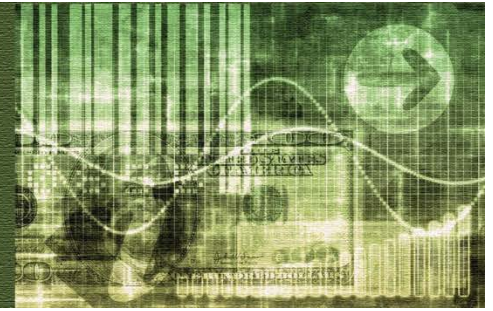


SECRETARY OF STATE



Mainframe migration computer project - The Legislative Assembly provided one-time funding of \$3.5 million from the general fund to the Secretary of State for the agency's mainframe migration computer project.

In addition, the Legislative Assembly in Section 4 of 2011 Senate Bill No. 2002 provided that any unobligated balance remaining in the Secretary of State's general services operating fund on June 30, 2011, is not subject to the provisions of North Dakota Century Code Section 54-09-08, and any unexpended funds are available and may be expended by the Secretary of State during the 2011-13 biennium for the mainframe migration computer project. Section 54-09-08 requires the Secretary of State transfer all unobligated funds over \$75,000 remaining in the general services operating fund at the close of each biennium to the general fund.

Section 3 of 2011 Senate Bill No. 2002 provides the one-time funding of \$3.5 million from the general fund for the mainframe migration computer project may not be used for any other purpose and the appropriation authority must be canceled on June 30, 2013.

General services operating funds in excess of \$75,000 at the end of the 2009-11 biennium totaled \$27,526. These funds became available for the mainframe migration computer project during the 2011-13 biennium. In addition, the Secretary of State received approval, pursuant to Section 54-44.1-11, to continue \$78,000 of the agency's remaining 2009-11 biennium general fund appropriation relating to the mainframe migration computer project during the 2011-13 biennium. These funds combined with \$3.5 million of one-time funding from the general fund provide a total of \$3,605,526 for the mainframe migration computer project, of which \$3,578,000 is from the general fund.

The Secretary of State is working with ITD on the mainframe migration computer project. The Secretary of State anticipates the \$3,605,526 of current funding available to be sufficient to complete the project; however, the Legislative Assembly may need to address the need to carry over funds for the project into the 2013-15 biennium as the project is anticipated to be completed in April 2014.