 190 entities on line you should not need 11 people to sustain that. We felt some of the people that were in place already were going to be able to pick up some of the load for Phase 2. We don't need to add as many employees.

Representative Byerly. We received testimony from the Association of Counties that the \$248,000 that is in here, was going to go toward to provide support to the counties. That is the reason \$248,000 is still in here, because the Association of Counties said that they were going to be front lined to handle the questions the counties were going to have.

Senator Solberg. We are not getting a lot settled now.

Representative Byerly. We can probably agree that we are going to leave the Association of Counties in there at \$248,000.

Senator Solberg. Lets go to the Voc Ed program that was reduced from \$422,300.

Representative Byerly. The way the Voc Ed budget sits at the moment, it does still name Explorer Net.

Senator Solberg. What was the reason for reducing it to \$422,300?

Representative Skarphol. The Voc Ed subcommittee and the House Appropriations committee thought it was appropriate. We transferred out \$590,300 to them, and they reduced it over there. I had a discussion with Governor Hoeven with regard to this issue, and we subsequently talked to OMB. My conversation with the Governor and MS Peterson. The Governor told MS Peterson that this money should go to Explore Net and if Mr. Wolff had a problem with that, he should contact the Governor. I think it should stay designated.

Senator Solberg. If it is out of our hands, if it is transferred out, I personally don't think it should go designated. I don't see why. If we are going to transfer it over to Voc Ed, then I think we should transfer it over for programs that they see fit. Let them make the decisions if we are going to put it there.

Representative Skarphol. That \$590,300 was requested by Explorer Net of Governor Schafer, it was never requested by ITD or Voc Ed. It was a request by Explorer Net. Had they not made that request, those dollars would not be in the budget now. If it is not to be given to Explorer Net, it should be taken out of the budget entirely.

Representative Beyerly. On this issue, I think we should put it on hold. It may come back again. We transferred it out of this budget because it came under the heading of Voc Ed program. It was under the umbrella where it really belongs. It is a budget item like Prairie Public, that Mr. Wolff doesn't really have any control over it, and doesn't relate to his budget.

Senator Solberg. I don't agree that this was brought in strictly as Explorer Net.

Representative Skarphol, Explorer Net is the one that made the request for that exact dollar amount of Governor Schafer's and OMB, and you can verify that with them. Voc Ed indicated an interest in starting an IT program and they asked for an additional \$500,000. That is a separate appropriation and that was in the Voc Ed budget for an increase.

Senator Solberg, On CII, it was cut by \$334,000.

Representative Byerly, Primarily, the reason was we were sitting with a budget of \$340,000. There are very few budgets, that we would ever consider tripling under any circumstances. When we took a look at programs they were offering, how it is going to be used, we felt this no longer amounts to the ¼ million dollar. It certainly would be a sufficient amount of funding to get them started for the next 2 years.

Senator Solberg, I am looking for a printout of their report of where it would come under, and how this money would be used. The present budget I think is \$340,583. The additional dollars, did you have the printout on that as where it would come and how it would be used.

Representative Byerly, The \$594,000 they were asking for above the current budget. We took a look at it and kicked numbers around, we discussed it. We spent much time on the ITD budget.

Senator Solberg, You felt there was no need for anybody to stay and work with the people out in the schools?

Representative Byerly, On the contrary. We deeded them over ¼ million dollars in additional funding to expand their training programs. There was not going to be any more FTE involved. Most of it was going to be spent on the cost of presenting the programs, through the net and in person. We felt the additional ¼ million dollars was about 85% more than they had this time. That is a pretty sizable increase in the budget.

Senator Solberg, Their proposal is to have 2, 4 day and 2, 8 day institutes at 2 different locations around the State. Do you feel that this will do the job by cutting them by \$335,000?

Representative Byerly, By increasing it by ¼ million dollars, we think that we will still afford them enough staff and resources to put on their training.

Senator Solberg, How did this happen?

Representative Byerly, They will still continue to go on and provide training. We felt the ¼ million dollars increase was sufficient to cover their costs.

Senator Robinson, I disagree with the change in the budget in a number of areas. CII is housed out of Valley City State College. The fact we are bringing on an additional 194 locations changes their work completely. They have the ability to do it with not a whole lot of staff. This is a service that the schools value and is a very high priority. They are going to be changing their operation in scope. This is due to the roll out of the network.

Representative Skarphol, One of the other things that we considered with regard to the wide area network and the training of the educators is the grants that are available to the school and the amount of grant money that is out there. Last cycle there was \$238,834.70 in grant awards that were never asked for. They have been granted, but the schools never asked for them. There is \$240,000 dollars that could go to CII if it were asked for. They were grants that came out of DPI. There was \$3.9 million awarded, and \$238,000 that was never picked up.

Senator Solberg, I think that was for equipment, and we are talking training here with personnel rather than equipment, whether it be video or whatever.

Representative Skarphol, If we are going to provide the equipment, I would think it would be legitimate to ask for the training.

Senator Solberg, We have not come back to the idea that we are not going to charge them \$5,000 to hookup. I think that we better rethink this thing if we are going to have an area network. If we are going to destroy it, then lets destroy it.

Representative Skarphol, It is not the intention of the House side to destroy the wide area network. We think it is just as important as you people do.

Representative Byerly, I think we have a difference of opinion on certain things. We have the same responsibilities as your committee, and that is to take a look at this, hear testimony, and

make decisions. If you think that we did not do that in all sincerity, then why are we here discussing it. One chamber or the other is more committed, I think is unacceptable. We do have a difference of opinion.

Senator Solberg. I think we have a wide difference of opinion.

Representative Byerly. When we discussed the amendments that were done on the Senate, all except 1 were just the recommendations of the Governors Office. In our judgment we came up with some different conclusions. Now we can sort through those difference and come up with what is best for the taxpayers of North Dakota.

Senator Solberg. To say this is strictly a Governors budget would be a misnomer. We have worked to get some sensibility to ITD for North Dakota. There was considerable time put in before this session to put together a network.

Senator Robinson. I don't know what procedure the House used. Our side throughout the interim, and up through the crossover, when we dealt with this budget, we dealt with all parties involved. One thing we called for in this legislature was to bring this budget together. We could have buried these requests in other budgets.

Senator Solberg. We have not made any headway in CII. Members of the House, do you want to talk about anything on SENDIT?

Representative Byerly, Remember the work on Section 2 that was amended on the Senate side allows Mr. Wolff, the way it is worded, to do anything he wants with this budget. We worked it from a holistic approach to Section 2, allows Mr. Wolff to do anything he wants. We have some differences that we need to iron out.

Senator Robinson, We have nothing to hide. We are willing to attach language on Section 2 that will have budget section approval. Does that change your philosophy on these issues or not?

Representative Byerly, No, because he will still be able to transfer money from any line item on his budget.

Senator Solberg, It seems to me if Section 2 bothers you so much, that the House would have seen it before it came over.

Representative Byerly, We left it in because we treated this budget with a holistic approach. We did not get a chance to discuss it in any detail. We told you in the last meeting that this was not the House's final position. We are waiting for some additional information. It is not a \$13 ½ million difference.

Senator Solberg, It looks like we can go right back to the top. We have come down about 5 items and have made no progress. I think it is important that we get Phase 2 out of the way before we go anywhere else.

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Senate Appropriations Committee

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Hearing Date April 16, 2001

Representative Byerly, I will agree to a certain point. We accept the fact that the state wide network is vital to the State of North Dakota. The only thing we differ on is the amount of money we feel ITD needs to do the implementation.

Senator Solberg, We will close this hearing.

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2022

Senate Appropriations Committee

☒ Conference Committee

Hearing Date April 18, 2001

Tape Number	Side A	Side B	Meter #
Tape # 3	x		0.0 - 24.3
Committee Clerk Signature <i>Donnie Peterson</i>			

Minutes:

Senator Solberg, Chair of the SB2022 Conference Committee (Information Technology Department), called the meeting to order at 2:30 pm on Wednesday, April 18th in the Harvest Room.

Roll Call answered by: Senator Solberg, Chair; Senator Schobinger; Senator Robinson; Representative Byerly; Representative Skarphol; and Representative Huether.

Senator Solberg: All members present, believe we were discussing the handout prepared by the Legislative Council --Interim Committee regarding statutory duties..

Representative Skarphol: SB2043 -- ITD -- House amendments --- could we get copies for each benchmark -- the 2001 version (a copy of SB2043, engrossed with house amendments attached)?

Roxanne Hobza, Legislative Council Staff Analyst: Will get them.

Representative Byerly: We had a meeting with Mr. Wolff -- regarding this holistic budget -- package opposed line items -- we knew K-12 that the Senate had resistance for them to contribute dollars -- leaves 2 options: nominal fee or grants item? 1) 2500 for 2 years ; would seem reasonable --- Mr. Wolff's ITD grants could be used instead -- in difference to Senate, change into mix of 1 million ETC grant --- replaces 1,445 --- looks like a WASH. 2) general fund FTE's, again in interest of making progress -- line with it --- add to House dollars. Proposed 200 thousand in CII and 500 thousand in SENDIT. SENDIT -- we've lost 10 thousand students -- projection by DPI says it's not any better now -- okay, fine. GIS needs firmer language, probable to inevitable, 1 FTE and dollars. ERP - 7.5 million total, not addition. New information on bids etc. That's where we sit.

Senator Solberg: Some areas of concern: 1 million out of grants? ERP amount; understand -- continue to build/not firm bids --- how much this biennium, next, need of the state? Total addition needed to be put into the whole picture

Representative Byerly: 7.7 million, give or take a few.

Representative Skarphol: Not surf funding --- it's a long way back --- can manage on those dollars. 7 million 500 thousand -- we need to see success -- they should be able to show results with these kind of dollars.

Senator Solberg: We agree, disagree on levels --- move House down some 10 million --- that's quite a reduction in the whole package. Degree roll out on. K-12 resolved.

Senator Robinson: New worksheet -- new figures -- we do appreciate what the House has done, but ETC has 1 million out; SENDIT and CII amounts leave me with concerns --given the schedule and incitement workloads -- all for the benefit of schools -- public schools need SENDIT and CII.

Representative Byerly: No cuts to SENDIT, CII. SENDIT if adopted would be triple what it is now; CII over 2 ½ the way it is now. Can't get carried away with wishes ---the 10 thousand reduction in students, 10 thousand more -- means a decrease in number of schools, teachers etc. .

Senator Robinson: There is an increased workload -- connective increases -- close to 10 when it got to us.

Representative Byerly: No progress -- holistic proposal --- not line.

Representative Skarphol: Reduction in crease -- still 57% increase in budget, now 7.7 million.

Senator Solberg: General fund: rolling out, new 100 million budget --- done in other budgets; all going to special funds -- counted before?

Representative Byerly: Recommendation --- not to degenerate.

Senator Solberg: Like from ITD --- spreadsheet of House proposals. All transfers reported to Budget section; new programs -- how they happen, when -- that's all part of the duties of IT Interim Committee?

Representative Skarphol: Need to find some common ground on word age -- comfortable that Legislative Council draw of amendment.

Senator Robinson: Careful percent of increase brought some programs not here which weren't here 2 years ago. Engrossed SB2043 (10179.0700) with the House amendments-- on page 2.

Senator Solberg: Where is the bill now?

Senator Robinson: House IBL Committee.

Representative Skarphol: 8 - 9 - 10 --- worked here, creates better communication; not micro-management but giving direction. SB2043 conference committee appointees have been made; but no meeting scheduled yet.

Senator Robinson: Not in appropriations?

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Senate Appropriations Committee

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Hearing Date April 18, 2001

Representative Skarphol: IBL -- would guess you could request being on the committee.

Senator Solberg: ITD booklet --- is close to benchmarks. Sections 8 9 and 10 sections; we've had contact with ITD.

Representative Skarphol: Problem not with OMB/auditor-- this can be researched; can be discussed.

Representative Byerly: Washington State used a model ---- had a history of doing everything wrong -- but learned by mistakes.

Senator Solberg: No problem with performance?

Representative Byerly: IT Committee formed 4 years ago.

Senator Solberg: Yes, and still looking.

Senator Solberg: More on what's here? We need to look over, Mike will get new spreadsheets -- I'll distribute them prior to the next meeting. Meeting adjourned until the call of the schedulers.

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2022

Senate Appropriations Committee

☒ Conference Committee

Hearing Date April 19, 2001

Tape Number	Side A	Side B	Meter #
Tape # 3	x		52.2 - 54.4
Tape # 3		x	0.0 - 19.1
Committee Clerk Signature <i>Jonnie Pittman</i>			

Minutes:

Senator Solberg, Chair of SB2022 Conference Committee (Information Technology Department), opened the meeting at 4:00 pm on Thursday, April 19th in the Harvest Room.

Roll Call: Senator Solberg, Chair; Senator Schobinger; Senator Robinson; Representative Byerly; Representative Skarphol; and Representative Huether responded.

Senator Solberg: All members present, let's proceed with our discussions.

Senator Schobinger: Believe we have some priorities -- important that we continue to move towards consensus; like to propose amendment #18048.0205 (copy attached). He went through the amendments and led the discussion.

Senator Schobinger: Recommends that the House recede from the House amendments and adopt these amendments. Senator Robinson seconded recommendation. Discussion; Call for the vote:

Roll Call: 3 yes; 3 no. 0 absent and not voting. Defeated.

Senator Schobinger: Where do we start to begin the settlement now?

Representative Byerly: My feeling is that the House version pumped in more that might have been desired -- more than half way from our perspective -- it was a significant movement; no reciprocation to yesterday's offer? The House feeling in the proposal is that there is tons of money there.

Representative Skarphol: Agree, House colleagues are at time in trepidation of technology -- the attempt here - program is legit, funding adequate -- hopefully it will show success -- then see more enthusiasm in House. Need a track record of success to launch from.

Senator Solberg: Understand politics-- part of the reason of fairness in the past was no management -- vision -- everyone had own technology and went their own direction. We have seen not direction until now --IT can do it. We need to be realist; I have the confidence that it can be done. I'm not pleased that 10 million out by the Governor ---amount by the House -- believe it is too drastic. Need to cooperate.

Senator Schobinger recommends the House recede from its amendments and adopt the House amendments proposal of yesterday. That would drop 1 million 45 thousand dollars; reinstate white area net phase 2; restore CII 200; Sendit 500; reduce 1 million TCC; 750 and 1 FTE and restore 5 million, as I recall. Second by Representative Byerly.

Representative Skarphol: 7 million 813 thousand -- 118 over House?

Roxanne Hobza, Legislative Council Staff Analyst: Verified some portions of what was discussed yesterday; fine points of the proposed amendment.

Senator Solberg: Call for the vote?

Representative Byerly: Like to table the recommendation until tomorrow, at which time we can physically see the amendments.

Senator Solberg: All in agreement -- okay by the Chair; Adjourned until rescheduled.

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2022

Senate Appropriations Committee

☒ Conference Committee

Hearing Date April 20, 2001

Tape Number	Side A	Side B	Meter #
Tape # 2		x	15.7 - 18.9
Committee Clerk Signature <i>Terrie Pietsch</i>			

Minutes:

Senator Solberg, Chair of the SB2022 Conference Committee (Information Technology Department), called the meeting to order at 2:30 pm, Friday, April 20th.

Roll Call: Senator Solberg, Chair; Senator Schobinger; Senator Robinson; Representative Byerly; Representative Skarphol; and Representative Huether present. All members present.

Senator Solberg: Amendments # 18048.0206 should have covered what we have discussed and agreed upon during our meetings. Questions?

Senator Robinson: Concern about the grants line items --- there is strong feeling across the state -- those that are in the know --- perhaps we'll all know more in 18-24 months.

Senator Solberg: We have a motion on the floor: Senator Schobinger recommends the HOUSE RECEDE from the House amendments, and adopt the amendments - 18048.0206.

Representative Byerly seconded the recommendation. Discussion.

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Senate Appropriations Committee

Bill/Resolution Number SB2022

Hearing Date April 20, 2001

Call for the vote : Roll Call Vote 5 yes; 1 no; 0 absent and not voting. Motion carried.

Conference Report on SB2022 will be sent forward.

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2022

That the House recede from its amendments as printed on pages 1256-1258 of the Senate Journal and pages 1350-1352 of the House Journal and that Engrossed Senate Bill No. 2022 be amended as follows:

Page 1, line 10, replace "25,985,332" with "25,576,531"

Page 1, line 11, replace "3,076,824" with "35,761,772"

Page 1, line 12, replace "5,595,000" with "5,080,000"

Page 1, line 13, replace "934,583" with "900,334"

Page 1, line 14, replace "2,200,000" with "1,700,000"

Page 1, line 15, replace "1,973,669" with "1,673,669"

Page 1, remove line 16

Page 1, line 18, replace "11,971,373" with "8,500,000"

Page 1, after line 18, insert:

"Geographic Information system

750,000"

Page 1, line 19, replace "1,407,513" with "1,407,513"

Page 1, remove line 20

Page 1, line 21, replace "96,903,519" with "91,318,724"

Page 1, line 22, replace "71,185,087" with "70,838,880"

Page 1, line 23, replace "25,718,432" with "20,479,844"

Page 2, line 1, after "TRANSFERS" insert "- LIMITATIONS"

Page 2, line 4, after the period insert "Transfers that increase line items in excess of the amount included in the executive recommendation presented on January 7, 2001, may only be made after emergency commission and budget section approval. The chief information officer shall inform the budget section of transfers made pursuant to this section."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2022 - Information Technology Department - Conference Committee Action

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
Salaries and wages	\$25,985,352	\$25,985,352	(\$408,821)	\$25,576,531	\$25,576,531	

Operating expenses	36,076,824	36,076,824	(315,052)	35,761,772	35,661,772	\$100,000
Equipment	5,595,000	5,595,000	(515,000)	5,080,000	5,080,000	
Center for Innovation and Instruction	934,563	934,563	(34,249)	900,334	600,334	300,000
Education Technology Commission grants	3,500,000	2,200,000	(500,000)	1,700,000	2,200,000	(500,000)
SENDIT network	1,973,669	1,973,669	(300,000)	1,673,669	1,173,669	500,000
IT technical education program development	590,300	590,300	(500,300)			
Wide area network	9,966,905	9,966,905		9,966,905	9,647,121	321,784
Enterprise resource planning system	20,466,873	11,971,373	(3,471,373)	8,500,000	1,503,666	6,996,334
Prairie Public Broadcasting	1,407,513	1,407,513		1,407,513	1,407,513	
IT innovation fund	500,000	200,000	(200,000)			
Contingent GIS appropriation					750,000	(750,000)
Geographic information system			750,000	750,000		750,000
Total all funds	\$107,021,019	\$96,903,519	(\$5,584,795)	\$91,318,724	\$83,600,606	\$7,718,118
Less estimated income	<u>71,165,067</u>	<u>71,165,067</u>	<u>(346,207)</u>	<u>70,838,660</u>	<u>71,863,660</u>	<u>(1,045,000)</u>
General fund	\$35,835,932	\$25,718,432	(\$5,238,568)	\$20,479,844	\$11,716,726	\$8,763,118
FTE	212.00	212.00	(5.00)	207.00	204.00	3.00

Dept. 112 - Information Technology Department - Detail of Conference Committee Changes

	ADJUST FUNDING FOR RECOMMENDED SALARY INCREASES	DECREASE FUNDING FOR E-GOVERNMENT INITIATIVE 1	DECREASE FUNDING FOR GEOGRAPHIC INFORMATION SYSTEM (GIS) INITIATIVE 2	DECREASE FUNDING FOR RESEARCH AND PLANNING POSITION 3	REDUCE FUNDING FOR EDUCATION TECHNOLOGY COMMISSION GRANTS 4	DECREASE FUNDING FOR THE ENTERPRISE RESOURCE PLANNING SYSTEM 5
Salaries and wages		(\$140,404)	(\$268,417)			
Operating expenses		78,316	(293,388)	(\$100,000)		
Equipment		(5,000)	(510,000)			
Center for Innovation and Instruction						
Education Technology Commission grants					(\$500,000)	
SENDIT network						
IT technical education program development						
Wide area network						
Enterprise resource planning system						(\$3,471,373)
Prairie Public Broadcasting						
IT innovation fund						
Contingent GIS appropriation			750,000			
Geographic information system						
Total all funds	\$0	(\$67,088)	(\$321,785)	(\$100,000)	(\$500,000)	(\$3,471,373)
Less estimated income	<u>142,666</u>					<u>(468,673)</u>
General fund	(\$142,666)	(\$67,088)	(\$321,785)	(\$100,000)	(\$500,000)	(\$2,962,500)
FTE	0.00	(1.00)	(1.00)	0.00	0.00	(3.00)
	REDUCE FUNDING FOR THE CENTER FOR INNOVATION AND INSTRUCTION 6	REDUCE FUNDING FOR SENDIT NETWORK 7	REMOVE FUNDING FOR IT TECHNICAL EDUCATION PROGRAM DEVELOPMENT 8	REMOVE FUNDING FOR IT INNOVATION FUND	TOTAL CONFERENCE COMMITTEE CHANGES	
Salaries and wages					(\$406,821)	
Operating expenses					(315,052)	
Equipment					(515,000)	
Center for Innovation and Instruction	(\$34,249)				(34,249)	
Education Technology Commission grants					(500,000)	
SENDIT network		(\$300,000)			(300,000)	
IT technical education program development			(\$590,300)		(590,300)	
Wide area network						
Enterprise resource planning system					(3,471,373)	
Prairie Public Broadcasting						
IT innovation fund				(\$200,000) 9	(200,000)	
Contingent GIS appropriation					750,000	
Geographic information system						
Total all funds	(\$34,249)	(\$300,000)	(\$590,300)	(\$200,000)	(\$5,584,795)	
Less estimated income					<u>(346,207)</u>	

General fund	(\$34,249)	(\$300,000)	(\$590,300)	(\$200,000)	(\$5,239,568)
FTE	0.00	0.00	0.00	0.00	(5.00)

- 1 This amendment removes one FTE position and related position funding of \$167,088 from the general fund and provides additional funding of \$100,000 from the general fund for the department's e-government initiative.
- 2 This amendment removes funding from the general fund on two associated FTE positions for the department's geographic information system initiative of \$1,071,785 and restores funding of \$750,000 from the general fund and one FTE position in a special geographic information system line item for a net decrease in funding from the general fund of \$321,785.
- 3 This amendment decreases funding from the general fund for operating expenses related to the research and planning position by \$100,000.
- 4 This amendment reduces funding for Educational Telecommunications Council grants by \$500,000, from \$2,200,000 which was the level proposed by both the Senate and the House, to \$1,700,000.
- 5 This amendment decreases funding for the enterprise resource planning (ERP) project by \$3,471,373, of which \$2,982,500 is from the general fund, from \$11,971,373 to \$8,500,000 and removes authority for three FTE positions related to the project. This proposed level of funding is \$6,996,334 more than the level of funding provided by the House of \$1,503,666.
- 6 This amendment reduces funding from the general fund for the Center for Innovation and Instruction by \$34,249, from \$934,583 to \$900,334. This proposed level of funding is \$300,000 more than the level of funding provided by the House of \$600,334.
- 7 This amendment reduces funding from the general fund for the SENDIT network by \$300,000, from \$1,973,669 to \$1,673,669. This proposed level of funding is \$500,000 more than the level of funding provided by the House of \$1,173,669.
- 8 This amendment removes funding from the general fund of \$590,300 for information technical education program development.
- 9 This amendment removes funding from the general fund of \$200,000 for an information technology innovation fund.

Date: 4-19-01

Roll Call Vote #: 1

2001 CONFERENCE COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2022

CONFERENCE COMMITTEE-Information Technology Department

Legislative Council Amendment Number

18048.0205

☐ recommends that the (~~SENATE~~ HOUSE) (~~ACCEDE~~ to) (~~RECEDE~~ from)

the (~~Senate~~ House) amendments on (SJ/HJ) page(s) _____ - _____

☐ having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

Action Taken _____

Motion Made By

Senator/Representative

Seconded By

Senator/Representative

Senators	Yes	No	Representative	Yes	No
Senator Solberg	✓		Representative Byerly		✓
Senator Schobinger	✓		Representative Skarphol		✓
Senator Robinson	✓		Representative Huether		✓

Total

Yes

3

No

3

Absent

Defeated

Date: 4-19-01

Roll Call Vote #: 2

2001 CONFERENCE COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2022

CONFERENCE COMMITTEE-Information Technology Department

Legislative Council Amendment Number 18048.0206

☐ recommends that the (SENATE HOUSE) (ACCEDE to) (RECEDE from)

the (Senate House) amendments on (SJ/HJ) page(s) 1256 1258

☐ having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

Action Taken Amend House Proposal Yesterday - 4-18

Motion Made By Senator/Representative Schobinger Seconded By Senator/Representative Byerly

Senators	Yes	No	Representative	Yes	No
Senator Solberg	✓		Representative Byerly	✓	
Senator Schobinger	✓		Representative Skarphol	✓	
Senator Robinson		✓	Representative Huether	✓	

Total Yes 5 No 1 Absent

REPORT OF CONFERENCE COMMITTEE

SB 2022, as engrossed: Your conference committee (Sens. Solberg, Schobinger, Robinson and Reps. Byerly, Skarphol, Huether) recommends that the **HOUSE RECEDE** from the House amendments on SJ pages 1256-1258, adopt amendments as follows, and place SB 2022 on the Seventh order:

That the House recede from its amendments as printed on pages 1256-1258 of the Senate Journal and pages 1350-1352 of the House Journal and that Engrossed Senate Bill No. 2022 be amended as follows:

Page 1, line 10, replace "25,985,352" with "25,576,531"

Page 1, line 11, replace "36,076,824" with "35,661,772"

Page 1, line 12, replace "5,595,000" with "5,080,000"

Page 1, line 13, replace "934,583" with "800,334"

Page 1, line 14, replace "2,200,000" with "1,200,000"

Page 1, line 15, replace "1,973,669" with "1,673,669"

Page 1, remove line 16

Page 1, line 18, replace "11,971,373" with "7,500,000"

Page 1, after line 18, insert:

"Geographic information system

750,000"

Page 1, line 19, replace "1,407,513" with "1,407,513"

Page 1, remove line 20

Page 1, line 21, replace "96,903,519" with "89,618,724"

Page 1, line 22, replace "71,185,087" with "70,838,880"

Page 1, line 23, replace "25,718,432" with "18,779,844"

Page 2, line 1, after "TRANSFERS" insert "- LIMITATIONS"

Page 2, line 4, after the period insert "Transfers that increase line items in excess of the amount included in the executive recommendation presented on January 7, 2001, may only be made after emergency commission and budget section approval. The chief information officer shall inform the budget section of transfers made pursuant to this section."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2022 - Information Technology Department - Conference Committee Action

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
Salaries and wages	\$25,985,352	\$25,985,352	(\$408,821)	\$25,576,531	\$25,576,531	

REPORT OF CONFERENCE COMMITTEE (420)
April 21, 2001 7:03 a.m.

Module No: SR-71-9014

Insert LC: 18048.0208

Operating expenses	38,076,824	38,076,824	(415,052)	35,661,772	35,661,772	
Equipment	5,595,000	5,595,000	(515,000)	5,080,000	5,080,000	
Center for innovation and instruction	934,583	934,583	(134,249)	800,334	800,334	200,000
Education Technology Commission grants	3,500,000	2,200,000	(1,000,000)	1,200,000	2,200,000	(1,000,000)
SENDIT network	1,973,869	1,973,869	(300,000)	1,673,869	1,173,869	500,000
IT technical education program development	590,300	590,300	(590,300)			
Wide area network	9,968,905	9,968,905		9,968,905	9,647,121	321,784
Enterprise resource planning system	20,498,873	11,971,373	(4,471,373)	7,500,000	1,503,868	5,996,334
Prairie Public Broadcasting	1,407,513	1,407,513		1,407,513	1,407,513	
IT innovation fund	500,000	200,000	(200,000)			
Contingent GIS appropriation					750,000	(750,000)
Geographic information system			750,000	750,000		750,000
Total all funds	\$107,021,019	\$96,903,519	(\$7,284,795)	\$89,618,724	\$83,600,008	\$8,018,118
Less estimated income	71,185,087	71,185,087	(348,207)	70,838,880	71,883,880	(1,045,000)
General fund	\$35,835,932	\$26,718,432	(\$8,938,598)	\$18,779,844	\$11,718,728	\$7,063,118
FTE	212.00	212.00	(5.00)	207.00	204.00	3.00

Dept. 112 - Information Technology Department - Detail of Conference Committee Changes

	ADJUST FUNDING FOR RECOMMENDED SALARY INCREASES	DECREASE FUNDING FOR E-GOVERNMENT INITIATIVE 1	DECREASE FUNDING FOR GEOGRAPHIC INFORMATION SYSTEM (GIS) INITIATIVE 2	DECREASE FUNDING FOR RESEARCH AND PLANNING POSITION 3	REDUCE FUNDING FOR EDUCATION TECHNOLOGY COMMISSION GRANTS 4	DECREASE FUNDING FOR THE ENTERPRISE RESOURCE PLANNING SYSTEM 5
Salaries and wages		(\$140,404)	(\$288,417)			
Operating expenses		(21,684)	(293,368)	(\$100,000)		
Equipment		(5,000)	(510,000)			
Center for innovation and instruction						
Education Technology Commission grants					(\$1,000,000)	
SENDIT network						
IT technical education program development						
Wide area network						
Enterprise resource planning system						(\$4,471,373)
Prairie Public Broadcasting						
IT innovation fund						
Contingent GIS appropriation						
Geographic information system			750,000			
Total all funds	\$0	(\$1,67,088)	(\$321,785)	(\$100,000)	(\$1,000,000)	(\$4,471,373)
Less estimated income	142,666					(488,873)
General fund	(\$142,666)	(\$167,088)	(\$321,785)	(\$100,000)	(\$1,000,000)	(\$3,982,500)
FTE	0.00	(1.00)	(1.00)	0.00	0.00	(3.00)

	REDUCE FUNDING FOR THE CENTER FOR INNOVATION AND INSTRUCTION 6	REDUCE FUNDING FOR SENDIT NETWORK 7	REMOVE FUNDING FOR IT TECHNICAL EDUCATION PROGRAM DEVELOPMENT 8	REMOVE FUNDING FOR IT INNOVATION FUND	TOTAL CONFERENCE COMMITTEE CHANGES
Salaries and wages					(\$408,821)
Operating expenses					(415,052)
Equipment					(515,000)
Center for innovation and instruction	(\$134,249)				(134,249)
Education Technology Commission grants					(1,000,000)
SENDIT network		(\$300,000)			(300,000)
IT technical education program development			(\$590,300)		(590,300)
Wide area network					
Enterprise resource planning system					(4,471,373)
Prairie Public Broadcasting					
IT innovation fund				(\$200,000)	(200,000)
Contingent GIS appropriation					
Geographic information system					750,000

REPORT OF CONFERENCE COMMITTEE (420)
April 21, 2001 7:03 a.m.

Module No: SR-71-9014

Insert LC: 18048.0206

system					
Total all funds	(\$134,249)	(\$300,000)	(\$590,300)	(\$200,000)	(\$7,284,795)
Less estimated income					(346,207)
General fund	(\$134,249)	(\$300,000)	(\$590,300)	(\$200,000)	(\$6,938,588)
FTE	0.00	0.00	0.00	0.00	(5.00)

- 1 This amendment removes one FTE position and related position funding of \$167,088 from the general fund associated with the department's e-government initiative.
- 2 This amendment removes funding from the general fund and by associated FTE positions for the department's geographic information system initiative of \$1,071,785 and restores funding of \$750,000 from the general fund and one FTE position in a special geographic information system line item for a net decrease in funding from the general fund of \$321,785.
- 3 This amendment decreases funding from the general fund for operating expenses related to the research and planning position by \$100,000.
- 4 This amendment reduces funding for Educational Telecommunications Council grants by \$1,000,000, from \$2,200,000 which was the level proposed by both the Senate and the House, to \$1,200,000.
- 5 This amendment decreases funding for the enterprise resource planning (ERP) project by \$4,471,373, of which \$3,982,500 is from the general fund, from \$11,971,373 to \$7,500,000 and removes authority for three FTE positions related to the project. This proposed level of funding is \$5,996,334 more than the level of funding provided by the House of \$1,503,666.
- 6 This amendment reduces funding from the general fund for the Center for Innovation and Instruction by \$134,249, from \$934,583 to \$800,334. This proposed level of funding is \$200,000 more than the level of funding provided by the House of \$600,334.
- 7 This amendment reduces funding from the general fund for the SENDIT network by \$300,000, from \$1,973,669 to \$1,673,669. This proposed level of funding is \$500,000 more than the level of funding provided by the House of \$1,173,669.
- 8 This amendment removes funding from the general fund of \$590,300 for information technical education program development.
- 9 This amendment removes funding from the general fund of \$200,000 for an information technology innovation fund.

This amendment also amends Section 2 of the engrossed bill to provide that transfers in excess of the amount included in Governor Hoeven's executive budget recommendation may only be made after Emergency Commission and Budget Section approval and the Chief Information Officer shall inform the Budget Section of all transfers made during the biennium.

Engrossed SB 2022 was placed on the Seventh order of business on the calendar.

2001 TESTIMONY

SB 2022

Department 112 - Information Technology Department
Senate Bill No. 2022

	FTE Positions	General Fund	Other Funds	Total
2001-03 Schafer Executive Budget	212.00	\$35,835,932	\$71,185,087	\$107,021,019
1999-2001 Legislative Appropriations	168.00	250,000	49,409,557	49,659,557 ¹
Increase (Decrease)	44.00	\$35,585,932	\$21,775,530	\$57,361,462

2001-03 Hoeven Executive Budget	212.00	\$25,718,432	\$71,185,087	\$96,903,519
Hoeven Increase (Decrease) to Schafer	0.00	(\$10,117,500)	\$0	(\$10,117,500)

¹ The 1999-2001 appropriation amounts include \$262 of other funds for the agency's share of the \$1.4 million funding pool appropriated to the Office of Management and Budget for assisting agencies in providing the \$35 per month minimum salary increases in July 1999 and July 2000.

Major Schafer Recommendations Affecting Information Technology Department 2001-03 Budget

	General Fund (\$250,000)	Other Funds	Total (\$250,000)
1. Reduces general fund one-time funding for implementation of the statewide information technology network.			
2. Restores contract programming funding to the level provided in the 1999-2001 biennium.		\$2,789,837	\$2,789,837
3. Restores funding in the operating line item to allow technology-related billings to pass through the agency.		\$3,798,000	\$3,798,000
4. Adds 1 new FTE position and related funding for additional network planning responsibilities:			
1 FTE information technology business analyst		\$125,973	\$125,973
Operating and equipment		21,684	21,684
Equipment		5,000	5,000
Total - Network planning		\$152,657	\$152,657
5. Provides the following 4 new FTE positions and related funding for the statewide information technology network:			
2 FTE telecommunications analyst II	\$128,013	\$128,013	\$256,026
2 FTE telecommunications analyst III	140,404	140,404	280,808
Operating and equipment	4,652,408	4,779,663	9,432,071
Center for Innovation and Instruction	594,000		594,000
Educational Telecommunications Council (ETC)	3,500,000		3,500,000
SENDIT network	1,427,000		1,427,000
Information technology technical education program development	590,300		590,300
Total - Statewide information technology network	\$11,032,125	\$5,048,080	\$16,080,205
6. Provides the following 15 new FTE positions and related funding to support the development effort associated with the Health Insurance Portability and Accountability Act (HIPAA):			
1 FTE administrative secretary III		\$70,580	\$70,580
2 FTE programmer analyst I		193,987	193,987
2 FTE programmer analyst II		233,287	233,287
4 FTE programmer analyst III		512,053	512,053
5 FTE senior programmer analyst		702,019	702,019
1 FTE systems development manager		140,404	140,404
Operating		1,525,260	1,525,260
Equipment		75,000	75,000
Total - HIPAA		\$3,452,590	\$3,452,590

	General Fund	Other Funds	Total
7. Provides the following 4 new FTE positions and related funding to support the Department of Human Services FACES project:			
1 FTE programmer analyst II		\$116,643	\$116,643
1 FTE programmer analyst III		128,013	128,013
2 FTE senior programmer analyst		280,808	280,808
Operating		902,736	902,736
Equipment		20,000	20,000
Total - FACES project		\$1,448,200	\$1,448,200
8. Provides the following 3 new FTE positions and related funding to support the Department of Human Services foster care project:			
1 FTE programmer analyst III		\$128,013	\$128,013
2 FTE senior program analyst		280,808	280,808
Operating		1,153,052	1,153,052
Equipment		15,000	15,000
Total - Foster care project		\$1,576,873	\$1,576,873
9. Provides the following 2 new FTE positions and related funding to support Tax Department projects:			
1 FTE programmer analyst II		\$116,643	\$116,643
1 FTE programmer analyst III		128,013	128,013
Operating		43,368	43,368
Equipment		10,000	10,000
Total - Tax Department projects		\$298,024	\$298,024
10. Provides the following 2 new FTE positions and related funding to support Department of Transportation projects:			
2 FTE programmer analyst III		\$256,027	\$256,027
Operating		43,368	43,368
Equipment		10,000	10,000
Total - Department of Transportation projects		\$309,395	\$309,395
11. Provides 1 FTE and related funding for a security position:			
1 FTE Information system security analyst		\$116,643	\$116,643
Operating		21,684	21,684
Equipment		5,000	5,000
Total - Security		\$143,327	\$143,327
12. Provides 1 FTE position and related funding to assist the Attorney General in investigating cybercrime:			
1 FTE Information system security analyst	\$116,643		\$116,643
Operating	21,684		21,684
Equipment	5,000		5,000
Total - Cybercrime	\$143,327		\$143,327
13. Provides 2 FTE positions and related funding to develop and support an e-government initiative:			
2 FTE senior programmer analyst	\$280,808		\$280,808
Operating	43,368		43,368
Equipment	10,000		10,000
Total - E-government	\$334,176		\$334,176
14. Provides 1 FTE and related funding for a research and planning position:			
1 FTE information technology business analyst	\$140,404		\$140,404
Operating	171,684		171,684
Equipment	5,000		5,000
Total - Research and planning	\$317,088		\$317,088

	General Fund	Other Funds	Total
15. Provides the following 2 FTE positions and software and equipment funding to develop and support a centralized geographic information system (GIS):			
1 FTE data base design analyst III	\$140,404		\$140,404
1 FTE programmer analyst III	128,013		128,013
Operating	293,368		293,368
Equipment	510,000		510,000
Total - GIS	\$1,071,785		\$1,071,785
16. Provides the following 3 FTE positions and related funding for an enterprise resource planning (ERP) system:			
1 FTE programmer analyst III		\$128,013	\$128,013
2 FTE senior programmer analyst		280,808	280,808
Operating	\$20,000,000	65,052	20,065,052
Equipment		15,000	15,000
Total - ERP	\$20,000,000	\$488,873	\$20,488,873
17. Provides the following 2 FTE positions and software and equipment funding to develop and support a centralized electronic document management system (EDMS):			
1 FTE data base design analyst III		\$140,404	\$140,404
1 FTE programmer analyst III		128,013	128,013
Operating		293,368	293,368
Equipment		760,000	760,000
Total - EDMS		\$1,321,785	\$1,321,785
18. Provides 1 FTE position and related funding for administrative responsibilities:			
1 FTE senior personnel officer		\$116,643	\$116,643
Operating		21,684	21,684
Equipment		5,000	5,000
Total - Administrative		\$143,327	\$143,327
19. Provides funding to establish an Innovation fund.	\$500,000		\$500,000
20. Provides passthrough funding for the Center for Innovation in Instruction.	\$340,583		\$340,583
21. Provides funding for support of the SENDIT network.	\$546,669		\$546,669
22. Provides funding for support of Prairie Public television.	\$1,407,513		\$1,407,513

**Major Hoeven Recommendations Affecting Information Technology Department 2001-03 Budget
Compared to the Bill as Introduced (Schafer Budget)**

	General Fund	Other Funds	Total
1. Reduces funding for the statewide information technology network by decreasing the funding for the Educational Telecommunications Council from \$3,500,000 to \$2,200,000.	(\$1,300,000)		(\$1,300,000)
2. Provides the following adjustments in funding for the ERP system which result in funding being reduced from \$20,488,873 to \$11,971,373, of which \$11,482,500 is from the general fund.			
a. Decrease in funding for operating expenses.	(\$9,000,000)		(\$9,000,000)
b. Increase in funding due to the transfer of funding related to the Quality Schools Commission (\$70,000) and student data base (\$412,500) from the Department of Public Instruction to the Information Technology Department.	\$482,500		\$482,500
Subtotal	(\$8,517,500)		(\$8,517,500)
3. Reduces funding provided to establish an innovation fund from \$500,000 to \$200,000.	(\$300,000)		(\$300,000)

Major Legislation Affecting the Information Technology Department

Senate Bill No. 2026 requires information technology plans prepared by state agencies to address the feasibility of telecommuting by selected employees.

Senate Bill No. 2043 requires the Information Technology Committee to review the cost-benefit analysis of any major project of the State Board of Higher Education or any institution under the control of the board if the project significantly impacts the state's wide area network, impacts the statewide library system, or is an administrative project. The bill also authorizes the Information Technology Department to purchase equipment and software through financing arrangements, specifies additional requirements that must be included in the department's business plan, and changes the deadline for agencies submitting information technology plans from January 15 to March 15 of each even-numbered year.

Department 112 - Information Technology Department
Senate Bill No. 2022

	FTE Positions	General Fund	Other Funds	Total
2001-03 Schafer Executive Budget	212.00	\$35,835,932	\$71,185,087	\$107,021,019
1999-2001 Legislative Appropriations	168.00	250,000	49,409,557	49,659,557 ¹
Increase (Decrease)	44.00	\$35,585,932	\$21,775,530	\$57,361,462

2001-03 Hoeven Executive Budget	212.00	\$25,718,432	\$71,185,087	\$96,903,519
Hoeven Increase (Decrease) to Schafer	0.00	(\$10,117,500)	\$0	(\$10,117,500)

¹ The 1999-2001 appropriation amounts include \$262 of other funds for the agency's share of the \$1.4 million funding pool appropriated to the Office of Management and Budget for assisting agencies in providing the \$35 per month minimum salary increases in July 1999 and July 2000.

Major Schafer Recommendations Affecting Information Technology Department 2001-03 Budget

	General Fund (\$250,000)	Other Funds	Total (\$250,000)
1. Reduces general fund one-time funding for implementation of the statewide information technology network.			
2. Restores contract programming funding to the level provided in the 1999-2001 biennium.		\$2,789,837	\$2,789,837
3. Restores funding in the operating line item to allow technology-related billings to pass through the agency.		\$3,798,000	\$3,798,000
4. Adds 1 new FTE position and related funding for additional network planning responsibilities:			
1 FTE information technology business analyst		\$125,973	\$125,973
Operating and equipment		21,884	21,884
Equipment		5,000	5,000
Total - Network planning		\$152,657	\$152,657
5. Provides the following 4 new FTE positions and related funding for the statewide information technology network:			
2 FTE telecommunications analyst II	\$128,013	\$128,013	\$256,026
2 FTE telecommunications analyst III	140,404	140,404	280,808
Operating and equipment	4,652,408	4,779,663	9,432,071
Center for Innovation and Instruction	594,000		594,000
Educational Telecommunications Council (ETC)	3,500,000		3,500,000
SENDIT network	1,427,000		1,427,000
Information technology technical education program development	590,300		590,300
Total - Statewide information technology network (The Senate reduced funding for the statewide information technology network to the level recommended in the Hoeven executive budget by reducing funding for ETC grants by \$1.3 million from \$3.5 million to \$2.2 million.)	\$11,032,125	\$5,048,080	\$16,080,205
6. Provides the following 16 new FTE positions and related funding to support the development effort associated with the Health Insurance Portability and Accountability Act (HIPAA):			
1 FTE administrative secretary III		\$70,580	\$70,580
2 FTE programmer analyst I		193,987	193,987
2 FTE programmer analyst II		233,287	233,287
4 FTE programmer analyst III		512,053	512,053
5 FTE senior programmer analyst		702,019	702,019
1 FTE systems development manager		140,404	140,404
Operating		1,525,260	1,525,260

	General Fund	Other Funds	Total
Equipment		75,000	75,000
Total - HIPAA		\$3,452,590	\$3,452,590
7. Provides the following 4 new FTE positions and related funding to support the Department of Human Services FACES project:			
1 FTE programmer analyst II		\$116,643	\$116,643
1 FTE programmer analyst III		128,013	128,013
2 FTE senior programmer analyst		280,808	280,808
Operating		902,736	902,736
Equipment		20,000	20,000
Total - FACES project		\$1,448,200	\$1,448,200
8. Provides the following 3 new FTE positions and related funding to support the Department of Human Services foster care project:			
1 FTE programmer analyst III		\$128,013	\$128,013
2 FTE senior program analyst		280,808	280,808
Operating		1,153,052	1,153,052
Equipment		15,000	15,000
Total - Foster care project		\$1,576,873	\$1,576,873
9. Provides the following 2 new FTE positions and related funding to support Tax Department projects:			
1 FTE programmer analyst II		\$116,643	\$116,643
1 FTE programmer analyst III		128,013	128,013
Operating		43,368	43,368
Equipment		10,000	10,000
Total - Tax Department projects		\$298,024	\$298,024
10. Provides the following 2 new FTE positions and related funding to support Department of Transportation projects:			
2 FTE programmer analyst III		\$256,027	\$256,027
Operating		43,368	43,368
Equipment		10,000	10,000
Total - Department of Transportation projects		\$309,395	\$309,395
11. Provides 1 FTE and related funding for a security position:			
1 FTE information system security analyst		\$116,643	\$116,643
Operating		21,684	21,684
Equipment		5,000	5,000
Total - Security		\$143,327	\$143,327
12. Provides 1 FTE position and related funding to assist the Attorney General in investigating cybercrime:			
1 FTE information system security analyst	\$116,643		\$116,643
Operating	21,684		21,684
Equipment	5,000		5,000
Total - Cybercrime	\$143,327		\$143,327
13. Provides 2 FTE positions and related funding to develop and support an e-government initiative:			
2 FTE senior programmer analyst	\$280,808		\$280,808
Operating	43,368		43,368
Equipment	10,000		10,000
Total - E-government	\$334,176		\$334,176
14. Provides 1 FTE and related funding for a research and planning position:			
1 FTE information technology business analyst	\$140,404		\$140,404
Operating	171,684		171,684
Equipment	5,000		5,000
Total - Research and planning	\$317,088		\$317,088

	General Fund	Other Funds	Total
15. Provides the following 2 FTE positions and software and equipment funding to develop and support a centralized geographic information system (GIS):			
1 FTE data base design analyst III	\$140,404		\$140,404
1 FTE programmer analyst III	128,013		128,013
Operating	293,368		293,368
Equipment	510,000		510,000
Total - GIS	\$1,071,785		\$1,071,785
16. Provides the following 3 FTE positions and related funding for an enterprise resource planning (ERP) system:			
1 FTE programmer analyst III		\$128,013	\$128,013
2 FTE senior programmer analyst		280,808	280,808
Operating	\$20,000,000	65,052	20,065,052
Equipment		15,000	15,000
Total - ERP (The Senate reduced funding for ERP by \$8,517,500 to \$11,971,373 of which \$11,482,500 is from the general fund to the funding level recommended in the Hoeven executive budget.)	\$20,000,000	\$488,873	\$20,488,873
17. Provides the following 2 FTE positions and software and equipment funding to develop and support a centralized electronic document management system (EDMS):			
1 FTE data base design analyst III		\$140,404	\$140,404
1 FTE programmer analyst III		128,013	128,013
Operating		293,368	293,368
Equipment		760,000	760,000
Total - EDMS		\$1,321,785	\$1,321,785
18. Provides 1 FTE position and related funding for administrative responsibilities:			
1 FTE senior personnel officer		\$116,643	\$116,643
Operating		21,684	21,684
Equipment		5,000	5,000
Total - Administrative		\$143,327	\$143,327
19. Provides funding to establish an innovation fund. (The Senate reduced funding by \$300,000 to \$200,000 which is the level of funding recommended in the Hoeven executive budget.)	\$500,000		\$500,000
20. Provides passthrough funding for the Center for Innovation in Instruction.	\$340,583		\$340,583
21. Provides funding for support of the SENDIT network.	\$546,669		\$546,669
22. Provides funding for support of Prairie Public television.	\$1,407,513		\$1,407,513

**Major Hoeven Recommendations Affecting Information Technology Department 2001-03 Budget
Compared to the Bill as Introduced (Schafer Budget)**

	General Fund	Other Funds	Total
1. Reduces funding for the statewide information technology network by decreasing the funding for the Educational Telecommunications Council from \$3,500,000 to \$2,200,000. (The Senate decreased funding for the statewide information technology network as recommended in the Hoeven executive budget.)	(\$1,300,000)		(\$1,300,000)
2. Provides the following adjustments in funding for the ERP system which result in funding being reduced from \$20,488,873 to \$11,971,373, of which \$11,482,500 is from the general fund. (The Senate adjusted funding for the ERP system as recommended in the Hoeven executive budget.)			
a. Decrease in funding for operating expenses.	(\$9,000,000)		(\$9,000,000)
b. Increase in funding due to the transfer of funding related to the Quality Schools Commission (\$70,000) and student data base	\$482,500		\$482,500

(\$412,500) from the Department of Public Instruction to the Information Technology Department.

Subtotal	(\$8,517,500)	(\$8,517,500)
3. Reduces funding provided to establish an innovation fund from \$500,000 to \$200,000. (The Senate decreased funding for an innovation fund as recommended in the Hoeven executive budget.)	(\$300,000)	(\$300,000)

Major Legislation Affecting the Information Technology Department

Senate Bill No. 2026 requires information technology plans prepared by state agencies to address the feasibility of telecommuting by selected employees. (This bill has been passed by the Senate.)

Senate Bill No. 2043 requires the Information Technology Committee to review the cost-benefit analysis of any major project of the State Board of Higher Education or any institution under the control of the board if the project significantly impacts the state's wide area network, impacts the statewide library system, or is an administrative project. The bill also authorizes the Information Technology Department to purchase equipment and software through financing arrangements, specifies additional requirements that must be included in the department's business plan, and changes the deadline for agencies submitting information technology plans from January 15 to March 15 of each even-numbered year. (This bill has been passed by the Senate.)

Senate Bill No. 2251 creates a new Educational Technology Council to replace the Educational Telecommunications Council and provides that funding appropriated by the 2008 Legislative Assembly for the Division of Independent Study, SENDIT technology services, and the Center for Innovation in Instruction be transferred to the Information Technology Department for use by the Educational Technology Council. (This bill has been passed by the Senate.)

Summary of Legislative Changes Resulting From First House Action

See Statement of Purpose of Amendment (attached).

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2022 - Funding Summary**

	Executive Budget	Senate Changes	Senate Version
Information Technology Department			
Salaries and wages	\$25,985,352		\$25,985,352
Operating expenses	36,076,824		36,076,824
Equipment	5,595,000		5,595,000
Center for innovation and instruction	934,583		934,583
Education technology commission grants	3,500,000	(1,300,000)	2,200,000
SENDIT network	1,973,669		1,973,669
IT technical education prog. development	590,300		590,300
Wide area network	9,968,905		9,968,905
Enterprise resource planning system	20,488,873	(8,517,500)	11,971,373
Prairie public broadcasting	1,407,513		1,407,513
IT innovation fund	500,000	(300,000)	200,000
Total all funds	\$107,021,019	(\$10,117,500)	\$96,903,519
Less estimated income	71,185,087	0	71,185,087
General fund	\$35,835,932	(\$10,117,500)	\$25,718,432
FTE	212.00	0.00	212.00
Bill Total			
Total all funds	\$107,021,019	(\$10,117,500)	\$96,903,519
Less estimated income	71,185,087	0	71,185,087
General fund	\$35,835,932	(\$10,117,500)	\$25,718,432
FTE	212.00	0.00	212.00

Senate Bill No. 2022 - Information Technology Department - Senate Action

	Executive Budget	Senate Changes	Senate Version
Salaries and wages	\$25,985,352		\$25,985,352
Operating expenses	36,076,824		36,076,824
Equipment	5,595,000		5,595,000
Center for innovation and instruction	934,583		934,583
Education technology commission grants	3,500,000	(1,300,000)	2,200,000
SENDIT network	1,973,669		1,973,669
IT technical education prog. development	590,300		590,300
Wide area network	9,968,905		9,968,905
Enterprise resource planning system	20,488,873	(8,517,500)	11,971,373
Prairie public broadcasting	1,407,513		1,407,513
IT innovation fund	500,000	(300,000)	200,000
Total all funds	\$107,021,019	(\$10,117,500)	\$96,903,519
Less estimated income	71,185,087	0	71,185,087
General fund	\$35,835,932	(\$10,117,500)	\$25,718,432
FTE	212.00	0.00	212.00

Department No. 112 - Information Technology Department - Details of Senate Changes

	Reduce Funding for the Educational Telecommunica tions Council ¹	Adjust Funding for the Enterprise Resou. re Planning System ²	Reduce Funding for IT Innovation Fund	Total Senate Changes
Salaries and wages				
Operating expenses				
Equipment				
Center for innovation and instruction				
Education technology commission grants	(1,300,000)			(1,300,000)
SENDIT network				
IT technical education prog. development				
Wide area network				
Enterprise resource planning system		(8,517,500)		(8,517,500)
Prairie public broadcasting IT innovation fund			(300,000)	(300,000)
Total all funds	(\$1,300,000)	(\$8,517,500)	(\$300,000)	(\$10,117,500)
Less estimated income	0	0	0	0
General fund	(\$1,300,000)	(\$8,517,500)	(\$300,000)	(\$10,117,500)
FTE	0.00	0.00	0.00	0.00

This amendment reduces funding for the statewide information technology network by decreasing the funding from the general fund for the Educational Telecommunications Council from \$3,500,000 to \$2,200,000.

² This amendment provides for the following adjustments in funding for the enterprise resource planning (ERP) system which result in funding being reduced from \$20,499,873 to \$11,971,373, of which \$11,482,500 is from the general fund:

Decrease in funding for operating expenses	(\$9,000,000)
Increase in funding due to transfer of funding from the Department of Public Instruction related to the Quality Schools Commission (\$70,000) and student data base (\$412,500)	482,500
Total	(\$8,517,500)

This amendment also adds a section allowing the Information Technology Department to transfer spending authority between line items.

REQUEST / RECOMMENDATION COMPARISON DETAIL

413 DEPT OF BANKING & FINANCIAL INST

Biennium: 2001-2003

Bill #: SB2003

Page: 1 of 3
Date: 1/4/01
Time: 9:56:31

Description	Expenditures Prev Biennium 1997-1999	Present Budget 1999-2001	2001-2003 Requested		Requested Budget 2001-2003	2001-2003 Recommended		Executive Recommendation 2001-2003
			Incr (Deer)	% Chg		Incr (Deer)	% Chg	
SALARIES AND WAGES								
SALARIES	1,614,192	1,837,344	(20,389)	-1.1%	1,816,955	281,748	15.3%	2,119,082
TEMPORARY, OVERTIME & SHI	2,190	0	0	0.0%	0	0	0.0%	0
BENEFITS	420,825	487,265	(7,303)	-1.5%	475,963	102,520	21.0%	588,786
TOTAL	2,037,207	2,324,610	(27,692)	-1.2%	2,296,918	384,268	16.5%	2,708,878
SALARIES AND WAGES								
GENERAL FUND	0	0	0	0.0%	0	0	0.0%	0
FEDERAL FUNDS	0	0	0	0.0%	0	0	0.0%	0
SPECIAL FUNDS	2,037,207	2,324,610	(27,692)	-1.2%	2,296,918	384,268	16.5%	2,708,878
TOTAL	2,037,207	2,324,610	(27,692)	-1.2%	2,296,918	384,268	16.5%	2,708,878
OPERATING EXPENSES								
IT-DATA PROCESSING	6,500	27,567	7,983	29.0%	35,550	15,483	56.2%	43,050
IT-TELEPHONE	17,175	18,108	0	0.0%	18,108	0	0.0%	18,108
TRAVEL	220,920	221,033	18,006	8.1%	239,039	18,005	8.1%	239,039
IT-SOFTWARE/SUPPLIES	0	8,000	8,931	111.6%	16,931	8,931	111.6%	18,931
UTILITIES	1,175	0	0	0.0%	0	0	0.0%	0
POSTAGE	12,898	12,823	2,526	19.7%	15,349	2,526	19.7%	15,349
LEASE/RENT - EQUIPMENT	0	0	0	0.0%	0	0	0.0%	0
LEASE/RENT - BLDG/LAND	94,811	101,519	10,677	10.5%	112,196	10,677	10.5%	112,196
DUES & PROFESSIONAL DEV.	25,926	65,836	0	0.0%	65,836	0	0.0%	65,836
OPERATING FEES & SERVICES	10,444	10,812	0	0.0%	10,812	0	0.0%	10,812
REPAIRS	4,154	5,139	2,130	41.4%	7,269	2,130	41.4%	7,269
PROFESSIONAL SERVICES	15,891	20,448	20,321	99.4%	40,769	20,321	99.4%	40,769
INSURANCE	89	290	0	0.0%	290	0	0.0%	290
OFFICE SUPPLIES	11,724	8,625	0	0.0%	8,625	0	0.0%	8,625
PRINTING	6,171	8,806	0	0.0%	8,806	0	0.0%	8,806
PROFESSIONAL SUPPLIES & M	12,042	15,275	0	0.0%	15,275	0	0.0%	15,275
FOOD & CLOTHING	56	0	0	0.0%	0	0	0.0%	0
MEDICAL/DENTAL & OPTICAL	0	0	0	0.0%	0	0	0.0%	0
BLDG,GRNDS,VEHICLE MTCE S	6	0	0	0.0%	0	0	0.0%	0
MISCELLANEOUS SUPPLIES	3,812	4,991	0	0.0%	4,991	0	0.0%	4,991

REQUEST FOR RECOMMENDATION COMPARISON DETAIL

413 DEPT OF BANKING & FINANCIAL INST

Biennium: 2001-2003

Bill #: SB2008

Page: 2 of 3

Date: 1/4/01

Time: 9:56:31

Description	Expenditures Prev Biennium 1997-1999	Present Budget 1999-2001	2001-2003 Requested		Requested Budget 2001-2003	2001-2003 Recommended		Executive's Recommendation 2001-2003
			Incr (Decr)	% Chg		Incr (Decr)	% Chg	
OPERATING EXPENSES								
OPERA BUDGET ADJUSTMENT	0	0	0	0.0%	0	94,472	0.0%	94,472
TOTAL	443,794	529,272	70,574	13.3%	599,846	172,546	32.6%	701,818
OPERATING EXPENSES								
GENERAL FUND	0	0	0	0.0%	0	0	0.0%	0
FEDERAL FUNDS	0	0	0	0.0%	0	0	0.0%	0
SPECIAL FUNDS	443,794	529,272	70,574	13.3%	599,846	172,546	32.6%	701,818
TOTAL	443,794	529,272	70,574	13.3%	599,846	172,546	32.6%	701,818
EQUIPMENT								
OFFICE EQUIPMENT & FURNIT	44,196	23,041	(3,341)	-14.5%	19,700	(3,341)	-14.5%	19,700
IT-EQUIPMENT	0	41,041	(39,541)	-96.3%	1,500	(12,041)	-29.3%	29,000
TOTAL	44,196	64,082	(42,882)	-66.9%	21,200	(15,382)	-24.0%	48,700
EQUIPMENT								
GENERAL FUND	0	0	0	0.0%	0	0	0.0%	0
FEDERAL FUNDS	0	0	0	0.0%	0	0	0.0%	0
SPECIAL FUNDS	44,196	64,082	(42,882)	-66.9%	21,200	(15,382)	-24.0%	48,700
TOTAL	44,196	64,082	(42,882)	-66.9%	21,200	(15,382)	-24.0%	48,700
SPECIAL LINES								
CONTINGENCY	0	20,000	0	0.0%	20,000	0	0.0%	20,000
TOTAL	0	20,000	0	0.0%	20,000	0	0.0%	20,000
SPECIAL LINES								
SPECIAL FUNDS	0	20,000	0	0.0%	20,000	0	0.0%	20,000
TOTAL	0	20,000	0	0.0%	20,000	0	0.0%	20,000
FUNDING SOURCES								
GENERAL FUND	0	0	0	0.0%	0	0	0.0%	0
FEDERAL FUNDS	0	0	0	0.0%	0	0	0.0%	0

REQUEST / RECOMMENDATION COMPARISON DETAIL

413 DEPT OF BANKING & FINANCIAL INST

Biennium: 2001-2003

Bill #: SB2008

Page: 3 of 3

Date: 1/4/01

Time: 9:58:31

Description	Expenditures Prev Biennium 1997-1999	Present Budget 1999-2001	2001-2003 Requested		Requested Budget 2001-2003	2001-2003 Recommended		Executive Recommendation 2001-2003
			Incr (Deer)	% Chg		Incr (Deer)	% Chg	
FUNDING SOURCES								
SPECIAL FUNDS	2,525,197	2,937,964	0	0.0%	2,937,964	541,432	18.4%	3,479,396
TOTAL FUNDING SOURCES	2,525,197	2,937,964	0	0.0%	2,937,964	541,432	18.4%	3,479,396

Information Technology Planning

Presentation to the House and
Senate Appropriations Committees
January 8, 2001

by
Nancy Walz, ITD

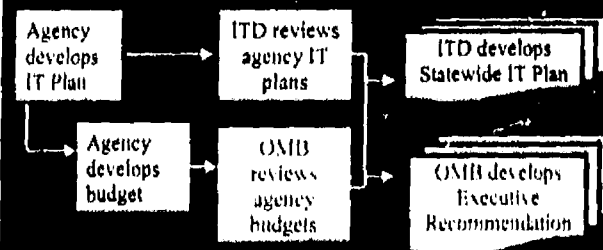
IT Planning Analysts

Nancy Walz
Dennis Klipfel
Rob Gall
Phil (Boris) Miller

Planning Cycle

January 15, 2000 - Plans due
July 15, 2000 - Budgets due
November, 2000 - State IT plan
published
Continuous planning throughout
the biennium

Parallel Processes



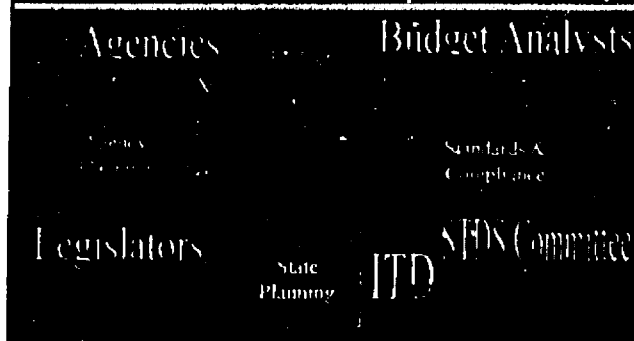
IT Planning Cycle



Oversight Responsibilities

- Approve requisitions over \$1,000
- Approve contractual acquisitions over \$25,000
- Monitor projects over \$250,000

Not your typical planning document.....



IT Planning Information Requirements

- Agency mission & description
- Alignment with statewide IT plan
- Goals, objectives, and accomplishments
- Activities (work/budget packages)
 - Descriptive information
 - Estimated costs - 3 biennia
 - Budget for the 01-03 biennia

IT Planning Supplemental Information

- IT Architecture - Hardware
- IT Architecture - Telecommunications
- IT Architecture - Software / Applications Development
- IT Staffing / Training Plan
- Compliance with standards

IT Budget Information

- IT activity budgets are spread to SIBR budget accounting codes

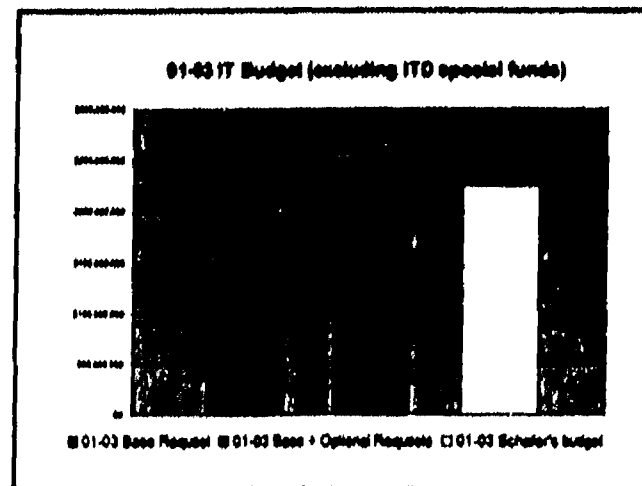
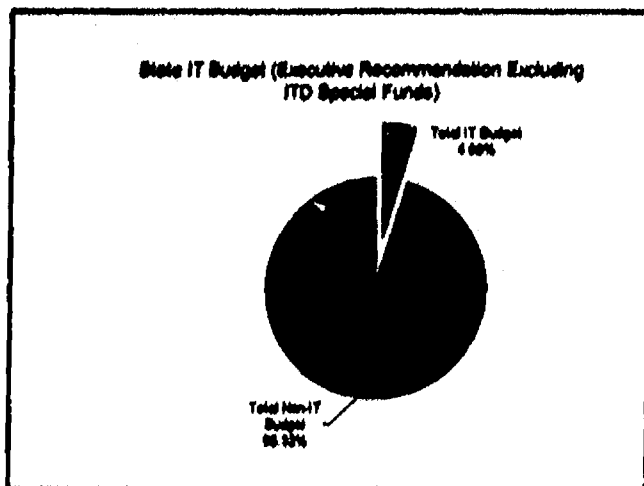
IT Plan
Activities

Technology Tab - Executive Budget

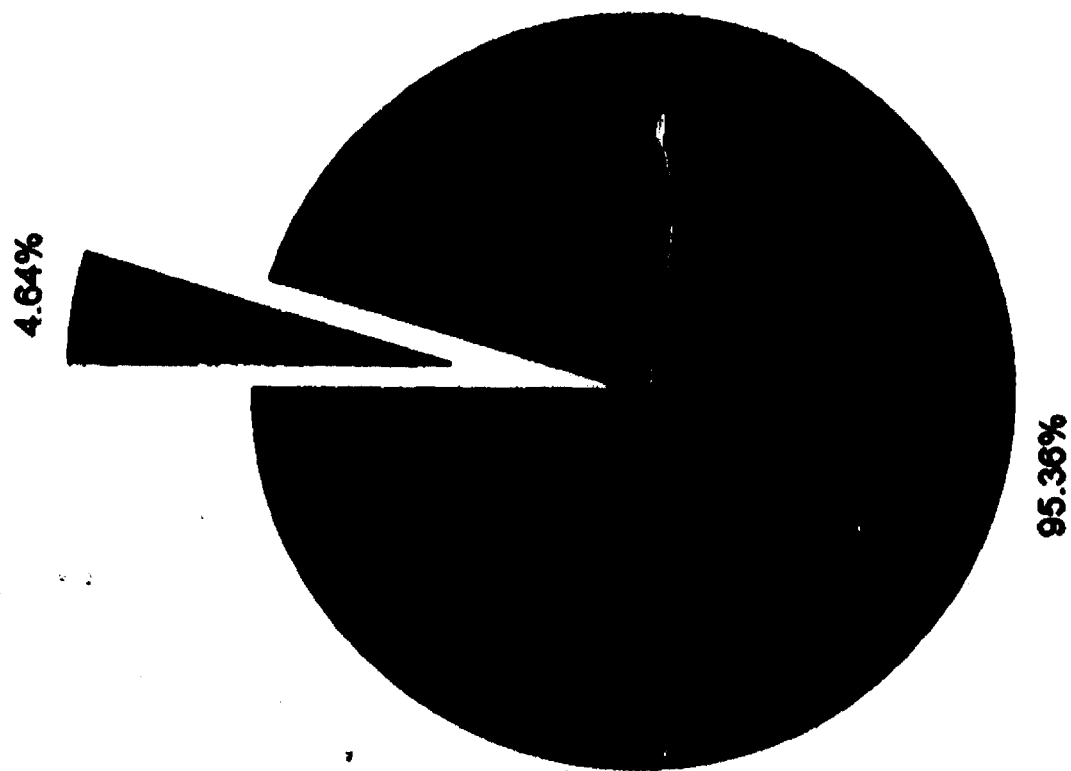
- By program
- By line item
- By funding source

Special IT Object Codes (Budget Detail)

- 3002 - IT Data Processing
- 3003 - IT Telephone
- 3005 - IT Software / Supplies
- 3008 - IT Contractual Services
- 4003 - IT Equipment



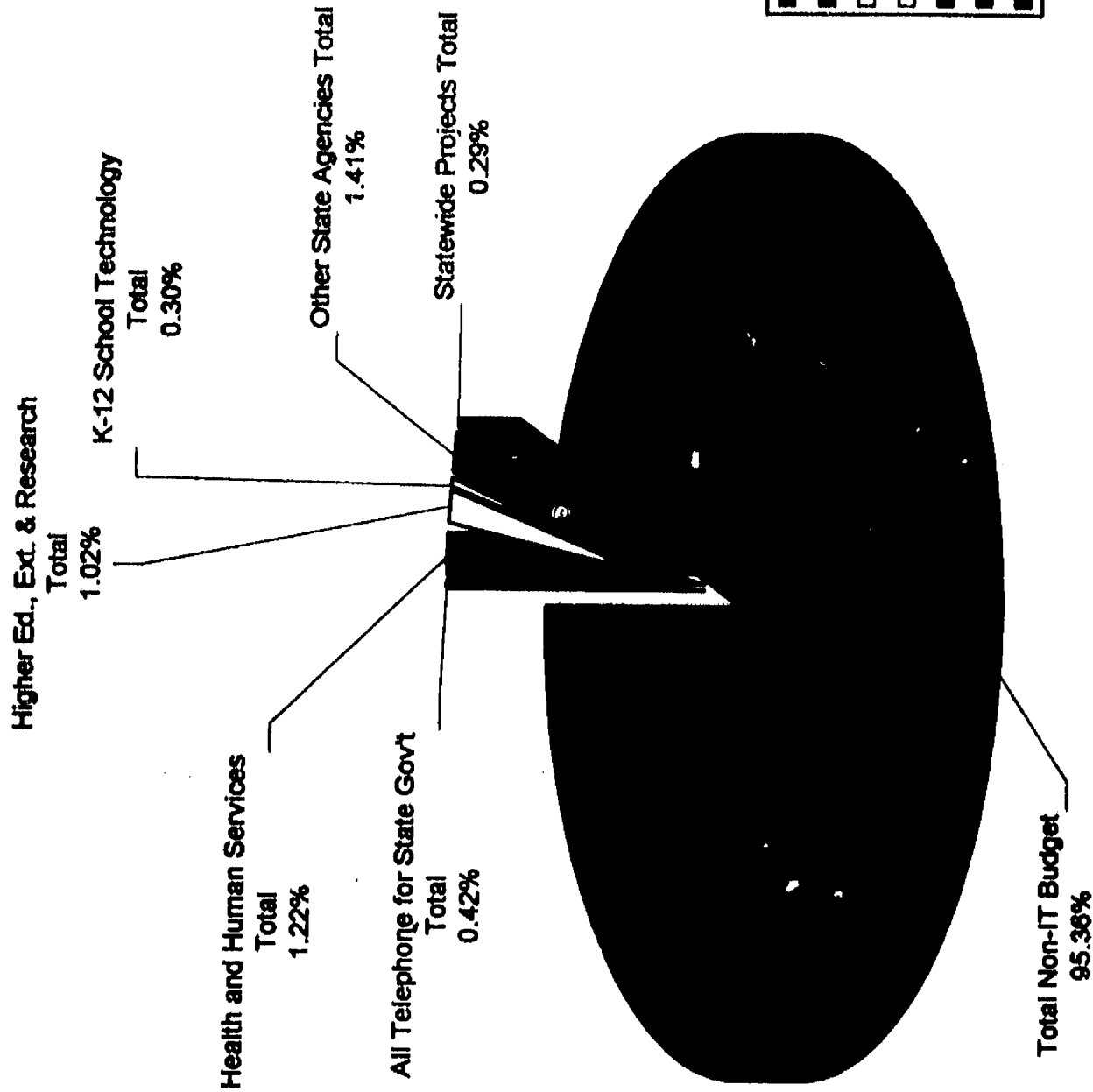
**Hoeven's Budget Recommendation
IT Budget as a Percent of the Total Budget**



■ Total IT Budget
■ Total Non-IT Budget

5K 2022
5801

IT Budget as a Percent of the Total Budget



- All Telephone for State Gov't Total
- Health and Human Services Total
- Higher Ed., Ext. & Research Total
- K-12 School Technology Total
- Other State Agencies Total
- Statewide Projects Total
- Total Non-IT Budget

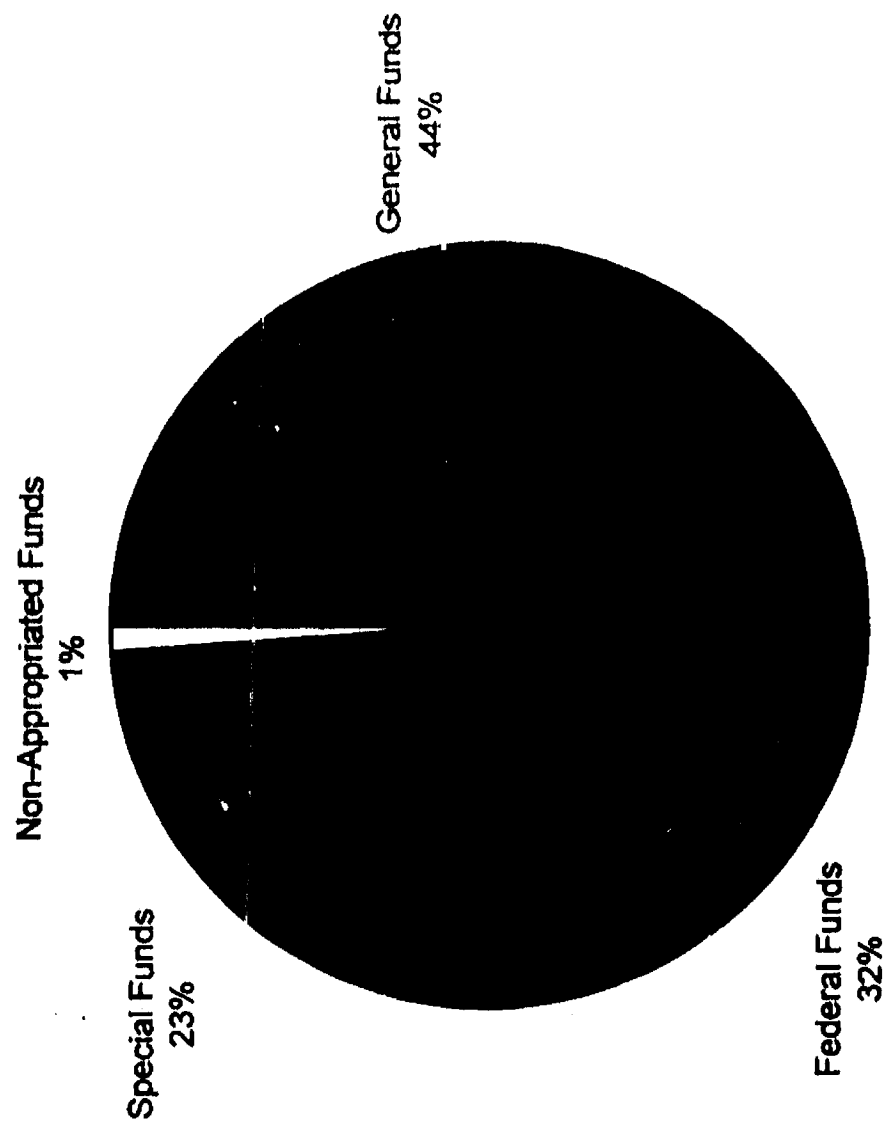
Hoeven's Budget Recommendation

IT Budget as a Percent of the Total Budget (Excluding ITD Special Funds)

Category	Budget	% of Total Recommendation
All Telephone for State Gov't Total	\$19,275,490	0.42%
Health and Human Services Total	\$58,397,843	1.22%
Higher Ed., Ext. & Research Total	\$47,241,340	1.02%
K-12 School Technology Total	\$13,710,601	0.30%
Other state agencies Total	\$65,082,367	1.41%
Statewide General Fund Projects Total	\$13,336,461	0.29%
Assn of Counties	\$248,000	
Innovation Fund	\$200,000	
ERP	\$11,482,500	
E-gov	\$334,177	
GIS	\$1,071,784	
Total IT Budget	\$215,044,102	4.64%
Total Non-IT Budget	\$4,416,370,408	95.36%

Historical Funding Sources for ITD Revenue

ITD Special Funds Budget - \$71,327,753



State of North Dakota
Information Technology Department



ITD 2001- 2003 Budget Request

Presentation to the House Appropriations Committee

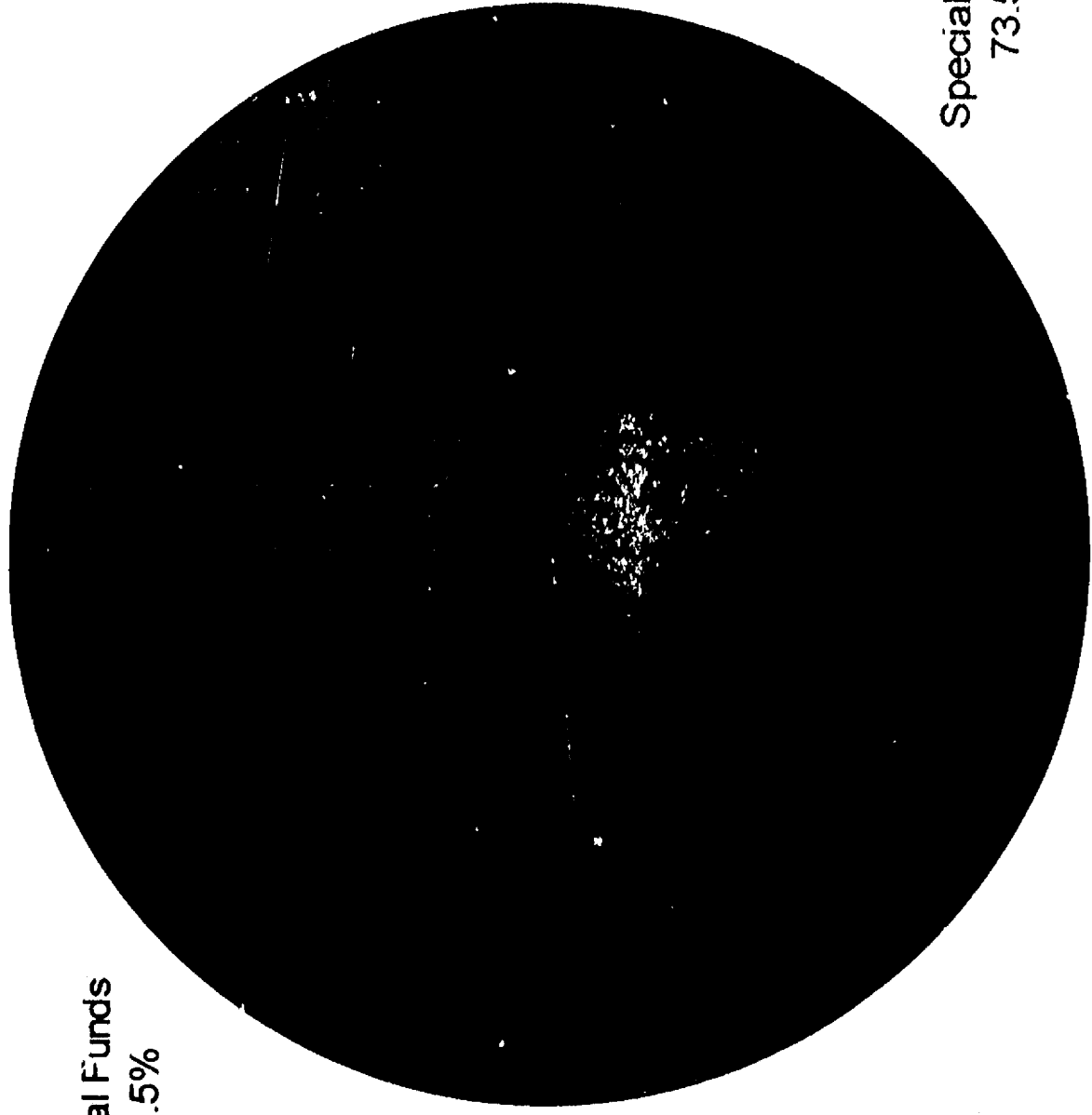
March 2, 2001

By Curt Wolfe, CIO

SB2022
3-2-01

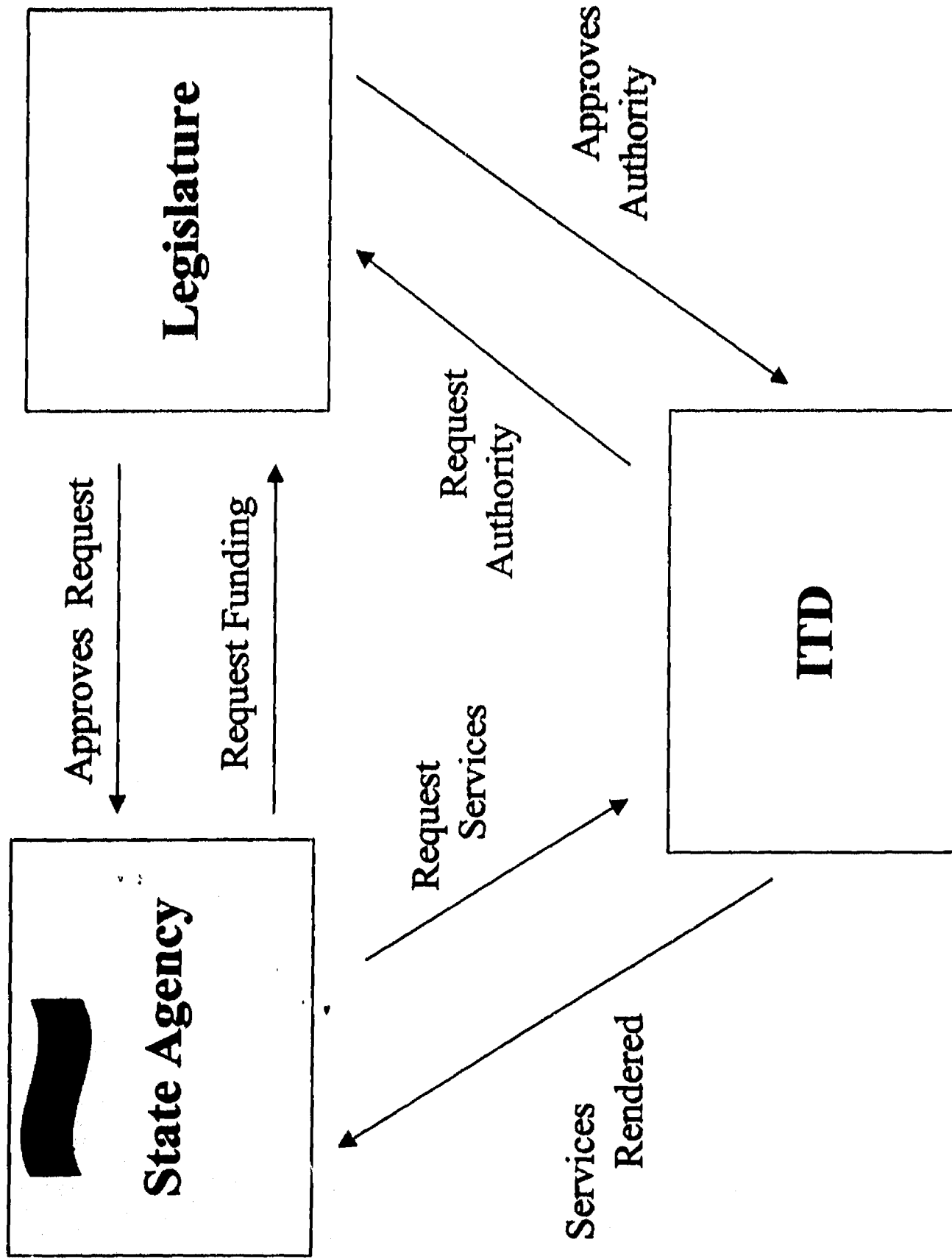
ITD Total Budget
\$96,903,519

General Funds
26.5%

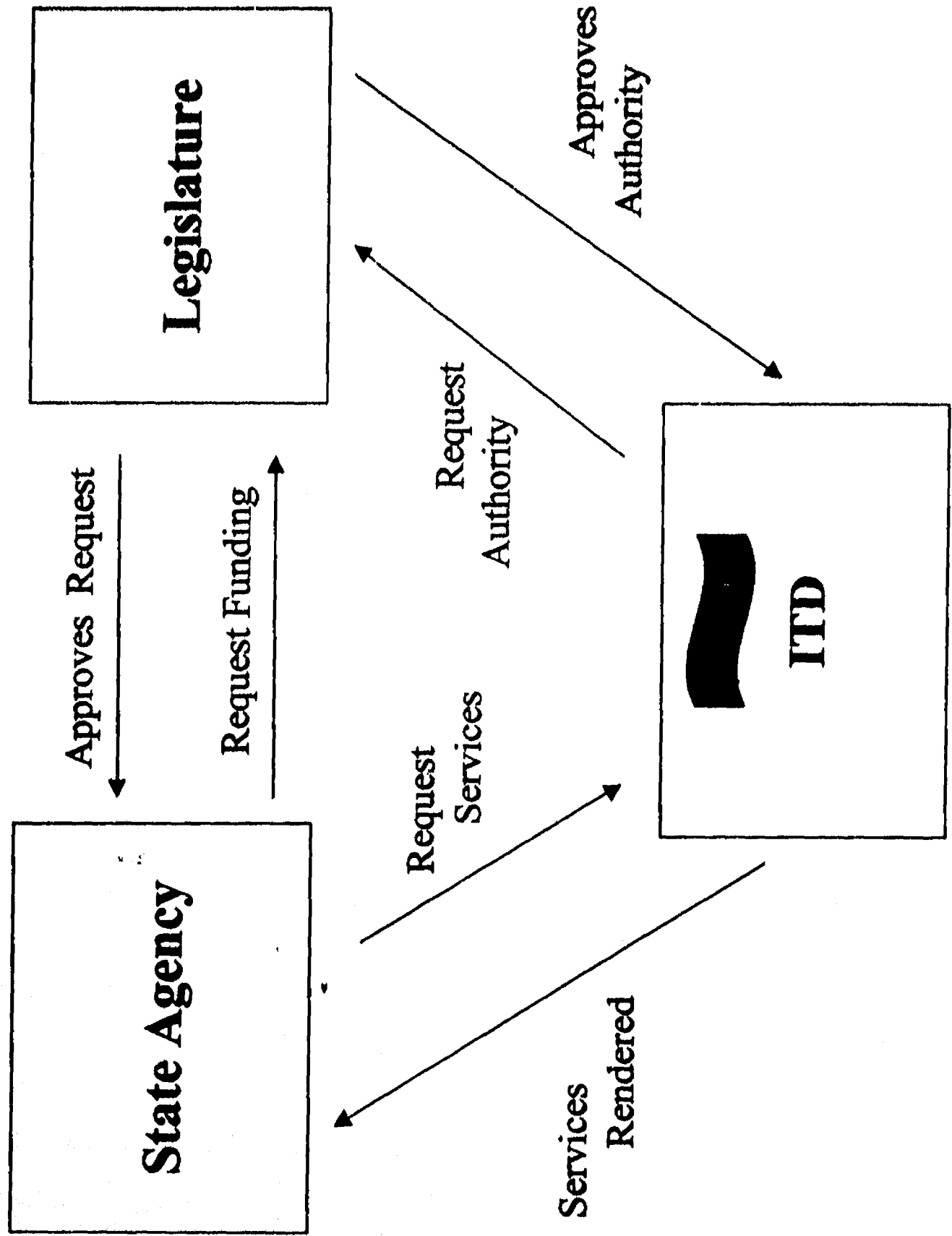


Special Funds
73.5%

ITD SPECIAL FUNDS

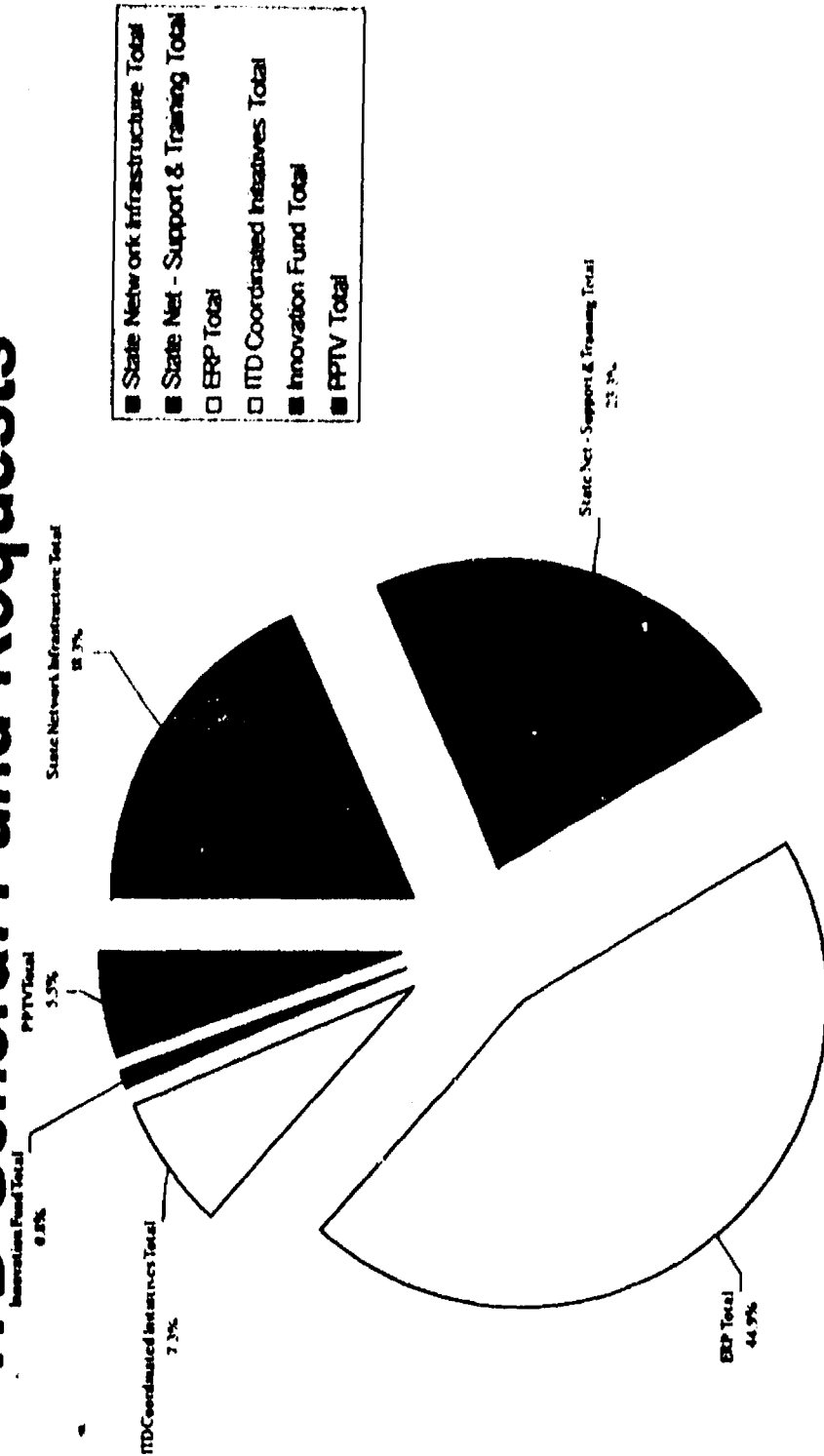


ITD SPECIAL FUNDS



ITD General Fund Requests	General Fund \$
State Network Infrastructure Total	\$ 4,672,824
State Net - Support & Training Total	\$ 5,946,562
ERP Total	\$ 11,482,300
ITD Coordinated Initiatives Total	\$ 1,866,377
Innovation Fund Total	\$ 200,000
PPTV Total	\$ 1,407,513
Grand Total	\$ 25,575,766

ITD General Fund Requests



- State Network Infrastructure Total
- State Net - Support & Training Total
- ERP Total
- ITD Coordinated Initiatives Total
- Innovation Fund Total
- PPTV Total

General Fund Details

- Non-traditional funds.

– Prairie Public Broadcasting	\$1,407,513
– Base budget for Sendit – NDSU	\$ 546,669
– Base budget for CII – VCSU	<u>\$ 340,583</u>

Total: \$2,294,765

General Fund Details

- Completion of Network Rollout:

- Phase II – K-12 high schools and public libraries

- Router and recurring T1 circuit cost

\$4,222,549

- Equipment cost for Phase I

\$ 450,275

Total: \$4,672,824

General Fund Details

- **Support and Training:**

- **Association of Counties – local**

- political subdivisions**

- \$ 248,000**

- **Sendit – expanded role – K-12**

- \$ 1,427,000**

- **Two HE components (\$4,595,474)**

- * Statewide IVN Support.**

- * Workforce Education.**

Total: \$ 1,675,000

General Fund Details

• Improved productivity and reduce cost of government:

- ERP	\$ 11,482,500
- E-government	\$ 334,177
- GIS	\$ 1,071,784
- Security/Cyber Crime	\$ 143,328
- Research & Planning	\$ <u>317,088</u>

Total: \$13,348,877

• Innovation Fund:

Total: \$ 200,000

Grand Totals: \$25,575,766

SB 2022 TESTIMONY
SENATE APPROPRIATIONS COMMITTEE
BY: MIKE J. RESSLER, DIRECTOR
INFORMATION TECHNOLOGY DEPARTMENT (ITD)
JANUARY 15, 2001

Mr. Chairman, and members of the committee, my name is Mike Ressler and I am the Director of Operations at ITD.

ITD is responsible for providing technology solutions to state government agencies and our customer base includes county government for network connections and soon to include K-12 and libraries across the state. Today we have a staff of 169 FTE's and 22 contract programmers. We are primarily special funded except for the \$250,000 of general fund money we received this biennium for a planning position and for consulting assistance in developing the RFP for the wide area network.

ITD is organized into five sections as follows: IT Planning, Administration, Software Development, Computer Services, and Telecommunications.

IT Planning is responsible for creating IT policies, standards, and guidelines by coordinating agency input and researching existing technology solutions. This section has a staff of four. They review agency IT plans to ensure they are complete and also monitor agency IT efforts and expenditures to determine compliance with IT plans, the state standards and policies. A statewide IT plan is crafted every two years after state agencies submit their IT plans. Research of new technologies is critical for state government to be efficient when automating processes and the need to coordinate this knowledge. Grant writing is a new avenue ITD is starting to explore. These are two reasons for requesting a new position in this section.

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Telecommunications has a staff of 27 and is responsible for the state wide area network, all telephone systems (40+) throughout the state along with a central help desk. ITD has just completed phase 1 of the wide area network, deploying ATM T-1 circuits to 177 locations in 64 communities. The second phase will connect every high school and library in the state (additional 300+ locations in 130 communities) with this same technology and pave the way for web based applications, such as geographic information systems (GIS), and video applications to be utilized. An additional two positions are being requested for this increase in workload. The addition of the K-12 institutions and libraries will more than double the end points on the current state network. The education community is dependent upon this broadband network if they are going to offer such programs as: distance learning classes, degrees over the internet, and the ability to share teachers, with hard to find skills.

New initiatives for the next biennium include the following projects:

Payment for Phase 1 of the wide area network. State agencies did not receive any additional funding for converting to the new ATM T-1 network which was completed November 30, 2000. ITD borrowed \$2,000,000 for the equipment (routers, switches, etc.) and is obligated to pay this note over a 36 month period. This amount is being billed back to the appropriate state agency on a monthly basis. Agencies will pay 9 months of this note during this biennium, but will need to obtain the remaining \$1,476,570 in the next biennium. Agencies also have had to find the increase in circuit costs for the current biennium in their existing budget. The increases for next biennium were provided in ITD's budget instructions and the agencies will be requesting these dollars in the budgets you will review over the next four months. ITD is requesting two FTE's to support the increased

workload as a result of this new network at a cost of \$321,784. The above costs will be recovered through ITD's special fund.

Phase 2 of the wide area network deployment involves connecting all the high schools and libraries across the state. We are requesting the state provide an ATM T-1 circuit to each of these locations, the one-time cost for the router, and the internet connection. If the institution needs additional bandwidth, they will be required to come up with the needed funds. General fund dollars are being requested for this initiative and will amount to \$7,922,549. ITD is expecting to receive roughly \$3,700,000 of these dollars in a refund from the Universal Service Fund as part of the E-Rate program, netting the cost at \$4,222,549. Because this phase will more than double our existing customer base, ITD is requesting two additional FTE's to install and support this mission critical infrastructure on an ongoing basis.

The Governor, in partnership with the Legislative IT Committee, have determined the need for coordination of the many facets of this technology deployment. As a result, the following programs have been located in the ITD budget and the requests are as follows:

- Association of Counties will receive \$248,000 to provide network support for county government throughout the state.
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- Prairie Public Broadcasting will receive \$1,407,513 for the operational expense of networks used to broadcast programs.

These initiatives total \$7,354,065 of general funding and are important to the state can obtain the maximum potential from our investment in this high speed network.

State agencies are appearing before the legislature to acquire funding for major application development projects. ITD works closely with agencies in estimating the amount of software development resources they will need. ITD bills agencies on an hourly basis for development work and all monies for this initiative are special funded in our budget. If the legislature approves the following projects in the agencies budgets, ITD is requesting 26 new FTE's (systems analysts / programmers) and funding for 12 additional contract programmers:

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- Human Services: Fully Automated Child Support Enhancement System
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ITD operates on a fee for service basis and will not fill any position, should the agency redirect their priorities and as a result does not spend their money with ITD.

Today we have various state agencies operating geographic information systems (GIS). This past year, we hired Convergent Group, a GIS consultant, to review how North Dakota was utilizing this technology. They recommended ITD establish and support a centralized hosting infrastructure. This hub, consisting of computer processors and disk storage, would provide a means for sharing all the information government has stored on various machines throughout the state. Today, agencies are duplicating investments on equipment and even worse are not able to share the data as readily as we could if a central hub was installed. ITD is requesting two FTE's to operate the equipment, provide data base support and coordinate GIS activities around the state. Software and equipment dollars are also being requested and the total general fund request is \$1,071,784. State agencies will not pay ITD for this service and will no longer need to request in their budget this type of equipment/service.

Another initiative which has the potential to save state government substantial dollars is a shared electronic data management system (EDMS). Agencies are generating a large amount of electronic records, for example imaging tax returns, and the need for these records to be managed and easily accessed by those who have the authority is essential. This technology will have a noticeable return on the time it takes to access records, the accuracy of accessing the records, and the space savings from storing documents electronically vs. on paper. ITD would manage the central data base and provide the needed software, licenses and hardware to do so. Our role would also be to provide the expertise on how this should be accomplished so agencies do not have to reinvent the wheel. The ITD request is \$1,321,784 of special funds (we would bill back our costs to the agencies using the service) and includes two FTE's.

Last year ITD launched DiscoverND which is the state of North Dakota's web portal. We have seen an aggressive attempt by some agencies to develop their service applications to be web enabled and thus offer them to the citizens of ND over the internet. One very successful application is the Game & Fish hunting and fishing license system. Citizens are becoming exposed to the convenience of dealing with online systems and will be demanding this from government in the very near future. Agencies pay ITD for the development of these applications, but the central infrastructure like the ND portal and the interfacing between agency systems is not charged out. Also, we see the potential of this technology to re-engineer the way government agencies deal with the citizens. The major draw back to this reinvention is that agencies are not looking at the big picture and will not pay to develop systems that cross department lines. ITD is requesting general funds for two FTE's, a systems analyst and a programmer, to concentrate on the development and maintenance of these central systems. The amount is \$334,177.

ITD, in partnership with Higher Education, OMB, and the K-12 environment have released a RFP for acquiring an enterprise resource planning system (ERP). This system integrates financial, human resource, administrative, procurement, student registration, and other systems into a common schema so all parties can share and use the data. Today our systems are old, some obsolete, and require major maintenance efforts. In many cases the systems do not provide the data in the context needed so agencies, university staff, and school administrators have created shadow systems. This is time consuming, costly and increases the chances for data to be inaccurate because it is stored in various databases. The federal government has released some new requirements for the education systems

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As we expand the network and move more services to the e-government model along with federal mandates such as the Health Insurance Portability and Accountability Act (HIPAA), information technology security is becoming more critical and more complex. Central leadership and expertise is necessary to identify solutions the state can implement on a proactive basis. Monitoring of intrusion attempts is also critical to maintain the integrity of the network. ITD is requesting special funds for one FTE to assist in the security area and the amount is \$143,328.

As discussed earlier in my testimony ITD is working with the Bureau of Criminal Investigation and will assist them from a technical standpoint with prosecuting individuals who use computers and networks to commit crimes. ITD is requesting general funds of \$143,328 to hire one security analyst.

There is a need for the state to work with the educational system in an effort to ensure the proper information technologies are being taught so we have a pool of resources to hire. We are requesting \$143,328 of special funds to hire an administrative position who will work with the schools and coordinate with agencies who have a need for hiring technology expertise.

Greater emphasis needs to be placed on research and planning so that North Dakota can identify trends and new technologies instead of reacting as technologies change. By getting out in front of technology change, the state will prevent wasteful spending and make better decisions when choosing technologies to be implemented. ITD needs to coordinate with agencies and develop assignments to accomplish this. We are requesting \$317,088 of general funds and one FTE. This amount also includes \$150,000 for consulting service and computer tools needed to fulfill this mission.

And last, but not least, ITD is requesting \$200,000 of general fund money to be put into an innovation fund. This fund will provide some flexibility for implementing IT projects that come about during the interim. Two years is a long time for technology and the ability to access some funds would have a positive impact. These funds could only be acquired if the agency submits a cost effective project and approval is granted by some body (maybe the Legislative IT Committee). The agency would pay back the funds in the next biennium. This model has not been completely worked out yet -- agencies could pay back with interest or they could pay back a portion of the cost savings they obtained by implementing the program.

Overall, ITD's total budget request is \$96,903,519 of which \$25,718,432 is general funds. This includes funding for 44 new FTE's and 12 new contract programming staff. Of the 44 new FTE's, 8 will be general funded.

This concludes my testimony and I would be happy to answer any questions you may have.

Thank you for your support.

State of North Dakota
Information Technology Department



ITD 2001- 2003 Budget Request

Presentation to the Senate Appropriations Committee

January 15, 2001

By Mike J. Ressler

Information Technology Department



Special Funded

Wide Area Network (State/Higher Ed/Political Subs)

**2 New FTE's = Telecommunications Analysts
\$ 321,784**

**Network Equipment
\$ 1,476,570
(General Fund = \$ 450,275)**



General Funded

Wide Area Network (K-12/Libraries)

\$ 7,922,549

2 New FTE's = Telecommunications Analysts

**ITD will receive \$ 3,700,000 E-Rate Refund
(Special Fund Authority)**



General Funded

Contingency Line Items

\$ 7,354,065

Association of Counties	\$ 248,000
IT Technology Program	\$ 590,300
Center for Innovation in Instruction	\$ 934,583
SENDIT Technology Services	\$ 1,973,669
Education Telecommunications Council	\$ 2,200,000
Prairie Public Broadcasting	\$ 1,407,513



Special Funded

Software Development Services

\$ 7,085,081

**Health Insurance Portability & Accounting Act (HIPAA)
Fully Automated Child Support Enhancement System
Foster Care
Tax Collections / Accounts Receivable
Construction Automated Reporting System (CARS)
Roadway Information Management System (RIMS)**

26 New FTE's - Systems Analysts / Programmers

12 New Contract Programmers



General Funded

Geographic Information Systems (GIS)

\$ 1,071,784

2 New FTE's = Systems Analyst / Data Base Analyst

\$ 250,000 Software/Consulting

\$ 500,000 Computer Hardware



Special Funded

Electronic Data Management System (EDMS)

\$ 1,321,784

2 New FTE's = Systems Analyst / Data Base Analyst

\$ 250,000 Software/Consulting

\$ 750,000 Computer Hardware



General Funded

E-Government (Enterprise Applications)

\$ 334,177

2 New FTE's = Systems Analyst / Programmer



General Funded

Enterprise Resource Planning System (ERP)

\$ 11,971,373

**3 New FTE's = Systems Analysts / Programmers
(FTE's are Special Funded)**



Special Funded

Additional Security Analyst

\$ 143,328

1 New FTE = Info Systems Security Analyst



General Funded

**Additional Security Analyst
for Cybercrime**

\$ 143,328

1 New FTE = Info Systems Security Analyst



Special Funded

Extra Administration Position

\$ 143,328

1 New FTE = Sr. Personnel Officer



General Funded

Research & Planning

\$ 317,088

1 New FTE = Info Tech Business Analyst

\$ 150,000 Software/Consulting



General Funded

Innovation Fund

\$ 200,000

No FTE's



SUMMARY

Total 2001 - 2003 Budget Request = \$ 96,903,519

Total Special Fund Dollars = \$ 71,185,087

Total General Fund Dollars = \$ 25,718,432

44 New ITD FTE's (8 General Funded)

12 New Contract Programmers



POSITION SUMMARY

HIPPA	15 Positions	Special Funded
FASCES	4 Positions	Special Funded
Foster Care	3 Positions	Special Funded
Tax Application	2 Positions	Special Funded
Dept of Transportation	2 Positions	Special Funded
Wide Area Network	2 Positions	Special Funded
EDMS.	2 Positions	Special Funded
Security	1 Position	Special Funded
Existing Planning	1 Position	Special Funded
ERP	3 Positions	Special Funded
Training/Admn	1 Position	Special Funded
K-12/Libraries WAN	2 Positions	General Funded
GIS	2 Positions	General Funded
E-Government	2 Positions	General Funded
Research & Planning	1 Position	General Funded
Security / Cybercrime	1 Position	General Funded

TOTAL POSITIONS 44 Positions

QUESTIONS ?

Mike J. Ressler
Information Technology Department
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<http://www.state.nd.us/itd/>
mressler@state.nd.us



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North Dakota
Statewide Information Technology Plan
2000
Agency Plan Summaries

Curtis L. Wolfe, CHIEF INFORMATION OFFICER

November 2000

SB 2022 TESTIMONY
HOUSE APPROPRIATIONS COMMITTEE
BY: MIKE J. RESSLER, DIRECTOR
INFORMATION TECHNOLOGY DEPARTMENT (ITD)
MARCH 2, 2001

Mr. Chairman, and members of the committee, my name is Mike Ressler and I am the Director of Operations at ITD.

ITD is responsible for providing technology solutions to state government agencies and our customer base includes county government for network connections and soon to include K-12 and libraries across the state. Today we have a staff of 169 FTE's and 22 contract programmers. Our 1999-2001 budget is \$56,222,095 with the majority of it being special funded. \$250,000 of general fund money was appropriated for a planning position and for consulting assistance in developing the RFP for the wide area network.

ITD is organized into five sections as follows: IT Planning, Administration, Software Development, Computer Services, and Telecommunications.

IT Planning is responsible for creating IT policies, standards, and guidelines by coordinating agency input and researching existing technology solutions. This section has a staff of four. They review agency IT plans to ensure they are complete and also monitor agency IT efforts and expenditures to determine compliance with IT plans, the state standards and policies. A statewide IT plan is crafted every two years after state agencies submit their IT plans. Research of new technologies is critical for state government to be efficient when automating processes and the need to coordinate this knowledge. Grant writing is a new avenue ITD is starting to explore. These are two reasons for requesting a new position in this section.

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Greater emphasis needs to be placed on research and planning so that North Dakota can identify trends and new technologies instead of reacting as technologies change. By getting out in front of technology change, the state will prevent wasteful spending and make better decisions when choosing technologies to be implemented. ITD needs to coordinate with agencies and develop assignments to accomplish this. We are requesting \$317,088 of general funds and one FTE. This amount also includes \$150,000 for consulting service and computer tools needed to fulfill this mission.

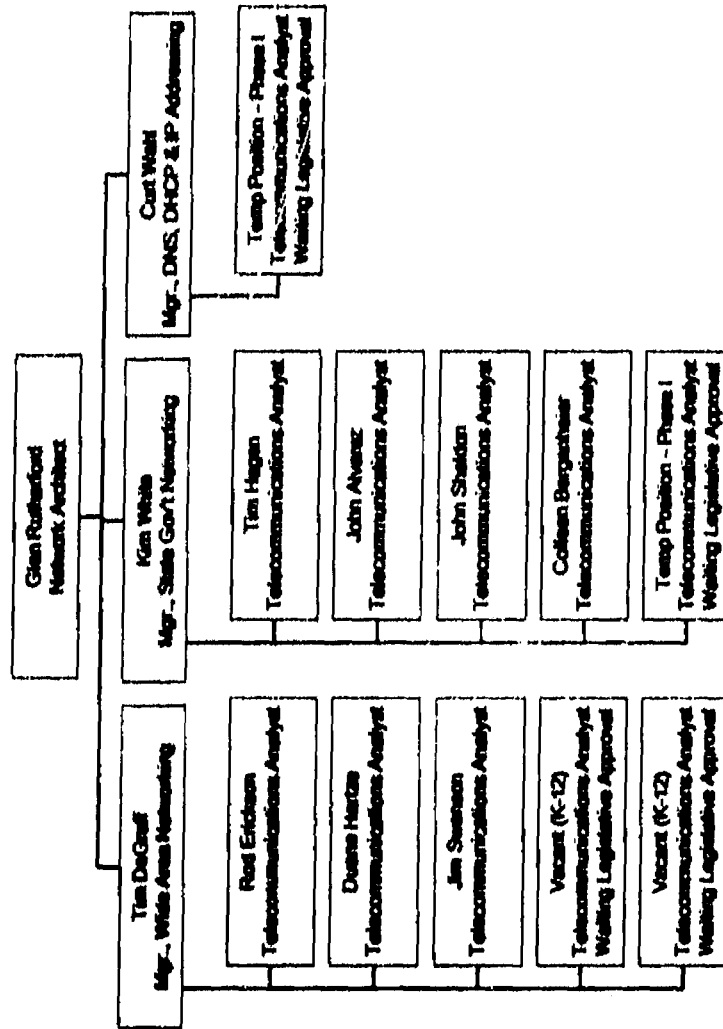
And last, but not least, ITD is requesting \$200,000 of general fund money to be put into an innovation fund. This fund will provide some flexibility for implementing IT projects that come about during the interim. Two years is a long time for technology and the ability to access some funds would have a positive impact. These funds could only be acquired if the agency submits a cost effective project and approval is granted by some body (maybe the Legislative IT Committee). The agency would pay back the funds in the next biennium. This model has not been completely worked out yet - agencies could pay back with interest or they could pay back a portion of the cost savings they obtained by implementing the program.

Overall, ITD's total budget request is \$96,903,519 of which \$25,575,766 is general funds. This includes funding for 44 new FTE's and 12 new contract programming staff. Of the 44 new FTE's, 8 will be general funded.

This concludes my testimony and I would be happy to answer any questions you may have.

Thank you for your support.

Information Technology Department Telecommunications Division



SB2022
4-2-01

23 March 2001

PORTFOLIO ASSIGNMENTS- Wide Area Networking

Tim DeGraff

- WAN Core

Rod Erickson

- All Circuits
- Internet Access

Duane Hartze

- H.323 Video
- State Government

Jim Swenson

- Higher Education
- Political Sub Divisions

Adding K-12 and Libraries will increase network connections by 300+

Vacant (K-12 / Libraries)

Vacant (K-12 / Libraries)

23 March 2001

PORTFOLIO ASSIGNMENTS- State Government Networking

Tim Hagen
ITD

- Campus/Metro Backbone
- .H323
- Core Backbone (switches/routers)
- Computer Room
- Switch Room
- Tower
- Metro Area (Bank Core)

Research

- VLAN
- VPN
- H.323
- VoIP
- Etc.

John Alvarez

Department of Transportation

ED&F

Electric Board

Facility Management

Highway Patrol

Industrial Commission

- State Bank

- ND Geological Survey

- Oil and Gas

- Mill and Elevator

- State Water commission

- Atmospheric Research

Insurance Commission

OMB

- Central Services

- Surplus Property

- Central Duplicating

Public Service Commission

Securities Commission

State Historical

State Radio

State Auditor

John Sheldon

Human Services

Health Department

ITD

Indian Affairs

J-Wing

Labor Department

Housing and Finance

23 March 2001

Colleen Bergenheier

Agriculture

- Soil Conservation
- Wheat Commission

Game and Fish

Governor's Office

Job Service

Legislative Counsel

North Dakota University System

- School of Medicine
- UND Graduate Center
- NDSU Extension Offices

Parks and Recreation

Real Estate Commission

Retirement Investment Office

Secretary of State

State Treasurer

Workers Comp

John Glaser / Temp

Attorney General

BCI

Bond Bank

Corn Utilization Council

Correction & Rehabilitation

- Parole and Probation
- Rough Rider Industries
- State Penitentiary

Courts

Dept. Of Public Instruction

Board of Vocational and Technical Education

Emergency Management

National Guard

State Bar Board

State Library

Supreme Court

Tax Department

Tourism

Statewide Information Technology Budget Initiatives

January 4, 2001

Broadband state wide area network implementation

Goal 9: Integrated Broadband Network

This initiative creates the physical network infrastructure to support digital opportunities for economic development, life long learning and government services throughout North Dakota. The broadband network will expand the capacity and coverage of the information super highway. In the current biennium, the 60 locations on the existing state wide area network will be converted to newer technology. When complete, 552 physical locations in 194 North Dakota towns and cities will be connected. The state role as an anchor tenant will mean that new services provided to education and government will be available to private industry as well. ITD is requesting general funds to support the K-12 connections to the wide area network as mandated by NDCC 54.59.

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
All State Agencies / ITD	The estimated increase in ongoing circuit costs billed by ITD for agencies to connect to the new network.	\$1,461,000	Agency budgets (estimated by ITD) and ITD (112) Base Budget	Agencies were instructed to base their budgets on ITD projected rates. ITD included this amount as revenue to project their rates for next biennium. It is included in ITD's base budget.
County Government / ITD	The estimated increase in ongoing circuit costs billed by ITD for counties to connect to the new network.	\$126,000	Agency 112 Base Budget	Counties were informed of the upcoming rate increase. ITD included the same amount as revenue in their base budget.
NDUS / ITD	The increase in ongoing circuit costs for upgrading NDUS circuits to the new network.	\$542,000	Agency 215 Optional Priority 30 and ITD (112) Base Budget	NDUS was instructed to include this amount as part of the ITD rate. ITD included the same amount as revenue in their base budget.
State Agencies including Higher Ed / ITD	Equipment costs billed by ITD for the initial installation.	\$1,476,570		This is the one time cost for Phase 1 of the network. Agencies were not aware of this amount when completing their budgets. It was included in the executive recommendation.
ITD/K-12	State circuit costs to connect all high schools to the network. Estimated E-rate credit	\$7,910,082 (\$3,700,000)	Agency 112 Optional Priority 5	The total amount was requested with the total minus the e-rate credit requested as general funds.

2. State network support

Goal 9: Integrated Broadband Network

Currently four organizations work together to support the customer base of the state network. ITD provides the overall coordination and support for state agencies, the Higher Education Computing Network (HECN) provides support for the North Dakota University System campuses, the Association of Counties provides support for county government offices, and SENDIT provides support for K-12 users. With the expansion of the network, support demands on these organizations will increase. To take full advantage of the new capabilities, it will be imperative that these organizations grow their services into regional markets and assist agencies, schools and local government offices in accessing the new network.

Statewide Information Technology Budget Initiatives

January 4, 2001

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
State agencies / ITD	Additional FTEs for network support.	\$309,317	Agency Budgets (estimated by ITD) and ITD 112 Optional Priority 4	Agencies were instructed to base their budgets on ITD projected rates. ITD included the same amount as revenue in their base budget.
ITD/ Association of Counties	Expand support provided by the Association of Counties	\$248,000	Agency 112 Optional Priority 5	This amount is included in ITD's budget to pass through to the Association of Counties.
ITD/SENDIT	Expand support to 8 regions for K-12 schools	\$1,427,000	Agency 201 Optional Priority 16	This is the amount of the increase in SENDIT's budget. In the executive recommendation the entire SENDIT budget was moved to ITD's budget (112).
NDUS/TVN	Expand support for video conferencing for K-12 schools	\$2,739,194	Agency 215 Optional Priority 110	This is the increase requested to support K-12 and state agencies..

Video conference and LAN equipment

Goal 9: Integrated Broadband Network

Goal 2: Promote "Anytime - Anywhere Education

The broadband network initiative will create access at the building level. To connect *people* in offices and meeting rooms, additional equipment will be necessary so that video conferencing, and local area networks can take the applications to the delivery point. To accomplish this, the Education Telecommunication Council will be responsible for targeting grant dollars to those schools that provide the best opportunity for taking advantage of the network. The ETC will take a leadership role in the planning and evaluation of the implementation of technology throughout K-12. State agencies and higher education have included these equipment costs in their information technology plans and budgets where appropriate.

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
ITD/Education Telecommunica- tions Council (ETC)	Included are grant funds plus the cost of staff to provide leadership and administration.	\$3,500,000	Agency 201 Base Budget Ed. Technology	The executive recommendation reduced the request and moved the amount to ITD's budget (112). Legislation involving the governance structure of the ETC should be coordinated with appropriations bills.
State Agencies including Higher Ed.	Initiatives are included in individual agency IT plans.			

Statewide Information Technology Budget Initiative

January 4, 2001

Workforce Development and Distance Education

Goal 1: Workforce Development

Goal 2: Promote "Anytime - Anywhere Education"

For North Dakota to become a player in the digital economy, the state needs a highly trained workforce to attract new businesses and provide technical support to existing businesses. Distance education, fast becoming a very competitive market world-wide, will play a vital role in providing training to under served areas of the state and attracting students to North Dakota colleges and universities. It is essential that our teachers have the necessary skills and tools to integrate technology into the curriculum and use new methods of delivery.

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
ITD/VCSU/CII	Provide training to administrators and teachers who will integrate technology into K-12 classrooms.	\$594,000	Agency 242 Optional Priority 7	This is the amount of the increase in CII's budget. In the executive recommendation the entire CII budget was moved to ITD's budget (112).
NDUS	Provide centralized online course management systems and support necessary to deliver workforce training over the Internet (\$935,100), coordination of distance education activities (\$498,200) and ODIN (\$422,980).	\$1,856,280	Agency 215 Optional Priority 110	
ITD	Expand technology curriculum offerings to additional schools. Use programs like ExplorNet and Cisco Academies to provide ready-to-use curriculum and teacher training to schools.	\$590,300	Agency 112 Optional Priority 21	

5. Enterprise Resource Planning (ERP) System

Goal 3: Enterprise-wide Solutions

All of North Dakota State Government will benefit from this project to replace aging administrative systems. This project stems from University Systems efforts over the past several years to replace its financial and student systems. K-12 districts will benefit from the increased buying power of the state and compatibility in reporting requirements. The new administrative systems will be based on technologies that allow for greater access to data to improve management decision making and will eliminate the growing trend toward "shadow" systems. Online access for post secondary students to apply, register and do transactions online is critical to attracting students to North Dakota colleges and universities.

Statewide Information Technology Budget Initiatives

January 4, 2001

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
ITD	Replace existing financial, human resource and student information systems for state government, higher education, and K-12. The estimated cost is used for budget purposes and will be refined when vendor proposals are received.	\$20,000,000	The project was included only as an executive recommendation. Agency 112 Optional Priority 18 included agency enhancements requested of ITD.	This represents partial funding of the total project. University Systems and K-12 will be the first priority. An RFP process has begun. \$488,873 in special funds for agency enhancements was added to the \$20,000,000 general funds.

6. Geographic Information System Hub

Goal 3: Enterprise-wide Solutions

A study by Convergent Technologies recommends the development and support a centralized Geographic Information System hosting infrastructure (GIS hub) for North Dakota state agencies and their partners. The GIS hub would provide a means of sharing the GIS information now being stored locally at each agency. ITD would also provide centralized GIS development and support services to agencies who cannot justify full-time GIS staff. This initiative will also create the infrastructure for web-enabling GIS information reporting.

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
ITD	Implement a centralized GIS hub to enable sharing of GIS among users within state government, political subdivisions and the federal government.	\$1,059,317	Agency 112 Optional Priority 17	General funds.
Various agencies	Initiatives are included in individual agency IT plans. These initiatives are necessary for the individual agency to collect and analyze GIS information for specific purposes.			

7. Innovation Fund

Goal 8: Funding Information Technology

An innovation fund should be established to provide flexible funding for IT projects that arise during the next biennium. This fund would serve as mechanism to provide dollars for cost effective projects beyond what was originally appropriated to individual agencies. Agencies utilizing the resources of this fund would pay back the fund with interest to maintain an on-going resource.

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
ITD	Establish an "Innovation Fund" as a mechanism for funding key technology initiatives.	\$500,000	Agency 112 Optional Priority 22	The request was reduced in the executive recommendation.

Statewide Information Technology Budget Initiatives

January 4, 2001

Shared Electronic Document Management System

Goal 3: Enterprise-wide Solutions

This initiative includes the funding to develop and support a centralized Electronic Document Management System infrastructure (EDMS) for North Dakota state agencies. This infrastructure would be centrally managed by ITD with the cost billed back to the participating agencies versus implementing similar technologies locally in each agency.

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
State Agencies /ITD	Implement centralized EDMS services.	\$1,309,317	Agency 112 Optional Priority 19	Agencies will be billed for services used.
Various agencies	Initiatives are included in individual agency IT plans. Funds requested in the agency initiatives may be used to purchase the centralized services from ITD and for other project costs.			

9. E-government

Goal 1: E-government

Government service delivery will move from the "brick and mortar" approach to delivery over the Internet. Citizens will receive services online instead of in line. Extensive programming and development will be needed to produce these online applications. ITD will be a key provider of development and hosting services for e-government applications. To create a seamless approach to government, a single interface to multiple applications across agency lines is needed. State funding is necessary to develop these enterprise wide applications.

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
ITD	Direct general funds to the development of the state portal and enterprise wide applications.	\$321,228	Agency 112 Optional Priority 15	General funds. The request was reduced in the executive recommendation.
Various agencies	E-government initiatives to move specific services online are included in individual agency IT plans.			

10. Security and privacy

Goal 1: E-government

As we expand the network and move more services to the e-government model along with federal mandates such as the Health Insurance Portability and Accountability Act (HIPAA), information technology security is becoming more critical and more complex. Central leadership and expertise is necessary to identify solutions the state can implement on a proactive basis. Monitoring of intrusion attempts is also critical to maintain the integrity of the network.

Statewide Information Technology Budget Initiatives

January 4, 2001

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
ITD	ITD is requesting general funds for 1 FTE to assist the Attorney General's office along with other law enforcement agencies in investigating cybercrime An additional FTE at ITD will provide expertise and leadership in helping the state to adequately secure its information technology resources.	\$275,548	Agency 112 Optional Priorities 13&14	
Various agencies	Initiatives to improve security at the agency level are included in individual agency IT plans.			

11. Research and planning

Goal 5: Technology Research & Planning

Greater emphasis needs to be placed on research and planning so that North Dakota can identify trends and new technologies instead of reacting as technologies change. By getting out in front of technology change, the state will prevent wasteful spending and make better decisions when choosing technologies to be implemented.

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
ITD	Enhance the research and planning capabilities of state government by adding positions to identify technology trends and implications for North Dakota. Additional funds would be used for contracting for studies and research.	\$310,614	Agency 112 Optional Priority 16	The request was reduced in the executive recommendation.

12. Mobile Data Terminal Expansion

Goal 12: State Radio Network Enhancements

The pilot project to implement mobile data terminals in Highway Patrol vehicles has been extremely positive. Officers find that they spend an additional one hour per person per shift in the car rather than in the office doing paper work. This project will expand the coverage to other areas of the state. Providing the technology through state radio also makes it available to local law enforcement agencies where the towers are located.

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
State Radio	Add MDT capabilities to an additional 5 radio towers.	\$260,892	Agency 506 Optional Priority 5	The request was reduced in the executive recommendation.
Highway Patrol	Purchase mobile data terminals for 20 additional cars.	\$220,000	Agency 504 Base Budget Field Operations	The request was reduced in the executive recommendation.

Statewide Information Technology Budget Initiatives

January 4, 2001

13. State Radio Communications

Goal 12: State Radio Network Enhancements

Radio communications technology is moving from analog to digital and at some point will be required by the FCC. This massive project will need to be accomplished over a number of years. Continuous planning will be an important part of this endeavor so that local, state and federal public safety entities can participate in and migrate to newer mobile radio technologies with minimal impact on existing services.

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
State Radio	Develop a plan, including an engineering study and request for proposal for implementation of a public safety communication system to support mobile voice, data, and imaging requirements for users.	\$400,000	Agency 506 Optional Priority 6	The request was reduced in the executive recommendation.

14. Criminal Justice Integration

Goal 3: Enterprise-wide Solutions

A strategic plan will be developed by March 2001 outlining specific steps to integrate criminal justice systems in North Dakota. Small integration projects between agencies are currently underway and will be incorporated into the overall plan. The planning process involves all the state entities involved in public safety including the Judicial Branch, the Attorney General's Office, the Department of Corrections and Rehabilitation, Highway Patrol, State Radio, and the Department of Transportation. The process also includes local and regional law enforcement entities.

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
Various agencies	Initiatives are included in individual agency IT plans. Grant dollars will be sought to fund the majority of new costs.			Planning is currently underway. Small data sharing projects will be funded from individual agencies. Grant dollars will be sought for large initiatives.

Note:

*Executive Recommendation refers to Governor Schafer's November 2000 Budget Message.

Information Technology Department Budget Initiatives

January 12, 2001

1. State Network - Phase 2 Rollout - Primarily K-12 and Libraries

Purpose	Item	Planned Budget (*Executive Recommendation)	Funding Source	Justification
Infrastructure for K-12	State circuit costs and equipment costs for routers to connect all high schools and libraries to the network as mandated in NDCC 54.59. Includes 2 FTE for WAN management. Estimated E-rate credit	\$7,922,549 (\$3,700,000)	General Funds = \$4,222,549	This initiative creates the physical network infrastructure to support digital opportunities for economic development, life long learning and government services throughout North Dakota. The broadband network will expand the capacity and coverage of the information super highway. In the current biennium (Phase 1), the 64 locations on the existing state wide area network were converted to newer technology. When Phase 2 is complete, 552 physical locations in 194 North Dakota towns and cities will be connected. ITD is requesting general funds to support the K-12 connections to the wide area network as mandated by NDCC 54.59.
Support for Counties	Expand support provided by the Association of Counties	\$248,000	General funds	Currently four organizations work together to support the customer base of the state network. ITD provides the overall coordination and support for state agencies, the Higher Education Computing Network (HECN) provides support for the North Dakota University System campuses, the Association of Counties provides support for county government offices, and SENDIT provides support for K-12 users. With the expansion of the network, support demands on these organizations will increase. To take full advantage of the new capabilities, it will be imperative that these organizations grow their services into regional markets and assist agencies, schools and local government offices in accessing the new network.
Support for K-12	Expand support to 8 regions for K-12 schools	\$1,427,000	General funds	The broadband network initiative will create access at the building level. To connect people in offices and meeting rooms, additional equipment will be necessary so that video conferencing, and local area networks can take the applications to the delivery point. To accomplish this, the Education Telecommunications Council will be responsible for targeting grant dollars to those schools that provide the best opportunity for taking advantage of the network. The ETC will take a leadership role in the planning and evaluation of the implementation of technology throughout K-12. State agencies and higher education have included these equipment costs in their information technology plans and budgets where appropriate.
Equipment for K-12 users	Included are ETC grant funds plus the cost of staff to provide leadership and administration.	\$2,200,000	General funds. Note: 99-01 ETC grants funded at \$6,000,000	

Information Technology Department Budget Initiatives

January 12, 2001

Training K-12	Provide training to administrators and teachers who will integrate technology into K-12 classrooms	\$594,000	General Funds	For North Dakota to become a player in the digital economy, the state needs a highly trained workforce to attract new businesses and provide technical support to existing businesses. Distance education, fast becoming a very competitive market world-wide, will play a vital role in providing training to under served areas of the state and attracting students to North Dakota colleges and universities. It is essential that our teachers have the necessary skills and tools to integrate technology into the curriculum and use new methods of delivery.
Training K-20	Expand technology curriculum offerings to additional schools. Use programs like Microsoft Cisco Academics to provide ready-to-use curriculum and teacher training to schools.	\$590,300	General Funds	
Total		\$13,303,644	General Funds = \$9,281,849	Compared to \$6,000,000 spent in ETC grants in 99-01. Spending will be more focused with greater accountability.

Related items in other agency budgets

Purpose	Item	Planned Budget (*Executive Recommendation)	Funding Source	Justification
Support	NDUS/IVN will expand support for video conferencing for K-12 schools.	\$2,739,194	General funds requested	This is the increase requested to support the video conferencing needs of K-12 and state agencies. The support would be provided by IVN staff
Training / Distance Ed	NDUS/IECN will provide centralized online course management systems and support necessary to deliver workforce training over the Internet (\$935,100), coordination of distance education activities (\$498,200) and ODIN (\$422,980).	\$1,856,280	General funds requested	This provides the necessary distance education applications to run over the network.

Information Technology Department Budget Initiatives

January 12, 2001

2. State Network Phase 1 Equipment Costs

Purpose	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Justification
Equipment for state agencies	Equipment costs billed by ITD for the initial installation.	\$1,476,570	General Funds = \$450,275	This is 75% of the one time cost for Phase 1 of the network. Agencies were not aware of this amount when completing their budgets. It was included in the executive recommendation.
Support for State Agencies	Additional FTEs for network support.	\$321,784	Special Funds	This is the increase in support costs built into the ITD rates.

Information Technology Department Budget Initiatives

January 12, 2001

3. Enterprise Resource Planning (ERP) System

Purpose	Item	Planned Budget (*Executive Recommendation)	Funding Source	Justification
Total System for the State, HigherEd. and K-12.	Replace existing financial, human resource and student information systems for state government, higher education, and K-12. The estimated cost is used for budget purposes and will be refined when vendor proposals are received.	\$11,000,000	General Funds.	This represents partial funding of the total project. University Systems and K-12 will be the first priority. An RFP process has begun. All of North Dakota State Government will benefit from this project to replace aging administrative systems. This project stems from University Systems efforts over the past several years to replace its financial and student systems. K-12 districts will benefit from the increased buying power of the state and compatibility in reporting requirements. The new administrative systems will be based on technologies that allow for greater access to data to improve management decision making and will eliminate the growing trend toward "shadow" systems. Online access for post secondary students to apply, register and do transactions online is critical to attracting students to North Dakota colleges and universities.
	Quality Schools	\$70,000	General funds	Create systems to collect information for quality schools initiative.
	K-12 Student Database	\$412,500	General funds	Create a data warehouse of student information to evaluate the effectiveness of K-12 programs.
	ITD staffing for agency enhancements	\$488,873	Special funds	Spending authority for ITD to complete requests by agencies for specific enhancements.
	Total	\$11,971,373		

Information Technology Department Budget Initiatives

January 12, 2001

4. E-government

Purpose	Item	Planned Budget (*Executive Recommendation)	Funding Source	Justification
Coordination / Development	Direct general funds to the development of the state portal and enterprise wide applications.	\$334,177	General Funds	Government service delivery will move from the "brick and mortar" approach to delivery over the Internet. Citizens will receive services online instead of in line. Extensive programming and development will be needed to produce these online applications. ITD will be a key provider of development and hosting services for e-government applications. To create a seamless approach to government, a single interface to multiple applications across agency lines is needed. State funding is necessary to develop these enterprise wide applications.

Information Technology Department Budget Initiatives

January 12, 2001

5. Geographic Information System Hub

Purpose	Item	Planned Budget (*Executive Recommendation)	Funding Source	Justification
Hardware and Support	Implement a centralized GIS hub to enable sharing of GIS information among users within state government, political subdivisions and the federal government.	\$1,071,784	General Funds	A study by Convergent Technologies recommends the development and support a centralized Geographic Information System hosting infrastructure (GIS hub) for North Dakota state agencies and their partners. The GIS hub would provide a means of sharing the GIS information now being stored locally at each agency. ITD would also provide centralized GIS development and support services to agencies who cannot justify full-time GIS staff. This initiative will also create the infrastructure for web-enabling GIS information reporting.

Information Technology Department Budget Initiatives

January 12, 2001

6. Shared Electronic Document Management System

Purpose	Item	Planned Budget (*Executive Recommendation)	Funding Source	Justification
Hardware & Support	Implement centralized EDMS services.	\$1,321,784	Special Funds.	This initiative includes the funding to develop and support a centralized Electronic Document Management System infrastructure (EDMS) for North Dakota state agencies. This infrastructure would be centrally managed by ITD with the cost billed back to the participating agencies versus implementing similar technologies locally in each agency.

Information Technology Department Budget Initiatives

January 12, 2001

7. Security and privacy

Purpose	Item	Planned Budget (*Executive Recommendation)	Funding Source	Justification
Security Staff	<p>ITD is requesting general funds for 1 FTE to assist the Attorney General's office along with other law enforcement agencies in investigating cybercrime</p> <p>An additional FTE at ITD will provide expertise and leadership in helping the state to adequately secure its information technology resources.</p>	\$286,656	General Funds = \$143,328	<p>As we expand the network and move more services to the e-government model along with federal mandates such as the Health Insurance Portability and Accountability Act (HIPAA), information technology security is becoming more critical and more complex. Central leadership and expertise is necessary to identify solutions the state can implement on a proactive basis. Monitoring of intrusion attempts is also critical to maintaining the integrity of the network.</p>

Information Technology Department Budget Initiatives

January 12, 2001

1. Research and planning

Purpose	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Justification
Coordination & Research	Enhance the research and planning capabilities of state government by adding positions to identify technology trends and implications for North Dakota. Additional funds would be used for contracting for studies and research.	\$317,088	General Funds.	Greater emphasis needs to be placed on research and planning so that North Dakota can identify trends and new technologies instead of reacting as technologies change. By getting out in front of technology change, the state will prevent wasteful spending and make better decisions when choosing technologies to be implemented.

Information Technology Department Budget Initiatives

January 12, 2001

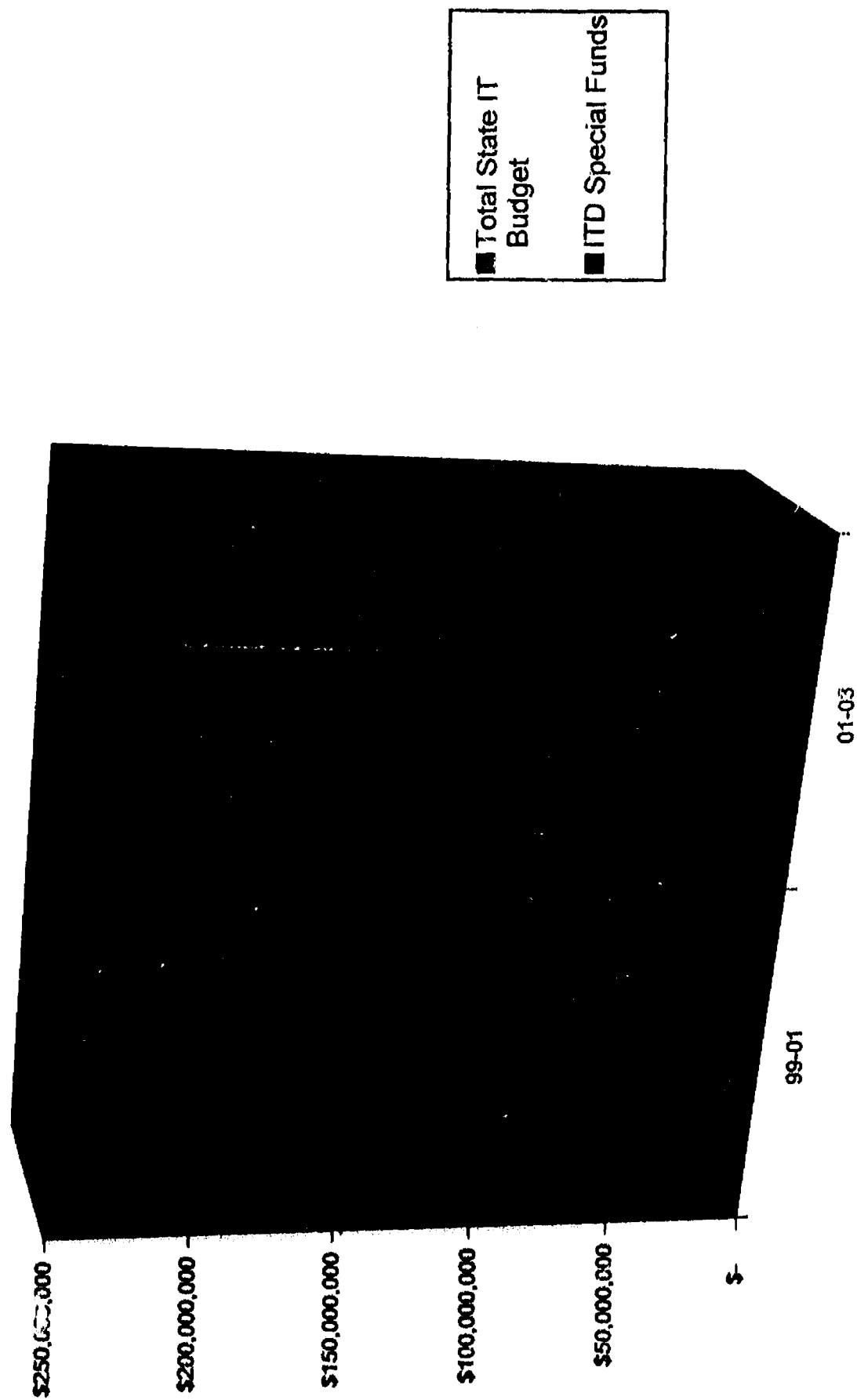
9. Innovation Fund

Purpose	Item	Planned Budget (*Executive Recommendation)	Funding Source	Justification
Special Projects	Establish an "Innovation Fund" as a mechanism for funding key technology initiatives.	\$200,000	General Funds.	An innovation fund should be established to provide flexible funding for IT projects that arise during the next biennium. This fund would serve as mechanism to provide dollars for cost effective projects beyond what was originally appropriated to individual agencies. Agencies utilizing the resources of this fund would pay back the fund with interest to maintain an on-going resource.

Note:

*Executive Recommendation refers to Governor Hoeven's Budget.

Total State IT Budget Compared to ITD Special Funds



ITD Special Fund Comparison

	99-01		01-03	Change
Total State IT Budget	\$ 199,813,693	\$	225,850,475	\$ 26,036,782
ITD Special Funds	\$ 49,485,000	\$	70,165,372	\$ 20,680,372
ITD Special Funds as a % of the Total IT Budget	25%		31%	

5B 2022
3-15401

Circuit cost only - see other HECN cost's below.

**INFORMATION TECHNOLOGY DEPARTMENT
REQUESTED APPROPRIATIONS FOR THE WIDE AREA NETWORK DEPLOYMENT
FOR 2001 - 2003 BUDGET**

Location	City	Estimated Revenue	Estimated Expense
39 Griggs Co Courthouse & SS	Cooperstown	700	900
40 Divide County Courthouse, SS, & DL	Crosby	700	900
41 Devils Lake DJS	Devils Lake	800	800
42 Devils Lake DL & MV	Devils Lake	800	800
43 Devils Lake DOT	Devils Lake	800	800
44 Devils Lake Job Service	Devils Lake	800	800
45 Devils Lake Parole & Probation	Devils Lake	800	800
46 Lake Region CSE	Devils Lake	900	900
47 Lake Region HSC	Devils Lake	800	800
48 Lake Region State College	Devils Lake	2,328	2,328
49 Ramsey County Courthouse, SS, DC	Devils Lake	1,400	900
50 Dickinson P&P, BCI, Fire Marshall, & CSE	Dickinson	800	800
51 Dickinson Voc Rehab	Dickinson	800	800
52 Dickinson Job Service	Dickinson	800	800
53 Dickinson Law Enforcement Center	Dickinson	800	800
54 Dickinson DOT / DL / MV / HP	Dickinson	800	800
55 Dickinson Oil & Gas	Dickinson	800	800
56 Dickinson State University	Dickinson	2,328	2,328
57 Stark County Courthouse	Dickinson	1,050	900
58 Stark County SS	Dickinson	900	900
59 Badlands HSC	Dickinson	800	800
60 Dickey Co SS	Ellendale	900	900
61 Dickey Co Courthouse	Ellendale	1,050	900
62 Ellendale Motor Vehicle	Ellendale	800	800
63 Fargo Motor Vehicle	Fargo	800	800
64 Fargo P&P	Fargo	800	800
65 Fargo Tax	Fargo	800	800
66 Fargo WCB	Fargo	800	800
67 Fargo Job Service	Fargo	800	800
68 State Auditor	Fargo	800	800
69 Fargo DOT	Fargo	800	800
70 North Dakota State University	Fargo	2,796	2,796
71 SE HSC	Fargo	800	800
72 Cass Co Courthouse Annex & SS	Fargo	1,400	900
73 Fargo BCI	Fargo	800	800
74 Fargo DJS	Fargo	800	800
75 Last Chance	Fargo	800	800
76 Wells County Courthouse	Fessenden	350	900
77 Wells County SS	Fessenden	900	900
78 Steele Co Courthouse & SS	Finley	700	900

Circuit cost only - see other HECN costs below.

Circuit cost only - see other HECN costs below.

Circuit cost only - see other HECN costs below.

**INFORMATION TECHNOLOGY DEPARTMENT
REQUESTED APPROPRIATIONS FOR THE WIDE AREA NETWORK DEPLOYMENT
FOR 2001 - 2003 BUDGET**

Location	City	Estimated Revenue	Estimated Expense
79 Sargent Co Courthouse & SS	Forman	1,050	900
80 Fort Yates Job Service	Fort Yates	800	800
81 Sioux County Courthouse & SS	Fort Yates	700	900
82 Fort Totten Job Service	Fl. Totten	800	800
83 Developmental Center	Grafton	800	800
84 Grafton Job Service	Grafton	800	800
85 Walsh Co Courthouse & P&P	Grafton	1,050	900
86 Grafton Motor Vehicle & D L	Grafton	800	800
87 Grand Forks Motor Vehicle	Grand Forks	800	800
88 School for the Blind	Grand Forks	800	800
89 Grand Forks Co Crths & SS	Grand Forks	1,400	900
90 NE HSC	Grand Forks	800	800
91 Grand Forks DOCR	Grand Forks	800	800
92 Grand Forks BCI	Grand Forks	800	800
93 Grand Forks DJS	Grand Forks	800	800
94 Grand Forks DOT	Grand Forks	800	800
95 Grand Forks HP	Grand Forks	800	800
96 Grand Forks Job Service	Grand Forks	800	800
97 University of North Dakota	Grand Forks	800	800
98 Harvey Job Service	Grand Forks	3,924	3,924
99 Adams County Courthouse	Harvey	800	800
100 Adams County SS	Hettinger	350	900
101 Trail Co Courthouse & SS	Hettinger	900	900
102 Jamestown Motor Vehicle & DL	Hillsboro	1,050	900
103 Stutsman Co SS	Jamestown	800	800
104 Jamestown Job Service	Jamestown	900	900
105 SC HSC	Jamestown	800	800
106 Stutsman Co CSE	Jamestown	800	800
107 Jamestown DJS	Jamestown	800	800
108 State Hospital	Jamestown	800	800
109 Stutsman Co Courthouse & HP	Jamestown	800	800
110 Dunn County SS	Jamestown	1,050	900
111 Nelson Co Courthouse & SS	Killdeer	1,050	900
112 LaMoure Co Courthouse & SS	Lakota	1,050	900
113 Cavalier County Courthouse & DL	LaMoure	1,050	900
114 Cavalier County SS	Langdon	1,050	900
115 Emmons Cnty Courthouse, SS, & DC	Langdon	900	900
116 Ransom Co Courthouse & SS	Linton	1,050	900
117 ND Veterans Home	Lisbon	1,050	900
118 Morton Cnty Courthouse, SS, & DC	Lisbon	800	800
	Mandan	1,400	900

Circuit cost only - see other HECN costs below.

**INFORMATION TECHNOLOGY DEPARTMENT
REQUESTED APPROPRIATIONS FOR THE WIDE AREA NETWORK DEPLOYMENT
FOR 2001 - 2003 BUDGET**

Location	City	Estimated Revenue	Estimated Expense
119 Youth Correctional Center	Mandan	800	800
120 Dunn County Courthouse & DC	Manning	1,050	900
121 Mayville State University	Mayville	2,328	2,328
122 Sheridan County Courthouse & SS	McClusky	1,050	900
123 Billings County Courthouse	Medora	350	900
124 Benson County Courthouse	Minnewaukan	700	900
125 Benson County SS	Minnewaukan	900	900
126 Minot DL / MV / Tax Dept	Minot	800	800
127 Minot Job Service	Minot	800	800
128 NC HSC	Minot	800	800
129 Minot BCI	Minot	800	800
130 Minot Outreach (DHS)	Minot	800	800
131 Ward County Courthouse & DC	Minot	800	800
132 Minot CSE	Minot	1,050	900
133 Minot DOT	Minot	800	800
134 Minot Oil & Gas	Minot	800	800
135 Minot DJS	Minot	800	800
136 Minot Parole & Probation	Minot	800	800
137 Minot State University	Minot	800	800
138 Renville County Courthouse & SS	Minot	2,328	2,328
139 Hettinger County Courthouse	Mohall	1,050	900
140 Hettinger County SS	Mott	700	900
141 Logan County Courthouse & SS	Mott	900	900
142 Eddy County Courthouse & DC	Napoleon	350	900
143 Eddy County SS	New Rockford	700	900
144 New Town Job Service	New Rockford	900	900
145 Oakes Job Service	New Town	800	800
146 Rolla Job Service	Oakes	800	800
147 Rolette County Courthouse	Rolla	800	800
148 Rolette County Social Service	Rolla	700	900
149 Rolla DJS	Rolla	900	900
150 Pierce County Courthouse & DC	Rolla	800	800
151 Pierce County SS	Rugby	1,050	900
152 Rugby Motor Vehicle	Rugby	900	900
153 Mountrail County Courthouse & DC	Rugby	800	800
154 Mountrail County SS	Stanley	700	900
155 Mercer County Courthouse, BCI, & DC	Stanley	900	900
156 Mercer County SS	Stanton	1,050	900
157 Kidder County Courthouse & SS	Stanton	900	900
158 McHenry County Courthouse & SS	Steele	700	900
	Towner	700	900

Circuit cost only - see other HECN costs below.

Circuit cost only - see other HECN costs below.

**INFORMATION TECHNOLOGY DEPARTMENT
REQUESTED APPROPRIATIONS FOR THE WIDE AREA NETWORK DEPLOYMENT
FOR 2001 - 2003 BUDGET**

Location	City	Estimated Revenue	Estimated Expense
159 Valley City DOT	Valley City	800	800
160 Valley City Job Service	Valley City	800	800
161 Valley State University	Valley City	2,328	2,328
162 Barnes Co Courthouse & SS	Valley City	1,400	900
163 Richland Co Courthouse	Wahpeton	1,050	900
164 Richland Co SS & P&P	Wahpeton	900	900
165 Wahpeton State University	Wahpeton	2,328	2,328
166 Wahpeton Job Service	Wahpeton	800	800
167 Wahpeton MV	Wahpeton	800	800
168 McLean Cnty Courthouse, SS, & DC	Washburn	700	900
169 McKenzie County Courthouse & SS	Wattford City	1,050	900
170 West Fargo P&P	West Fargo	800	800
171 Williams Cnty Courthouse, CSE, DC	Williston	1,050	900
172 Williston Oil & Gas	Williston	800	800
173 NW HSC	Williston	800	800
174 Williston State College	Williston	2,328	2,328
175 Williston Job Service	Williston	800	800
176 Williston DJS	Williston	800	800
177 Williston Motor Vehicle	Williston	800	800
178 Williston Highway Patrol	Williston	800	800
179 Williston Parole & Probation	Williston	800	800
180 Williston DOT / DL	Williston	800	800
HECN Infrastructure		49,545	49,545

Circuit cost only - see other HECN costs below.

Circuit cost only - see other HECN costs below.

Circuit cost only - see other HECN costs below.

Includes all hardware, internet access and ITD technical support for the 11 Universities.

**Phase II Deployment - Schools / Libraries
Schools (200)**

1 Adams Public (119)	Adams	Circuits (303 circuits x \$517)	3,759,624
2 Alexander Public (109)	Alexander		
3 Anamoose Public (102)	Anamoose		
4 Ashley Public (214)	Ashley	Equipment (\$8,611 per location)	2,609,133
5 Beach High (247)	Beach		
6 Turtle Mt Comm High (619)	Belcourt		
7 Selfield Public (318)	Belfield	ITD Core Equipment (2 Routers & Monitoring Equipment)	135,000
8 Berthold Public (218)	Berthold		
9 Beulah High (375)	Beulah		
10 Bisbee-Egeland High (81)	Bisbee	Site Prep / Install (\$1,950 per Facility)	590,850
11 Bismarck High (1489)	Bismarck		
12 Century High School	Bismarck	Internet Access (DS/3 Bandwidth)	481,021
13 South Central Alt High School	Bismarck		
14 Bismarck Voc Center	Bismarck		

**INFORMATION TECHNOLOGY DEPARTMENT
REQUESTED APPROPRIATIONS FOR THE WIDE AREA NETWORK DEPLOYMENT
FOR 2001 - 2003 BUDGET**

Location	City	Estimated Revenue	Estimated Expense
15 Bottineau Jr-Sr High (372)	Bottineau		
16 Bowbells Public (122)	Bowbells		
17 Bowman Public (466)	Bowman		ITD Staff (2 FTE's)
18 Central Valley Public (323)	Buxton		
19 Border Central Public (31)	Calvin		
20 Cando Public (302)	Cando		Less E-Rate Reimbursement (Estimated)
21 Carrington High (297)	Carrington		
22 Roosevelt Public (151)	Carson		
23 Central Cass Public (618)	Cassation		
24 Cavalier Public (660)	Cavalier		
25 Center Public (320)	Center		
26 Richland Jr-Sr High (150)	Colfax		
27 Griggs County Central High (202)	Cooperstown		
28 Divide County High (194)	Crosby		
29 Des Lacs-Burlington High School	Des Lacs		
30 Devils Lake High (713)	Devils Lake		
31 School for the Deaf	Devils Lake		
32 Lake Area Voc Tech Center	Devils Lake		
33 Dickinson High (1028)	Dickinson		
34 Drake Public (164)	Drake		
35 Drayton Public (237)	Drayton		
36 Driscoll Public (29)	Driscoll		
37 Dunsmuir High (285)	Dunsmuir		
38 Edgeley Public (259)	Edgeley		
39 Edinburg Public (170)	Edinburg		
40 Edmore Public (136)	Edmore		
41 Elgin Public (268)	Elgin		
42 Ellendale High (172)	Ellendale		
43 Enderlin Public (373)	Enderlin		
44 Fairmount Public (147)	Fairmount		
45 North High (881)	Fargo		
46 South High School	Fargo		
47 Woodrow Wilson Alt High School	Fargo		
48 Evaluation & Training Center	Fargo		
49 Division of Independent Study	Fargo		
50 Fessenden Public (198)	Fessenden		
51 Finley-Sharon Public (184)	Finley		
52 Flasher Public (263)	Flasher		
53 Fordville Public (86)	Fordville		
54 Sargent Central Public (347)	Forman		
		Estimated Total Cost - Phase II	<u>4,197,412</u>
			321,784
			(3,700,000)

**INFORMATION TECHNOLOGY DEPARTMENT
REQUESTED APPROPRIATIONS FOR THE WIDE AREA NETWORK DEPLOYMENT
FOR 2001 - 2003 BUDGET**

Location	City	Estimated Revenue	Estimated Expense
56 Four Winds Comm High (175)	Ft Totten		
56 Ft Yates Public (201)	Ft Yates		
57 Standing Rock High (357)	Ft Yates		
58 Gackle-Streater Public (197)	Gackle		
59 Garrison High (217)	Garrison		
60 Glen Ullin Public (251)	Glen Ullin		
61 Glenburn Public (324)	Glenburn		
62 Midkota High (144)	Glenfield		
63 Golden Valley High (64)	Golden Valley		
64 Goodrich Public (65)	Goodrich		
65 Grafton High (367)	Grafton		
66 North Valley Area Voc Tech	Grafton		
67 Central High School	Grand Forks		
68 Community All High School	Grand Forks		
69 Red River High (1387)	Grand Forks		
70 Granville Public (156)	Granville		
71 Grenora Public (87)	Grenora		
72 North Sargent Public (203)	Gwinner		
73 Halliday Public (104)	Halliday		
74 Hankinson Public (344)	Hankinson		
75 Harvey High (213)	Harvey		
76 Hatton Public (283)	Hatton		
77 Hazleton-Moffit-Bredbeck Public (177)	Hazleton		
78 Hazen High (324)	Hazen		
79 Hebron Public (200)	Hebron		
80 Hettinger Public (453)	Hettinger		
81 Hillsboro High (248)	Hillsboro		
82 Valley High (163)	Hoople		
83 Northern Cass Public (462)	Hunter		
84 Midway Public (332)	Inkster		
85 Adolescent & Child Treatment Center	Jamesstown		
86 Jamestown High (997)	Jamestown		
87 James Valley Area Voc Tech	Jamestown		
88 Kenmare High School	Kenmare		
89 Kenel Public (87)	Kensai		
90 Killdeer Public (376)	Killdeer		
91 Kindred Public (623)	Kindred		
92 Kulm High (83)	Kulm		
93 Lakota High (143)	Lakota		
94 LaMoure Public (380)	LaMoure		

INFORMATION TECHNOLOGY DEPARTMENT
REQUESTED APPROPRIATIONS FOR THE WIDE AREA NETWORK DEPLOYMENT
FOR 2001 - 2003 BUDGET

Location	City	Estimated Revenue	Estimated Expense
95 Langdon High (324)	Langdon		
96 Larimore High (349)	Larimore		
97 Leeds Public (219)	Leeds		
98 Lidgerwood Public (272)	Lidgerwood		
99 Burke Central Public (125)	Lignite		
100 Linton Public (372)	Linton		
101 Lisbon High (250)	Lisbon		
102 Maddock Public (237)	Maddock		
103 North Shore High School	Makoti		
104 Mandan High (1282)	Mandan		
105 Marmot Schools	Mandan		
106 Mandaree Public School	Mandaree		
107 Litchville-Merion High (113)	Marion		
108 Max Public School	Max		
109 Mayville-Portland CG High (256)	Mayville		
110 McClusky High (140)	McClusky		
111 Medina Public (192)	Medina		
112 Minor Public (286)	Minor		
113 Milton-Osawabrook High (31)	Milton		
114 Minnewauken Public (34)	Minnewauken		
115 Central Campus School	Minot		
116 Dakota Memorial High School	Minot		
117 Magic City Campus High (1127)	Minot		
118 Souris River Campus Alt High School	Minot		
119 Minto Public (263)	Minto		
120 Mohall Public School	Mohall		
121 Montpelier Public (140)	Montpelier		
122 Mott School	Mott		
123 Munich Public (160)	Munich		
124 Napoleon Public (267)	Napoleon		
125 Neche Public (129)	Neché		
126 New England Public (246)	New England		
127 New Rockford Public (395)	New Rockford		
128 New Salem High School	New Salem		
129 New Town High School	New Town		
130 Newburg-United Public School	Newburg		
131 Northwood Public	Northwood		
132 Oakes High (173)	Oakes		
133 SE Area Voc Tech Center	Oakes		
134 Oriska Public (95)	Oriska		

Representative Byerly: My feeling is that the House version pumped in more that might have been desired -- more than half way from our perspective -- it was a significant movement; no reciprocation to yesterday's offer? The House feeling in the proposal is that there is tons of money there.

Representative Skarphol: Agree, House colleagues are at time in trepidation of technology -- the attempt here - program is legit, funding adequate -- hopefully it will show success -- then see more enthusiasm in House. Need a track record of success to launch from.

Senator Solberg: Understand politics-- part of the reason of fairness in the past was no management -- vision -- everyone had own technology and went their own direction. We have seen not direction until now --IT can do it. We need to be realist; I have the confidence that it can be done. I'm not pleased that 10 million out by the Governor ---amount by the House -- believe it is too drastic. Need to cooperate.

Senator Schobinger recommends the House recede from its amendments and adopt the House amendments proposal of yesterday. That would drop 1 million 45 thousand dollars; reinstate white area net phase 2; restore CII 200; Sendit 500; reduce 1 million TCC; 750 and 1 FTE and restore 5 million, as I recall. Second by Representative Byerly.

Representative Skarphol: 7 million 813 thousand -- 118 over House?

Roxanne Hobza, Legislative Council Staff Analyst: Verified some portions of what was discussed yesterday; fine points of the proposed amendment.

Senator Solberg: Call for the vote?

Representative Byerly: Like to table the recommendation until tomorrow, at which time we can physically see the amendments.

Senator Solberg: All in agreement -- okay by the Chair; Adjourned until rescheduled.

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2022

Senate Appropriations Committee

☒ Conference Committee

Hearing Date April 20, 2001

Tape Number	Side A	Side B	Meter #
Tape # 2		x	15.7 - 18.9
Committee Clerk Signature <i>Terrie Pietsch</i>			

Minutes:

Senator Solberg, Chair of the SB2022 Conference Committee (Information Technology Department), called the meeting to order at 2:30 pm, Friday, April 20th.

Roll Call: Senator Solberg, Chair; Senator Schobinger; Senator Robinson; Representative Byerly; Representative Skarphol; and Representative Huether present. All members present.

Senator Solberg: Amendments # 18048.0206 should have covered what we have discussed and agreed upon during our meetings. Questions?

Senator Robinson: Concern about the grants line items --- there is strong feeling across the state -- those that are in the know --- perhaps we'll all know more in 18-24 months.

Senator Solberg: We have a motion on the floor: Senator Schobinger recommends the HOUSE RECEDE from the House amendments, and adopt the amendments - 18048.0206.

Representative Byerly seconded the recommendation. Discussion.

Page 2

Senate Appropriations Committee

Bill/Resolution Number SB2022

Hearing Date April 20, 2001

Call for the vote : Roll Call Vote 5 yes; 1 no; 0 absent and not voting. Motion carried.

Conference Report on SB2022 will be sent forward.

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2022

That the House recede from its amendments as printed on pages 1256-1258 of the Senate Journal and pages 1350-1352 of the House Journal and that Engrossed Senate Bill No. 2022 be amended as follows:

Page 1, line 10, replace "25,985,332" with "25,576,531"

Page 1, line 11, replace "3,076,824" with "35,761,772"

Page 1, line 12, replace "5,595,000" with "5,080,000"

Page 1, line 13, replace "934,583" with "900,334"

Page 1, line 14, replace "2,200,000" with "1,700,000"

Page 1, line 15, replace "1,973,669" with "1,673,669"

Page 1, remove line 16

Page 1, line 18, replace "11,971,373" with "8,500,000"

Page 1, after line 18, insert:

"Geographic Information system

750,000"

Page 1, line 19, replace "1,407,513" with "1,407,513"

Page 1, remove line 20

Page 1, line 21, replace "96,903,519" with "91,318,724"

Page 1, line 22, replace "71,185,087" with "70,838,880"

Page 1, line 23, replace "25,718,432" with "20,479,844"

Page 2, line 1, after "TRANSFERS" insert "- LIMITATIONS"

Page 2, line 4, after the period insert "Transfers that increase line items in excess of the amount included in the executive recommendation presented on January 7, 2001, may only be made after emergency commission and budget section approval. The chief information officer shall inform the budget section of transfers made pursuant to this section."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2022 - Information Technology Department - Conference Committee Action

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
Salaries and wages	\$25,985,352	\$25,985,352	(\$408,821)	\$25,576,531	\$25,576,531	

Operating expenses	36,076,824	36,076,824	(315,052)	35,761,772	35,661,772	\$100,000
Equipment	5,595,000	5,595,000	(515,000)	5,080,000	5,080,000	
Center for Innovation and Instruction	934,563	934,563	(34,249)	900,334	600,334	300,000
Education Technology Commission grants	3,500,000	2,200,000	(500,000)	1,700,000	2,200,000	(500,000)
SENDIT network	1,973,669	1,973,669	(300,000)	1,673,669	1,173,669	500,000
IT technical education program development	590,300	590,300	(500,300)			
Wide area network	9,966,905	9,966,905		9,966,905	9,647,121	321,784
Enterprise resource planning system	20,466,873	11,971,373	(3,471,373)	8,500,000	1,503,666	6,996,334
Prairie Public Broadcasting	1,407,513	1,407,513		1,407,513	1,407,513	
IT innovation fund	500,000	200,000	(200,000)			
Contingent GIS appropriation					750,000	(750,000)
Geographic information system			750,000	750,000		750,000
Total all funds	\$107,021,019	\$96,903,519	(\$5,584,795)	\$91,318,724	\$83,600,606	\$7,718,118
Less estimated income	<u>71,165,067</u>	<u>71,165,067</u>	<u>(346,207)</u>	<u>70,838,660</u>	<u>71,863,660</u>	<u>(1,045,000)</u>
General fund	\$35,835,932	\$25,718,432	(\$5,238,568)	\$20,479,844	\$11,716,726	\$8,763,118
FTE	212.00	212.00	(5.00)	207.00	204.00	3.00

Dept. 112 - Information Technology Department - Detail of Conference Committee Changes

	ADJUST FUNDING FOR RECOMMENDED SALARY INCREASES	DECREASE FUNDING FOR E-GOVERNMENT INITIATIVE 1	DECREASE FUNDING FOR GEOGRAPHIC INFORMATION SYSTEM (GIS) INITIATIVE 2	DECREASE FUNDING FOR RESEARCH AND PLANNING POSITION 3	REDUCE FUNDING FOR EDUCATION TECHNOLOGY COMMISSION GRANTS 4	DECREASE FUNDING FOR THE ENTERPRISE RESOURCE PLANNING SYSTEM 5
Salaries and wages		(\$140,404)	(\$268,417)			
Operating expenses		78,316	(293,388)	(\$100,000)		
Equipment		(5,000)	(510,000)			
Center for Innovation and Instruction						
Education Technology Commission grants					(\$500,000)	
SENDIT network						
IT technical education program development						
Wide area network						
Enterprise resource planning system						(\$3,471,373)
Prairie Public Broadcasting						
IT innovation fund						
Contingent GIS appropriation			750,000			
Geographic information system						
Total all funds	\$0	(\$67,088)	(\$321,785)	(\$100,000)	(\$500,000)	(\$3,471,373)
Less estimated income	<u>142,666</u>					<u>(468,673)</u>
General fund	(\$142,666)	(\$67,088)	(\$321,785)	(\$100,000)	(\$500,000)	(\$2,962,500)
FTE	0.00	(1.00)	(1.00)	0.00	0.00	(3.00)
	REDUCE FUNDING FOR THE CENTER FOR INNOVATION AND INSTRUCTION 6	REDUCE FUNDING FOR SENDIT NETWORK 7	REMOVE FUNDING FOR IT TECHNICAL EDUCATION PROGRAM DEVELOPMENT 8	REMOVE FUNDING FOR IT INNOVATION FUND	TOTAL CONFERENCE COMMITTEE CHANGES	
Salaries and wages					(\$406,821)	
Operating expenses					(315,052)	
Equipment					(515,000)	
Center for Innovation and Instruction	(\$34,249)				(34,249)	
Education Technology Commission grants					(500,000)	
SENDIT network		(\$300,000)			(300,000)	
IT technical education program development			(\$590,300)		(590,300)	
Wide area network						
Enterprise resource planning system					(3,471,373)	
Prairie Public Broadcasting						
IT innovation fund				(\$200,000) 9	(200,000)	
Contingent GIS appropriation					750,000	
Geographic information system						
Total all funds	(\$34,249)	(\$300,000)	(\$590,300)	(\$200,000)	(\$5,584,795)	
Less estimated income					<u>(346,207)</u>	

General fund	(\$34,249)	(\$300,000)	(\$590,300)	(\$200,000)	(\$5,239,568)
FTE	0.00	0.00	0.00	0.00	(5.00)

- 1 This amendment removes one FTE position and related position funding of \$167,088 from the general fund and provides additional funding of \$100,000 from the general fund for the department's e-government initiative.
- 2 This amendment removes funding from the general fund on two associated FTE positions for the department's geographic information system initiative of \$1,071,785 and restores funding of \$750,000 from the general fund and one FTE position in a special geographic information system line item for a net decrease in funding from the general fund of \$321,785.
- 3 This amendment decreases funding from the general fund for operating expenses related to the research and planning position by \$100,000.
- 4 This amendment reduces funding for Educational Telecommunications Council grants by \$500,000, from \$2,200,000 which was the level proposed by both the Senate and the House, to \$1,700,000.
- 5 This amendment decreases funding for the enterprise resource planning (ERP) project by \$3,471,373, of which \$2,982,500 is from the general fund, from \$11,971,373 to \$8,500,000 and removes authority for three FTE positions related to the project. This proposed level of funding is \$6,996,334 more than the level of funding provided by the House of \$1,503,666.
- 6 This amendment reduces funding from the general fund for the Center for Innovation and Instruction by \$34,249, from \$934,583 to \$900,334. This proposed level of funding is \$300,000 more than the level of funding provided by the House of \$600,334.
- 7 This amendment reduces funding from the general fund for the SENDIT network by \$300,000, from \$1,973,669 to \$1,673,669. This proposed level of funding is \$500,000 more than the level of funding provided by the House of \$1,173,669.
- 8 This amendment removes funding from the general fund of \$590,300 for information technical education program development.
- 9 This amendment removes funding from the general fund of \$200,000 for an information technology innovation fund.

Date: 4-19-01

Roll Call Vote #: 1

2001 CONFERENCE COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2022

CONFERENCE COMMITTEE-Information Technology Department

Legislative Council Amendment Number

18048.0205

☐ recommends that the (~~SENATE~~ HOUSE) (~~ACCEDE~~ to) (~~RECEDE~~ from)

the (~~Senate~~ House) amendments on (SJ/HJ) page(s) _____ - _____

☐ having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

Action Taken _____

Motion Made By

Senator/Representative

Seconded By

Senator/Representative

Senators	Yes	No	Representative	Yes	No
Senator Solberg	✓		Representative Byerly		✓
Senator Schobinger	✓		Representative Skarphol		✓
Senator Robinson	✓		Representative Huether		✓

Total

Yes

3

No

3

Absent

Defeated

Date: 4-19-01

Roll Call Vote #: 2

2001 CONFERENCE COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2022

CONFERENCE COMMITTEE-Information Technology Department

Legislative Council Amendment Number 18048.0206

☐ recommends that the (SENATE HOUSE) (ACCEDE to) (RECEDE from)

the (Senate House) amendments on (SJ/HJ) page(s) 1256-1258

☐ having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

Action Taken Amend House Proposal Yesterday - 4-18

Motion Made By Senator/Representative Schobinger Seconded By Senator/Representative Byerly

Senators	Yes	No	Representative	Yes	No
Senator Solberg	✓		Representative Byerly	✓	
Senator Schobinger	✓		Representative Skarphol	✓	
Senator Robinson		✓	Representative Huether	✓	

Total Yes 5 No 1 Absent

REPORT OF CONFERENCE COMMITTEE

SB 2022, as engrossed: Your conference committee (Sens. Solberg, Schobinger, Robinson and Reps. Byerly, Skarphol, Huether) recommends that the **HOUSE RECEDE** from the House amendments on SJ pages 1256-1258, adopt amendments as follows, and place SB 2022 on the Seventh order:

That the House recede from its amendments as printed on pages 1256-1258 of the Senate Journal and pages 1350-1352 of the House Journal and that Engrossed Senate Bill No. 2022 be amended as follows:

Page 1, line 10, replace "25,985,352" with "25,576,531"

Page 1, line 11, replace "36,076,824" with "35,661,772"

Page 1, line 12, replace "5,595,000" with "5,080,000"

Page 1, line 13, replace "934,583" with "800,334"

Page 1, line 14, replace "2,200,000" with "1,200,000"

Page 1, line 15, replace "1,973,669" with "1,673,669"

Page 1, remove line 16

Page 1, line 18, replace "11,971,373" with "7,500,000"

Page 1, after line 18, insert:

"Geographic information system

750,000"

Page 1, line 19, replace "1,407,513" with "1,407,513"

Page 1, remove line 20

Page 1, line 21, replace "96,903,519" with "89,618,724"

Page 1, line 22, replace "71,185,087" with "70,838,880"

Page 1, line 23, replace "25,718,432" with "18,779,844"

Page 2, line 1, after "TRANSFERS" insert "- LIMITATIONS"

Page 2, line 4, after the period insert "Transfers that increase line items in excess of the amount included in the executive recommendation presented on January 7, 2001, may only be made after emergency commission and budget section approval. The chief information officer shall inform the budget section of transfers made pursuant to this section."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2022 - Information Technology Department - Conference Committee Action

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
Salaries and wages	\$25,985,352	\$25,985,352	(\$408,821)	\$25,576,531	\$25,576,531	

REPORT OF CONFERENCE COMMITTEE (420)
April 21, 2001 7:03 a.m.

Module No: SR-71-9014

Insert LC: 18048.0208

Operating expenses	38,076,824	38,076,824	(415,052)	35,661,772	35,661,772	
Equipment	5,595,000	5,595,000	(515,000)	5,080,000	5,080,000	
Center for innovation and instruction	934,583	934,583	(134,249)	800,334	800,334	200,000
Education Technology Commission grants	3,500,000	2,200,000	(1,000,000)	1,200,000	2,200,000	(1,000,000)
SENDIT network	1,973,869	1,973,869	(300,000)	1,673,869	1,173,869	500,000
IT technical education program development	590,300	590,300	(590,300)			
Wide area network	9,968,905	9,968,905		9,968,905	9,647,121	321,784
Enterprise resource planning system	20,498,873	11,971,373	(4,471,373)	7,500,000	1,503,888	5,996,334
Prairie Public Broadcasting	1,407,513	1,407,513		1,407,513	1,407,513	
IT innovation fund	500,000	200,000	(200,000)			
Contingent GIS appropriation					750,000	(750,000)
Geographic information system			750,000	750,000		750,000
Total all funds	\$107,021,019	\$96,903,519	(\$7,284,795)	\$89,618,724	\$83,600,008	\$8,018,118
Less estimated income	71,185,087	71,185,087	(348,207)	70,838,880	71,883,880	(1,045,000)
General fund	\$35,835,932	\$26,718,432	(\$8,938,598)	\$18,779,844	\$11,718,728	\$7,063,118
FTE	212.00	212.00	(5.00)	207.00	204.00	3.00

Dept. 112 - Information Technology Department - Detail of Conference Committee Changes

	ADJUST FUNDING FOR RECOMMENDED SALARY INCREASES	DECREASE FUNDING FOR E-GOVERNMENT INITIATIVE 1	DECREASE FUNDING FOR GEOGRAPHIC INFORMATION SYSTEM (GIS) INITIATIVE 2	DECREASE FUNDING FOR RESEARCH AND PLANNING POSITION 3	REDUCE FUNDING FOR EDUCATION TECHNOLOGY COMMISSION GRANTS 4	DECREASE FUNDING FOR THE ENTERPRISE RESOURCE PLANNING SYSTEM 5
Salaries and wages		(\$140,404)	(\$288,417)			
Operating expenses		(21,684)	(293,368)	(\$100,000)		
Equipment		(5,000)	(510,000)			
Center for innovation and instruction						
Education Technology Commission grants					(\$1,000,000)	
SENDIT network						
IT technical education program development						
Wide area network						
Enterprise resource planning system						(\$4,471,373)
Prairie Public Broadcasting						
IT innovation fund						
Contingent GIS appropriation						
Geographic information system			750,000			
Total all funds	\$0	(\$1,87,088)	(\$321,785)	(\$100,000)	(\$1,000,000)	(\$4,471,373)
Less estimated income	142,666					(488,873)
General fund	(\$142,666)	(\$187,088)	(\$321,785)	(\$100,000)	(\$1,000,000)	(\$3,982,500)
FTE	0.00	(1.00)	(1.00)	0.00	0.00	(3.00)

	REDUCE FUNDING FOR THE CENTER FOR INNOVATION AND INSTRUCTION 6	REDUCE FUNDING FOR SENDIT NETWORK 7	REMOVE FUNDING FOR IT TECHNICAL EDUCATION PROGRAM DEVELOPMENT 8	REMOVE FUNDING FOR IT INNOVATION FUND	TOTAL CONFERENCE COMMITTEE CHANGES
Salaries and wages					(\$408,821)
Operating expenses					(415,052)
Equipment					(515,000)
Center for innovation and instruction	(\$134,249)				(134,249)
Education Technology Commission grants					(1,000,000)
SENDIT network		(\$300,000)			(300,000)
IT technical education program development			(\$590,300)		(590,300)
Wide area network					
Enterprise resource planning system					(4,471,373)
Prairie Public Broadcasting					
IT innovation fund				(\$200,000)	(200,000)
Contingent GIS appropriation					
Geographic information system					750,000

REPORT OF CONFERENCE COMMITTEE (420)
April 21, 2001 7:03 a.m.

Module No: SR-71-9014

Insert LC: 18048.0206

system					
Total all funds	(\$134,249)	(\$300,000)	(\$590,300)	(\$200,000)	(\$7,284,795)
Less estimated income					(346,207)
General fund	(\$134,249)	(\$300,000)	(\$590,300)	(\$200,000)	(\$6,938,588)
FTE	0.00	0.00	0.00	0.00	(5.00)

- 1 This amendment removes one FTE position and related position funding of \$167,088 from the general fund associated with the department's e-government initiative.
- 2 This amendment removes funding from the general fund and by associated FTE positions for the department's geographic information system initiative of \$1,071,785 and restores funding of \$750,000 from the general fund and one FTE position in a special geographic information system line item for a net decrease in funding from the general fund of \$321,785.
- 3 This amendment decreases funding from the general fund for operating expenses related to the research and planning position by \$100,000.
- 4 This amendment reduces funding for Educational Telecommunications Council grants by \$1,000,000, from \$2,200,000 which was the level proposed by both the Senate and the House, to \$1,200,000.
- 5 This amendment decreases funding for the enterprise resource planning (ERP) project by \$4,471,373, of which \$3,982,500 is from the general fund, from \$11,971,373 to \$7,500,000 and removes authority for three FTE positions related to the project. This proposed level of funding is \$5,996,334 more than the level of funding provided by the House of \$1,503,666.
- 6 This amendment reduces funding from the general fund for the Center for Innovation and Instruction by \$134,249, from \$934,583 to \$800,334. This proposed level of funding is \$200,000 more than the level of funding provided by the House of \$600,334.
- 7 This amendment reduces funding from the general fund for the SENDIT network by \$300,000, from \$1,973,669 to \$1,673,669. This proposed level of funding is \$500,000 more than the level of funding provided by the House of \$1,173,669.
- 8 This amendment removes funding from the general fund of \$590,300 for information technical education program development.
- 9 This amendment removes funding from the general fund of \$200,000 for an information technology innovation fund.

This amendment also amends Section 2 of the engrossed bill to provide that transfers in excess of the amount included in Governor Hoeven's executive budget recommendation may only be made after Emergency Commission and Budget Section approval and the Chief Information Officer shall inform the Budget Section of all transfers made during the biennium.

Engrossed SB 2022 was placed on the Seventh order of business on the calendar.

2001 TESTIMONY

SB 2022

Department 112 - Information Technology Department
Senate Bill No. 2022

	FTE Positions	General Fund	Other Funds	Total
2001-03 Schafer Executive Budget	212.00	\$35,835,932	\$71,185,087	\$107,021,019
1999-2001 Legislative Appropriations	168.00	250,000	49,409,557	49,659,557 ¹
Increase (Decrease)	44.00	\$35,585,932	\$21,775,530	\$57,361,462

2001-03 Hoeven Executive Budget	212.00	\$25,718,432	\$71,185,087	\$96,903,519
Hoeven Increase (Decrease) to Schafer	0.00	(\$10,117,500)	\$0	(\$10,117,500)

¹ The 1999-2001 appropriation amounts include \$262 of other funds for the agency's share of the \$1.4 million funding pool appropriated to the Office of Management and Budget for assisting agencies in providing the \$35 per month minimum salary increases in July 1999 and July 2000.

Major Schafer Recommendations Affecting Information Technology Department 2001-03 Budget

	General Fund (\$250,000)	Other Funds	Total (\$250,000)
1. Reduces general fund one-time funding for implementation of the statewide information technology network.			
2. Restores contract programming funding to the level provided in the 1999-2001 biennium.		\$2,789,837	\$2,789,837
3. Restores funding in the operating line item to allow technology-related billings to pass through the agency.		\$3,798,000	\$3,798,000
4. Adds 1 new FTE position and related funding for additional network planning responsibilities:			
1 FTE information technology business analyst		\$125,973	\$125,973
Operating and equipment		21,684	21,684
Equipment		5,000	5,000
Total - Network planning		\$152,657	\$152,657
5. Provides the following 4 new FTE positions and related funding for the statewide information technology network:			
2 FTE telecommunications analyst II	\$128,013	\$128,013	\$256,026
2 FTE telecommunications analyst III	140,404	140,404	280,808
Operating and equipment	4,652,408	4,779,663	9,432,071
Center for Innovation and Instruction	594,000		594,000
Educational Telecommunications Council (ETC)	3,500,000		3,500,000
SENDIT network	1,427,000		1,427,000
Information technology technical education program development	590,300		590,300
Total - Statewide information technology network	\$11,032,125	\$5,048,080	\$16,080,205
6. Provides the following 15 new FTE positions and related funding to support the development effort associated with the Health Insurance Portability and Accountability Act (HIPAA):			
1 FTE administrative secretary III		\$70,580	\$70,580
2 FTE programmer analyst I		193,987	193,987
2 FTE programmer analyst II		233,287	233,287
4 FTE programmer analyst III		512,053	512,053
5 FTE senior programmer analyst		702,019	702,019
1 FTE systems development manager		140,404	140,404
Operating		1,525,260	1,525,260
Equipment		75,000	75,000
Total - HIPAA		\$3,452,590	\$3,452,590

	General Fund	Other Funds	Total
7. Provides the following 4 new FTE positions and related funding to support the Department of Human Services FACES project:			
1 FTE programmer analyst II		\$116,643	\$116,643
1 FTE programmer analyst III		128,013	128,013
2 FTE senior programmer analyst		280,808	280,808
Operating		902,736	902,736
Equipment		20,000	20,000
Total - FACES project		\$1,448,200	\$1,448,200
8. Provides the following 3 new FTE positions and related funding to support the Department of Human Services foster care project:			
1 FTE programmer analyst III		\$128,013	\$128,013
2 FTE senior program analyst		280,808	280,808
Operating		1,153,052	1,153,052
Equipment		15,000	15,000
Total - Foster care project		\$1,576,873	\$1,576,873
9. Provides the following 2 new FTE positions and related funding to support Tax Department projects:			
1 FTE programmer analyst II		\$116,643	\$116,643
1 FTE programmer analyst III		128,013	128,013
Operating		43,368	43,368
Equipment		10,000	10,000
Total - Tax Department projects		\$298,024	\$298,024
10. Provides the following 2 new FTE positions and related funding to support Department of Transportation projects:			
2 FTE programmer analyst III		\$256,027	\$256,027
Operating		43,368	43,368
Equipment		10,000	10,000
Total - Department of Transportation projects		\$309,395	\$309,395
11. Provides 1 FTE and related funding for a security position:			
1 FTE Information system security analyst		\$116,643	\$116,643
Operating		21,684	21,684
Equipment		5,000	5,000
Total - Security		\$143,327	\$143,327
12. Provides 1 FTE position and related funding to assist the Attorney General in investigating cybercrime:			
1 FTE Information system security analyst	\$116,643		\$116,643
Operating	21,684		21,684
Equipment	5,000		5,000
Total - Cybercrime	\$143,327		\$143,327
13. Provides 2 FTE positions and related funding to develop and support an e-government initiative:			
2 FTE senior programmer analyst	\$280,808		\$280,808
Operating	43,368		43,368
Equipment	10,000		10,000
Total - E-government	\$334,176		\$334,176
14. Provides 1 FTE and related funding for a research and planning position:			
1 FTE information technology business analyst	\$140,404		\$140,404
Operating	171,684		171,684
Equipment	5,000		5,000
Total - Research and planning	\$317,088		\$317,088

	General Fund	Other Funds	Total
15. Provides the following 2 FTE positions and software and equipment funding to develop and support a centralized geographic information system (GIS):			
1 FTE data base design analyst III	\$140,404		\$140,404
1 FTE programmer analyst III	128,013		128,013
Operating	293,368		293,368
Equipment	510,000		510,000
Total - GIS	\$1,071,785		\$1,071,785
16. Provides the following 3 FTE positions and related funding for an enterprise resource planning (ERP) system:			
1 FTE programmer analyst III		\$128,013	\$128,013
2 FTE senior programmer analyst		280,808	280,808
Operating	\$20,000,000	65,052	20,065,052
Equipment		15,000	15,000
Total - ERP	\$20,000,000	\$488,873	\$20,488,873
17. Provides the following 2 FTE positions and software and equipment funding to develop and support a centralized electronic document management system (EDMS):			
1 FTE data base design analyst III		\$140,404	\$140,404
1 FTE programmer analyst III		128,013	128,013
Operating		293,368	293,368
Equipment		760,000	760,000
Total - EDMS		\$1,321,785	\$1,321,785
18. Provides 1 FTE position and related funding for administrative responsibilities:			
1 FTE senior personnel officer		\$116,643	\$116,643
Operating		21,684	21,684
Equipment		5,000	5,000
Total - Administrative		\$143,327	\$143,327
19. Provides funding to establish an Innovation fund.	\$500,000		\$500,000
20. Provides passthrough funding for the Center for Innovation in Instruction.	\$340,583		\$340,583
21. Provides funding for support of the SENDIT network.	\$546,669		\$546,669
22. Provides funding for support of Prairie Public television.	\$1,407,513		\$1,407,513

**Major Hoeven Recommendations Affecting Information Technology Department 2001-03 Budget
Compared to the Bill as Introduced (Schafer Budget)**

	General Fund	Other Funds	Total
1. Reduces funding for the statewide information technology network by decreasing the funding for the Educational Telecommunications Council from \$3,500,000 to \$2,200,000.	(\$1,300,000)		(\$1,300,000)
2. Provides the following adjustments in funding for the ERP system which result in funding being reduced from \$20,488,873 to \$11,971,373, of which \$11,482,500 is from the general fund.			
a. Decrease in funding for operating expenses.	(\$9,000,000)		(\$9,000,000)
b. Increase in funding due to the transfer of funding related to the Quality Schools Commission (\$70,000) and student data base (\$412,500) from the Department of Public Instruction to the Information Technology Department.	\$482,500		\$482,500
Subtotal	(\$8,517,500)		(\$8,517,500)
3. Reduces funding provided to establish an innovation fund from \$500,000 to \$200,000.	(\$300,000)		(\$300,000)

Major Legislation Affecting the Information Technology Department

Senate Bill No. 2026 requires information technology plans prepared by state agencies to address the feasibility of telecommuting by selected employees.

Senate Bill No. 2043 requires the Information Technology Committee to review the cost-benefit analysis of any major project of the State Board of Higher Education or any institution under the control of the board if the project significantly impacts the state's wide area network, impacts the statewide library system, or is an administrative project. The bill also authorizes the Information Technology Department to purchase equipment and software through financing arrangements, specifies additional requirements that must be included in the department's business plan, and changes the deadline for agencies submitting information technology plans from January 15 to March 15 of each even-numbered year.

Department 112 - Information Technology Department
Senate Bill No. 2022

	FTE Positions	General Fund	Other Funds	Total
2001-03 Schafer Executive Budget	212.00	\$35,835,932	\$71,185,087	\$107,021,019
1999-2001 Legislative Appropriations	168.00	250,000	49,409,557	49,659,557 ¹
Increase (Decrease)	44.00	\$35,585,932	\$21,775,530	\$57,361,462

2001-03 Hoeven Executive Budget	212.00	\$25,718,432	\$71,185,087	\$96,903,519
Hoeven Increase (Decrease) to Schafer	0.00	(\$10,117,500)	\$0	(\$10,117,500)

¹ The 1999-2001 appropriation amounts include \$262 of other funds for the agency's share of the \$1.4 million funding pool appropriated to the Office of Management and Budget for assisting agencies in providing the \$35 per month minimum salary increases in July 1999 and July 2000.

Major Schafer Recommendations Affecting Information Technology Department 2001-03 Budget

	General Fund (\$250,000)	Other Funds	Total (\$250,000)
1. Reduces general fund one-time funding for implementation of the statewide information technology network.			
2. Restores contract programming funding to the level provided in the 1999-2001 biennium.		\$2,789,837	\$2,789,837
3. Restores funding in the operating line item to allow technology-related billings to pass through the agency.		\$3,798,000	\$3,798,000
4. Adds 1 new FTE position and related funding for additional network planning responsibilities:			
1 FTE information technology business analyst		\$125,973	\$125,973
Operating and equipment		21,884	21,884
Equipment		5,000	5,000
Total - Network planning		\$152,657	\$152,657
5. Provides the following 4 new FTE positions and related funding for the statewide information technology network:			
2 FTE telecommunications analyst II	\$128,013	\$128,013	\$256,026
2 FTE telecommunications analyst III	140,404	140,404	280,808
Operating and equipment	4,652,408	4,779,663	9,432,071
Center for Innovation and Instruction	594,000		594,000
Educational Telecommunications Council (ETC)	3,500,000		3,500,000
SENDIT network	1,427,000		1,427,000
Information technology technical education program development	590,300		590,300
Total - Statewide information technology network (The Senate reduced funding for the statewide information technology network to the level recommended in the Hoeven executive budget by reducing funding for ETC grants by \$1.3 million from \$3.5 million to \$2.2 million.)	\$11,032,125	\$5,048,080	\$16,080,205
6. Provides the following 16 new FTE positions and related funding to support the development effort associated with the Health Insurance Portability and Accountability Act (HIPAA):			
1 FTE administrative secretary III		\$70,580	\$70,580
2 FTE programmer analyst I		193,987	193,987
2 FTE programmer analyst II		233,287	233,287
4 FTE programmer analyst III		512,053	512,053
5 FTE senior programmer analyst		702,019	702,019
1 FTE systems development manager		140,404	140,404
Operating		1,525,260	1,525,260

	General Fund	Other Funds	Total
Equipment		75,000	75,000
Total - HIPAA		\$3,452,590	\$3,452,590
7. Provides the following 4 new FTE positions and related funding to support the Department of Human Services FACES project:			
1 FTE programmer analyst II		\$116,643	\$116,643
1 FTE programmer analyst III		128,013	128,013
2 FTE senior programmer analyst		280,808	280,808
Operating		902,736	902,736
Equipment		20,000	20,000
Total - FACES project		\$1,448,200	\$1,448,200
8. Provides the following 3 new FTE positions and related funding to support the Department of Human Services foster care project:			
1 FTE programmer analyst III		\$128,013	\$128,013
2 FTE senior program analyst		280,808	280,808
Operating		1,153,052	1,153,052
Equipment		15,000	15,000
Total - Foster care project		\$1,576,873	\$1,576,873
9. Provides the following 2 new FTE positions and related funding to support Tax Department projects:			
1 FTE programmer analyst II		\$116,643	\$116,643
1 FTE programmer analyst III		128,013	128,013
Operating		43,368	43,368
Equipment		10,000	10,000
Total - Tax Department projects		\$298,024	\$298,024
10. Provides the following 2 new FTE positions and related funding to support Department of Transportation projects:			
2 FTE programmer analyst III		\$256,027	\$256,027
Operating		43,368	43,368
Equipment		10,000	10,000
Total - Department of Transportation projects		\$309,395	\$309,395
11. Provides 1 FTE and related funding for a security position:			
1 FTE information system security analyst		\$116,643	\$116,643
Operating		21,684	21,684
Equipment		5,000	5,000
Total - Security		\$143,327	\$143,327
12. Provides 1 FTE position and related funding to assist the Attorney General in investigating cybercrime:			
1 FTE information system security analyst	\$116,643		\$116,643
Operating	21,684		21,684
Equipment	5,000		5,000
Total - Cybercrime	\$143,327		\$143,327
13. Provides 2 FTE positions and related funding to develop and support an e-government initiative:			
2 FTE senior programmer analyst	\$280,808		\$280,808
Operating	43,368		43,368
Equipment	10,000		10,000
Total - E-government	\$334,176		\$334,176
14. Provides 1 FTE and related funding for a research and planning position:			
1 FTE information technology business analyst	\$140,404		\$140,404
Operating	171,684		171,684
Equipment	5,000		5,000
Total - Research and planning	\$317,088		\$317,088

	General Fund	Other Funds	Total
15. Provides the following 2 FTE positions and software and equipment funding to develop and support a centralized geographic information system (GIS):			
1 FTE data base design analyst III	\$140,404		\$140,404
1 FTE programmer analyst III	128,013		128,013
Operating	293,368		293,368
Equipment	510,000		510,000
Total - GIS	\$1,071,785		\$1,071,785
16. Provides the following 3 FTE positions and related funding for an enterprise resource planning (ERP) system:			
1 FTE programmer analyst III		\$128,013	\$128,013
2 FTE senior programmer analyst		280,808	280,808
Operating	\$20,000,000	65,052	20,065,052
Equipment		15,000	15,000
Total - ERP (The Senate reduced funding for ERP by \$8,517,500 to \$11,971,373 of which \$11,482,500 is from the general fund to the funding level recommended in the Hoeven executive budget.)	\$20,000,000	\$488,873	\$20,488,873
17. Provides the following 2 FTE positions and software and equipment funding to develop and support a centralized electronic document management system (EDMS):			
1 FTE data base design analyst III		\$140,404	\$140,404
1 FTE programmer analyst III		128,013	128,013
Operating		293,368	293,368
Equipment		760,000	760,000
Total - EDMS		\$1,321,785	\$1,321,785
18. Provides 1 FTE position and related funding for administrative responsibilities:			
1 FTE senior personnel officer		\$116,643	\$116,643
Operating		21,684	21,684
Equipment		5,000	5,000
Total - Administrative		\$143,327	\$143,327
19. Provides funding to establish an innovation fund. (The Senate reduced funding by \$300,000 to \$200,000 which is the level of funding recommended in the Hoeven executive budget.)	\$500,000		\$500,000
20. Provides passthrough funding for the Center for Innovation in Instruction.	\$340,583		\$340,583
21. Provides funding for support of the SENDIT network.	\$546,669		\$546,669
22. Provides funding for support of Prairie Public television.	\$1,407,513		\$1,407,513

**Major Hoeven Recommendations Affecting Information Technology Department 2001-03 Budget
Compared to the Bill as Introduced (Schafer Budget)**

	General Fund	Other Funds	Total
1. Reduces funding for the statewide information technology network by decreasing the funding for the Educational Telecommunications Council from \$3,500,000 to \$2,200,000. (The Senate decreased funding for the statewide information technology network as recommended in the Hoeven executive budget.)	(\$1,300,000)		(\$1,300,000)
2. Provides the following adjustments in funding for the ERP system which result in funding being reduced from \$20,488,873 to \$11,971,373, of which \$11,482,500 is from the general fund. (The Senate adjusted funding for the ERP system as recommended in the Hoeven executive budget.)			
a. Decrease in funding for operating expenses.	(\$9,000,000)		(\$9,000,000)
b. Increase in funding due to the transfer of funding related to the Quality Schools Commission (\$70,000) and student data base	\$482,500		\$482,500

(\$412,500) from the Department of Public Instruction to the Information Technology Department.

Subtotal	(\$8,517,500)	(\$8,517,500)
3. Reduces funding provided to establish an innovation fund from \$500,000 to \$200,000. (The Senate decreased funding for an innovation fund as recommended in the Hoeven executive budget.)	(\$300,000)	(\$300,000)

Major Legislation Affecting the Information Technology Department

Senate Bill No. 2026 requires information technology plans prepared by state agencies to address the feasibility of telecommuting by selected employees. (This bill has been passed by the Senate.)

Senate Bill No. 2043 requires the Information Technology Committee to review the cost-benefit analysis of any major project of the State Board of Higher Education or any institution under the control of the board if the project significantly impacts the state's wide area network, impacts the statewide library system, or is an administrative project. The bill also authorizes the Information Technology Department to purchase equipment and software through financing arrangements, specifies additional requirements that must be included in the department's business plan, and changes the deadline for agencies submitting information technology plans from January 15 to March 15 of each even-numbered year. (This bill has been passed by the Senate.)

Senate Bill No. 2251 creates a new Educational Technology Council to replace the Educational Telecommunications Council and provides that funding appropriated by the 2008 Legislative Assembly for the Division of Independent Study, SENDIT technology services, and the Center for Innovation in Instruction be transferred to the Information Technology Department for use by the Educational Technology Council. (This bill has been passed by the Senate.)

Summary of Legislative Changes Resulting From First House Action

See Statement of Purpose of Amendment (attached).

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2022 - Funding Summary**

	Executive Budget	Senate Changes	Senate Version
Information Technology Department			
Salaries and wages	\$25,985,352		\$25,985,352
Operating expenses	36,076,824		36,076,824
Equipment	5,595,000		5,595,000
Center for innovation and instruction	934,583		934,583
Education technology commission grants	3,500,000	(1,300,000)	2,200,000
SENDIT network	1,973,669		1,973,669
IT technical education prog. development	590,300		590,300
Wide area network	9,968,905		9,968,905
Enterprise resource planning system	20,488,873	(8,517,500)	11,971,373
Prairie public broadcasting	1,407,513		1,407,513
IT innovation fund	500,000	(300,000)	200,000
Total all funds	\$107,021,019	(\$10,117,500)	\$96,903,519
Less estimated income	71,185,087	0	71,185,087
General fund	\$35,835,932	(\$10,117,500)	\$25,718,432
FTE	212.00	0.00	212.00
Bill Total			
Total all funds	\$107,021,019	(\$10,117,500)	\$96,903,519
Less estimated income	71,185,087	0	71,185,087
General fund	\$35,835,932	(\$10,117,500)	\$25,718,432
FTE	212.00	0.00	212.00

Senate Bill No. 2022 - Information Technology Department - Senate Action

	Executive Budget	Senate Changes	Senate Version
Salaries and wages	\$25,985,352		\$25,985,352
Operating expenses	36,076,824		36,076,824
Equipment	5,595,000		5,595,000
Center for innovation and instruction	934,583		934,583
Education technology commission grants	3,500,000	(1,300,000)	2,200,000
SENDIT network	1,973,669		1,973,669
IT technical education prog. development	590,300		590,300
Wide area network	9,968,905		9,968,905
Enterprise resource planning system	20,488,873	(8,517,500)	11,971,373
Prairie public broadcasting	1,407,513		1,407,513
IT innovation fund	500,000	(300,000)	200,000
Total all funds	\$107,021,019	(\$10,117,500)	\$96,903,519
Less estimated income	71,185,087	0	71,185,087
General fund	\$35,835,932	(\$10,117,500)	\$25,718,432
FTE	212.00	0.00	212.00

Department No. 112 - Information Technology Department - Details of Senate Changes

	Reduce Funding for the Educational Telecommunica- tions Council ¹	Adjust Funding for the Enterprise Resource Planning System ²	Reduce Funding for IT Innovation Fund	Total Senate Changes
Salaries and wages				
Operating expenses				
Equipment				
Center for innovation and instruction				
Education technology commission grants	(1,300,000)			(1,300,000)
SENDIT network				
IT technical education prog. development				
Wide area network				
Enterprise resource planning system		(8,517,500)		(8,517,500)
Prairie public broadcasting IT innovation fund			(300,000)	(300,000)
Total all funds	(\$1,300,000)	(\$8,517,500)	(\$300,000)	(\$10,117,500)
Less estimated income	0	0	0	0
General fund	(\$1,300,000)	(\$8,517,500)	(\$300,000)	(\$10,117,500)
FTE	0.00	0.00	0.00	0.00

This amendment reduces funding for the statewide information technology network by decreasing the funding from the general fund for the Educational Telecommunications Council from \$3,500,000 to \$2,200,000.

² This amendment provides for the following adjustments in funding for the enterprise resource planning (ERP) system which result in funding being reduced from \$20,499,873 to \$11,971,373, of which \$11,482,500 is from the general fund:

Decrease in funding for operating expenses	(\$9,000,000)
Increase in funding due to transfer of funding from the Department of Public Instruction related to the Quality Schools Commission (\$70,000) and student data base (\$412,500)	482,500
Total	(\$8,517,500)

This amendment also adds a section allowing the Information Technology Department to transfer spending authority between line items.

REQUEST / RECOMMENDATION COMPARISON DETAIL

413 DEPT OF BANKING & FINANCIAL INST

Biennium: 2001-2003

Bill #: SB2003

Page: 1 of 3
Date: 1/4/01
Time: 9:56:31

Description	Expenditures Prev Biennium 1997-1999	Present Budget 1999-2001	2001-2003 Requested		Requested Budget 2001-2003	2001-2003 Recommended		Executive Recommendation 2001-2003
			Incr (Decri)	% Chg		Incr (Decri)	% Chg	
SALARIES AND WAGES								
SALARIES	1,614,192	1,837,344	(20,389)	-1.1%	1,816,955	281,748	15.3%	2,119,082
TEMPORARY, OVERTIME & SHI	2,190	0	0	0.0%	0	0	0.0%	0
BENEFITS	420,825	487,265	(7,303)	-1.5%	475,963	102,520	21.0%	588,786
TOTAL	2,037,207	2,324,610	(27,692)	-1.2%	2,296,918	384,268	16.5%	2,708,878
SALARIES AND WAGES								
GENERAL FUND	0	0	0	0.0%	0	0	0.0%	0
FEDERAL FUNDS	0	0	0	0.0%	0	0	0.0%	0
SPECIAL FUNDS	2,037,207	2,324,610	(27,692)	-1.2%	2,296,918	384,268	16.5%	2,708,878
TOTAL	2,037,207	2,324,610	(27,692)	-1.2%	2,296,918	384,268	16.5%	2,708,878
OPERATING EXPENSES								
IT-DATA PROCESSING	6,500	27,567	7,983	29.0%	35,550	15,483	56.2%	43,050
IT-TELEPHONE	17,175	18,108	0	0.0%	18,108	0	0.0%	18,108
TRAVEL	220,920	221,033	18,006	8.1%	239,039	18,005	8.1%	239,039
IT-SOFTWARE/SUPPLIES	0	8,000	8,931	111.6%	16,931	8,931	111.6%	18,931
UTILITIES	1,175	0	0	0.0%	0	0	0.0%	0
POSTAGE	12,898	12,823	2,526	19.7%	15,349	2,526	19.7%	15,349
LEASE/RENT - EQUIPMENT	0	0	0	0.0%	0	0	0.0%	0
LEASE/RENT - BLDG/LAND	94,811	101,519	10,677	10.5%	112,196	10,677	10.5%	112,196
DUES & PROFESSIONAL DEV.	25,926	65,836	0	0.0%	65,836	0	0.0%	65,836
OPERATING FEES & SERVICES	10,444	10,812	0	0.0%	10,812	0	0.0%	10,812
REPAIRS	4,154	5,139	2,130	41.4%	7,269	2,130	41.4%	7,269
PROFESSIONAL SERVICES	15,891	20,448	20,321	99.4%	40,769	20,321	99.4%	40,769
INSURANCE	89	290	0	0.0%	290	0	0.0%	290
OFFICE SUPPLIES	11,724	8,625	0	0.0%	8,625	0	0.0%	8,625
PRINTING	6,171	8,806	0	0.0%	8,806	0	0.0%	8,806
PROFESSIONAL SUPPLIES & M	12,042	15,275	0	0.0%	15,275	0	0.0%	15,275
FOOD & CLOTHING	56	0	0	0.0%	0	0	0.0%	0
MEDICAL/DENTAL & OPTICAL	0	0	0	0.0%	0	0	0.0%	0
BLDG,GRNDS,VEHICLE MTCE S	6	0	0	0.0%	0	0	0.0%	0
MISCELLANEOUS SUPPLIES	3,812	4,991	0	0.0%	4,991	0	0.0%	4,991

REQUEST FOR RECOMMENDATION COMPARISON DETAIL

413 DEPT OF BANKING & FINANCIAL INST

Biennium: 2001-2003

Bill #: SB2008

Page: 2 of 3

Date: 1/4/01

Time: 9:56:31

Description	Expenditures Prev Biennium 1997-1999	Present Budget 1999-2001	2001-2003 Requested		Requested Budget 2001-2003	2001-2003 Recommended		Executive's Recommendation 2001-2003
			Incr (Decr)	% Chg		Incr (Decr)	% Chg	
OPERATING EXPENSES								
OPERA BUDGET ADJUSTMENT	0	0	0	0.0%	0	94,472	0.0%	94,472
TOTAL	443,794	529,272	70,574	13.3%	599,846	172,546	32.6%	701,818
OPERATING EXPENSES								
GENERAL FUND	0	0	0	0.0%	0	0	0.0%	0
FEDERAL FUNDS	0	0	0	0.0%	0	0	0.0%	0
SPECIAL FUNDS	443,794	529,272	70,574	13.3%	599,846	172,546	32.6%	701,818
TOTAL	443,794	529,272	70,574	13.3%	599,846	172,546	32.6%	701,818
EQUIPMENT								
OFFICE EQUIPMENT & FURNIT	44,196	23,041	(3,341)	-14.5%	19,700	(3,341)	-14.5%	19,700
IT-EQUIPMENT	0	41,041	(39,541)	-96.3%	1,500	(12,041)	-29.3%	29,000
TOTAL	44,196	64,082	(42,882)	-66.9%	21,200	(15,382)	-24.0%	48,700
EQUIPMENT								
GENERAL FUND	0	0	0	0.0%	0	0	0.0%	0
FEDERAL FUNDS	0	0	0	0.0%	0	0	0.0%	0
SPECIAL FUNDS	44,196	64,082	(42,882)	-66.9%	21,200	(15,382)	-24.0%	48,700
TOTAL	44,196	64,082	(42,882)	-66.9%	21,200	(15,382)	-24.0%	48,700
SPECIAL LINES								
CONTINGENCY	0	20,000	0	0.0%	20,000	0	0.0%	20,000
TOTAL	0	20,000	0	0.0%	20,000	0	0.0%	20,000
SPECIAL LINES								
SPECIAL FUNDS	0	20,000	0	0.0%	20,000	0	0.0%	20,000
TOTAL	0	20,000	0	0.0%	20,000	0	0.0%	20,000
FUNDING SOURCES								
GENERAL FUND	0	0	0	0.0%	0	0	0.0%	0
FEDERAL FUNDS	0	0	0	0.0%	0	0	0.0%	0

REQUEST / RECOMMENDATION COMPARISON DETAIL

413 DEPT OF BANKING & FINANCIAL INST

Biennium: 2001-2003

Bill #: SB2008

Page: 3 of 3

Date: 1/4/01

Time: 9:58:31

Description	Expenditures Prev Biennium 1997-1999	Present Budget 1999-2001	2001-2003 Requested		Requested Budget 2001-2003	2001-2003 Recommended		Executive Recommendation 2001-2003
			Incr (Deer)	% Chg		Incr (Deer)	% Chg	
FUNDING SOURCES								
SPECIAL FUNDS	2,525,197	2,937,964	0	0.0%	2,937,964	541,432	18.4%	3,479,396
TOTAL FUNDING SOURCES	2,525,197	2,937,964	0	0.0%	2,937,964	541,432	18.4%	3,479,396

Information Technology Planning

Presentation to the House and
Senate Appropriations Committees
January 8, 2001

by
Nancy Walz, ITD

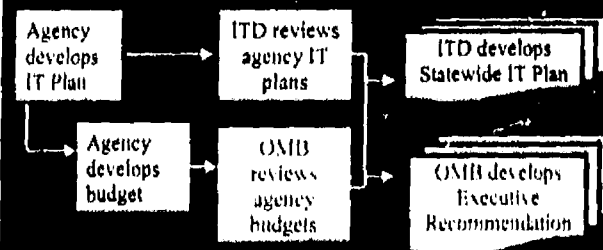
IT Planning Analysts

Nancy Walz
Dennis Klipfel
Rob Gall
Phil (Boris) Miller

Planning Cycle

January 15, 2000 - Plans due
July 15, 2000 - Budgets due
November, 2000 - State IT plan
published
Continuous planning throughout
the biennium

Parallel Processes



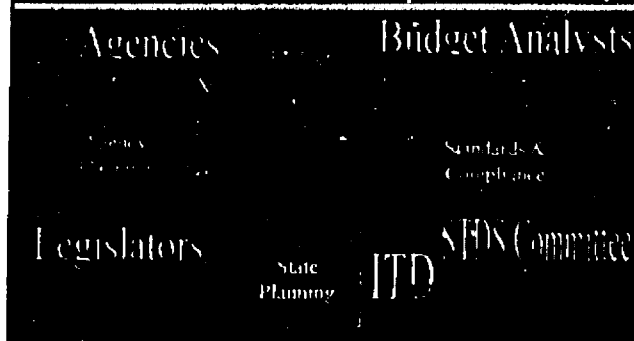
IT Planning Cycle



Oversight Responsibilities

- Approve requisitions over \$1,000
- Approve contractual acquisitions over \$25,000
- Monitor projects over \$250,000

Not your typical planning document.....



IT Planning Information Requirements

- Agency mission & description
- Alignment with statewide IT plan
- Goals, objectives, and accomplishments
- Activities (work/budget packages)
 - Descriptive information
 - Estimated costs - 3 biennia
 - Budget for the 01-03 biennia

IT Planning Supplemental Information

- IT Architecture - Hardware
- IT Architecture - Telecommunications
- IT Architecture - Software / Applications Development
- IT Staffing / Training Plan
- Compliance with standards

IT Budget Information

- IT activity budgets are spread to SIBR budget accounting codes

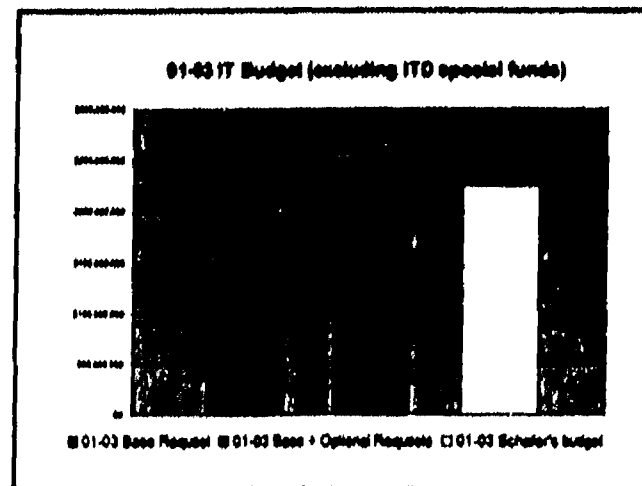
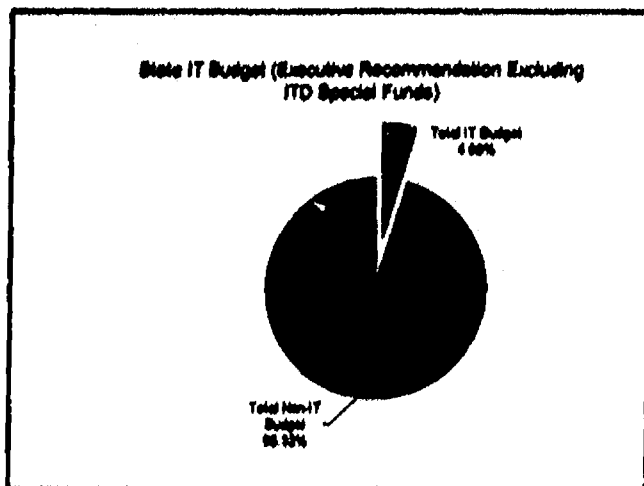
IT Plan
Activities

Technology Tab - Executive Budget

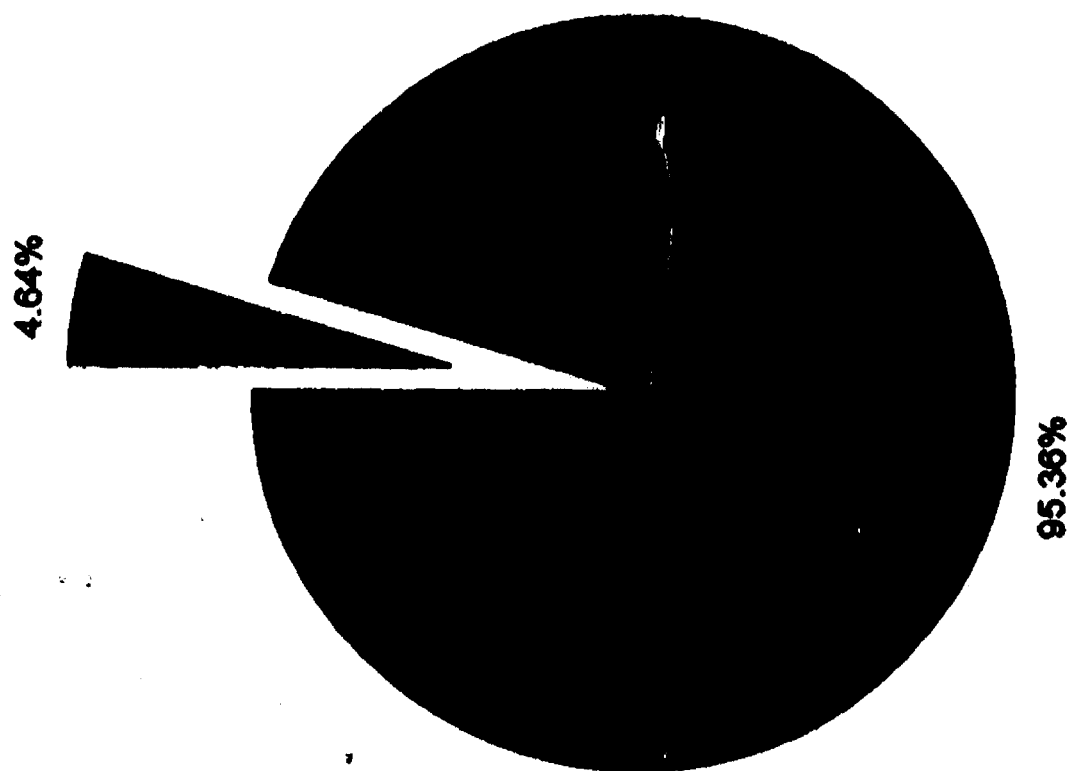
- By program
- By line item
- By funding source

Special IT Object Codes (Budget Detail)

- 3002 - IT Data Processing
- 3003 - IT Telephone
- 3005 - IT Software / Supplies
- 3008 - IT Contractual Services
- 4003 - IT Equipment



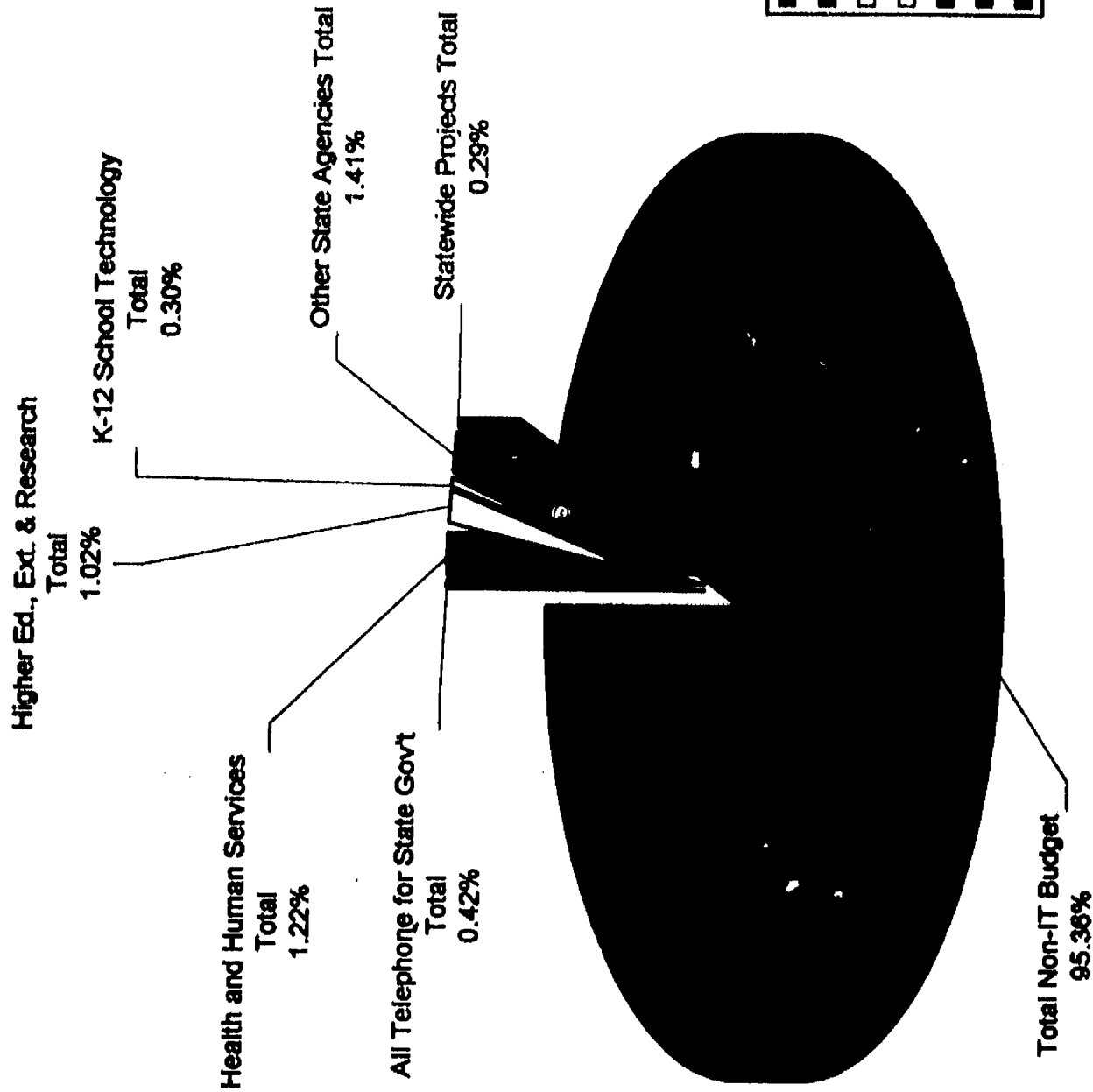
**Hoeven's Budget Recommendation
IT Budget as a Percent of the Total Budget**



■ Total IT Budget
■ Total Non-IT Budget

5K 2022
5801

IT Budget as a Percent of the Total Budget



- All Telephone for State Gov't Total
- Health and Human Services Total
- Higher Ed., Ext. & Research Total
- K-12 School Technology Total
- Other State Agencies Total
- Statewide Projects Total
- Total Non-IT Budget

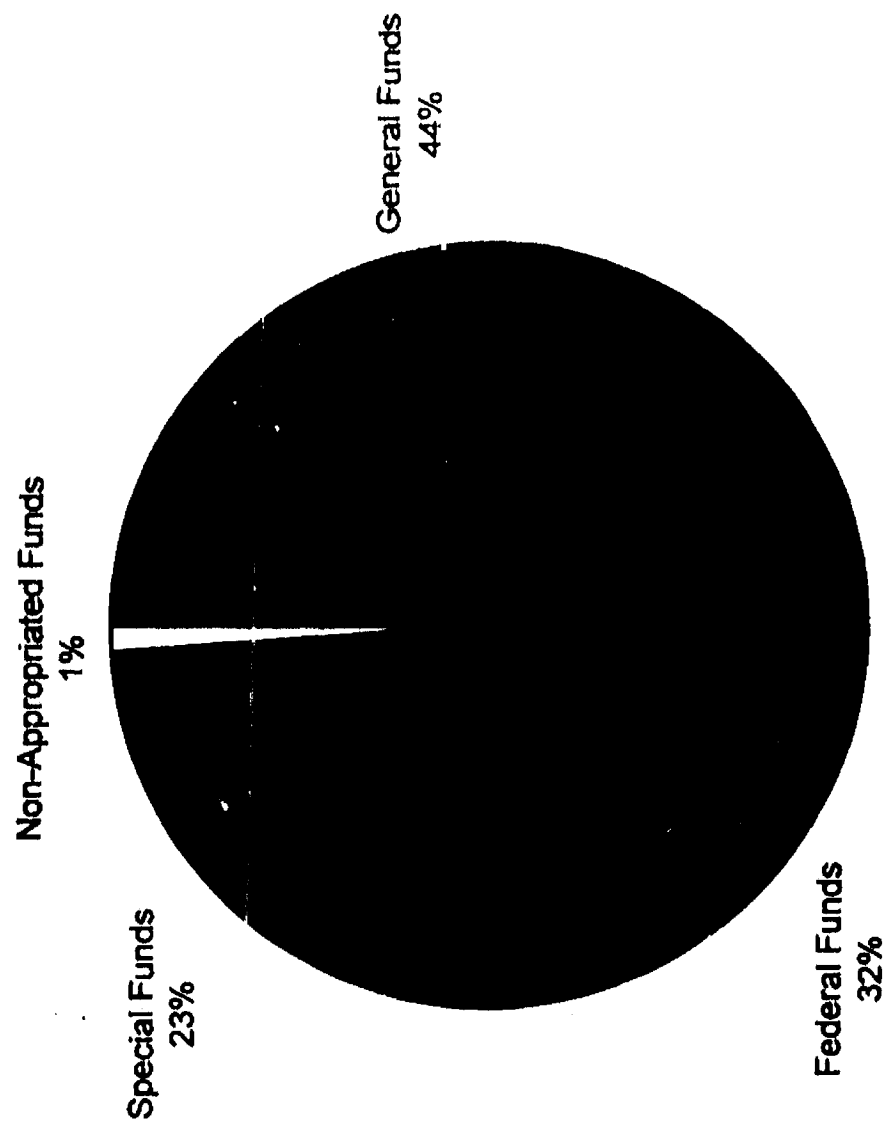
Hoeven's Budget Recommendation

IT Budget as a Percent of the Total Budget (Excluding ITD Special Funds)

Category	Budget	% of Total Recommendation
All Telephone for State Gov't Total	\$19,275,490	0.42%
Health and Human Services Total	\$58,397,843	1.22%
Higher Ed., Ext. & Research Total	\$47,241,340	1.02%
K-12 School Technology Total	\$13,710,601	0.30%
Other state agencies Total	\$65,082,367	1.41%
Statewide General Fund Projects Total	\$13,336,461	0.29%
Assn of Counties	\$248,000	
Innovation Fund	\$200,000	
ERP	\$11,482,500	
E-gov	\$334,177	
GIS	\$1,071,784	
Total IT Budget	\$215,044,102	4.64%
Total Non-IT Budget	\$4,416,370,408	95.36%

Historical Funding Sources for ITD Revenue

ITD Special Funds Budget - \$71,327,753



State of North Dakota
Information Technology Department



ITD 2001- 2003 Budget Request

Presentation to the House Appropriations Committee

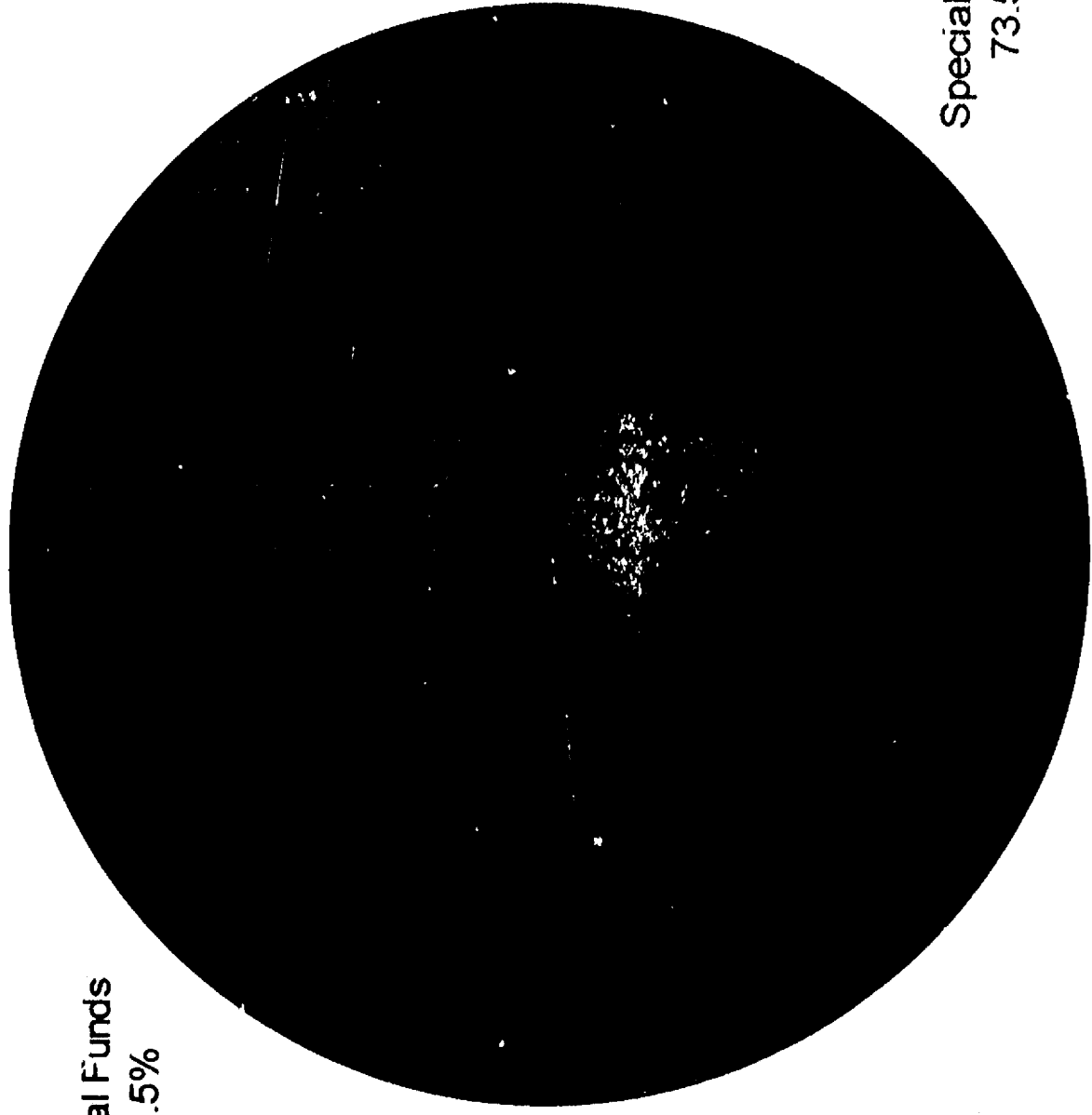
March 2, 2001

By Curt Wolfe, CIO

SB2022
3-2-01

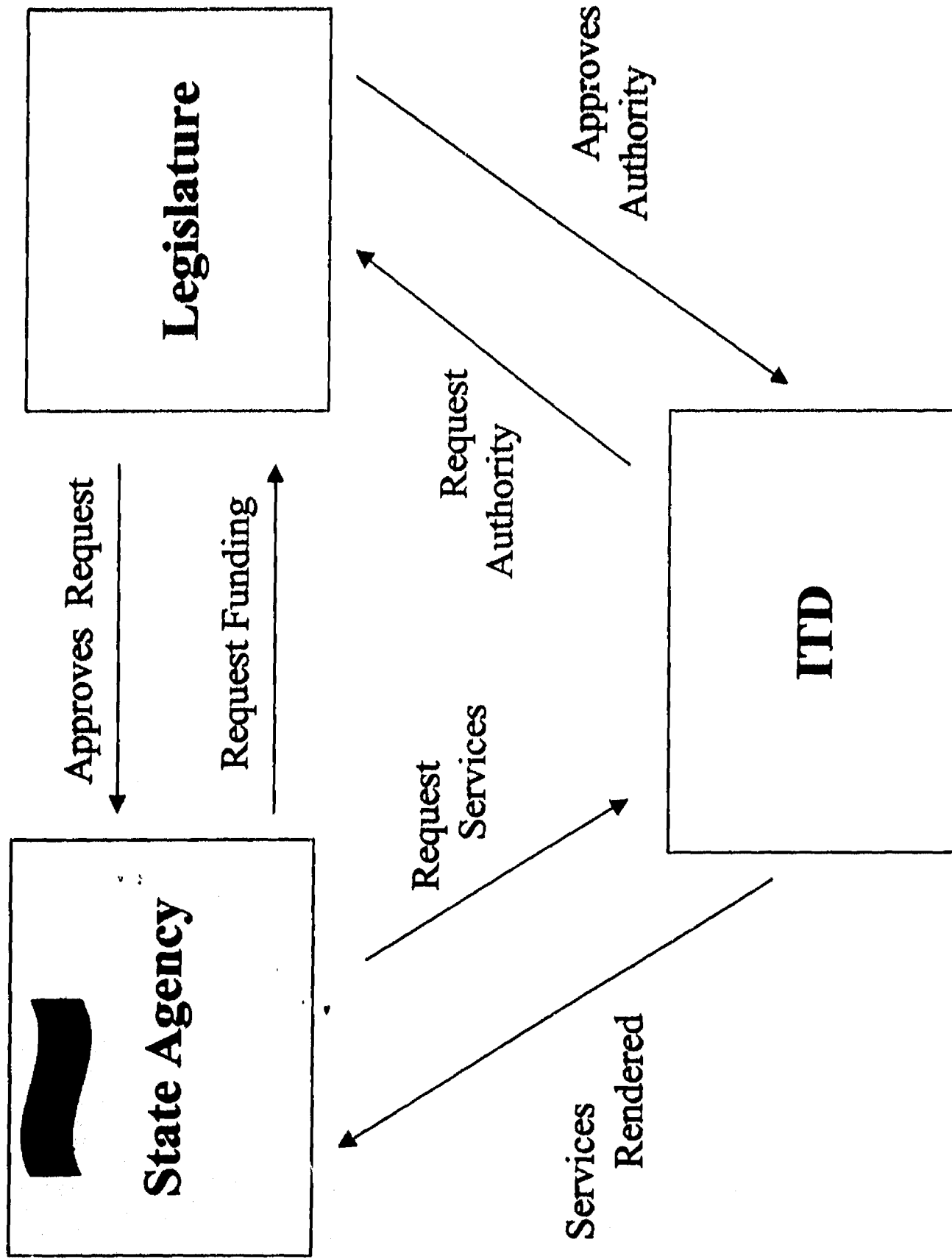
ITD Total Budget
\$96,903,519

General Funds
26.5%

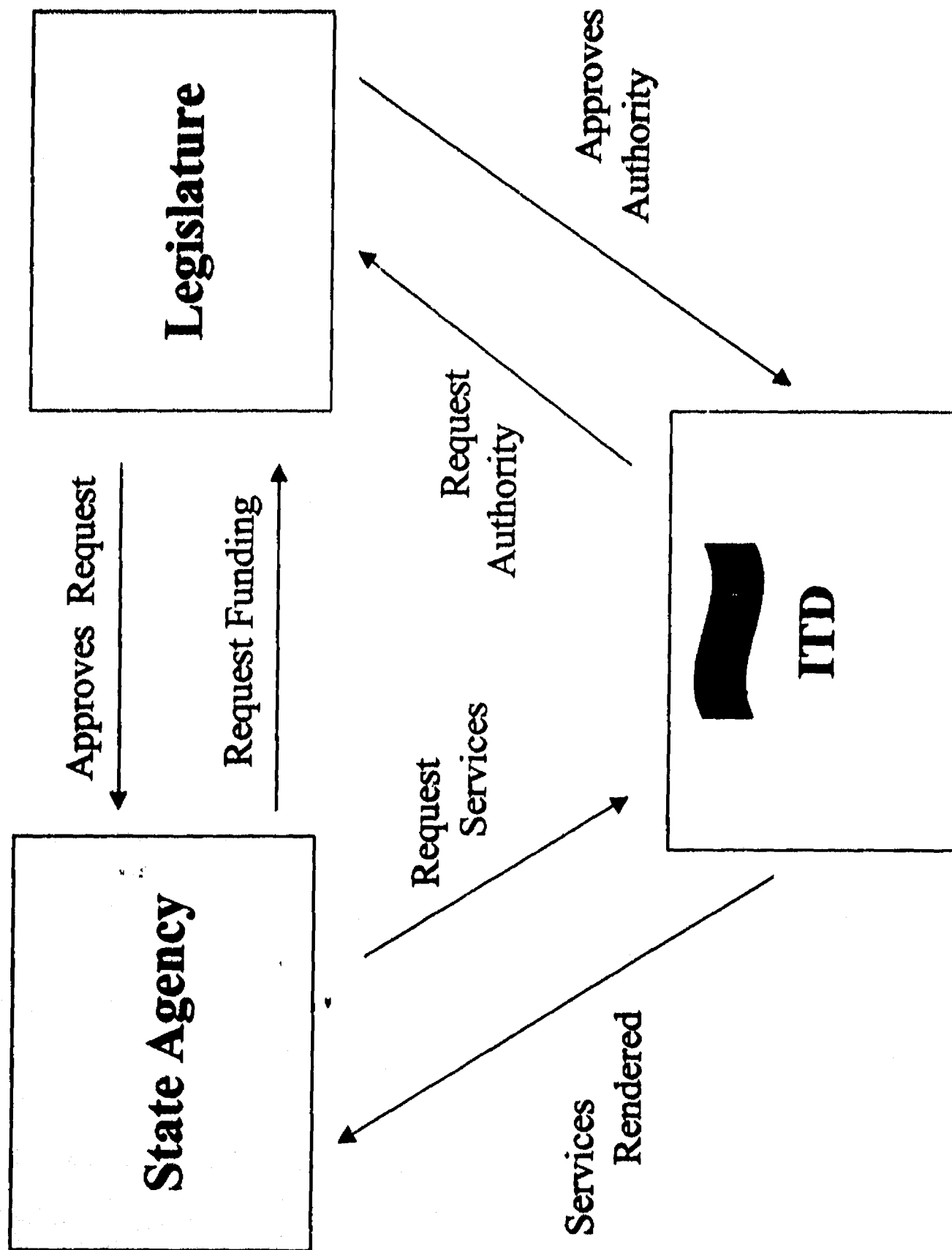


Special Funds
73.5%

ITD SPECIAL FUNDS

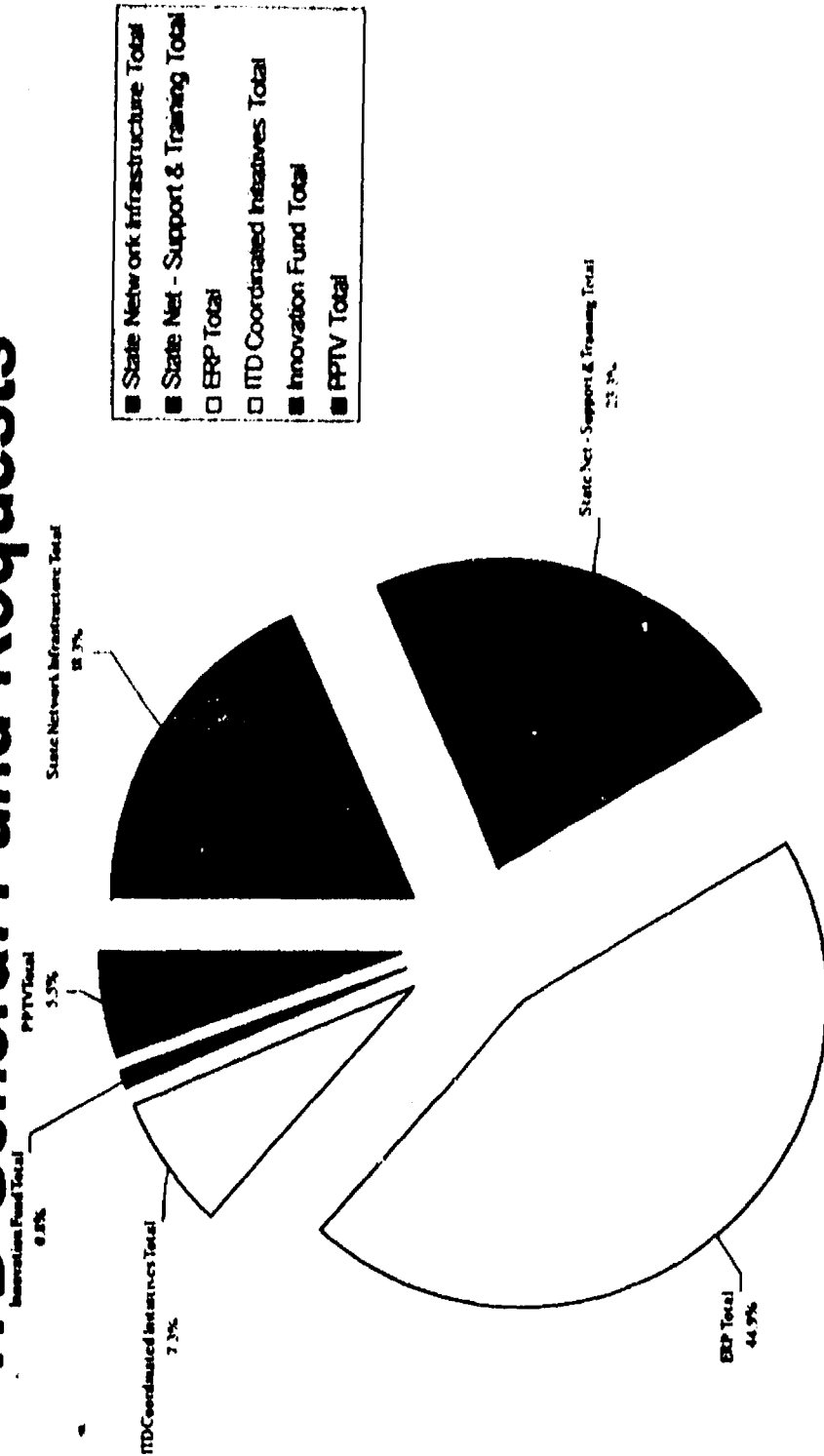


ITD SPECIAL FUNDS



ITD General Fund Requests	General Fund \$
State Network Infrastructure Total	\$ 4,672,824
State Net - Support & Training Total	\$ 5,946,562
ERP Total	\$ 11,482,300
ITD Coordinated Initiatives Total	\$ 1,866,377
Innovation Fund Total	\$ 200,000
PPTV Total	\$ 1,407,513
Grand Total	\$ 25,575,766

ITD General Fund Requests



- State Network Infrastructure Total
- State Net - Support & Training Total
- ERP Total
- ITD Coordinated Initiatives Total
- Innovation Fund Total
- PPTV Total

General Fund Details

- Non-traditional funds.

– Prairie Public Broadcasting	\$1,407,513
– Base budget for Sendit – NDSU	\$ 546,669
– Base budget for CII – VCSU	<u>\$ 340,583</u>

Total: \$2,294,765

General Fund Details

- Completion of Network Rollout:

- Phase II – K-12 high schools and public libraries

- Router and recurring T1 circuit cost

\$4,222,549

- Equipment cost for Phase I

\$ 450,275

Total: \$4,672,824

General Fund Details

- **Support and Training:**

- **Association of Counties – local**

- political subdivisions**

- \$ 248,000**

- **Sendit – expanded role – K-12**

- \$ 1,427,000**

- **Two HE components (\$4,595,474)**

- * Statewide IVN Support.**

- * Workforce Education.**

Total: \$ 1,675,000

General Fund Details

• Utilization of Network:	
– CII – Teacher training	\$ 594,000
– ETC Grants	\$ 2,200,000
– Vocational Education	
– K-12 technology training	<u>\$ 590,300</u>
	Totals: <u>\$3,384,300</u>

General Fund Details

• Improved productivity and reduce cost of government:

- ERP	\$ 11,482,500
- E-government	\$ 334,177
- GIS	\$ 1,071,784
- Security/Cyber Crime	\$ 143,328
- Research & Planning	\$ <u>317,088</u>

Total: \$13,348,877

• Innovation Fund:

Total: \$ 200,000

Grand Totals: \$25,575,766

SB 2022 TESTIMONY
SENATE APPROPRIATIONS COMMITTEE
BY: MIKE J. RESSLER, DIRECTOR
INFORMATION TECHNOLOGY DEPARTMENT (ITD)
JANUARY 15, 2001

Mr. Chairman, and members of the committee, my name is Mike Ressler and I am the Director of Operations at ITD.

ITD is responsible for providing technology solutions to state government agencies and our customer base includes county government for network connections and soon to include K-12 and libraries across the state. Today we have a staff of 169 FTE's and 22 contract programmers. We are primarily special funded except for the \$250,000 of general fund money we received this biennium for a planning position and for consulting assistance in developing the RFP for the wide area network.

ITD is organized into five sections as follows: IT Planning, Administration, Software Development, Computer Services, and Telecommunications.

IT Planning is responsible for creating IT policies, standards, and guidelines by coordinating agency input and researching existing technology solutions. This section has a staff of four. They review agency IT plans to ensure they are complete and also monitor agency IT efforts and expenditures to determine compliance with IT plans, the state standards and policies. A statewide IT plan is crafted every two years after state agencies submit their IT plans. Research of new technologies is critical for state government to be efficient when automating processes and the need to coordinate this knowledge. Grant writing is a new avenue ITD is starting to explore. These are two reasons for requesting a new position in this section.

The Administration section has 14 people and is responsible for administrative support, human resources, payroll, billing and other accounting functions. Records management provides consulting to state agencies, develops records retention schedules and audits for compliance of these records management programs. Security staff also reports in this section as they are responsible for physical, network and application security. This is an area that is growing quickly as the internet has revolutionized the way we access information. The protection of data is being scrutinized by the federal government as well as citizens who want to be sure the data stored with the state is only accessed by those who are authorized to access it. Another growing problem is the increase in criminal activity using the internet. These crimes can be committed in one state by an individual in a different state. The challenge is twofold, what criminal investigation team is going to prosecute (federal, state, city) and where is the law enforcement staff going to get the expertise needed to use the tools (computers, networks, etc.) needed for investigating these crimes. This requires technical knowledge along with law enforcement expertise. As a result ITD and the Attorney General's office have agreed to work together when these cases arise. To date the Bureau of Criminal Investigation (BCI) has prosecuted 10 cases in which computers were used in committing a crime. When the individual is not working on these projects, he (she) can work on security issues at the state. This will allow for cross training and a better use of a very expensive, highly skilled individual. Another

function of the administration section involves backup procedures and disaster recovery practices which are critical for the continuation of business in the event of a catastrophe.

The Software Development group develops and maintains computer software applications. This section has a current staff of 86 people and contracts for another 22 programmers. ITD is requesting an increase of 33 new FTE's. 30 of these positions are special funded and contingent upon other state agencies receiving funding for their development projects. ITD has experienced a real difficulty in finding contract programmers who have experience in the latest web and client server skills. These people when found have billing rates from \$75 to \$250 per hour. The projected hourly rates ITD will charge for the next biennium are \$49 for a programmer and \$53 for a systems analyst. It is our belief that the only way we are going to succeed in the future is to grow our own staff with these skills. Agencies have voiced their concerns over the high consulting rates and in many cases have had to abandon their development project and/or drastically reduce their scope. When we use contract programmers we pass on the hourly rate we pay for the contractor to the agency.

Computer Services is responsible for operating the mainframe computer, AS/400 computer, and the many servers used to operate e-mail systems, file servers, and agency applications. This section of 36 people provides computer operations, printing facilities, database support, and technical service support for all the hardware and software utilized. E-mail administration is also supported here and has become a mission critical application for many people today. ITD is requesting two new database support positions. Both the geographic information systems (GIS) and electronic data management systems (EDMS) will require additional support in this area.

Telecommunications has a staff of 27 and is responsible for the state wide area network, all telephone systems (40+) throughout the state along with a central help desk. ITD has just completed phase 1 of the wide area network, deploying ATM T-1 circuits to 177 locations in 64 communities. The second phase will connect every high school and library in the state (additional 300+ locations in 130 communities) with this same technology and pave the way for web based applications, such as geographic information systems (GIS), and video applications to be utilized. An additional two positions are being requested for this increase in workload. The addition of the K-12 institutions and libraries will more than double the end points on the current state network. The education community is dependent upon this broadband network if they are going to offer such programs as: distance learning classes, degrees over the internet, and the ability to share teachers, with hard to find skills.

New initiatives for the next biennium include the following projects:

Payment for Phase 1 of the wide area network. State agencies did not receive any additional funding for converting to the new ATM T-1 network which was completed November 30, 2000. ITD borrowed \$2,000,000 for the equipment (routers, switches, etc.) and is obligated to pay this note over a 36 month period. This amount is being billed back to the appropriate state agency on a monthly basis. Agencies will pay 9 months of this note during this biennium, but will need to obtain the remaining \$1,476,570 in the next biennium. Agencies also have had to find the increase in circuit costs for the current biennium in their existing budget. The increases for next biennium were provided in ITD's budget instructions and the agencies will be requesting these dollars in the budgets you will review over the next four months. ITD is requesting two FTE's to support the increased

workload as a result of this new network at a cost of \$321,784. The above costs will be recovered through ITD's special fund.

Phase 2 of the wide area network deployment involves connecting all the high schools and libraries across the state. We are requesting the state provide an ATM T-1 circuit to each of these locations, the one-time cost for the router, and the internet connection. If the institution needs additional bandwidth, they will be required to come up with the needed funds. General fund dollars are being requested for this initiative and will amount to \$7,922,549. ITD is expecting to receive roughly \$3,700,000 of these dollars in a refund from the Universal Service Fund as part of the E-Rate program, netting the cost at \$4,222,549. Because this phase will more than double our existing customer base, ITD is requesting two additional FTE's to install and support this mission critical infrastructure on an ongoing basis.

The Governor, in partnership with the Legislative IT Committee, have determined the need for coordination of the many facets of this technology deployment. As a result, the following programs have been located in the ITD budget and the requests are as follows:

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These initiatives total \$7,354,065 of general funding and are important to the state can obtain the maximum potential from our investment in this high speed network.

State agencies are appearing before the legislature to acquire funding for major application development projects. ITD works closely with agencies in estimating the amount of software development resources they will need. ITD bills agencies on an hourly basis for development work and all monies for this initiative are special funded in our budget. If the legislature approves the following projects in the agencies budgets, ITD is requesting 26 new FTE's (systems analysts / programmers) and funding for 12 additional contract programmers:

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Another initiative which has the potential to save state government substantial dollars is a shared electronic data management system (EDMS). Agencies are generating a large amount of electronic records, for example imaging tax returns, and the need for these records to be managed and easily accessed by those who have the authority is essential. This technology will have a noticeable return on the time it takes to access records, the accuracy of accessing the records, and the space savings from storing documents electronically vs. on paper. ITD would manage the central data base and provide the needed software, licenses and hardware to do so. Our role would also be to provide the expertise on how this should be accomplished so agencies do not have to reinvent the wheel. The ITD request is \$1,321,784 of special funds (we would bill back our costs to the agencies using the service) and includes two FTE's.

Last year ITD launched DiscoverND which is the state of North Dakota's web portal. We have seen an aggressive attempt by some agencies to develop their service applications to be web enabled and thus offer them to the citizens of ND over the internet. One very successful application is the Game & Fish hunting and fishing license system. Citizens are becoming exposed to the convenience of dealing with online systems and will be demanding this from government in the very near future. Agencies pay ITD for the development of these applications, but the central infrastructure like the ND portal and the interfacing between agency systems is not charged out. Also, we see the potential of this technology to re-engineer the way government agencies deal with the citizens. The major draw back to this reinvention is that agencies are not looking at the big picture and will not pay to develop systems that cross department lines. ITD is requesting general funds for two FTE's, a systems analyst and a programmer, to concentrate on the development and maintenance of these central systems. The amount is \$334,177.

ITD, in partnership with Higher Education, OMB, and the K-12 environment have released a RFP for acquiring an enterprise resource planning system (ERP). This system integrates financial, human resource, administrative, procurement, student registration, and other systems into a common schema so all parties can share and use the data. Today our systems are old, some obsolete, and require major maintenance efforts. In many cases the systems do not provide the data in the context needed so agencies, university staff, and school administrators have created shadow systems. This is time consuming, costly and increases the chances for data to be inaccurate because it is stored in various databases. The federal government has released some new requirements for the education systems

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As we expand the network and move more services to the e-government model along with federal mandates such as the Health Insurance Portability and Accountability Act (HIPAA), information technology security is becoming more critical and more complex. Central leadership and expertise is necessary to identify solutions the state can implement on a proactive basis. Monitoring of intrusion attempts is also critical to maintain the integrity of the network. ITD is requesting special funds for one FTE to assist in the security area and the amount is \$143,328.

As discussed earlier in my testimony ITD is working with the Bureau of Criminal Investigation and will assist them from a technical standpoint with prosecuting individuals who use computers and networks to commit crimes. ITD is requesting general funds of \$143,328 to hire one security analyst.

There is a need for the state to work with the educational system in an effort to ensure the proper information technologies are being taught so we have a pool of resources to hire. We are requesting \$143,328 of special funds to hire an administrative position who will work with the schools and coordinate with agencies who have a need for hiring technology expertise.

Greater emphasis needs to be placed on research and planning so that North Dakota can identify trends and new technologies instead of reacting as technologies change. By getting out in front of technology change, the state will prevent wasteful spending and make better decisions when choosing technologies to be implemented. ITD needs to coordinate with agencies and develop assignments to accomplish this. We are requesting \$317,088 of general funds and one FTE. This amount also includes \$150,000 for consulting service and computer tools needed to fulfill this mission.

And last, but not least, ITD is requesting \$200,000 of general fund money to be put into an innovation fund. This fund will provide some flexibility for implementing IT projects that come about during the interim. Two years is a long time for technology and the ability to access some funds would have a positive impact. These funds could only be acquired if the agency submits a cost effective project and approval is granted by some body (maybe the Legislative IT Committee). The agency would pay back the funds in the next biennium. This model has not been completely worked out yet -- agencies could pay back with interest or they could pay back a portion of the cost savings they obtained by implementing the program.

Overall, ITD's total budget request is \$96,903,519 of which \$25,718,432 is general funds. This includes funding for 44 new FTE's and 12 new contract programming staff. Of the 44 new FTE's, 8 will be general funded.

This concludes my testimony and I would be happy to answer any questions you may have.

Thank you for your support.

State of North Dakota
Information Technology Department



ITD 2001- 2003 Budget Request

Presentation to the Senate Appropriations Committee

January 15, 2001

By Mike J. Ressler

Information Technology Department



Special Funded

Wide Area Network (State/Higher Ed/Political Subs)

**2 New FTE's = Telecommunications Analysts
\$ 321,784**

**Network Equipment
\$ 1,476,570
(General Fund = \$ 450,275)**



General Funded

Wide Area Network (K-12/Libraries)

\$ 7,922,549

2 New FTE's = Telecommunications Analysts

**ITD will receive \$ 3,700,000 E-Rate Refund
(Special Fund Authority)**



General Funded

Contingency Line Items

\$ 7,354,065

Association of Counties	\$ 248,000
IT Technology Program	\$ 590,300
Center for Innovation in Instruction	\$ 934,583
SENDIT Technology Services	\$ 1,973,669
Education Telecommunications Council	\$ 2,200,000
Prairie Public Broadcasting	\$ 1,407,513



Special Funded

Software Development Services

\$ 7,085,081

**Health Insurance Portability & Accounting Act (HIPAA)
Fully Automated Child Support Enhancement System
Foster Care
Tax Collections / Accounts Receivable
Construction Automated Reporting System (CARS)
Roadway Information Management System (RIMS)**

26 New FTE's - Systems Analysts / Programmers

12 New Contract Programmers



General Funded

Geographic Information Systems (GIS)

\$ 1,071,784

2 New FTE's = Systems Analyst / Data Base Analyst

\$ 250,000 Software/Consulting

\$ 500,000 Computer Hardware



Special Funded

Electronic Data Management System (EDMS)

\$ 1,321,784

2 New FTE's = Systems Analyst / Data Base Analyst

\$ 250,000 Software/Consulting

\$ 750,000 Computer Hardware



General Funded

E-Government (Enterprise Applications)

\$ 334,177

2 New FTE's = Systems Analyst / Programmer



General Funded

Enterprise Resource Planning System (ERP)

\$ 11,971,373

**3 New FTE's = Systems Analysts / Programmers
(FTE's are Special Funded)**



Special Funded

Additional Security Analyst

\$ 143,328

1 New FTE = Info Systems Security Analyst



General Funded

**Additional Security Analyst
for Cybercrime**

\$ 143,328

1 New FTE = Info Systems Security Analyst



Special Funded

Extra Administration Position

\$ 143,328

1 New FTE = Sr. Personnel Officer



General Funded

Research & Planning

\$ 317,088

1 New FTE = Info Tech Business Analyst

\$ 150,000 Software/Consulting



General Funded

Innovation Fund

\$ 200,000

No FTE's



SUMMARY

Total 2001 - 2003 Budget Request = \$ 96,903,519

Total Special Fund Dollars = \$ 71,185,087

Total General Fund Dollars = \$ 25,718,432

44 New ITD FTE's (8 General Funded)

12 New Contract Programmers



POSITION SUMMARY

HIPPA	15 Positions	Special Funded
FASCES	4 Positions	Special Funded
Foster Care	3 Positions	Special Funded
Tax Application	2 Positions	Special Funded
Dept of Transportation	2 Positions	Special Funded
Wide Area Network	2 Positions	Special Funded
EDMS.	2 Positions	Special Funded
Security	1 Position	Special Funded
Existing Planning	1 Position	Special Funded
ERP	3 Positions	Special Funded
Training/Admn	1 Position	Special Funded
K-12/Libraries WAN	2 Positions	General Funded
GIS	2 Positions	General Funded
E-Government	2 Positions	General Funded
Research & Planning	1 Position	General Funded
Security / Cybercrime	1 Position	General Funded

TOTAL POSITIONS 44 Positions

QUESTIONS ?

Mike J. Ressler
Information Technology Department
(701) 328-1001
<http://www.state.nd.us/itd/>
mressler@state.nd.us



CONTACT ITD FOR COPY OR LEGISLATIVE COUNCIL LIBRARY

North Dakota
Statewide Information Technology Plan
2000
Agency Plan Summaries

Curtis L. Wolfe, CHIEF INFORMATION OFFICER

November 2000

SB 2022 TESTIMONY
HOUSE APPROPRIATIONS COMMITTEE
BY: MIKE J. RESSLER, DIRECTOR
INFORMATION TECHNOLOGY DEPARTMENT (ITD)
MARCH 2, 2001

Mr. Chairman, and members of the committee, my name is Mike Ressler and I am the Director of Operations at ITD.

ITD is responsible for providing technology solutions to state government agencies and our customer base includes county government for network connections and soon to include K-12 and libraries across the state. Today we have a staff of 169 FTE's and 22 contract programmers. Our 1999-2001 budget is \$56,222,095 with the majority of it being special funded. \$250,000 of general fund money was appropriated for a planning position and for consulting assistance in developing the RFP for the wide area network.

ITD is organized into five sections as follows: IT Planning, Administration, Software Development, Computer Services, and Telecommunications.

IT Planning is responsible for creating IT policies, standards, and guidelines by coordinating agency input and researching existing technology solutions. This section has a staff of four. They review agency IT plans to ensure they are complete and also monitor agency IT efforts and expenditures to determine compliance with IT plans, the state standards and policies. A statewide IT plan is crafted every two years after state agencies submit their IT plans. Research of new technologies is critical for state government to be efficient when automating processes and the need to coordinate this knowledge. Grant writing is a new avenue ITD is starting to explore. These are two reasons for requesting a new position in this section.

The Administration section has 14 people and is responsible for administrative support, human resources, payroll, billing and other accounting functions. Records management provides consulting to state agencies, develops records retention schedules and audits for compliance of these records management programs. Security staff also reports in this section as they are responsible for physical, network and application security. This is an area that is growing quickly as the internet has revolutionized the way we access information. The protection of data is being scrutinized by the federal government as well as citizens who want to be sure the data stored with the state is only accessed by those who are authorized to access it. Another growing problem is the increase in criminal activity using the internet. These crimes can be committed in one state by an individual in a different state. The challenge is twofold, what criminal investigation team is going to prosecute (federal, state, city) and where is the law enforcement staff going to get the expertise needed to use the tools (computers, networks, etc.) needed for investigating these crimes. This requires technical knowledge along with law enforcement expertise. As a result ITD and the Attorney General's office have agreed to work together when these cases arise. To date the Bureau of Criminal Investigation (BCI) has prosecuted 10 cases in which computers were used in committing a crime. When the individual is not working on these projects, he (she) can work on security issues at the state. This

will allow for cross training and a better use of a very expensive, highly skilled individual. Another function of the administration section involves backup procedures and disaster recovery practices which are critical for the continuation of business in the event of a catastrophe.

The Software Development group develops and maintains computer software applications. This section has a current staff of 86 people and contracts for another 22 programmers. ITD is requesting an increase of 33 new FTE's. 30 of these positions are special funded and contingent upon other state agencies receiving funding for their development projects. ITD has experienced a real difficulty in finding contract programmers who have experience in the latest web and client server skills. These people when found have billing rates from \$75 to \$250 per hour. The projected hourly rates ITD will charge for the next biennium are \$49 for a programmer and \$53 for a systems analyst. It is our belief that the only way we are going to succeed in the future is to grow our own staff with these skills. Agencies have voiced their concerns over the high consulting rates and in many cases have had to abandon their development project and/or drastically reduce their scope. When we use contract programmers we pass on the hourly rate we pay for the contractor to the agency.

Computer Services is responsible for operating the mainframe computer, AS/400 computer, and the many servers used to operate e-mail systems, file servers, and agency applications. This section of 36 people provides computer operations, printing facilities, database support, and technical service support for all the hardware and software utilized. E-mail administration is also supported here and has become a mission critical application for many people today. ITD is requesting two new database support positions. Both the geographic information systems (GIS) and electronic data management systems (EDMS) will require additional support in this area.

Telecommunications has a staff of 27 and is responsible for the state wide area network, all telephone systems (40+) throughout the state along with a central help desk. ITD has just completed phase 1 of the wide area network, deploying ATM T-1 circuits to 177 locations in 64 communities. The second phase will connect every high school and library in the state (additional 300+ locations in 130 communities) with this same technology and pave the way for web based applications, such as geographic information systems (GIS), and video applications to be utilized. An additional two positions are being requested for this increase in workload. The addition of the K-12 institutions and libraries will more than double the end points on the current state network. The education community is dependent upon this broadband network if they are going to offer such programs as: distance learning classes, degrees over the internet, and the ability to share teachers, with hard to find skills.

New initiatives for the next biennium include the following projects:

Payment for Phase 1 of the wide area network. State agencies did not receive any additional funding for converting to the new ATM T-1 network which was completed November 30, 2000. ITD borrowed \$2,000,000 for the equipment (routers, switches, etc.) and is obligated to pay this note over a 36 month period. This amount is being billed back to the appropriate state agency on a monthly basis. Agencies will pay 9 months of this note during this biennium, but will need to obtain the remaining \$1,476,570 in the next biennium. Agencies also have had to find the increase in circuit costs for the current biennium in their existing budget. The increases for next biennium were provided in ITD's budget instructions and the agencies will be requesting these dollars in the budgets

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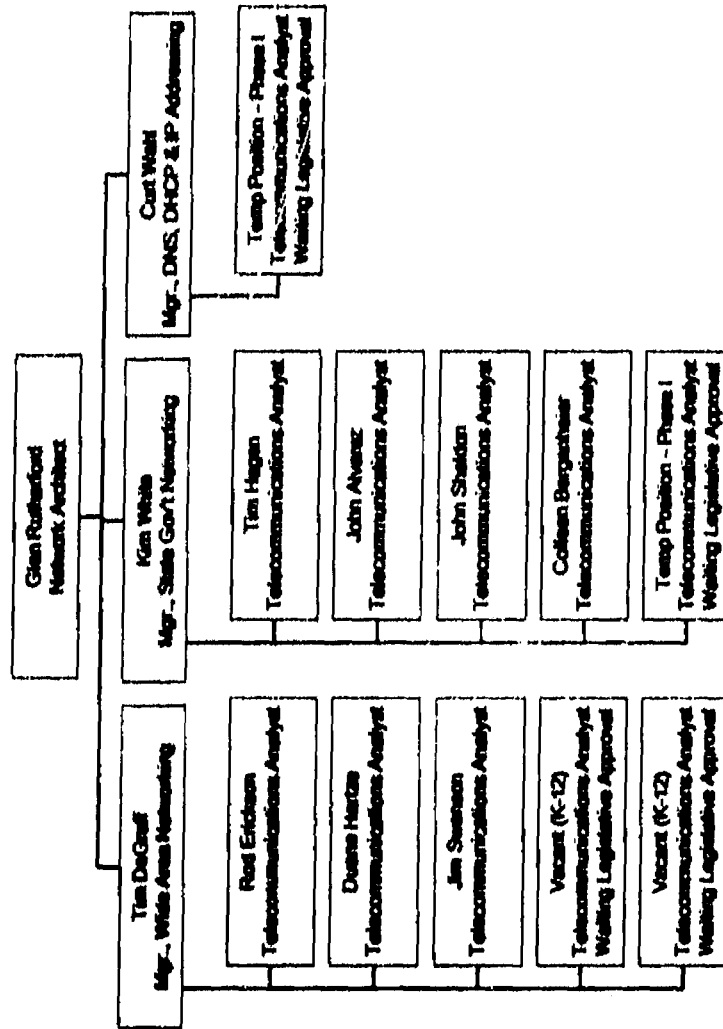
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This concludes my testimony and I would be happy to answer any questions you may have.

Thank you for your support.

Information Technology Department Telecommunications Division



SB2022
4-2-01

23 March 2001

PORTFOLIO ASSIGNMENTS- Wide Area Networking

Tim DeGraff

- WAN Core

Rod Erickson

- All Circuits
- Internet Access

Duane Hartze

- H.323 Video
- State Government

Jim Swenson

- Higher Education
- Political Sub Divisions

Adding K-12 and Libraries will increase network connections by 300+

Vacant (K-12 / Libraries)

Vacant (K-12 / Libraries)

23 March 2001

PORTFOLIO ASSIGNMENTS- State Government Networking

Tim Hagen
ITD

- Campus/Metro Backbone
- .H323
- Core Backbone (switches/routers)
- Computer Room
- Switch Room
- Tower
- Metro Area (Bank Core)

Research

- VLAN
- VPN
- H.323
- VoIP
- Etc.

John Alvarez

Department of Transportation
ED&F

Electric Board
Facility Management
Highway Patrol
Industrial Commission
- State Bank

- ND Geological Survey
- Oil and Gas
- Mill and Elevator
- State Water commission
- Atmospheric Research

Insurance Commission

OMB

- Central Services
- Surplus Property
- Central Duplicating

Public Service Commission
Securities Commission
State Historical
State Radio
State Auditor

John Sheldon

Human Services
Health Department
ITD
Indian Affairs
J-Wing
Labor Department
Housing and Finance

23 March 2001

Colleen Bergenheier

Agriculture

- Soil Conservation
- Wheat Commission

Game and Fish

Governor's Office

Job Service

Legislative Counsel

North Dakota University System

- School of Medicine
- UND Graduate Center
- NDSU Extension Offices

Parks and Recreation

Real Estate Commission

Retirement Investment Office

Secretary of State

State Treasurer

Workers Comp

John Glaser / Temp

Attorney General

BCI

Bond Bank

Corn Utilization Council

Correction & Rehabilitation

- Parole and Probation
- Rough Rider Industries
- State Penitentiary

Courts

Dept. Of Public Instruction

Board of Vocational and Technical Education

Emergency Management

National Guard

State Bar Board

State Library

Supreme Court

Tax Department

Tourism

Statewide Information Technology Budget Initiatives

January 4, 2001

Broadband state wide area network implementation

Goal 9: Integrated Broadband Network

This initiative creates the physical network infrastructure to support digital opportunities for economic development, life long learning and government services throughout North Dakota. The broadband network will expand the capacity and coverage of the information super highway. In the current biennium, the 60 locations on the existing state wide area network will be converted to newer technology. When complete, 552 physical locations in 194 North Dakota towns and cities will be connected. The state role as an anchor tenant will mean that new services provided to education and government will be available to private industry as well. ITD is requesting general funds to support the K-12 connections to the wide area network as mandated by NDCC 54.59.

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
All State Agencies / ITD	The estimated increase in ongoing circuit costs billed by ITD for agencies to connect to the new network.	\$1,461,000	Agency budgets (estimated by ITD) and ITD (112) Base Budget	Agencies were instructed to base their budgets on ITD projected rates. ITD included this amount as revenue to project their rates for next biennium. It is included in ITD's base budget.
County Government / ITD	The estimated increase in ongoing circuit costs billed by ITD for counties to connect to the new network.	\$126,000	Agency 112 Base Budget	Counties were informed of the upcoming rate increase. ITD included the same amount as revenue in their base budget.
NDUS / ITD	The increase in ongoing circuit costs for upgrading NDUS circuits to the new network.	\$542,000	Agency 215 Optional Priority 30 and ITD (112) Base Budget	NDUS was instructed to include this amount as part of the ITD rate. ITD included the same amount as revenue in their base budget.
State Agencies including Higher Ed / ITD	Equipment costs billed by ITD for the initial installation.	\$1,476,570		This is the one time cost for Phase 1 of the network. Agencies were not aware of this amount when completing their budgets. It was included in the executive recommendation.
ITD/K-12	State circuit costs to connect all high schools to the network. Estimated E-rate credit	\$7,910,082 (\$3,700,000)	Agency 112 Optional Priority 5	The total amount was requested with the total minus the e-rate credit requested as general funds.

2. State network support

Goal 9: Integrated Broadband Network

Currently four organizations work together to support the customer base of the state network. ITD provides the overall coordination and support for state agencies, the Higher Education Computing Network (HECN) provides support for the North Dakota University System campuses, the Association of Counties provides support for county government offices, and SENDIT provides support for K-12 users. With the expansion of the network, support demands on these organizations will increase. To take full advantage of the new capabilities, it will be imperative that these organizations grow their services into regional markets and assist agencies, schools and local government offices in accessing the new network.

Statewide Information Technology Budget Initiatives

January 4, 2001

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
State agencies / ITD	Additional FTEs for network support.	\$309,317	Agency Budgets (estimated by ITD) and ITD 112 Optional Priority 4	Agencies were instructed to base their budgets on ITD projected rates. ITD included the same amount as revenue in their base budget.
ITD/ Association of Counties	Expand support provided by the Association of Counties	\$248,000	Agency 112 Optional Priority 5	This amount is included in ITD's budget to pass through to the Association of Counties.
ITD/SENDIT	Expand support to 8 regions for K-12 schools	\$1,427,000	Agency 201 Optional Priority 16	This is the amount of the increase in SENDIT's budget. In the executive recommendation the entire SENDIT budget was moved to ITD's budget (112).
NDUS/TVN	Expand support for video conferencing for K-12 schools	\$2,739,194	Agency 215 Optional Priority 110	This is the increase requested to support K-12 and state agencies..

Video conference and LAN equipment

Goal 9: Integrated Broadband Network

Goal 2: Promote "Anytime - Anywhere Education

The broadband network initiative will create access at the building level. To connect *people* in offices and meeting rooms, additional equipment will be necessary so that video conferencing, and local area networks can take the applications to the delivery point. To accomplish this, the Education Telecommunication Council will be responsible for targeting grant dollars to those schools that provide the best opportunity for taking advantage of the network. The ETC will take a leadership role in the planning and evaluation of the implementation of technology throughout K-12. State agencies and higher education have included these equipment costs in their information technology plans and budgets where appropriate.

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
ITD/Education Telecommunica- tions Council (ETC)	Included are grant funds plus the cost of staff to provide leadership and administration.	\$3,500,000	Agency 201 Base Budget Ed. Technology	The executive recommendation reduced the request and moved the amount to ITD's budget (112). Legislation involving the governance structure of the ETC should be coordinated with appropriations bills.
State Agencies including Higher Ed.	Initiatives are included in individual agency IT plans.			

Statewide Information Technology Budget Initiative

January 4, 2001

Workforce Development and Distance Education

Goal 1: Workforce Development

Goal 2: Promote "Anytime - Anywhere Education"

For North Dakota to become a player in the digital economy, the state needs a highly trained workforce to attract new businesses and provide technical support to existing businesses. Distance education, fast becoming a very competitive market world-wide, will play a vital role in providing training to under served areas of the state and attracting students to North Dakota colleges and universities. It is essential that our teachers have the necessary skills and tools to integrate technology into the curriculum and use new methods of delivery.

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
ITD/VCSU/CII	Provide training to administrators and teachers who will integrate technology into K-12 classrooms.	\$594,000	Agency 242 Optional Priority 7	This is the amount of the increase in CII's budget. In the executive recommendation the entire CII budget was moved to ITD's budget (112).
NDUS	Provide centralized online course management systems and support necessary to deliver workforce training over the Internet (\$935,100), coordination of distance education activities (\$498,200) and ODIN (\$422,980).	\$1,856,280	Agency 215 Optional Priority 110	
ITD	Expand technology curriculum offerings to additional schools. Use programs like ExplorNet and Cisco Academies to provide ready-to-use curriculum and teacher training to schools.	\$590,300	Agency 112 Optional Priority 21	

5. Enterprise Resource Planning (ERP) System

Goal 3: Enterprise-wide Solutions

All of North Dakota State Government will benefit from this project to replace aging administrative systems. This project stems from University Systems efforts over the past several years to replace its financial and student systems. K-12 districts will benefit from the increased buying power of the state and compatibility in reporting requirements. The new administrative systems will be based on technologies that allow for greater access to data to improve management decision making and will eliminate the growing trend toward "shadow" systems. Online access for post secondary students to apply, register and do transactions online is critical to attracting students to North Dakota colleges and universities.

Statewide Information Technology Budget Initiatives

January 4, 2001

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
ITD	Replace existing financial, human resource and student information systems for state government, higher education, and K-12. The estimated cost is used for budget purposes and will be refined when vendor proposals are received.	\$20,000,000	The project was included only as an executive recommendation. Agency 112 Optional Priority 18 included agency enhancements requested of ITD.	This represents partial funding of the total project. University Systems and K-12 will be the first priority. An RFP process has begun. \$488,873 in special funds for agency enhancements was added to the \$20,000,000 general funds.

6. Geographic Information System Hub

Goal 3: Enterprise-wide Solutions

A study by Convergent Technologies recommends the development and support a centralized Geographic Information System hosting infrastructure (GIS hub) for North Dakota state agencies and their partners. The GIS hub would provide a means of sharing the GIS information now being stored locally at each agency. ITD would also provide centralized GIS development and support services to agencies who cannot justify full-time GIS staff. This initiative will also create the infrastructure for web-enabling GIS information reporting.

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
ITD	Implement a centralized GIS hub to enable sharing of GIS among users within state government, political subdivisions and the federal government.	\$1,059,317	Agency 112 Optional Priority 17	General funds.
Various agencies	Initiatives are included in individual agency IT plans. These initiatives are necessary for the individual agency to collect and analyze GIS information for specific purposes.			

7. Innovation Fund

Goal 8: Funding Information Technology

An innovation fund should be established to provide flexible funding for IT projects that arise during the next biennium. This fund would serve as mechanism to provide dollars for cost effective projects beyond what was originally appropriated to individual agencies. Agencies utilizing the resources of this fund would pay back the fund with interest to maintain an on-going resource.

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
ITD	Establish an "Innovation Fund" as a mechanism for funding key technology initiatives.	\$500,000	Agency 112 Optional Priority 22	The request was reduced in the executive recommendation.

Statewide Information Technology Budget Initiatives

January 4, 2001

Shared Electronic Document Management System

Goal 3: Enterprise-wide Solutions

This initiative includes the funding to develop and support a centralized Electronic Document Management System infrastructure (EDMS) for North Dakota state agencies. This infrastructure would be centrally managed by ITD with the cost billed back to the participating agencies versus implementing similar technologies locally in each agency.

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
State Agencies /ITD	Implement centralized EDMS services.	\$1,309,317	Agency 112 Optional Priority 19	Agencies will be billed for services used.
Various agencies	Initiatives are included in individual agency IT plans. Funds requested in the agency initiatives may be used to purchase the centralized services from ITD and for other project costs.			

9. E-government

Goal 1: E-government

Government service delivery will move from the "brick and mortar" approach to delivery over the Internet. Citizens will receive services online instead of in line. Extensive programming and development will be needed to produce these online applications. ITD will be a key provider of development and hosting services for e-government applications. To create a seamless approach to government, a single interface to multiple applications across agency lines is needed. State funding is necessary to develop these enterprise wide applications.

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
ITD	Direct general funds to the development of the state portal and enterprise wide applications.	\$321,228	Agency 112 Optional Priority 15	General funds. The request was reduced in the executive recommendation.
Various agencies	E-government initiatives to move specific services online are included in individual agency IT plans.			

10. Security and privacy

Goal 1: E-government

As we expand the network and move more services to the e-government model along with federal mandates such as the Health Insurance Portability and Accountability Act (HIPAA), information technology security is becoming more critical and more complex. Central leadership and expertise is necessary to identify solutions the state can implement on a proactive basis. Monitoring of intrusion attempts is also critical to maintain the integrity of the network.

Statewide Information Technology Budget Initiatives

January 4, 2001

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
ITD	ITD is requesting general funds for 1 FTE to assist the Attorney General's office along with other law enforcement agencies in investigating cybercrime An additional FTE at ITD will provide expertise and leadership in helping the state to adequately secure its information technology resources.	\$275,548	Agency 112 Optional Priorities 13&14	
Various agencies	Initiatives to improve security at the agency level are included in individual agency IT plans.			

11. Research and planning

Goal 5: Technology Research & Planning

Greater emphasis needs to be placed on research and planning so that North Dakota can identify trends and new technologies instead of reacting as technologies change. By getting out in front of technology change, the state will prevent wasteful spending and make better decisions when choosing technologies to be implemented.

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
ITD	Enhance the research and planning capabilities of state government by adding positions to identify technology trends and implications for North Dakota. Additional funds would be used for contracting for studies and research.	\$310,614	Agency 112 Optional Priority 16	The request was reduced in the executive recommendation.

12. Mobile Data Terminal Expansion

Goal 12: State Radio Network Enhancements

The pilot project to implement mobile data terminals in Highway Patrol vehicles has been extremely positive. Officers find that they spend an additional one hour per person per shift in the car rather than in the office doing paper work. This project will expand the coverage to other areas of the state. Providing the technology through state radio also makes it available to local law enforcement agencies where the towers are located.

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
State Radio	Add MDT capabilities to an additional 5 radio towers.	\$260,892	Agency 506 Optional Priority 5	The request was reduced in the executive recommendation.
Highway Patrol	Purchase mobile data terminals for 20 additional cars.	\$220,000	Agency 504 Base Budget Field Operations	The request was reduced in the executive recommendation.

Statewide Information Technology Budget Initiatives

January 4, 2001

13. State Radio Communications

Goal 12: State Radio Network Enhancements

Radio communications technology is moving from analog to digital and at some point will be required by the FCC. This massive project will need to be accomplished over a number of years. Continuous planning will be an important part of this endeavor so that local, state and federal public safety entities can participate in and migrate to newer mobile radio technologies with minimal impact on existing services.

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
State Radio	Develop a plan, including an engineering study and request for proposal for implementation of a public safety communication system to support mobile voice, data, and imaging requirements for users.	\$400,000	Agency 506 Optional Priority 6	The request was reduced in the executive recommendation.

14. Criminal Justice Integration

Goal 3: Enterprise-wide Solutions

A strategic plan will be developed by March 2001 outlining specific steps to integrate criminal justice systems in North Dakota. Small integration projects between agencies are currently underway and will be incorporated into the overall plan. The planning process involves all the state entities involved in public safety including the Judicial Branch, the Attorney General's Office, the Department of Corrections and Rehabilitation, Highway Patrol, State Radio, and the Department of Transportation. The process also includes local and regional law enforcement entities.

Entity	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Notes
Various agencies	Initiatives are included in individual agency IT plans. Grant dollars will be sought to fund the majority of new costs.			Planning is currently underway. Small data sharing projects will be funded from individual agencies. Grant dollars will be sought for large initiatives.

Note:

*Executive Recommendation refers to Governor Schafer's November 2000 Budget Message.

Information Technology Department Budget Initiatives

January 12, 2001

1. State Network - Phase 2 Rollout - Primarily K-12 and Libraries

Purpose	Item	Planned Budget (*Executive Recommendation)	Funding Source	Justification
Infrastructure for K-12	State circuit costs and equipment costs for routers to connect all high schools and libraries to the network as mandated in NDCC 54.59. Includes 2 FTE for WAN management. Estimated E-rate credit	\$7,922,549 (\$3,700,000)	General Funds = \$4,222,549	This initiative creates the physical network infrastructure to support digital opportunities for economic development, life long learning and government services throughout North Dakota. The broadband network will expand the capacity and coverage of the information super highway. In the current biennium (Phase 1), the 64 locations on the existing state wide area network were converted to newer technology. When Phase 2 is complete, 552 physical locations in 194 North Dakota towns and cities will be connected. ITD is requesting general funds to support the K-12 connections to the wide area network as mandated by NDCC 54.59.
Support for Counties	Expand support provided by the Association of Counties	\$248,000	General funds	Currently four organizations work together to support the customer base of the state network. ITD provides the overall coordination and support for state agencies, the Higher Education Computing Network (HIECN) provides support for the North Dakota University System campuses, the Association of Counties provides support for county government offices, and SENDIT provides support for K-12 users. With the expansion of the network, support demands on these organizations will increase. To take full advantage of the new capabilities, it will be imperative that these organizations grow their services into regional markets and assist agencies, schools and local government offices in accessing the new network.
Support for K-12	Expand support to 8 regions for K-12 schools	\$1,427,000	General funds	The broadband network initiative will create access at the building level. To connect people in offices and meeting rooms, additional equipment will be necessary so that video conferencing, and local area networks can take the applications to the delivery point. To accomplish this, the Education Telecommunications Council will be responsible for targeting grant dollars to those schools that provide the best opportunity for taking advantage of the network. The ETC will take a leadership role in the planning and evaluation of the implementation of technology throughout K-12. State agencies and higher education have included these equipment costs in their information technology plans and budgets where appropriate.
Equipment for K-12 users	Included are ETC grant funds plus the cost of staff to provide leadership and administration.	\$2,200,000	General funds. Note: 99-01 ETC grants funded at \$6,000,000	

Information Technology Department Budget Initiatives

January 12, 2001

Training K-12	Provide training to administrators and teachers who will integrate technology into K-12 classrooms	\$594,000	General Funds	For North Dakota to become a player in the digital economy, the state needs a highly trained workforce to attract new businesses and provide technical support to existing businesses. Distance education, fast becoming a very competitive market world-wide, will play a vital role in providing training to under served areas of the state and attracting students to North Dakota colleges and universities. It is essential that our teachers have the necessary skills and tools to integrate technology into the curriculum and use new methods of delivery.
Training K-20	Expand technology curriculum offerings to additional schools. Use programs like Microsoft Cisco Academics to provide ready-to-use curriculum and teacher training to schools.	\$590,300	General Funds	
Total		\$13,303,644	General Funds = \$9,281,849	Compared to \$6,000,000 spent in ETC grants in 99-01. Spending will be more focused with greater accountability.

Related items in other agency budgets

Purpose	Item	Planned Budget (*Executive Recommendation)	Funding Source	Justification
Support	NDUS/IVN will expand support for video conferencing for K-12 schools.	\$2,739,194	General funds requested	This is the increase requested to support the video conferencing needs of K-12 and state agencies. The support would be provided by IVN staff
Training / Distance Ed	NDUS/IECN will provide centralized online course management systems and support necessary to deliver workforce training over the Internet (\$935,100), coordination of distance education activities (\$498,200) and ODIN (\$422,980).	\$1,856,280	General funds requested	This provides the necessary distance education applications to run over the network.

Information Technology Department Budget Initiatives

January 12, 2001

2. State Network Phase 1 Equipment Costs

Purpose	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Justification
Equipment for state agencies	Equipment costs billed by ITD for the initial installation.	\$1,476,570	General Funds = \$450,275	This is 75% of the one time cost for Phase 1 of the network. Agencies were not aware of this amount when completing their budgets. It was included in the executive recommendation.
Support for State Agencies	Additional FTEs for network support.	\$321,784	Special Funds	This is the increase in support costs built into the ITD rates.

Information Technology Department Budget Initiatives

January 12, 2001

3. Enterprise Resource Planning (ERP) System

Purpose	Item	Planned Budget (*Executive Recommendation)	Funding Source	Justification
Total System for the State, HigherEd. and K-12.	Replace existing financial, human resource and student information systems for state government, higher education, and K-12. The estimated cost is used for budget purposes and will be refined when vendor proposals are received.	\$11,000,000	General Funds.	This represents partial funding of the total project. University Systems and K-12 will be the first priority. An RFP process has begun. All of North Dakota State Government will benefit from this project to replace aging administrative systems. This project stems from University Systems efforts over the past several years to replace its financial and student systems. K-12 districts will benefit from the increased buying power of the state and compatibility in reporting requirements. The new administrative systems will be based on technologies that allow for greater access to data to improve management decision making and will eliminate the growing trend toward "shadow" systems. Online access for post secondary students to apply, register and do transactions online is critical to attracting students to North Dakota colleges and universities.
	Quality Schools	\$70,000	General funds	Create systems to collect information for quality schools initiative.
	K-12 Student Database	\$412,500	General funds	Create a data warehouse of student information to evaluate the effectiveness of K-12 programs.
	ITD staffing for agency enhancements	\$488,873	Special funds	Spending authority for ITD to complete requests by agencies for specific enhancements.
	Total	\$11,971,373		

Information Technology Department Budget Initiatives

January 12, 2001

4. E-government

Purpose	Item	Planned Budget (*Executive Recommendation)	Funding Source	Justification
Coordination / Development	Direct general funds to the development of the state portal and enterprise wide applications.	\$334,177	General Funds	Government service delivery will move from the "brick and mortar" approach to delivery over the Internet. Citizens will receive services online instead of in line. Extensive programming and development will be needed to produce these online applications. ITD will be a key provider of development and hosting services for e-government applications. To create a seamless approach to government, a single interface to multiple applications across agency lines is needed. State funding is necessary to develop these enterprise wide applications.

Information Technology Department Budget Initiatives

January 12, 2001

5. Geographic Information System Hub

Purpose	Item	Planned Budget (*Executive Recommendation)	Funding Source	Justification
Hardware and Support	Implement a centralized GIS hub to enable sharing of GIS information among users within state government, political subdivisions and the federal government.	\$1,071,784	General Funds	A study by Convergent Technologies recommends the development and support a centralized Geographic Information System hosting infrastructure (GIS hub) for North Dakota state agencies and their partners. The GIS hub would provide a means of sharing the GIS information now being stored locally at each agency. ITD would also provide centralized GIS development and support services to agencies who cannot justify full-time GIS staff. This initiative will also create the infrastructure for web-enabling GIS information reporting.

Information Technology Department Budget Initiatives

January 12, 2001

6. Shared Electronic Document Management System

Purpose	Item	Planned Budget (*Executive Recommendation)	Funding Source	Justification
Hardware & Support	Implement centralized EDMS services.	\$1,321,784	Special Funds.	This initiative includes the funding to develop and support a centralized Electronic Document Management System infrastructure (EDMS) for North Dakota state agencies. This infrastructure would be centrally managed by ITD with the cost billed back to the participating agencies versus implementing similar technologies locally in each agency.

Information Technology Department Budget Initiatives

January 12, 2001

7. Security and privacy

Purpose	Item	Planned Budget (*Executive Recommendation)	Funding Source	Justification
Security Staff	<p>ITD is requesting general funds for 1 FTE to assist the Attorney General's office along with other law enforcement agencies in investigating cybercrime</p> <p>An additional FTE at ITD will provide expertise and leadership in helping the state to adequately secure its information technology resources.</p>	\$286,656	General Funds = \$143,328	<p>As we expand the network and move more services to the e-government model along with federal mandates such as the Health Insurance Portability and Accountability Act (HIPAA), information technology security is becoming more critical and more complex. Central leadership and expertise is necessary to identify solutions the state can implement on a proactive basis. Monitoring of intrusion attempts is also critical to maintaining the integrity of the network.</p>

Information Technology Department Budget Initiatives

January 12, 2001

1. Research and planning

Purpose	Item	Planned Budget (*Executive Recommendation)	Budget Request Source	Justification
Coordination & Research	Enhance the research and planning capabilities of state government by adding positions to identify technology trends and implications for North Dakota. Additional funds would be used for contracting for studies and research.	\$317,088	General Funds.	Greater emphasis needs to be placed on research and planning so that North Dakota can identify trends and new technologies instead of reacting as technologies change. By getting out in front of technology change, the state will prevent wasteful spending and make better decisions when choosing technologies to be implemented.

Information Technology Department Budget Initiatives

January 12, 2001

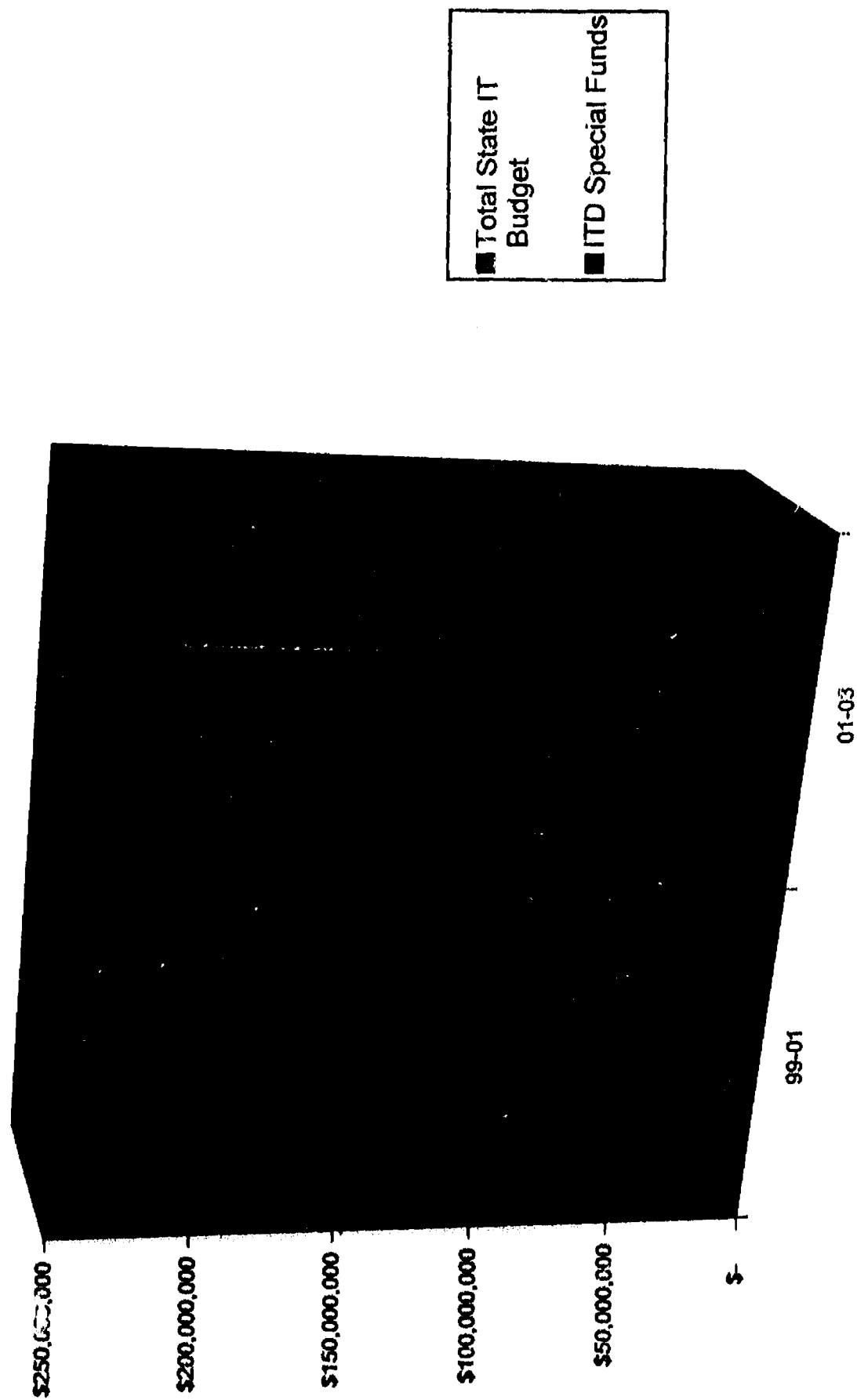
3. Innovation Fund

Purpose	Item	Planned Budget (*Executive Recommendation)	Funding Source	Justification
Special Projects	Establish an "Innovation Fund" as a mechanism for funding key technology initiatives.	\$200,000	General Funds.	An innovation fund should be established to provide flexible funding for IT projects that arise during the next biennium. This fund would serve as mechanism to provide dollars for cost effective projects beyond what was originally appropriated to individual agencies. Agencies utilizing the resources of this fund would pay back the fund with interest to maintain an on-going resource.

Note:

*Executive Recommendation refers to Governor Hoeven's Budget.

Total State IT Budget Compared to ITD Special Funds



ITD Special Fund Comparison

	99-01		01-03	Change
Total State IT Budget	\$ 199,813,693	\$	225,850,475	\$ 26,036,782
ITD Special Funds	\$ 49,485,000	\$	70,165,372	\$ 20,680,372
ITD Special Funds as a % of the Total IT Budget	25%		31%	

SB 2022
3-15401

Circuit cost only - see other HECN cost's below.

**INFORMATION TECHNOLOGY DEPARTMENT
REQUESTED APPROPRIATIONS FOR THE WIDE AREA NETWORK DEPLOYMENT
FOR 2001 - 2003 BUDGET**

Location	City	Estimated Revenue	Estimated Expense
39 Griggs Co Courthouse & SS	Cooperstown	700	900
40 Divide County Courthouse, SS, & DL	Crosby	700	900
41 Devils Lake DJS	Devils Lake	800	800
42 Devils Lake DL & MV	Devils Lake	800	800
43 Devils Lake DOT	Devils Lake	800	800
44 Devils Lake Job Service	Devils Lake	800	800
45 Devils Lake Parole & Probation	Devils Lake	800	800
46 Lake Region CSE	Devils Lake	900	900
47 Lake Region HSC	Devils Lake	800	800
48 Lake Region State College	Devils Lake	2,328	2,328
49 Ramsey County Courthouse, SS, DC	Devils Lake	1,400	900
50 Dickinson P&P, BCI, Fire Marshall, & CSE	Dickinson	800	800
51 Dickinson Voc Rehab	Dickinson	800	800
52 Dickinson Job Service	Dickinson	800	800
53 Dickinson Law Enforcement Center	Dickinson	800	800
54 Dickinson DOT / DL / MV / HP	Dickinson	800	800
55 Dickinson Oil & Gas	Dickinson	800	800
56 Dickinson State University	Dickinson	2,328	2,328
57 Stark County Courthouse	Dickinson	1,050	900
58 Stark County SS	Dickinson	900	900
59 Badlands HSC	Dickinson	800	800
60 Dickey Co SS	Ellendale	900	900
61 Dickey Co Courthouse	Ellendale	1,050	900
62 Ellendale Motor Vehicle	Ellendale	800	800
63 Fargo Motor Vehicle	Fargo	800	800
64 Fargo P&P	Fargo	800	800
65 Fargo Tax	Fargo	800	800
66 Fargo WCB	Fargo	800	800
67 Fargo Job Service	Fargo	800	800
68 State Auditor	Fargo	800	800
69 Fargo DOT	Fargo	800	800
70 North Dakota State University	Fargo	2,796	2,796
71 SE HSC	Fargo	800	800
72 Cass Co Courthouse Annex & SS	Fargo	1,400	900
73 Fargo BCI	Fargo	800	800
74 Fargo DJS	Fargo	800	800
75 Last Chance	Fargo	800	800
76 Wells County Courthouse	Fessenden	350	900
77 Wells County SS	Fessenden	900	900
78 Steele Co Courthouse & SS	Finley	700	900

Circuit cost only - see other HECN costs below.

Circuit cost only - see other HECN costs below.

Circuit cost only - see other HECN costs below.

**INFORMATION TECHNOLOGY DEPARTMENT
REQUESTED APPROPRIATIONS FOR THE WIDE AREA NETWORK DEPLOYMENT
FOR 2001 - 2003 BUDGET**

Location	City	Estimated Revenue	Estimated Expense
79 Sargent Co Courthouse & SS	Forman	1,050	900
80 Fort Yates Job Service	Fort Yates	800	800
81 Sioux County Courthouse & SS	Fort Yates	700	900
82 Fort Totten Job Service	Fl. Totten	800	800
83 Developmental Center	Grafton	800	800
84 Grafton Job Service	Grafton	800	800
85 Walsh Co Courthouse & P&P	Grafton	1,050	900
86 Grafton Motor Vehicle & D L	Grafton	800	800
87 Grand Forks Motor Vehicle	Grand Forks	800	800
88 School for the Blind	Grand Forks	800	800
89 Grand Forks Co Ctrhs & SS	Grand Forks	1,400	900
90 NE HSC	Grand Forks	800	800
91 Grand Forks DOCR	Grand Forks	800	800
92 Grand Forks BCI	Grand Forks	800	800
93 Grand Forks DJS	Grand Forks	800	800
94 Grand Forks DOT	Grand Forks	800	800
95 Grand Forks HP	Grand Forks	800	800
96 Grand Forks Job Service	Grand Forks	800	800
97 University of North Dakota	Grand Forks	800	800
98 Harvey Job Service	Grand Forks	3,924	3,924
99 Adams County Courthouse	Harvey	800	800
100 Adams County SS	Hettinger	350	900
101 Trail Co Courthouse & SS	Hettinger	900	900
102 Jamestown Motor Vehicle & DL	Hillsboro	1,050	900
103 Stutsman Co SS	Jamestown	800	800
104 Jamestown Job Service	Jamestown	900	900
105 SC HSC	Jamestown	800	800
106 Stutsman Co CSE	Jamestown	800	800
107 Jamestown DJS	Jamestown	800	800
108 State Hospital	Jamestown	800	800
109 Stutsman Co Courthouse & HP	Jamestown	800	800
110 Dunn County SS	Jamestown	1,050	900
111 Nelson Co Courthouse & SS	Killdeer	1,050	900
112 LaMoure Co Courthouse & SS	Lakota	1,050	900
113 Cavalier County Courthouse & DL	LaMoure	1,050	900
114 Cavalier County SS	Langdon	1,050	900
115 Emmons Cnty Courthouse, SS, & DC	Langdon	900	900
116 Ransom Co Courthouse & SS	Linton	1,050	900
117 ND Veterans Home	Lisbon	1,050	900
118 Morton Cnty Courthouse, SS, & DC	Lisbon	800	800
	Mandan	1,400	900

Circuit cost only - see other HECN costs below.

**INFORMATION TECHNOLOGY DEPARTMENT
REQUESTED APPROPRIATIONS FOR THE WIDE AREA NETWORK DEPLOYMENT
FOR 2001 - 2003 BUDGET**

Location	City	Estimated Revenue	Estimated Expense
119 Youth Correctional Center	Mandan	800	800
120 Dunn County Courthouse & DC	Manning	1,050	900
121 Mayville State University	Mayville	2,328	2,328
122 Sheridan County Courthouse & SS	McClusky	1,050	900
123 Billings County Courthouse	Medora	350	900
124 Benson County Courthouse	Minnewaukan	700	900
125 Benson County SS	Minnewaukan	900	900
126 Minot DL / MV / Tax Dept	Minot	800	800
127 Minot Job Service	Minot	800	800
128 NC HSC	Minot	800	800
129 Minot BCI	Minot	800	800
130 Minot Outreach (DHS)	Minot	800	800
131 Ward County Courthouse & DC	Minot	800	800
132 Minot CSE	Minot	1,050	900
133 Minot DOT	Minot	800	800
134 Minot Oil & Gas	Minot	800	800
135 Minot DJS	Minot	800	800
136 Minot Parole & Probation	Minot	800	800
137 Minot State University	Minot	800	800
138 Renville County Courthouse & SS	Minot	2,328	2,328
139 Hettinger County Courthouse	Mohall	1,050	900
140 Hettinger County SS	Mott	700	900
141 Logan County Courthouse & SS	Mott	900	900
142 Eddy County Courthouse & DC	Napoleon	350	900
143 Eddy County SS	New Rockford	700	900
144 New Town Job Service	New Rockford	900	900
145 Oakes Job Service	New Town	800	800
146 Rolla Job Service	Oakes	800	800
147 Rolette County Courthouse	Rolla	800	800
148 Rolette County Social Service	Rolla	700	900
149 Rolla DJS	Rolla	900	900
150 Pierce County Courthouse & DC	Rolla	800	800
151 Pierce County SS	Rugby	1,050	900
152 Rugby Motor Vehicle	Rugby	900	900
153 Mountrail County Courthouse & DC	Rugby	800	800
154 Mountrail County SS	Stanley	700	900
155 Mercer County Courthouse, BCI, & DC	Stanley	900	900
156 Mercer County SS	Stanton	1,050	900
157 Kidder County Courthouse & SS	Stanton	900	900
158 McHenry County Courthouse & SS	Steele	700	900
	Towner	700	900

Circuit cost only - see other HECN costs below.

Circuit cost only - see other HECN costs below.

**INFORMATION TECHNOLOGY DEPARTMENT
REQUESTED APPROPRIATIONS FOR THE WIDE AREA NETWORK DEPLOYMENT
FOR 2001 - 2003 BUDGET**

Location	City	Estimated Revenue	Estimated Expense
159 Valley City DOT	Valley City	800	800
160 Valley City Job Service	Valley City	800	800
161 Valley State University	Valley City	2,328	2,328
162 Barnes Co Courthouse & SS	Valley City	1,400	900
163 Richland Co Courthouse	Wahpeton	1,050	900
164 Richland Co SS & P&P	Wahpeton	900	900
165 Wahpeton State University	Wahpeton	2,328	2,328
166 Wahpeton Job Service	Wahpeton	800	800
167 Wahpeton MV	Wahpeton	800	800
168 McLean Cnty Courthouse, SS, & DC	Washburn	700	900
169 McKenzie County Courthouse & SS	Wattford City	1,050	900
170 West Fargo P&P	West Fargo	800	800
171 Williams Cnty Courthouse, CSE, DC	Williston	1,050	900
172 Williston Oil & Gas	Williston	800	800
173 NW HSC	Williston	800	800
174 Williston State College	Williston	2,328	2,328
175 Williston Job Service	Williston	800	800
176 Williston DJS	Williston	800	800
177 Williston Motor Vehicle	Williston	800	800
178 Williston Highway Patrol	Williston	800	800
179 Williston Parole & Probation	Williston	800	800
180 Williston DOT / DL	Williston	800	800
HECN Infrastructure		49,545	49,545

Includes all hardware, internet access and ITD technical support for the 11 Universities.

**Phase II Deployment - Schools / Libraries
Schools (200)**

1 Adams Public (119)	Adams		
2 Alexander Public (109)	Alexander		
3 Anamoose Public (102)	Anamoose		
4 Ashley Public (214)	Ashley		
5 Beach High (247)	Beach		
6 Turtle Mt Comm High (619)	Belcourt		
7 Selfield Public (318)	Belfield		
8 Berthold Public (218)	Berthold		
9 Beulah High (375)	Beulah		
10 Bisbee-Egeland High (81)	Bisbee		
11 Bismarck High (1489)	Bismarck		
12 Century High School	Bismarck		
13 South Central Alt High School	Bismarck		
14 Bismarck Voc Center	Bismarck		
		Circuits (303 circuits x \$517)	3,759,624
		Equipment (\$8,611 per location)	2,609,133
		ITD Core Equipment (2 Routers & Monitoring Equipment)	135,000
		Site Prep / Install (\$1,950 per Facility)	590,850
		Internet Access (DS/3 Bandwidth)	481,021

**INFORMATION TECHNOLOGY DEPARTMENT
REQUESTED APPROPRIATIONS FOR THE WIDE AREA NETWORK DEPLOYMENT
FOR 2001 - 2003 BUDGET**

Location	City	Estimated Revenue	Estimated Expense
15 Bottineau Jr-Sr High (372)	Bottineau		
16 Bowbells Public (122)	Bowbells		
17 Bowman Public (466)	Bowman		ITD Staff (2 FTE's)
18 Central Valley Public (323)	Buxton		
19 Border Central Public (31)	Calvin		
20 Cando Public (302)	Cando		Less E-Rate Reimbursement (Estimated)
21 Carrington High (297)	Carrington		
22 Roosevelt Public (151)	Carson		
23 Central Cass Public (618)	Cassation		
24 Cavalier Public (660)	Cavalier		
25 Center Public (320)	Center		
26 Richland Jr-Sr High (150)	Colfax		
27 Griggs County Central High (202)	Cooperstown		
28 Divide County High (194)	Crosby		
29 Des Lacs-Burlington High School	Des Lacs		
30 Devils Lake High (713)	Devils Lake		
31 School for the Deaf	Devils Lake		
32 Lake Area Voc Tech Center	Devils Lake		
33 Dickinson High (1028)	Dickinson		
34 Drake Public (164)	Drake		
35 Drayton Public (237)	Drayton		
36 Driscoll Public (29)	Driscoll		
37 Dunsmuir High (285)	Dunsmuir		
38 Edgeley Public (259)	Edgeley		
39 Edinburg Public (170)	Edinburg		
40 Edmore Public (136)	Edmore		
41 Elgin Public (268)	Elgin		
42 Ellendale High (172)	Ellendale		
43 Enderlin Public (373)	Enderlin		
44 Fairmount Public (147)	Fairmount		
45 North High (881)	Fargo		
46 South High School	Fargo		
47 Woodrow Wilson Alt High School	Fargo		
48 Evaluation & Training Center	Fargo		
49 Division of Independent Study	Fargo		
50 Fessenden Public (198)	Fessenden		
51 Finley-Sharon Public (184)	Finley		
52 Flasher Public (263)	Flasher		
53 Fordville Public (86)	Fordville		
54 Sargent Central Public (347)	Forman		
		Estimated Total Cost - Phase II	<u>4,197,412</u>
			321,784
			(3,700,000)

**INFORMATION TECHNOLOGY DEPARTMENT
REQUESTED APPROPRIATIONS FOR THE WIDE AREA NETWORK DEPLOYMENT
FOR 2001 - 2003 BUDGET**

Location	City	Estimated Revenue	Estimated Expense
56 Four Winds Comm High (175)	Ft Totten		
56 Ft Yates Public (201)	Ft Yates		
57 Standing Rock High (357)	Ft Yates		
58 Gackle-Streater Public (197)	Gackle		
59 Garrison High (217)	Garrison		
60 Glen Ullin Public (251)	Glen Ullin		
61 Glenburn Public (324)	Glenburn		
62 Midkota High (144)	Glenfield		
63 Golden Valley High (64)	Golden Valley		
64 Goodrich Public (65)	Goodrich		
65 Grafton High (367)	Grafton		
66 North Valley Area Voc Tech	Grafton		
67 Central High School	Grand Forks		
68 Community All High School	Grand Forks		
69 Red River High (1387)	Grand Forks		
70 Granville Public (156)	Granville		
71 Grenora Public (87)	Grenora		
72 North Sargent Public (203)	Gwinner		
73 Halliday Public (104)	Halliday		
74 Hankinson Public (344)	Hankinson		
75 Harvey High (213)	Harvey		
76 Hatton Public (283)	Hatton		
77 Hazleton-Moffit-Bredbeck Public (177)	Hazleton		
78 Hazen High (324)	Hazen		
79 Hebron Public (200)	Hebron		
80 Hettinger Public (453)	Hettinger		
81 Hillsboro High (248)	Hillsboro		
82 Valley High (163)	Hoople		
83 Northern Cass Public (462)	Hunter		
84 Midway Public (332)	Inkster		
85 Adolescent & Child Treatment Center	Jamesstown		
86 Jamestown High (997)	Jamestown		
87 James Valley Area Voc Tech	Jamestown		
88 Kenmare High School	Kenmare		
89 Kenal Public (87)	Kensai		
90 Killdeer Public (376)	Killdeer		
91 Kindred Public (623)	Kindred		
92 Kulm High (83)	Kulm		
93 Lakota High (143)	Lakota		
94 LaMoure Public (380)	LaMoure		

INFORMATION TECHNOLOGY DEPARTMENT
REQUESTED APPROPRIATIONS FOR THE WIDE AREA NETWORK DEPLOYMENT
FOR 2001 - 2003 BUDGET

Location	City	Estimated Revenue	Estimated Expense
95 Langdon High (324)	Langdon		
96 Larimore High (349)	Larimore		
97 Leeds Public (219)	Leeds		
98 Lidgerwood Public (272)	Lidgerwood		
99 Burke Central Public (125)	Lignite		
100 Linton Public (372)	Linton		
101 Lisbon High (250)	Lisbon		
102 Maddock Public (237)	Maddock		
103 North Shore High School	Makoti		
104 Mandan High (1282)	Mandan		
105 Marmot Schools	Mandan		
106 Mandaree Public School	Mandaree		
107 Litchville-Merion High (113)	Marion		
108 Max Public School	Max		
109 Mayville-Portland CG High (256)	Mayville		
110 McClusky High (140)	McClusky		
111 Medina Public (192)	Medina		
112 Minor Public (286)	Minor		
113 Milton-Osawabrook High (31)	Milton		
114 Minnewauken Public (34)	Minnewauken		
115 Central Campus School	Minot		
116 Dakota Memorial High School	Minot		
117 Magic City Campus High (1127)	Minot		
118 Souris River Campus Alt High School	Minot		
119 Minto Public (263)	Minto		
120 Mohall Public School	Mohall		
121 Montpelier Public (140)	Montpelier		
122 Mott School	Mott		
123 Munich Public (160)	Munich		
124 Napoleon Public (267)	Napoleon		
125 Neche Public (129)	Neché		
126 New England Public (246)	New England		
127 New Rockford Public (395)	New Rockford		
128 New Salem High School	New Salem		
129 New Town High School	New Town		
130 Newburg-United Public School	Newburg		
131 Northwood Public	Northwood		
132 Oakes High (173)	Oakes		
133 SE Area Voc Tech Center	Oakes		
134 Oriska Public (95)	Oriska		



215 2066-
Dan Pullen

Center for Innovation in Instruction

101 College Street SE □ Valley City, ND 58072 □ (701) 845 - 7435

Optional Budget Package 2001 - 2003

Goal

To enable K-12 administrators, educators and students to use technology tools and applications to improve instruction, classroom management and communication, by offer multiple levels of professional development and training to K-12 users of the new ND State Network.

To accomplish this goal, the Center for Innovation in Instruction will plan and conduct professional development and training, including a series of summer institutes for K-12 administrators, technology coordinators, lead teachers and teachers using distance education.

- 4.1. C.I.I. will offer a four-day Administrator Institute I for 80 district/building administrators. Core technology skills will be covered as described in national ISTE standards. The Institute will be held in two locations during August 2001. The Institute will be delivered by staff from C.I.I., STS, Teaching With Technology Initiative (TWT) and others.
- 4.2. C.I.I. will offer a four-day Administrator Institute II for 160 district/building administrators (potentially to include office staff and business managers). Advanced technology integration topics will be covered as described in national ISTE standards. The Institute will be held in two locations in June 2002, and repeated in August 2002. The Institute will be delivered by staff from C.I.I., STS, TWT and others.
- 4.3. C.I.I. will offer an eight-day Technology Mentor Institute for 240 existing K-12 building leaders identified through the ND TWT project. Content will be developed based on needs assessment and national standards. The Institute will be held in four sites, four days in June 2002 followed by four days in August 2002. The Institute will be delivered by staff from C.I.I., TWT and others.
- 4.4. C.I.I. will offer an eight-day Distance Learning Institute for distance learning teachers who will use ITV, videoconferencing, WWW. Content will be developed based on needs assessment and national standards. The Institute will be held for four days in two sites in June 2002, followed by a four-day session in August 2002 held in regional centers and school-consortium sites. The Institute will be delivered by staff from C.I.I., ETC, ND I/N, ND DIS, etc.

"Improving Teaching with Technology"

Budget**2001 - 2003 BIENNIUM TOTAL \$ 594,000**

	Year One	Year Two	Biennium
Personnel	\$ -	\$ -	\$ -
Operating	\$227,000.00	\$367,000.00	\$ 594,000.00
Major Equipment	\$ -	\$ -	\$ -
Total	\$227,000.00	\$367,000.00	\$ 594,000.00

Budget Detail - 2001/02

Projected Services/Other Cost Items	Projected Expenditure
Participant Stipends	\$ 112,000
Participant Room/Board	\$ 71,680
Total Participant Expenses -	\$ 183,680
Needs Assessment	\$ 4,800
Development of Pro. Dev. Activities - Four Strands	\$ 13,190
Management/Coordination of Pro. Dev. Activities	\$ 3,600
Instructional Materials	\$ 2,800
Trainers/Facilitators of Institutes	
SENDIT/C.I.I./TWT staff	NC
Contract training staff	\$ 12,000
Trainer/Facilitator Travel Expenses	\$ 850
Facilities Expenses/Fees	\$ 2,000
Clerical Support	\$ 2,400
Publicity/Mailings	\$ 1,680
Web Site Development/Support by SENDIT	NC
Total Development/Delivery Expenses -	\$ 43,320
2001/2002 TOTAL	\$ 227,000

Budget Detail - 2002/03

Projected Services/Other Cost Items	Projected Expenditure
Participant Stipends	\$ 196,800
Participant Room/Board	\$ 122,880
Total Participant Expenses -	\$ 319,680
Development of Pro. Dev. Activities	\$ 10,280
Management/Coordination of Pro. Dev. Activities	\$ 4,800
Materials	\$ 4,800
Trainers/Facilitators of Institutes	
SENDIT/C.I.I./TWT staff	NC
Contract training staff	\$ 19,200
Trainer/Facilitator Travel Expenses	\$ 1,200
Facilities Expenses/Fees	\$ 3,200
Clerical Support	\$ 2,400
Publicity/Mailings	\$ 1,440
Total Development/Delivery Expenses -	\$ 47,320
2002/2003 TOTAL	\$ 367,000

Center for Innovation in Instruction

- **Mission:**
"To Improve Teaching with
Technology"



Center for Innovation in Instruction

- **Established in 1993.**
 - Start-up funds from the ND ETC.
 - Hosted by VCSU with a Statewide Mission.



Center for Innovation in Instruction

- **Mission:** "To Improve Teaching with
Technology."
- 1. Statewide Leadership and Partnerships.
- 2. Professional Development in Curriculum
Integration for Teachers & Administrators.
- 3. Assessment of Technology's Impact on
Student Learning.



C.I.I. 2000-2001

- **1. Leadership and Partnerships.**
 - ND TWT Statewide Initiative.
 - Direction, Development and Evaluation.
 - Phase I - 9,700 ND Teachers/Administrators
 - State Representative to the High Plains
Regional Technology in Education
Consortium.



C.I.I. 2000-2001

- **1. Leadership and Partnerships.**
 - **State Partnerships**
 - NDETC, NDCEL, STA, ND ITD, NDATL,
DPI, NDUB.
 - Development of State K-12 Network Support Plan.
 - **Regional and National Partnerships**
 - SD TIE, NCRTEC, PACREL, HPRTEC.



C.I.I. 2000-2001

- **2. Professional Development for
Teachers and School Administrators,
July 2000 - February 2002.**
 - 605 Participants, 39 Locations, 17 Topics.
 - Using Internet in the Classroom
 - Integrating Internet into Lessons
 - Developing Web Pages to Improve Teaching
 - Using Presentation Software in K-12
Classroom



C.I.I. 2000-2001

- **2. Professional Development for Teachers and School Administrators, July 2000 – February 2002.**

- **Locations**

Alton	Harvey	Madison	Tapscott/Driessell
Laurel	Nepple	Napoleon	Tower City
Monarch	Murdock	Oakton (4)	Yola
School for the Deaf	Larkin	Oriskany	Wimbledon
Dickinson	Leeds	Penn Gardens	Wishak
Enderlin	Linton	Rogby	
Forman	Lisbon	Sawyer	
School for the Blind	Mapleton	Steele	



C.I.I. 2000-2001

- **3. Assessment: Effectiveness of Technology in Improving Student Learning.**

- C.I.I. Staff Involved in Illinois Tech Check Project Jan. 2000 -Present.
- ND/SD Evaluation Summit Oct. 16/17, 2000.
- ND Evaluation Next Step Feb. 5, 2001.
- Pilot Evaluation Process in Two ND Schools, September 2001.



C.I.I. Regular Budget

- **Regular Budget Now in ITD's Budget**
 - 2001-2003 Biennium = \$ 340,583
 - Covers 50%
 - Remainder covered through Grants, Contracts, Charges for Services.



C.I.I. and New State Network

- **Phase Two of the State Network.**
 - Reorganize K-12 Technology Initiatives Under a New ND Educational Technology Council.
 - Move C.I.I.'s Regular Budget from VCSU Line Item to ND ITD Budget.
 - Develop Net. Support Plan - STS/IVN/NDUS
 - Submit Supplemental Budget Request as Part of ITD Budget to Support Professional Development Activities For Start-Up of Phase Two of the Network.



C.I.I. and New State Network

- **Develop/Deliver Professional Develop. for K-12 Users of the State Network.**
 - Enable K-12 Users to Improve Instruction, Classroom Management & Communication.
 - Administrators
 - Lead Teachers
 - Distance Educators



C.I.I. and The New State Network

- **\$594,000 Optional Budget Request.**
 - Yr 1 - \$227,000 and Yr. 2 - \$367,000.
 - No Additional Personnel, No Equipment.
 - Administrator Institute I (80) – Aug. 2001.
 - Administrator Institute II (160) – Jun./Aug. 2002.
 - Tech. Mentor Institute (240) – Jun./Aug. 2002.
 - Distance Learning Inst. (26) – Jun./Aug. 2002.



Administrator Institute I

- Four-day, hands-on institute.
- August 2001.
- Two locations in North Dakota.
- 80 district/building administrators.
- Needs assessment to determine content, but it will align with national standards for administrator technology competency.
- Delivered by key school administrators and staff from C.I.I., STS, TWT and others.
- Budget covers all related costs and professional stipends as appropriate.



Administrator Institute II

- Four-day, hands-on institute.
- June 2002 and August 2002.
- Two locations in North Dakota.
- 160 district/building administrators.
- Needs assessment to determine content, but it will build on Institute I and align with national standards for administrator competency.
- Delivered by key school administrators and staff from C.I.I., STS, TWT and others.
- Budget covers all related costs and professional stipends as appropriate.



Technology Mentor Institute

- Eight-day, hands-on institute.
- June 2002 with follow-up in August 2002.
- Four locations in North Dakota.
- 240 building leaders identified by TWT I-Teams.
- Needs assessment to determine content, but it will align with ND ETC goals and national standards.
- Delivered by key school technology leaders and staff from C.I.I., STS, TWT and others.
- Budget covers all related costs and professional stipends.



Distance Learning Institute

- Eight-day, hands-on institute.
- Four days, June 2002 in two locations.
- Four day follow-up, August 2002 in regional sites.
- 20-30 teachers who will use ITV, videoconferencing, W/V/W for course delivery/sharing.
- Needs assessment to determine content, but it will align with ND ETC goals and national standards.
- Delivered by selected distance educators in ND schools and others.
- Budget covers all related costs and professional stipends.



C.I.I. and New State Network

- Regular Budget Request – Biennium
 - \$ 340,583
- Optional Budget Request - Biennium
 - \$ 594,000
- Total Budget Request in ITD Budget
 - \$ 934,583



Center for Innovation in Instruction

- Mission:
“To Improve Teaching with
“Technology”



58 2022
3-8-01

**ND State Board for
Vocational & Technical
Education**

**Support Presentation regarding
Information Technology Programming**

**House Appropriations Committee
March 8, 2001**

- My name is Wayne Kutzer. I am the State Director for the SBVTE. My purpose before you today is to explain what is happening in information technology, the cooperation between SBVTE and ITD, and the importance of providing Information Technology education to our students, K- adult.

High Tech = High Potential!



North Dakota needs students who are network savvy, have technology trouble-shooting abilities, and are engaged as life-long learners in technological advances.

- The nature and future of work and life has changed with rapid technological growth and globalization. Labor reports point to the fact that over 90% of high growth jobs will require technology fluency. This means students need to have technology competencies beyond word processing. We need to prepare students who are network savvy, have technology trouble-shooting abilities, and are engaged as life-long learners in technological advances. North Dakota's successful progress into the Information Economy hinges heavily on the preparation and skills of our students and future workforce. That base must start and be built in K - 12 education.
- We need to introduce IT to students and provide them with education and training they need to become successful in our "New Economy".

Partnerships

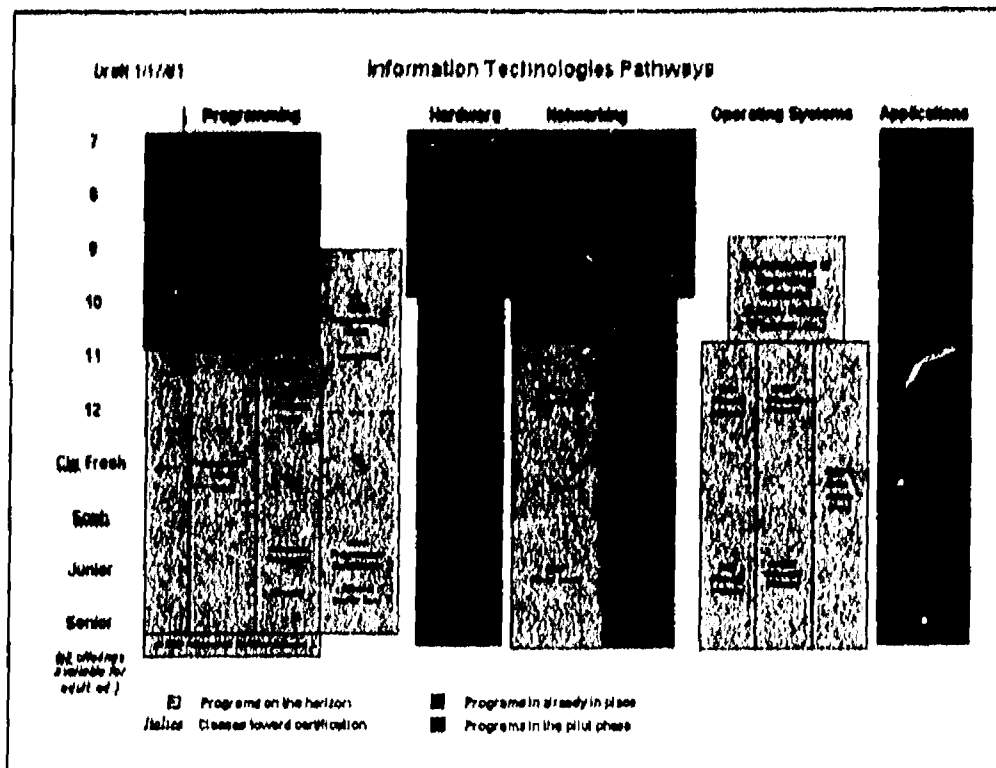
IT Programming funding - \$590,000, would be used to assist schools in starting high-tech, state of the art, information technology programs.

-Information Technology Essentials, Programming Essentials, Computer Networking (Cisco), Computer Maintenance and Repair (A+), etc.

- **These programs run through the Information Technology Program Area of Vocational and Technical Education.**

-VTE partners with SENDIT and ExplorNet to implement and support many of the IT Programs.

- **There is a lot of talk about ND and its future hinging on a successful transition into the Information Economy. I believe that a major factor in this transition is deploying IT curriculum into schools across the state. If we do not incorporate IT into our schools and provide curriculum with industry input that prepares for and leads to certifications, we will not be successful. The partnership between ITD and the SBVTE makes a strong foundation within our education system K - adult.**
- **We work with NDATL, the ND IT Council, CII, SENDIT, ExplorNET and others with whom we can connect to leverage our impact. Conversations have already occurred with SENDIT regarding continued partnerships to support IT Programming within the state. SENDIT and SBVTE currently partner on the coordination of the CISCO academies.**
- **This funding represents about 25% of the need to start and sustain these programs and train instructors. The balance is SBVTE and local funding.**



- This pathways depicts both what we are currently doing in IT curriculum and what we have planned. Curricular areas are listed across the top with suggested grade levels on the left.
- Our plan is to help students gain high-tech skills by offering them opportunities in the basics of IT in middle school and then increasing those opportunities to more specific certification IT programs in late high school and into college and adult. Again, this funding will help establish these programs and train IT instructors.
- We currently have piloted IT Essentials and expect 20+ additional programs, A+ (through ExplorNET) 40 new programs over the next two years, MOUS will be expected to be in nearly every Business & Office program, and the Cisco Networking Academies programs will be implemented in an additional 30 schools across the state. We will be piloting two Programming courses and a Networking Essential course in conjunction with ExplorNet next school year.
- Our newly formed advisory committee of Economic Developers, Business Reps, Educators (Admins, Tech Coord, and Teachers), and college reps are helping guide our selection of the IT curriculum. They will also assist us to determine the most effective dissemination strategies and support the implementation of IT Pathways.
- In conjunction with the advisory committee, we are also utilizing the combined pull of ITD and SBVTE to work with vendors to gain "above-and-beyond" commitments for curriculum, tools, equipment, and support for IT programming. Conversations are currently in progress with SUN, Oracle, and Cisco.

Information Technologies Pathways

Programming Hardware Networking Operating Systems Applications

	Programming	Hardware	Networking	Operating Systems	Applications
7					
8					
9					
10					
11					
12					
Clg Fresh					
Soph					
Junior					
Senior					

■ Programs already in place
■ Programs in the pilot phase

□ Programs on the horizon
Italics Classes toward certification

(all offerings available for adult ed.)

IT Instructors

- Teaching IT courses takes a dedicated instructor who is willing to constantly change and adapt with the curriculum.
- Currently the SBVTE and ExplorNet along with CII and SendIt provide professional development and training for IT instructors. This training is more costly and time consuming, than what is typically provided.
- Initial training, quality assurance visits, quarterly retooling and yearly update retreats are critical pieces to ensuring quality programs for students and success for instructors.

• IT Program planning, development, and dissemination is one important piece. The other critical piece is supporting the instructors in the programs.

- To illustrate the training requirements, we don't prepare individuals to be IT instructors at our teacher education universities. They are either instructors who have been technology coordinators at their schools or they are industry people who are new to education. To illustrate, to be certified to teach Cisco it requires 22 full days of instruction, A+ is 8 days, Networking Essentials is 5 days, and this curriculum adapts and changes as fast as the technology changes so the need to update instructors is continuous.

Summary

- VoTechEd and others here are passionate about this need.
- We believe our students deserve this and that IT is important for their future in ND.
- Supporting our educators in gaining technology integration skills and supporting those teachers who teach these IT courses is critical.
- Coordinated planning has gone into all the initiatives being spoken on today.
- Finally, we hope that you agree that High Tech education and training will provide the foundation for ND's movement to the Information Economy and support our efforts to make this happen.

I would be glad to answer any questions.

**Written testimony in Support of SB 2022
Lisa Feldner, Bismarck Public Schools
Member of ERP Evaluation Committee
March 7, 2001**

I'm here to talk about the K12 portion of Enterprise Resource Planning. The proposed system has several components to automate record-keeping and simplify reporting processes.

The system has a module for

- Student records
- School food service and nutrition
- State reporting
- Financial management
- Curriculum planning
- Facilities information

The state of Georgia implemented a similar system in 1997 with success. They have found savings in manpower at local school districts because schools don't have to input data in multiple systems. For example, at Bismarck Public Schools we have a system for student records, a separate system for school lunch accounting, a separate system for teacher certification, for libraries, for human resources, and for financial accounting. Data must be entered separately into each of these systems resulting in much duplication. To compound matters, the data must then be entered separately for reports that are required by state and federal agencies.

As a parent, if I want to know what my son's lunch account balance is, his attendance record, and what library books he has checked out, I'd have to talk with 3 different people who were accessing 3 different systems.

The system that ITD is proposing includes all of those modules and the data is shared between them. All data resides in a data warehouse and the individual modules pull the appropriate information from the warehouse. This system will be accessible via the state's network and the Internet.

For the schools choosing to participate, selected information will be available to parents through the Internet, similar to online banking. As to my previous example, if I want to know my son's lunch balance, his attendance, and his library overdues, I can access that information from home over the Internet using a private username and password. The modules also allow for online scheduling of classes, so parents can participate in their child's course selection. In other words, the old "I can't take Advanced Algebra because it's full" trick isn't going to work any more.

Presently, we have 230 school districts each trying to maintain a separate student information system including the hardware and software. None of these systems are necessarily compatible with each other, higher education, or the state.

Because of the state network, all schools have the ability to access a central system. Logically, a central system would save schools time and resources.

We are not asking the state to provide this system free of charge. Schools will pay an annual fee for maintenance, upgrades, and technical support.

The school districts already committed to the ERP solution make up 44% of the student population of ND. The large percentage easily justifies the cost. Here's why: this summer Bismarck Public Schools will have to spend \$210,000 by itself to purchase a new student information system. Additionally, Fargo, West Fargo, Grand Forks, Mandan, Dickinson, and Beulah are planning to purchase new systems. The total cost for these systems will be approximately \$880,000 and there is no guarantee that these systems will be compatible with one another, higher ed or the state. The ERP would provide ALL schools in ND with a single student information system that should cost well under \$880,000.

What about the related costs? These school districts have to have technical support. The present support comes in many different forms - full time technicians, vendor contracts, or classroom teachers fixing things on their prep period. This cost is tough to calculate. With ERP, we're looking at one uniform system support by professionally trained technicians at ITD.

Security. More than ever, these systems need to be secure. ITD already knows how to do this. I shudder to think about the security problems individual schools may have maintaining systems on their own.

You've built the infrastructure. Now we'd like to take advantage of it.

Dear Eliot,

This follows our conversation at the legislative forum, March 10, about SB 2022, item 18, Enterprise resource planning system. Here's a few comments on why North Dakota University System-Higher Education Computer Network (NDUS-HECN) needs the new ERP systems which are included in ITD's budget this biennium.

1. It takes years, not months, to install and transfer business processes to new student and financial systems. If the project is not funded during this biennium, we will be four instead of two years behind in being competitive with those higher education institutions which are able to offer a full suite of student academic and financial services to students 24 hours a day, 7 days a week. This is a problem not only for those students we want to attract to our campus but an even bigger problem for students taking courses only on-line who could view our lack of up-to-date technology as indicative of our inability to provide an effective electronic learning environment.

2. Day-by-day, as our current systems get older, the chances that something significant could go wrong with our current system increase. Those of us responsible for managing the current administrative system are becoming very concerned that the systems are getting old and "brittle". By that we mean that as we make changes to adapt the system to ways we'd like to do business today, we sometimes end up breaking things that were working fine. We are also concerned about the increasing amount of time that our programmers and analysts spend simply maintaining the system and keeping it running, rather than working with users to enhance functionality.

3. In addition to being more competitive in providing services to students, all our faculty, staff and other customers will have much more information available to them, can get to it at their convenience, and will be able to accomplish many of their administrative tasks through self-service. Customers may also see significant changes as NDUS institutions evaluate business processes and then change those processes because of capabilities that are available in the new systems.

4. Although the dollars for this ERP system are in ITD's budget there is general agreement among state government agencies, higher education and K-12 that higher education has the most immediate need for updating systems and will 'go first'. The design process will consider the needs of all three areas.

5. While the dollars invested this biennium will only get us started; it does no good to continue to wait for the day when all the money is there. Experience shows that doesn't happen. It's time to invest in tomorrow's system rather than continuing to invest in yesterday's.

Thank you for listening. If there's additional information you need, please let me know.

Sincerely,

Dorette Kerian
Interim Director,
Computer Center, UND and HECN
dorette_kerian@mail.und.nodak.edu

Information Technology Plan **Banking and Financial 01-03 Plan Version B-3**

Plan Status: Submitted

Agency Contact Information

Contact Name: Lori L. Leschkewitsch

Title: Business Manager

Phone: 328-9938 Ext.

Email: lleschke@state.nd.us

Agency Description/ Overview

a. Provide the agency's mission statement

To maintain public confidence in North Dakota financial institutions by ensuring the financial industry operates in a safe and sound manner while complying with applicable rules and laws.

b. Briefly describe the programs and services provided by the agency.

The Commissioner, in conjunction with the State Banking Board and State Credit Union Board, provides supervisory authority over North Dakota state-chartered banks and credit unions.

The Bank Division maintains four separate field locations in North Dakota at Bismarck, Minot, Fargo, and Grand Forks.

The Boards have the statutory power to promulgate rules, and make and enforce orders as may be necessary for the protection of the public and depositors or creditors of financial institutions.

The Department conducts examinations of approximately 100 banks, approximately 46 credit unions, various consumer finance companies, and agents for deposit.

Although the Department does not have supervisory responsibilities over the Bank of North Dakota, the Department has the responsibility to examine the Bank.

The Department is responsible to the depositors and creditors of the financial institutions by determining the soundness of the financial institutions and monitoring compliance with applicable rules.

The Department issues licenses to money brokers, collection agencies, and sale of check businesses.

c. Current use and impact of technology on the delivery of programs and services by summarizing the primary uses of technology within the agency

The Department mainly uses Microsoft Office: Word, Excel, and Outlook in the day to day processes.

The Examiners use an FDIC software, GENESYS, to conduct examinations of financial institutions. They also utilize various other FDIC/Federal Reserve software packages to obtain the needed financial institution data, i.e. NED, ALERT.

Installing a server, and connecting department staff to a network, has provided sharing of files, minimizes the storage of data on diskettes, to share with staff, and minimizes the risk of loss of data due to damage and lost diskettes. Daily backups of department information through the DSM at ITD provides a secure off-site back-up of data in the event of loss due to an emergency.

The Department web site hosts frequently requested information such as usury rate, monthly bulletin, lists of state chartered institutions, lists of

licenses issued to money brokers and collection agencies, and links to related web-sites.

The Department has recently placed license applications on the web-site, so businesses can download the information as opposed to waiting to have applications mailed to them.

The job opportunities section has been linked to the Central Personnel and Job Service web-site, to provide additional service to users, such as how to download an employment application.

d. Describe the future use and impact of technology on the delivery of programs and services by summarizing the technology changes that are planned and indicating their effect on agency operations.

A plan to provide connectivity to field examiners via the web, will enable examiners to access confidential financial institution data in a secure manner.

Automation of department records and conversion of existing data into an electronic format will provide department staff immediate access to information such as financial institution examinations, applications and any correspondence received regarding a financial institution or licensee.

The division plan to automate records, and input data into a central data base will allow for further automation of applications and forms used by the department. The database of records will provide an avenue to expedite the licensure process, by allowing applicants to complete forms on-line, that will be submitted into a database. This will eliminate the duplication of input, as well as provide for an automatic generation of follow-up forms and applications.

Barriers

The Department has not encountered any barriers at the Enterprise level.

Alignment with Statewide IT Plan

a. State government should be customer focused.

The use of Internet services has provided better services to the public and financial institutions. Lists of agencies regulated by the department, as well as financial data can be obtained by accessing the Department web-site.

The Department and staff have e-mail accounts on ITD's e-mail server, providing easier access to the department by the public.

By implementing a network, and providing connectivity to field examiners, examiners will be able to obtain a more comprehensive view of information contained on a financial institution. The information can be useful when conducting an examination of a financial institution.

Automating licensing records, will provide accurate information concerning the number of complaints against licensed entities, as well as any other correspondence with those companies.

b. State government should be efficient.

Monthly usury rates, bulletins and quarterly financial institution figures, can be obtained on the Department's website. The department previously received numerous phone calls requesting that data. The public can now obtain the data more quickly by checking the web-site.

By allowing licensees to download their applications and submit them to the department on-line, they department will be able to more quickly issue licenses, due to the reduction in the amount of data that will need to be manually input.

Field crews will be able to access department records on-line, which will be more efficient than contacting the main office, and asking that the information be mailed to them.

c. State government should be well managed.

The implementation of a technology plan, will help to ensure that the department works in an effective efficient manner. By automating records, less time will be spent retrieving and filing information. Information will be available to respond to requests of other agencies, where with a manual system, statistical data was not readily available. By converting to a network, records will be backed up and available in the event there is a system failure, or other type of emergency. Ensuring uninterrupted operation of the Department.

Updating hardware and software, will provide for standardization throughout the department, and will eliminate incompatibility issues with software. Software training is available to users to become proficient on the software used.

d. State government should provide the leadership for developing a shared infrastructure.

By connecting the department to the state network, and placing a web page on the state web site, the department, is joining in the cooperative effort to develop a shared infrastructure. The department is continually placing additional information on its web site, accessible at the fingertips of North Dakota citizens. We are currently working on automating the licensing application process to simplify accessing the necessary forms by businesses attempting to do business in this state.

Goals, Objectives and Accomplishments

Accomplishments

The department upgraded all computer equipment and software by replacing outdated computers, and upgrading memory and software on newer computers. Standardizing the software used throughout the department, provides for efficiency in transferring data amongst users.

The department offices were wired to provide for connectivity to the statewide network via a T1 line. Connection to the state network offers Internet access and e-mail availability at each desktop. Staff frequently access the Internet to download data needed in the examination process. E-mail provides an efficient avenue of communication, which is particularly helpful due to the number of employees working in the field. Field staff are able to submit examinations via e-mail to be prepared in final form, which is more efficient and secure than sending diskettes through the mail. A server was purchased and connected to all users in the main office. This will provide efficiency throughout daily operations, by enabling users to share files. The server also provides security, since users files are stored on the server, which provides for daily backup to ITD.

Goals and Objectives

1 The Department will continue to provide network access to all users, by providing connectivity of field examiners to the Department server. The Department will continue to develop and implement an Information Technology plan that will further computerize the agency by automating department records and imaging data to minimize storage expense. The Department will create a plan for periodic updates of hardware and software to remain current with technological advances, as well as maintaining equipment capable of following the Information Technology Plan within the projected timeline.

Objective(s)

1 The Department will create a plan for periodic updates of hardware and software to remain current with technological advances.

Completion Biennium: Ongoing

Accomplishments /Status:

The department plans to replace one third of their computers every biennium. The department will strive to maintain consistency throughout the office concerning the types and versions of software being used. The types of software will be determined based on compatibility with FDIC examination software programs.

2 Automation of Department records will provide a more efficient record keeping system, which will also be capable of providing statistics on department data.

Completion Biennium: 01-03

Accomplishments /Status:

The department will work with ITD programmers, to set up a records automation program, that will automate record keeping of all licenses issued, and will contain information about the companies as well as complaints and correspondence concerning those companies.

3 Provide connectivity of all field staff to the department network.

Completion Biennium: 01-03

COMPLETION BIENNIAL: 01-03

Accomplishments /Status:

The Department has upgraded all equipment in the department to pentium computers. Desktop users are standardized in the use of Windows NT, and all field examiners are using Windows 98. All office staff have e-mail accounts on the exchange server. Main office staff are connected to the Enterprise, for the use of Internet and e-mail. A server was installed in the main office, which provides for sharing of files, printing from all desktops and daily file backup.

4 The Department will implement imaging to store department documents, and cut down on storage expenses. Imaging will also provide more immediate access of documents to office and field staff.

Completion Biennium: 03-05

Accomplishments /Status:

The Department will research the implementation of an imaging system. The ability to store examinations and other department records in an electronic format, will reduce storage costs, and will shorten retrieval time for field examination crews.

Major Activities Planned

Activity Number: 1

Activity: Office Automation

Start Date: 07/1999 End Date: 06/2005

Priority: 1 Status: New Initiative

99-01 Est. Cost	01-03 Est. Cost	03-05 Est. Cost	01-03 Base Budget	01-03 Optional Budget	01-03 Non-Appropriated Budget
\$56,616	\$81,200	\$30,000	\$0	\$81,200	\$0

Description:

The Department will continue its efforts to network all PCs and automate records. This effort will include providing connectivity to field staff, developing a system that will automate all department records, maintaining the automated records system and implementing an imaging process to provide accessibility to records by field staff.

Justification:

Office automation will provide efficiencies within the Department. Staff will be able to share files located on the server, and access information at their fingertips. Historical and current data will be available concerning the institutions regulated by the Department. That data will be readily accessible as needed, as will statistics concerning complaints, administrative and legal actions. Imaging will provide access to data from field staff, oftentimes needed in the course of conducting and examination.

Impact:

None

Related SIBR Reporting Levels/ Comments:

Expenses are included in the Optional Package 3002 IT - Data Processing

Related Objectives

Goal:1 Objective:3

Goal:1 Objective:2

Goal:1 Objective:4

Activity Number: 2

Activity: Telephone/Mainten

On Going Time Frame

Priority: 2 Status: Maintenance/Base Operations

99-01 Est. Cost	01-03 Est. Cost	03-05 Est. Cost	01-03 Base Budget	01-03 Optional Budget	01-03 Non-Appropriated Budget
\$28,600	\$95,539	\$103,800	\$72,089	\$23,500	\$0.00

Description:

The Department operates out of three locations. All locations have telephone, fax and Internet dial-up access. This activity

The Department operates out of three locations. All locations have telephone, fax and internet dial-up access. This activity includes monthly telephone expenses, local and long distance charges, monthly dial-up Internet access for each of the four field crews, and long distance charges which are incurred when crews are away from a major city with local access. The Department will continue to access the State Enterprise System. A monthly charge for the Enterprise connection will continue. Additional charges will be incurred through access to SAMIS, SIBR, Voucher System, RDARS, and other Enterprise applications. Daily backup of all files is conducted by ITD, with data stored at the capital as well as off site. The Department will continue to operate a network system, in order to provide access to Department information by multiple users. The hardware and software plans will be monitored, to ensure upgrades to software, and replacement hardware is obtained according to the replacement schedules.

Justification: None

Impact: None

Related SIBR Reporting Levels/ Comments:

Expenses Included in 3002 IT - Data Processing, 3003 IT - Telecommunications, 3005 IT - Software/Supplies, & 4003 IT - Equipment. Replacement laptops and desktops are included in optional package

Related Objectives

Goal:1 Objective:1

IT Architecture - Hardware

a.) The current hardware architecture of the Department of Banking and Financial Institutions consists of six desktop computers, fourteen laptops and one server. The department has recently connected the desktop computers to a network. Continuing phases of the plan, will provide connectivity of the field examiners' laptops to department data, and automation of department records.

b.) There is currently no technology equipment other than computers and printers that are critical to this agency.

c.) The specific function of the server is to provide office wide sharing and storage of files, back-up security of data, access by field personnel to department records, and the ability for users to share printers.

d.) There are currently no plans to migrate to another system, since the current system was new to the department in December 1999.

e.) The laptops used in the fields are protected with password access. Prior to connecting the field personnel to the network, we will explore the availability of security measures, such as encryption, and providing certificates to the field staff to authorize access to the confidential records of the department. The server is stored in a file room, which is locked every night; access to the server requires a password. Each desktop computer has a unique password for each user, and has a guest account set up, to provide access to generic users. The department has also converted everyone's e-mail to the exchange server e-mail, which provides encryption options, that will be used to transfer confidential financial institution data.

f.) Field examiners have a daily need to use a computer to complete examinations of financial institutions. Field crews also have a need to access the Internet, in order to download vital financial institution data. All field staff are using Pentium computers with modems to obtain internet/e-mail access.

g.) At this time, there are no plans identified that will impact the hardware and operating systems currently in use, other than a normal replacement schedule.

Hardware Assets and Replacement Schedule

Category	Age	OS	Ownership	Current Quantity	Expected Increase/decrease 99-01	Expected Increase/decrease 01-03	Replacement %	Replacement # of Years	Comments
Server	<=3 years	Novell	own	1	0	0	100.00	4	
Laptop PC	<=3 years	MS Windows	own	14	0	0	50.00	2	10 Dell Inspiron 7000 Laptops 4 Gateway Solo Laptops
Personal Computer	<=3 years	MS Windows, WinNT	own	6	0	0	50.00	2	
Printer	>3 years	N/A	own	1	1	0	100.00	6	1 HP Laserjet Hp-C20018

IT Architecture - Telecommunications

a. The Department has recently been wired to provide the ability to network the computers. Department computers are connect to the state network via a T1 line . They also use the same wiring to communicate with a server located within the department .

b. The department has maintained a web site, stored on the state's web server . Research will be done to explore the options of field staff to connect to the Banking server via the Internet.

c. The department is complying with all security standards established by ITD .

None identified at this time.

e. NA

f. The Credit Union division uses computers issued by the National Credit Union Association. These units are used to access the NCUA network, and upload examination information to NCUA. The computers are not connected to the state network, and use dial access and a modem to connect to the NCUA network. NCUA provides the hardware and software to the department at no cost.

Telephone Services

- ☒ All Voice Services provided by ITD
☐ Changes Planned
☐ Reselling Services

Services

Wide Area Networking (WAN) and Internet Connections

- ☒ All Wan services provided by ITD
☐ Changes Planned
☐ Connectivity Provided to Others

Services

Local Area Network (LAN) Connections

Unique Description	Current Network Connections	Planned Network Connections by July 2003	Current Modem Connections	Planned Modem Connections by July 2003	Comments
Banking Network	7	0	1	0	

IT Architecture - Software

- a. Types of software supported by the Department include Microsoft Office 97 Professional, MS Exchange/Outlook, McAfee Anti-virus, and GENESYS (provided by FDIC). Consideration for software updates are based on the needs of the department, compatibility with GENESYS, and the desire to run consistent versions throughout the Department to avoid compatibility issues.
- b. Department standards are based on the compatibility of software with the FDIC and Federal Reserve issued software used in the examination process.
- c. The Department plans to contract with an application developer to navigate the department records from the current manual system, to an automated system, stored on the department server.
- d. Currently the department is not using any application development methodology, once the process of automating records is started, the application development tools will be determined at that time.

Significant Software/ Applications Development Tools

Category - Product/language/tool	Status	Standard	Significant Use	Comments
System admin, server applications or utilities - McAfee Total Virus Defense	Migrating to or Evaluating	Y	N	
Application development tools - FrontPage	Migrating to or Evaluating	Y	N	
System admin, server applications or utilities - Novell 5.	N/A	Y	Y	
System admin, server applications or utilities - Novell ZEN Works	N/A	Y	N	

Significant Office Automation Software

Category - Product/language/tool	Status	Standard	Significant Use	Comments
Office Automation - MS Office	N/A	Y	Y	
Office Automation - MS Outlook	N/A	Y	Y	
End user productivity - Winzip	Migrating to or Evaluating	Y	N	

Significant Business Applications

IT Staffing Plan

a. The Department of Banking and Financial Institutions does not have an IT Department, nor are there any full time equivalent employees dedicated solely to information technology. Approximately 30% of one full time equivalent's time is spent on information technology. Duties include oversight responsibility for selecting, installing, and assisting users to adapt to new software; selection and maintenance of hardware systems, and coordination of contract work with outside services.

b. reviewing and updating hardware and software, implementing a network within the department that is connected to the statewide network, troubleshooting, upgrading, and training of staff.

c. No outside technical support is provided by the department

The department has been able to meet the information technology needs through the use of department personnel and ITD staff.

Detail Plan for Staffing

Function	99-01 % ITD, HECN, or other agency	01-03 % ITD, HECN, or other agency	99-01 Contractor %	01-03 Contractor %	99-01 Internal %	01-03 Internal %	Internal FTE 99-01	Internal FTE 01-03	Comment
Operations & network administration	51 - 75	28 - 50	0	0	1 - 25	26 - 50	0.10	0.25	
PC & end-user support	26 - 50	1 - 25	0	0	26 - 50	51 - 75	0.10	0.25	
Technology Training	0	0	76 - 99	76 - 99	1 - 25	1 - 25	0.00	0.00	
Application development	100	100	0	0	0	0	0.00	0.00	
IT management	0	0	0	0	100	100	0.10	0.10	
General IT coordination	0	0	0	0	100	100	0.10	0.30	

IT Training Plan

- a. Technology training is beneficial to the staff upon implementation of new or upgraded software. Proper training will reduce user time spent on operating software. Improving the technical ability of the current staff, will also reduce expenses paid to outside agencies and vendors for technical support.
- b. The Management keep staff apprised of training opportunities available. Staff are encouraged to review training opportunities, and request training they find to be beneficial to them. Training is approved by management.
- c. There is not a specific budget amount dedicated to technology training.
- d. Department staff are proficient in the use of the software programs needed to increase efficiency in completing their specific job duties.
- e. Department employees are instructed on software through "on-the-job" training, as well as classroom training programs.
- f. Training is obtained on an "as-needed" basis.
- g. Technology orientation is conducted during the regular job training period.
- h. Technology training in the future, will be adjusted as needed.

Compliance with Standards

- ☒ Agency is compliant with all statewide standards and policies.

North Dakota University System

Administrative Software System Replacement-ERP

Presentation to Senate Appropriations on SB 2022

January 15, 2001

- **Current System developed over the last 25 years**
- **Mainframe system with over 6,000 programs supporting student information and financial systems (*complete list attached*)**
- **Tightly Integrated**
- **Project Vision Statement: "From Control to Service"**
Current System- Processing environment
Proposed System- Access to Information and Services, at any time, from anywhere
- **Why is the Project Needed?**
 - Competition- National and Global Marketplace
 - Distance Education
 - Support System Cooperation/Collaboration
 - Access to Information
 - Exceeded Planned Life
 - Reduce manual work and duplication

- **General Requirements for New System:**

- Student and User Access
- Support organizational change
- Multi-Campus Capabilities
- Electronic Workflow
- Integrated
- Rules-Based Architecture
- Best Business Practices
- Easy Information Distribution
- Customization
- Enhanced End-User Reporting

**NORTH DAKOTA UNIVERSITY SYSTEM
HIGHER EDUCATION COMPUTER NETWORK**

CURRENT ADMINISTRATIVE INFORMATION SYSTEMS

FINANCIAL SYSTEMS

Name & Address (Including Common Name and Address)
Chart Of Accounts
General Ledger (Includes Journal Entry)
Accounts Payable
Accounts Receivable
Receipting
Financial Reporting
Position Budgeting (Includes Budget Transfer)
Operational Budgeting (Annual and Biennial) (Includes Budget Transfer)
Payroll
Personnel (Basic Personnel Information Required For Payroll)
Purchasing
Financial Aid Disbursements/Crediting
Tuition and Fee Billing
Housing Assignment/Billing
Student Loan Collections
Check Reconciliation/Banking
Fixed Asset Accounting
Facilities Inventory
General Ledger Year End Accounting
Sponsored Programs Accounting and Reporting (Grants and Contracts)
Effort Certification
Stores Inventory
Student Health
Parking
Financial Reporting (SAS Extracts)
Event Ticketing
Electronic Funds Transfer/Automated Clearinghouse
Interdepartmental Billing
Job Billing

STUDENT INFORMATION SYSTEMS

Financial Aid- Student Information
Financial Aid- Financial Records
Financial Aid- Financial Aid Transcript/NSLDS
Financial Aid- Budgeting and Packaging
Financial Aid- Loan Application and Electronic Funds Transfer
Financial Aid- Satisfactory Academic Progress
Financial Aid- Federal Reporting
Financial Aid- Refund/Repayment
Financial Aid- Tracking
Financial Aid- Miscellaneous
Student Records System- General
Student Records System- Recruitment
Student Records System- Admissions
Student Records System- Registration
Student Records System- Curriculum (Catalog and Term Schedule)
Student Records System- Graduation Audit
Student Records System- Academic Record- Transcript- GPA Calculation
Student Records System- Outside Agency Reporting

Joe Linnertz

From: Lovett, Charles [Charles_Lovett@ed.gov]

Sent: Tuesday, March 27, 2001 4:08 PM

To: 'Joe Linnertz'

Cc: Couch, Rachael

Subject: RE: Title III

I can't see how such a requirement could possibly be competitive or target assistance to high poverty and high need districts. I think the answer is probably that such a requirement would not be consistent with Title III.

-----Original Message-----

From: Joe Linnertz [mailto:JLINNERT@mail.dpi.state.nd.us]

Sent: Friday, March 23, 2001 1:12 PM

To: 'Charles_Lovett@ed.gov'

Subject: Title III

Chuck, I have a question for you, which was posed to me by a legislative committee looking for money to fund a new statewide network. Specifically the committee is looking for funding to enable school districts to connect to the statewide network. The question, as I understand it, is as follows.

"If the State of North Dakota builds a universal voice, data and video network and if school districts are going to be required to be a part of the network can the state require that the school district's Title III application respond only to the costs associated with the local connectivity to the statewide network." In other words can the state be prescriptive and restrictive to the extent that the district will only get the Title III funds if it agrees to spend the money to buy into the state network.

If you could give me some help here it would be greatly appreciated!

SB 2022
4-2-01

SB 2013 - Technology Grants 1999-2001 Biennium

CODE	NAME	Grant Amount	Amount Paid	*Balance to Pay
*These districts have not requested reimbursement from DPI to date. However, they may have spent the funds.				
50128	Adams 128	5,917	5,917.00	-
27002	Alexander 2	6,581	6,581.00	-
25014	Anamossee 14	5,649	5,649.00	-
08039	Apple Creek 39	5,000	5,000.00	-
28009	Ashley 9	11,976	11,976.00	-
15010	Bakker 10	5,000	4,295.90	704.10
08029	Baldwin 29	5,000	4,246.07	753.93
17003	Beech 3	20,445	20,445.00	-
40007	Belcourt 7	92,941		92,941.00
45013	Belfield 13	18,076	18,076.00	-
51010	Bell 10	7,777	7,032.77	744.23
51054	Berthold 54	10,665	10,665.00	-
29027	Beulah 27	56,241	56,241.00	-
04001	Billings Co 1	5,493		5,493.00
48002	Bieber-Egeland	8,959	8,959.00	-
08001	Bismarck 1	538,087	538,087.00	-
10014	Border Central 14	5,000	5,000.00	-
05001	Bottineau 1	41,785	41,785.00	-
07014	Bowbells 14	6,099		6,099.00
52023	Bowdon 23	5,000	5,000.00	-
27019	Bowling Butte 19	5,000	5,000.00	-
06001	Bowman 1	23,807	23,807.00	-
07036	Burke Central 36	7,522	7,522.00	-
28082	Butte 82	5,000	5,000.00	-
18010	Carrington 10	37,557	37,557.00	-
34008	Cavaler 8	33,260	33,260.00	-
33018	Center 18	18,298	9,640.18	8,657.82
08017	Central Case 17	39,318	39,318.00	-
44032	Central Elem 32	5,000	5,000.00	-
49003	Central Valley 3	16,378	16,378.00	-
32001	Dakota Prairie 1	23,257	23,257.00	-
38001	Devils Lake 1	103,014	103,014.00	-
45001	Dickinson 1	154,008	154,008.00	-
12001	Divide County 1	20,561	19,230.75	1,330.25
13008	Dodge 8	5,000	5,000.00	-
25057	Drake 57	8,451	6,693.13	1,757.87
34019	Drayton 19	13,188	13,188.00	-
08038	Driscoll 38	5,000	5,000.00	-
40001	Dunseith 1	38,727	38,727.00	-
27018	Earl 18	5,000		5,000.00
23003	Edgeley 3	15,509	15,509.00	-
50108	Edinburg 108	8,998	8,998.00	-
38002	Edmore 2	7,448	7,448.00	-
53008	Eight Mile 8	10,082	10,082.00	-
19049	Elgin-New Leipzig 49	15,329	15,329.00	-
11040	Ellendale 40	20,904	14,618.08	6,285.92
18127	Emerado 127	6,966	6,966.00	-
37022	Enderlin 22	20,784	20,784.00	-
51019	Eureka 19	5,000	5,000.00	-
38018	Fairmount 18	7,656	7,656.00	-
08001	Fargo 1	582,981	582,981.00	-
52040	Fessenden 40	11,009	11,009.00	-
48019	Finley-Sharon 19	8,914	8,914.00	-
30039	Flasher 39	15,614	15,614.00	-
50079	Fordville 79	5,000	4,927.01	72.99
37088	Ft Ransom 8	5,000	1,500.53	3,499.47
03030	Ft Totten 30	9,476		9,476.00

SB 2013 - Technology Grants 1999-2001 Biennium

COO/ST	NAME	Grant Amount	Amount Paid	*Balance to Pay
43004	Pt Yates 4	11,600	10,547.00	1,253.00
24066	Geckle 14	11,103	11,103.00	-
28061	Garrison 51	22,698	10,287.70	12,408.30
30048	Glen Ulin 48	13,206	13,206.00	-
38029	Glenburn 26	14,975	14,975.00	-
29020	Golden Valley 20	5,000	5,000.00	-
42016	Goodrich 16	5,000	5,000.00	-
50003	Grafton 3	55,058	55,058.00	-
18001	Grand Forks 1	480,136	480,136.00	-
26025	Granville 25	8,414	8,414.00	-
53099	Grenora 99	6,524	6,524.00	-
20016	Griggs County Central	20,968	20,968.00	-
13019	Haliday 19	5,860	5,860.00	-
39008	Hankinson 8	19,186	19,186.00	-
52036	Harvey 36	31,124	31,124.00	-
49007	Hatton 7	14,191	14,191.00	-
15006	Hazleton-Moffit-Braddock 6	8,343	8,343.00	-
29003	Hazen 3	47,819	47,819.00	-
30013	Hebron 13	11,055	11,055.00	-
01013	Hettinger 13	24,371	24,371.00	-
49009	Hillsboro 9	25,976	25,976.00	-
46010	Hope 10	9,389	9,389.00	-
27032	Horse Creek 32	5,000		5,000.00
47001	Jamestown 1	143,914	143,914.00	-
51028	Kenmare 28	20,400	20,400.00	-
47019	Kensal 19	5,000	5,000.00	-
13016	Killdeer 16	20,387	15,184.00	5,203.00
09002	Kindred 2	35,492	35,492.00	-
23007	Kulm 7	8,903	8,903.00	-
32066	Lakota 66	15,847	15,847.00	-
23008	LaMoure 8	20,272	20,272.00	-
10023	Langdon 23	33,049	22,976.00	10,073.00
50039	Lankin 39	5,000	5,000.00	-
06036	Lansford 36	5,000	5,000.00	-
18044	Larimore 44	30,477	30,477.00	-
03006	Leeds 6	12,168	12,168.00	-
39028	Lidgerwood 28	14,433	14,433.00	-
15036	Linton 36	19,128	19,128.00	-
37019	Lisbon 19	36,363	36,363.00	-
02062	Litchville 62	5,290	5,290.00	-
30004	Little Heart 4	5,000	5,000.00	-
17008	Lone Tree 6	5,000	5,000.00	-
03008	Mad dock 9	12,537	12,537.00	-
30001	Mandan 1	188,188	188,188.00	-
27036	Mandaree 36	11,919		11,919.00
08046	Manning 46	5,000	3,920.66	1,079.34
39006	Martador 6	5,000	5,000.00	-
16126	Marvel 126	10,946	10,946.00	-
09004	Maple Valley 4	13,461	13,461.00	-
09007	Mapleton 7	6,158	6,158.00	-
23009	Marion 9	6,954	6,954.00	-
44012	Marmarth 12	5,000	5,000.00	-
28080	Max 80	9,088	6,499.57	2,588.43
48014	May-Port CG 14	35,928	35,928.00	-
42019	McClusky 19	8,070	8,070.00	-
08034	McKenzie 34	5,000		5,000.00
27001	McKenzie Co 1	34,886	34,886.00	-
47003	Medina 3	9,518	9,518.00	-

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COONST	NAME	Grant Amount	Amount Paid	*Balance to Pay
08033	Menoken 33	5,000		5,000.00
20007	Midkota 7	13,034	13,034.00	-
18128	Midway 128	18,707	18,707.00	-
41002	Minor 2	14,711	14,711.00	-
10030	Milton 30	5,000	5,000.00	-
03005	Minnewaukan 5	6,918	6,918.00	-
51001	Minot 1	388,070	388,070.00	-
50020	Minto 20	15,032		15,032.00
38009	Mohall 9	15,921	15,921.00	-
28001	Montefiore 1	14,238		14,238.00
47014	Montpelier 14	8,278	8,278.00	-
21008	Mott 8	12,889	12,889.00	-
40004	Mt Pleasant 4	19,313	19,313.00	-
10019	Munich 19	8,170	8,170.00	-
48028	N Central 28	5,358		5,358.00
02085	N Central 85	11,178	11,178.00	-
41003	N Sargent 3	9,884	9,884.00	-
51158	N Shore 158	5,877	5,877.00	-
24002	Napoleon 2	14,193	14,193.00	-
50051	Nash 51	5,000	5,000.00	-
08025	Naughton 25	5,000	2,319.83	2,680.17
34055	Neché 55	6,988		6,988.00
51004	Nedrose 4	13,420	13,420.00	-
53002	Nesson 2	12,486	12,486.00	-
53008	New 8	12,447		12,447.00
21009	New England 9	14,822	14,822.00	-
14001	New Rockford 1	21,538	21,538.00	-
30007	New Salem 7	19,268	19,268.00	-
31001	New Town 1	37,968		37,968.00
05054	Newburg-United 54	5,098		5,098.00
25004	Newport 4	11,355	11,355.00	-
09097	Northern Cass	21,658	21,658.00	-
18129	Northwood 129	19,803	19,803.00	-
11041	Oakes 41	27,890	27,890.00	-
03018	Oberon 18	5,000	5,000.00	-
02013	Orioka 13	5,000	5,000.00	-
10001	Osnabrock 1	5,000	5,000.00	-
09080	Page 80	8,055	8,055.00	-
50078	Park River 78	25,405	25,405.00	-
31003	Parshall 3	16,502	16,502.00	-
34001	Pembina 1	7,757		7,757.00
22011	Pettibone-Tuttle	5,000	5,000.00	-
47010	Pingree-Buchanan	7,007	7,007.00	-
31137	Plaza 137	5,000	5,000.00	-
52035	Pleasant Valley 3	5,000	5,000.00	-
07027	Powers Lake 27	7,850	7,850.00	-
01003	Reeder 3	5,000	4,228.04	771.96
08002	Regan 2	5,000		5,000.00
21014	Regent 14	5,570	5,570.00	-
08017	Rhame 17	6,873	6,873.00	-
45004	Richardton 4	9,905	9,905.00	-
39044	Richland 44	16,445	16,445.00	-
22014	Robinson 14	5,000	3,645.48	1,354.51
40029	Rolette 29	12,254	12,254.00	-
19018	Roosevelt 18	7,813	7,813.00	-
35005	Rugby 5	38,748	38,748.00	-
48009	S Heart 9	15,518	15,518.00	-
51070	S Prairie 70	6,918	6,918.00	-

SB 2013 - Technology Grants 1999-2001 Biennium

CODE	NAME	Grant Amount	Amount Paid	Balance to Pay
37010	Salund 10	5,000	5,000.00	-
41006	Sargent Central 6	18,541	18,541.00	-
51016	Sawyer 16	9,977		9,977.00
08033	Sorrenton 33	8,764	8,764.00	-
43006	Selridge 6	6,198	6,198.00	-
44014	Sheets 14	5,000	5,000.00	-
37002	Sheldon 2	5,000		5,000.00
38002	Sherwood 2	7,598	7,598.00	-
14012	Shenoyenne 12	8,890	8,890.00	-
30006	Sims 6	5,000	5,000.00	-
43003	Solen 3	13,223		13,223.00
48006	Southern 6	17,082	17,082.00	-
47026	Spiritwood 26	5,000	2,339.00	2,661.00
40003	St John 3	14,591		14,591.00
34043	St Thomas 43	7,440	7,440.00	-
31002	Stanley 2	23,906	23,906.00	-
29022	Stanton 22	5,684	4,832.00	852.00
36044	Starkweather 44	6,956		6,956.00
22026	Steele-Dewson 26	13,660	13,660.00	-
08036	Sterling 36	5,000	5,000.00	-
15015	Strasburg 15	12,180	12,180.00	-
51041	Suney 41	23,505	23,505.00	-
30017	Sweet Brier 17	5,000		5,000.00
52039	Sykes 39	5,000	5,000.00	-
22028	Tappen 28	5,813	5,813.00	-
45003	Taylor 3	5,912	5,912.00	-
18081	Thompson 61	28,544	28,544.00	-
53016	Tioga 16	20,203	20,203.00	-
28072	Turtle Lake-Merco	11,830	11,830.00	-
22020	Tuttle-Pettibone	5,000	5,000.00	-
13037	Twin Buttes 37	5,000		5,000.00
28006	Underwood 6	18,955	18,955.00	-
15012	Union 12	5,000	2,460.54	2,539.46
51007	United 7	36,527	36,527.00	-
25029	Upham 29	5,000	5,000.00	-
34012	Valley 12	9,171		9,171.00
02002	Valley City 2	70,191	67,212.44	2,978.56
25001	Velva 1	23,835	23,835.00	-
23011	Verona 11	5,000	5,000.00	-
36037	Wahpeton 37	84,865	84,865.00	-
34027	Walhalla 27	18,605	18,605.00	-
03029	Warwick 29	11,767		11,767.00
28004	Washburn 4	24,736	24,736.00	-
06006	West Fargo 6	240,857	240,857.00	-
05017	Westhope 17	10,139	10,139.00	-
28085	White Shield 85	8,198	8,198.00	-
53091	Wildrose-Alamo 91	5,000	5,000.00	-
53001	Williston 1	139,299	132,342.56	6,956.44
05013	Willow City 13	5,580	5,580.00	-
02082	Wimbledon-Courtenay 82	10,222	10,222.00	-
08026	Wing 26	5,000	5,000.00	-
28019	Wishak 19	14,684	14,684.00	-
35001	Wofford 1	5,000		5,000.00
36042	Wyndmere 42	18,127	18,127.00	-
27014	Yellowstone 14	6,360	6,360.00	-
28004	Zealand 4	5,000	5,000.00	-
Total		5,969,715	5,581,014.25	418,701

Monday, January 15, 2001

Senate Appropriations Committee

Testimony in Support of Senate Bill No. 2022

My name is Darin King and I am the Director of Technology for the Grand Forks Public Schools and also the current president of the North Dakota Association of Technology Leaders (NDATL). I am here today to speak in support of Senate Bill 2022 with regard to the items that would impact K12 schools throughout the state.

The North Dakota Association of Technology Leaders is a group of educational technology professionals that work with students, teachers and administrators everyday to implement and support technology in schools across the state. We currently have approximately 120 members from schools of all sizes.

Technology has become pervasive and intertwined in all aspects of life in the twenty first century, and access to technology resources is a critical component of education in the twenty first century. As we strive to prepare students for their future, we must provide them with the access to the technology resources that will allow them to become information literate members of society. Regardless of their individual chosen field of endeavor, technology will be an important part of their future.

Phase II of the state network is an exciting project that has far reaching potential to significantly impact all K12 students in North Dakota. This project will bring affordable Internet access to those schools that cannot afford the high access charges that are currently available to them in their location. It will also have a positive fiscal impact on districts that are currently funding Internet access, given that the lower, state negotiated rates will allow districts to redistribute local funds to address other local technology projects. Larger districts may use these savings to purchase additional bandwidth from the state to help with local bandwidth shortages.

Technology has the potential to transform the way teachers teach and students learn in our state. Physical location becomes irrelevant, so students in North Dakota will have access to the same educational resources as students in large metropolitan areas. For example, tomorrow (January 16, 2001) in Grand Forks we are busing a group of middle schools students to a local theater for a live videoconference with the National Holocaust Museum. During this 'virtual visit', the students will be able to ask questions and interact in real time with an actual survivor of the holocaust. This powerful and influential activity would not be possible without technology. Educational experiences like this will become even more useful and powerful as we bring this type of experience directly to our classrooms via the new state network.

While technology can be an effective tool to enhance and transform traditional curricular areas, it can also be used to create a high tech curriculum that would assist in developing a technical workforce for the state. Programs like ExploreNet, Cisco Networking Academies and Information Technology Essentials are currently offered in some school districts around the state. The funding request in this bill would allow these programs to expand into additional school districts and increase the number of technology workers available to our workforce. This could impact the states economic development activities by making North Dakota more attractive to high tech companies considering locating in the state.

Educational research indicates that simply providing hardware, software and network resources in our schools will not automatically create technology rich, curriculum centered experiences for students. Staff development and technical support must be deployed in schools to insure that the technology is used appropriately. The proposals and associated funding for the Center for Innovation and Instruction and Sendit Technology Services address these areas and are as important as the network itself.

Another aspect of Senate Bill 2022 that I would like to address is the funding for the Education Technology Commission (ETC) grants. It is important to recognize the importance of providing a funding mechanism for local school districts that would allow them to initiate local projects that would effectively utilize and support the state network. Local districts may apply for funding to build distance-learning classrooms, build metropolitan area networks that connect elementary and middle schools to the state network, or any number of other potential scenarios that would leverage the states investment in the new network.

In conclusion, I feel that Senate Bill 2022 is a critical piece of legislation for the state of North Dakota. I was born, raised and educated in North Dakota and I have an intense desire to stay here for many more years. Developing our technological resources and capacity is a great investment for today and an even better investment in our future. Thank you for the opportunity to testify on this important issue.



GRAND FORKS PUBLIC SCHOOLS

A Great Place to Grow and Learn

Technology Department
Grand Forks Educational Center
P.O. Box 6000, 2400 47th Avenue South
Grand Forks, ND 58201-3406
Phone (701) 787-4870
Fax (701) 748-2414

Friday, March 2, 2001

House Appropriations Committee

Testimony in Support of Senate Bill No. 2022

My name is Darin King and I am the Director of Technology for the Grand Forks Public Schools and also the current president of the North Dakota Association of Technology Leaders (NDATL). I am here today to speak in support of Senate Bill 2022 with regard to the items that would impact K12 schools throughout the state.

The North Dakota Association of Technology Leaders is a group of educational technology professionals that work with students, teachers and administrators everyday to implement and support technology in schools across the state. We currently have approximately 120 members from schools of all sizes.

Technology has become pervasive and intertwined in all aspects of life in the twenty first century, and access to technology resources is a critical component of education in the twenty first century. As we strive to prepare students for their future, we must provide them with the access to the technology resources that will allow them to become information literate members of society. Regardless of their individual chosen field of endeavor, technology will be an important part of their future.

Phase II of the state network is an exciting project that has far reaching potential to significantly impact all K12 students in North Dakota. This project will bring affordable Internet access to those schools that cannot afford the high access charges that are currently available to them in their location. It will also have a positive fiscal impact on districts that are currently funding Internet access, given that the lower, state negotiated rates will allow districts to redistribute local funds to address other local technology projects. Larger districts may use these savings to purchase additional bandwidth from the state to help with local bandwidth shortages.

Technology has the potential to transform the way teachers teach and students learn in our state. Virtual visits to museums and access to first person source information are examples of the potential educational impact of the state network. North Dakota students will now have access to the same educational resources as students in large metropolitan areas. For example, in Grand Forks we have used similar technology to allow our students real-time access to experts from NASA, the National Holocaust Museum and the Philadelphia Museum of Art. We currently have to bus students to a local theater for this experience. With the state network, these powerful educational experiences will be possible in every classroom.

While technology can be an effective tool to enhance and transform traditional curricular areas, it can also be used to create a high tech curriculum that would assist in developing a technical workforce for the state. Programs like Cisco Networking Academies, Information Technology Essentials and ExploreNet are currently offered in some school districts around the state. The funding request in this bill would allow these programs to expand into additional school districts and increase the number of technology workers available to our workforce. This could impact the states economic development activities by making North Dakota more attractive to high tech companies considering locating in the state.

Educational research indicates that simply providing hardware, software and network resources in our schools will not automatically create technology rich, curriculum centered experiences for students. Staff development and technical support must be deployed in schools to insure that the technology is used appropriately. The proposals and associated funding for the Center for Innovation and Instruction and Sendit Technology Services address these areas and are as important as the network itself.

Another aspect of Senate Bill 2022 that I would like to address is the funding for the Education Technology Commission (ETC) grants. It is important to recognize the importance of providing a funding mechanism for local school districts that would allow them to initiate local projects that would effectively utilize and support the state network. Local districts may apply for funding to build distance-learning classrooms, build metropolitan area networks that connect elementary and middle schools to the state network, or any number of other potential scenarios that would leverage the states investment in the new network.

In conclusion, I feel that Senate Bill 2022 is a critical piece of legislation for the state of North Dakota. I was born, raised and educated in North Dakota and I have an intense desire to stay here for many more years. Developing our technological resources and capacity is a great investment for today and an even better investment in our future. Thank you for the opportunity to testify on this important issue.

515 1000

**Testimony to the
SENATE APPROPRIATIONS COMMITTEE
Prepared January 15, 2001 by the
North Dakota Association of Counties
Mark Johnson, NDACo Executive Director**

REGARDING SENATE BILL 2022

Chairman Nothing and members of the committee, I appear before you to express the counties' support for the Information Technology Department and their budget contained in Senate Bill 2022.

As this Committee is aware, county government is the service delivery arm of the State in a great many areas. Over the past decade, this service delivery has become more and more dependent upon the data network that links us together. From social service eligibility to criminal history records, from child support enforcement to uniform commercial code filings, the state and its 53 counties communicate constantly to carry out the business of government.

ITD, like ISD before, has been dedicated in its efforts to make sure that counties are a key component of the State's wide area network. The Association of Counties has found ITD to be very open to cooperative efforts that leverage the resources of the counties and the Association along with the knowledge and expertise of the ITD staff.

A small portion of the appropriation contained in SB2022 will expand these cooperative efforts, by providing one-time support for the deployment of automation support staff into regional locations. Already NDACo is providing support to a number of counties, as well as supplemental services to State agencies when requested. This appropriation will formalize that and allow those support staff to serve counties and other local governments that will be connected in the coming biennium.

The 2001-2003 budget for the Department proposes a bold plan for strengthening the network already linking counties and remote state offices, and extending it to schools and cities. This is good for government, as it will provide the lowest possible cost for critical network access, while making North Dakota one of the better-equipped states for the e-commerce of the future.

For these reasons, Mr. Chairman and committee members, this Association supports Senate Bill 2022.

**Testimony for the North Dakota Appropriations Committee
Senate Bill 2022
January 15, 2001**

My name is Christopher D. Bader, I am the Information System Manager for the ND State Water Commission. I also represent the State GIS Technical Committee. As part of Senate Bill 2022, ITD has requested funding to build and support a state GIS data-hub. ITD's budget request is in response to both agency and the GIS technical committee requests, and we would like to provide our support for the GIS initiative within SB 2022

State Agency Perspective

As a part of the 2001-03 strategic planning process, the Water Commission identified GIS as a major enhancement to our technology infrastructure. Like many agencies, the Water Commission has implemented GIS in a limited manner over the past decade due in part to the costs associated with implementing GIS and the lack of data. However, in our case, the increasing demands associated with managing North Dakota's water resources coupled with changes in technology and data availability dictate the implementation of more comprehensive GIS capabilities.

The development of a GIS infrastructure capable of meeting the Water Commission needs will require a significant investment in the agency's current IT infrastructure. Several things become obvious when you begin to evaluate the GIS infrastructure that the Water Commission requires.

First - This level of infrastructure is considerably more complex than the infrastructure that we currently maintain, and as a result, significant resources will be required for development.

Second - The defined infrastructure is clearly beyond the capabilities of most agencies. The development of an interactive spatial data platform capable of meeting GIS management requirements requires the development and implementation of sophisticated services with demands for considerable expertise in many un-related technology areas. In order for individual agencies to develop this infrastructure, they will be required to develop expertise in many areas where ITD can already provide sufficient expertise.

Third - Surprisingly, the costs associated with developing this class of infrastructure for an individual agency are nearly as high as for development of a statewide infrastructure.

I do not believe that individual agencies will be able to develop the necessary infrastructure and the tools to use this infrastructure. This in effect is what has prompted the Water Commission to approach ITD with the request to provide the GIS data-hub services at the state enterprise level. If the appropriate infrastructure is provided by ITD, the agencies will be able to focus on the development of the necessary tools to address their management responsibilities.

Scope of the GIS Data-hub

The scope of the GIS data-hub is an important factor that will help to define the success of GIS initiatives within North Dakota. If agencies proceed individually to develop their own internal GIS infrastructure, North Dakota will not realize the full benefit of a state-wide data-hub. The state GIS data-hub should provide the basis for storage and dissemination for a wide range of data and services including but not limited to Natural Resource Management, Agriculture, Environmental Management, land-use planning, tax assessment, and many others. A coordinated state GIS data-hub also provides the foundation for sound economic development efforts by which the state can present state resources in a consistent and efficient manner.

The GIS data-hub must be supported by General Appropriations.

The GIS data-hub must be viewed as a critical component of the state infrastructure that will be used at all levels. If constructed properly, the data-hub will provide an effective means of integrating data that is used at the state, county, and local levels, and will make this data available to state, county and local governments. However, the data-hub will provide the necessary infrastructure to provide services beyond state and local government out to the general public. (The data-hub represents the types of services that the state will provide over the state network backbone)

For the most part, state agencies and county government will be the principal contributors of data to the data-hub. If funding is not provided for the state GIS data-hub, many agencies will internalize many of the data-hub functions. This will effectively circumvent the broad-based usefulness of the data-hub. In order to develop the best data infrastructure, we need to make the data-hub the standard for all spatial data used throughout North Dakota. In order to accomplish this, North Dakota must remove any cost barriers that may prevent any user at any level from utilizing this resource.

This can best be achieved if the necessary funding is provided to build and maintain a central state GIS data-hub, and we therefore would like to provide our support for SB 2022

**Testimony for the North Dakota
House Appropriations Committee
Senate Bill 2022
March 2, 2001**

My name is Christopher D. Bader. I am the Information System Manager for the ND State Water Commission. I also represent the State GIS Technical Committee, which is responsible for coordinating state GIS activities. As part of Senate Bill 2022, ITD has requested funding to build and support a state GIS data-hub. ITD's budget request is in response to both agency and the GIS technical committee requests, and we would like to provide our support for the GIS Initiative within SB 2022.

GIS - Defined

Before we can discuss the merits of GIS for North Dakota, it is important to understand what GIS is, and how the GIS Initiative will grow to serve North Dakota. It is also important to provide a better understanding of the scope of GIS management and related administration requirements. This goes well beyond a simple text book definition of GIS.

GIS, simply defined, is a computer based set of procedures used to store and manipulate geographically referenced data. GIS extends beyond a simple mapping package to include geographical analysis tools. A GIS infrastructure includes three basic components, storage, data management, and data analysis.

GIS - A Management Perspective

Traditionally, the use of GIS was targeted more toward the high-end scientific GIS user, and administration of the GIS and related data was completed entirely by the GIS professional. However, technology has evolved to a point where geographic data can be utilized across a much wider variety of applications and can be integrated within other applications directly or through the Web. These types of advances in the technology make GIS much more accessible to non-GIS professionals and increase the utility of GIS beyond the narrow niche of the GIS professional.

In addition to changes in technology, growth in spatial data resources continues to place ever increasing demands upon storage and maintenance of the spatial data. With increasing availability and capabilities to evaluate raster images, availability and demand for raster imagery has increased storage requirements by several orders of magnitude. Five years ago all of the spatial data resources available for North Dakota could be housed comfortably within 300 to 500 megabytes of storage. In contrast, storage requirements to house most of the data that is readily available today would require between 2 and 3 terabytes, a 5000-fold increase. While storage has become cheaper, the volume of data and rate of increase of this volume has clearly outpaced the decreases in storage costs. North Dakota could easily be looking at spatial data resources with storage requirements that exceed 30 to 50 terabytes within the next three to five years.

Essentially, the changes in technology and the growth in data resources will require a much different approach for the management and development of

the GIS infrastructure. Currently, most state agencies do not have a formal management structure for spatial data beyond that of simple file storage and services. However, as many agency's move forward to integrate spatial data resources with existing data management functions, the Internet, and internal databases, considerable investments will be required to address the spatial data resource components of these efforts. The data-hub proposed by the GIS Technical committee, which ITD has included in their budget proposal, would provide the necessary data support for these types of agency initiatives. Investment in the core services provided by the data-hub would significantly reduce costs compared to the overall costs associated with the redundant independent development efforts at the agency level. A central data-hub, as proposed by the GIS Technical Committee, would provide the basic infrastructure required by most agencies for spatial data management, which would free the agencies from the growing burden of development and maintenance of this type of infrastructure.

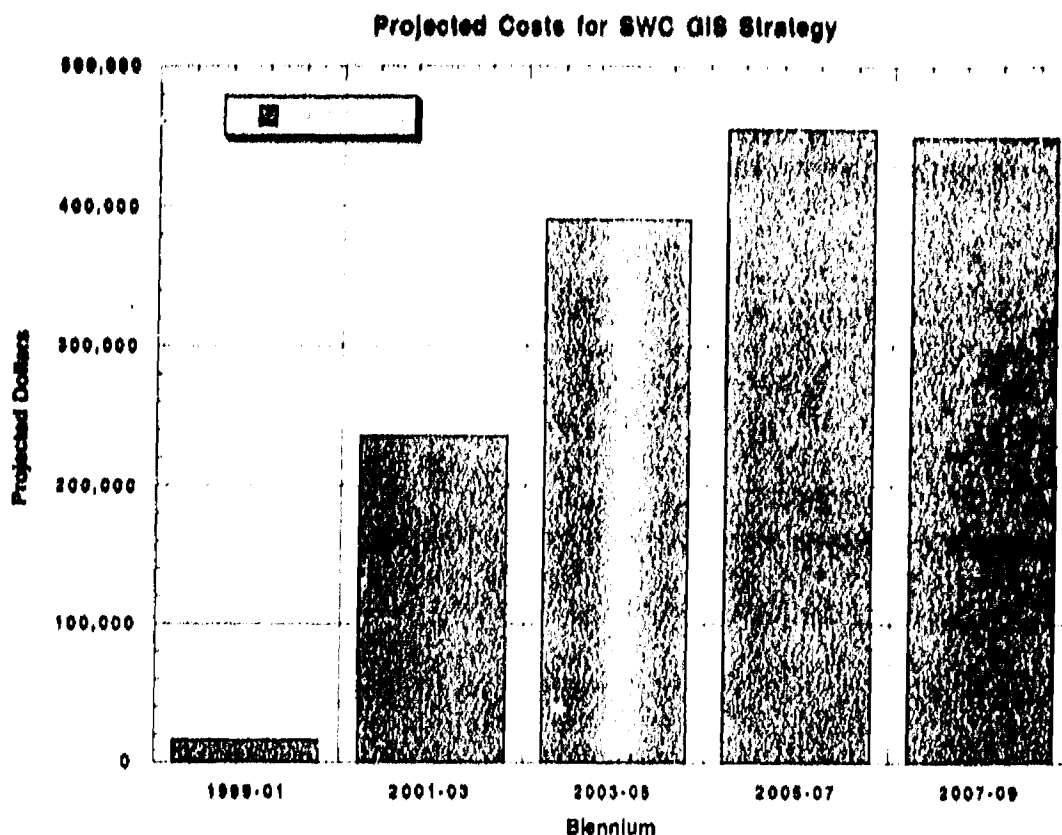
Agency Impacts

As a part of the 2001-03 strategic planning process, the Water Commission identified GIS as a major enhancement to our technology infrastructure. Like many agencies, the Water Commission has implemented GIS in a limited manner over the past decade due in part to the costs associated with implementing GIS and the lack of data. However, in our case, the increasing demands associated with managing North Dakota's water resources coupled with changes in technology and data availability dictate the implementation of more comprehensive GIS.

The development of a GIS infrastructure capable of meeting the Water Commission needs will require a significant investment in the agency's current IT infrastructure. The Water Commission has identified costs associated with the proposed GIS infrastructure that will exceed \$1,500,000 over the next four biennia.

Biennium	1999-01	2001-03	2003-05	2005-07	2007-09
Software	16,650	50,635	75,805	55,280	50,000
Hardware		45,000	55,000	20,000	20,000
Training		20,000	20,000	20,000	20,000
FTE's		120,000	240,000	360,000	360,000
Total	16,650	235,635	390,805	455,280	450,000

Cost Projections for Water Commission GIS Infrastructure.



Several things become clearer upon evaluation of the GIS infrastructure that the Water Commission has proposed.

First - This level of infrastructure is considerably more complex than the infrastructure that is currently maintained by the Water Commission, and as a result, significant resources will be required for its development. Not only will a GIS management infrastructure require the addition of complex hardware and software systems, it will also require additional personnel to develop and manage the complex infrastructure.

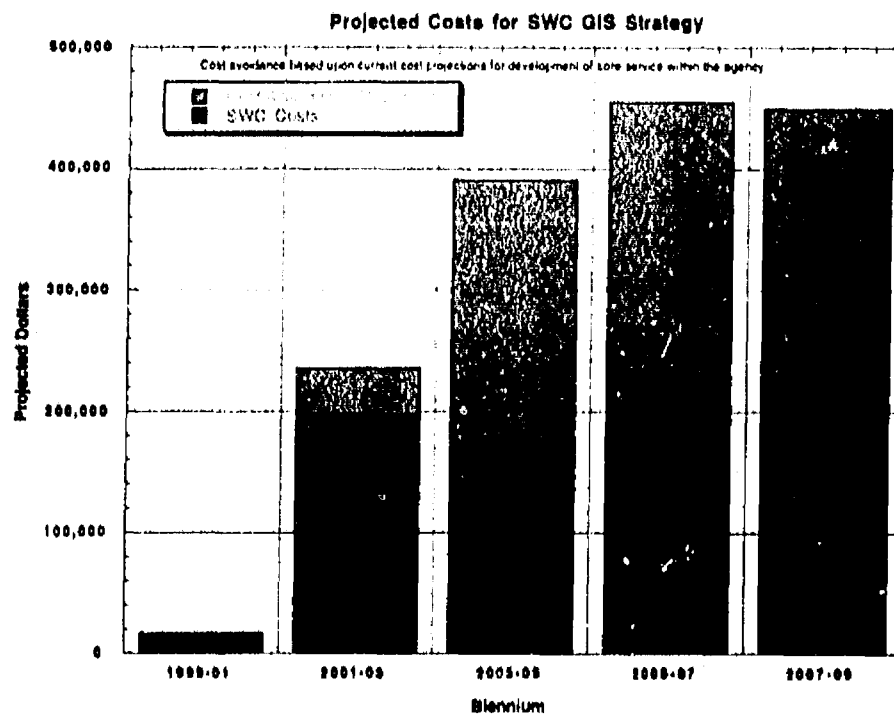
Second - The development of an interactive spatial data platform capable of meeting GIS management requirements requires the development and implementation of sophisticated services with demands for considerable expertise in many technology areas unrelated to the respective agency. In order for individual agencies to develop this infrastructure, they will be required to develop expertise in many areas where ITD can already provide sufficient expertise.

Third - Surprisingly, the costs associated with developing this class of infrastructure for an individual agency are nearly as high as for development of a statewide infrastructure.

The costs associated with the Water Commission GIS plan were broken down to identify components of the Water Commission plan that would not need to be implemented by the Water Commission if a central data-hub were available. The costs for these components were then used as the basis for determining potential savings that can be achieved through cost avoidance. These costs are outlined in the following table.

Biennium	Projected Costs w/o Data-Hub	Projected Costs with Data-Hub	Projected Cost Savings
1999-01	16,650	16,650	0
2001-03	235,635	197,135	38,500
2003-05	390,805	176,055	214,750
2005-07	455,280	157,780	297,500
2007-09	450,000	160,000	290,000
Total	1,548,370	707,620	840,750

Cost Projections for Water Commission GIS Infrastructure.



Based upon the cost projections presented, it would require approximately 4 agency's with comparable needs to that of the Water Commission to produce sufficient savings to offset the costs associated with building and managing a central data-hub. These types of cost savings should provide the necessary incentives to pursue a central data-hub, but cost savings within state government only represents a small part of the benefit of a central data-hub.

Scope of the GIS Data-hub

The scope of the GIS data-hub is an important factor that will help to define the success of GIS Initiatives within North Dakota. If agencies proceed individually to develop their own internal GIS infrastructure, North Dakota will not realize the full benefit of a state-wide data-hub. The state GIS data-hub should provide the basis for storage and dissemination for a wide range of data and services including but not limited to Natural Resource Management, Agriculture, Environmental Management, land-use planning, tax assessment, and many others. Essentially, the GIS data-hub could provide the necessary spatial services that will inevitably be built in many of the larger agencies. However, a central GIS data-hub would also extend these types of services to smaller agency's that would otherwise not be able to afford GIS. The data-hub would also provide the necessary foundation to integrate spatial data resources in many levels of state government where the necessary GIS expertise can not be developed. An example of this would include GIS applications available over the web that could be made available to general non-GIS users for routine types of spatial analysis (i.e. re-zoning, school re-districting, site selection, and countless other functions).

A central GIS data-hub would also provide the necessary foundation to extend the spatial infrastructure beyond state government functions. It would be very easy, and would not impose any significant costs, to utilize the GIS data-hub as the foundation for many county governments that are currently struggling with many of the same issues. This would in-turn provide the state with a much more uniform base for developing land-use planning, land ownership parcels, tax records, and tax assessment programs which typically fall within county jurisdiction. The GIS data-hub will provide the foundation to bring many of these resources together to make them accessible and easier to use at all levels of government, not to mention providing the taxpayer with greater access to government functions. A coordinated state GIS data-hub also provides the foundation for sound economic development efforts by which the state can present state resources in a consistent and efficient manner.

The GIS data-hub must be supported by General Appropriations.

Given the scope of the GIS data-hub, the GIS data-hub must be viewed as a critical component of the state infrastructure that will be used at all levels. If constructed properly, the data-hub will provide an effective means of integrating data that is used at the state, county, and local levels, and will make this data available to state, county and local governments. However, the data-hub can also provide the necessary infrastructure to provide services beyond state and local government out to the general public. (The data-hub represents the types of services that the state will provide over the state network backbone)

For the most part, state agencies and county governments will be the principal contributors of data resources that will be housed in the data-hub. If funding is not provided for the state GIS data-hub, many agencies will internalize many of the data-hub functions. This will effectively circumvent

the broad-based usefulness and access to the information in the data-hub. In order to develop the best data infrastructure, we need to make the data-hub the standard for all spatial data used throughout North Dakota. To accomplish this, North Dakota must reduce any cost barriers that may prevent any user at any level from utilizing this resource.

This can best be achieved if the necessary funding is provided to build and maintain a central state GIS data-hub, and we therefore would like to communicate to you our support for SB 2022

To: Members of the North Dakota House of Representatives Appropriations Committee
From: Jerry Bartholomay, Chairman, North Dakota Education Telecommunication Council

I had hoped to be present to testify in favor of SB2022 at your hearing on March 2, however, I have an appointment that I could not change. Please accept this note of support for the Statewide Network.

I am very excited about the current plan to link North Dakota communities with a network that will allow us to connect virtually all of our citizens. It will mean that we will be able to access all the tremendous resources of the Internet, to share video applications, and to bring educational and economic opportunities to our communities. I am impressed by the thoroughness of the plan for the Network, and I am excited by the cooperation of the many agencies that will share the use of the Network. I think that plan for implementing and supporting the Network is well thought out and designed to provide the help our schools and communities will need to effectively use the Network.

I have been involved in some of the planning efforts led by Curt Wolfe during these last years, and I support the role that we have designed for NDETC because I recognize that the schools are the primary gateways for introducing the use of technology in our communities.

This is a brief history of NDETC and the proposed role for NDETC in implementing the Statewide Network.

Early History: ETC awarded competitive grants for interactive video and various systems that could deliver distance learning.

Last 4 years: ETC has focused on distributing money to all schools. Those moneys were to assist schools in connecting to the Internet, developing effective LANS, and developing connections within the schools and with other educational agencies and businesses.

Role for ETC in Statewide Network: Distribute the appropriated dollars to the schools based on their needs for connecting to the Statewide Network. The amount granted to each school would be according to the type of application needed by the students.

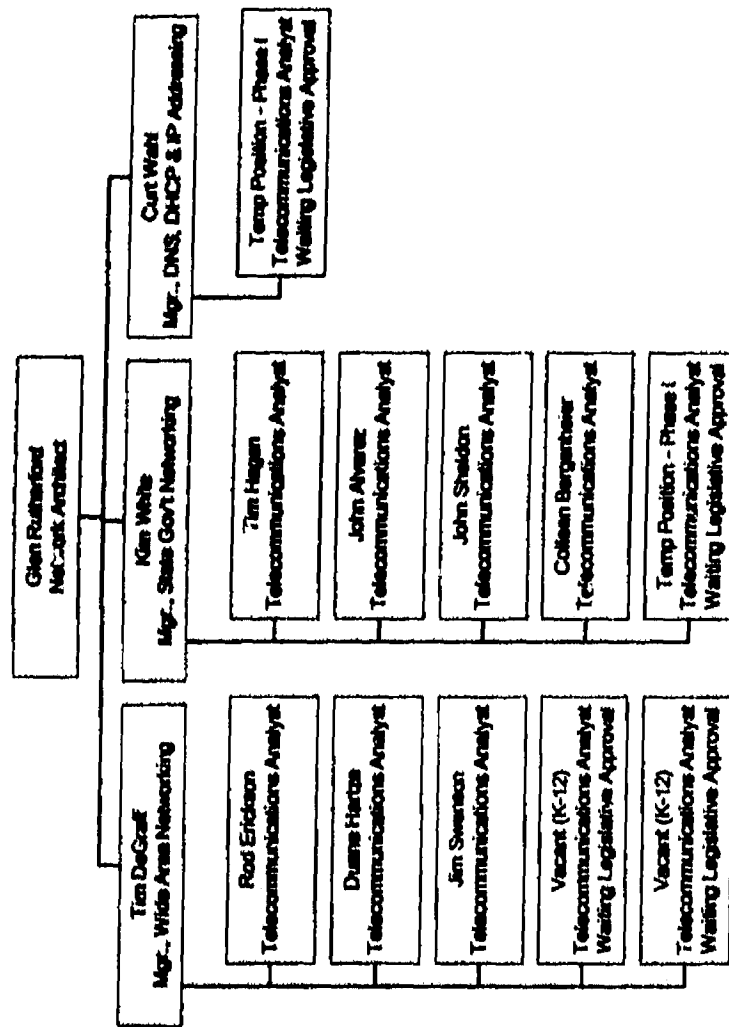
Need for Director: To help ETC assess the needs of each school. i.e. Desktop, IP video for small school with 2 students needing advance math. Classroom video over partial T1 to allow larger schools to share classes when teacher is not available. In-service for staff or technical assistance for schools who have appropriate technology that is not being fully utilized.

To help advice ETC as to the appropriate technology for each school's needs.

To help ETC evaluate how effectively each school uses the funds to deliver services to the students and teachers.

ETC will also coordinate with SENDIT and CII to help identify in-service and technical assistance needs in the schools.

Information Technology Department Telecommunications Division



23 March 2001

PORTFOLIO ASSIGNMENTS- Wide Area Networking

Tim DeGraff

- WAN Core

Rod Erickson

- All Circuits
- Internet Access

Duane Hartze

- H.323 Video
- State Government

Jim Swenson

- Higher Education
- Political Sub Divisions

Adding K-12 and Libraries will increase network connections by 300+

Vacant (K-12 / Libraries)

Vacant (K-12 / Libraries)

23 March 2001

PORTFOLIO ASSIGNMENTS- State Government Networking

Tim Hagen
ITD

- Campus/Metro Backbone
- .H323
- Core Backbone (switches/routers)
- Computer Room
- Switch Room
- Tower
- Metro Area (Bank Core)

Research

- VLAN
- VPN
- H.323
- VoIP
- Etc.

John Alvarez

Department of Transportation

ED&F

Electric Board

Facility Management

Highway Patrol

Industrial Commission

- State Bank

- ND Geological Survey

- Oil and Gas

- Mill and Elevator

- State Water commission

- Atmospheric Research

Insurance Commission

OMB

- Central Services

- Surplus Property

- Central Duplicating

Public Service Commission

Securities Commission

State Historical

State Radio

State Auditor

John Sheldon

Human Services

Health Department

ITD

Indian Affairs

J-Wing

Labor Department

Housing and Finance

23 March 2001

Colleen Bergenheier

Agriculture

- Soil Conservation
- Wheat Commission

Game and Fish

Governor's Office

Job Service

Legislative Counsel

North Dakota University System

- School of Medicine
- UND Graduate Center
- NDSU Extension Offices

Parks and Recreation

Real Estate Commission

Retirement Investment Office

Secretary of State

State Treasurer

Workers Comp

John Glaser / Temp

Attorney General

BCI

Bond Bank

Corn Utilization Council

Correction & Rehabilitation

- Parole and Probation
- Rough Rider Industries
- State Penitentiary

Courts

Depart. Of Public Instruction

Board of Vocational and Technical Education

Emergency Management

National Guard

State Bar Board

State Library

Supreme Court

Tax Department

Tourism

District	Connection Cost/year	Connection	Other notes
Alexander	\$3,500.00	56K	
Anaerosee	\$1,704.00	56K	
Bakker (Hague)	\$600.00		
Beech	\$4,920.00		
Bellfield	\$957.96		
Berthold	\$7,200.00	T1	before e-rate
Billings County (Prairie Elm & Delmore Elm)	\$5,546.00		
Blaine-Egland	\$3,000.00		
Canby	\$1,200.00	56K & 256K	
Carrington	\$2,310.00		
Carson	\$1,749.00		
Cavaller	\$2,230.44		
Central Cass	\$4,340.04		
Dakota Prairie	\$5,292.00		
Devils Lake	\$3,321.12	7 - 56K's & 3 - T1's	
Dickinson	\$22,980.00		
Dodge	\$2,940.00		
Drake	\$1,704.00		
Drayton	\$2,200.00		
Ellendale	\$18,000.00	T1	
Enderlin	\$4,200.00	56K	
Eureka (Minot)	\$650.00		
Farmount	\$1,032.00		
Gack's-Streeter	\$4,581.72		
Glen Ullin	\$8,954.00		
Grafton	\$9,972.00	T1	GWN ITV \$8954 supplies voice, video, and internet access
Grand Forks	\$20,000.00		+ 100,000 for WAN
Hankinson	\$3,600.00		after e-rate last year. Now on state network
Harvey	\$1,463.00		
Hatton	\$4,980.12		
Hazleton-Moffitt-Braddock	\$5,040.00		
Hillsboro	\$7,164.00	T1	
Killdeer	\$3,000.00	56K	before e-rate
Lakota	\$2,388.00		
Lidgerwood	\$4,980.00		
Lignite	\$3,600.00	56K?	said that they are going T1 next year so I am assuming that they have 56K now
Linton	\$8,954.00	T1	GWN ITV \$8954 supplies voice, video, and internet access
Lisbon	\$3,600.00	T1	after e-rate
Maple Valley	\$2,639.76		Qwest provides one free phone line
Mapleton	free	dial up	

Location	Amount	Notes	Service Type	Additional Notes
McKenzie County (Wattford City)				
Medina	\$3,228.00		T1	before e-rate (70%)
Menden	\$3,900.00			
Mendon	\$300.00			
Midkota	\$4,588.60			
Minnewaukan	\$1,704.00		T1	
Minot	\$4,800.00		T1	before e-rate (\$824 after)
Minro	\$2,322.00			before e-rate
Mohall	\$3,000.00			before e-rate
Mott	\$3,800.00			
Munich	\$3,072.00		partial T1	
Nesson (Ruy)	\$4,200.00			
New England	\$2,280.00			
New Salem	\$8,954.00		T1	GWN ITV \$8954 supplies voice, video, and internet access
Northwood	\$3,396.00		partial T1	after e-rate
Oaklee	\$4,200.00		56K	
Oberon	\$406.80		dial up	
Oriska	\$540.00			
Regan	\$240.00		dial up	before e-rate (70%)
Regent	\$1,960.00			
Richardson	\$8,580.00		fractional T1	
Rolle	\$3,180.00			
South Heart	\$2,400.00			
South Prairie - Minot	\$1,800.00		T1 wireless	
St. John Public School	\$3,180.00			
Starweather	\$2,904.00			includes 1200 to SchoolNet
Strasburg	\$6,900.00			before e-rate
Suney	\$7,050.00			+3600 for Sendit
Sykeston	\$4,932.00		56K	
Tioga	waiting for clarification			
Towner	\$964.80			
Wahpeton	\$5,424.00		T1	after e-rate of about (\$13560 without)
Washburn	\$8,954.00		T1	GWN ITV \$8954 supplies voice, video, and internet access
West Fargo	\$34,200.00			after e-rate (would be \$60,000 without)
Westhope	\$2,500.00			"internet hookups"
Wildrose/Alamo	\$600.00		fractional T1	after 80% e-rate (\$3000)
Wing	\$8,954.00			GWN ITV \$8954 supplies voice, video, and internet access
Zealand	\$7,200.00			
Parshall	\$3,240.00			
Sakund (McLeod)	\$240.00			
Halliday	\$8,954.00			GWN ITV \$8954 includes voice, video and internet access

[illegible][illegible]