



600 East Boulevard Avenue, Bismarck, ND 58505

LEGISLATIVE TASK FORCE ON GOVERNMENT EFFICIENCY

Wednesday, December 3, 2025

Harvest Room, State Capitol
Bismarck, North Dakota

Representative Nathan Toman, Chairman, called the meeting to order at 10:00 a.m.

Members present: Representatives Nathan Toman, Glenn Bosch; Senators Kyle Davison, Kathy Hogan, Chuck Walen; Citizen Members Jonathan Casper*, Alan S. Dohrmann, Joshua C. Gallion, Joe Morrissette

Member absent: Representative Robin Weisz

Others present: Sandy McMerty, Secretary of State's office
John Bjornson, Shannon Fleischer, and Cody Malloy, Legislative Council, Bismarck
See [Appendix A](#) for additional persons present.

*Attended remotely

It was moved by Representative Bosch, seconded by Senator Davison, and carried on a voice vote that the minutes of the October 16, 2025, meeting be approved as distributed.

Ms. Sherry Neas, Director, Shared Services Division, Office of Management and Budget, presented information ([Appendix B](#)) regarding the procurement process and requirements, the number of Office of Management and Budget (OMB) procurement staff, the results of a recent procurement survey, and suggestions to improve the procurement process, including recommendations for statutory changes related to procurement requirements. She noted:

- OMB is working with a vendor to develop a new procurement automation system that will include the state bidders list, a solicitation module, and contract administration functionality. The system is scheduled to be released in a pilot phase in December 2025 and become fully operational in April 2026.
- All Level 3 procurements, consisting of purchases of \$100,000 or more, must be completed using the system. Procurement officers may be required to use the system for Level 1 procurements of less than \$10,000 and Level 2 procurements of at least \$10,000 but less than \$100,000, in the future.
- Procurement processes differ based on purchase price and type and are flexible to meet agency needs.
- OMB delegates purchasing authority to agencies and provides liaisons to assist agency procurement officers.
- Responses to a recent procurement survey indicated agency procurement officers are in need of additional training resources and misalignment between the OMB State Procurement Office and the Information Technology Department (ITD) has led to duplicated efforts and frustration.
- After implementing procurement changes pursuant to House Bill No. 1122 (2025), Senate Bill No. 2048 (2025), and Senate Bill No. 2049 (2025), OMB has not identified additional statutory changes needed for the 2027 legislative session.

In response to questions from task force members, Ms. Neas noted:

- Project costs for the new procurement system total approximately \$2.6 million. The system can integrate into enterprise resource planning systems; however, the state's PeopleSoft ConnectND enterprise resource planning system does not have sufficient functionality to support the procurement process.
- OMB is working with the Attorney General's office to publish a contract review manual and provide a contract template.
- Most states do not have preference laws for in-state vendors. A preference law for North Dakota vendors might lead to penalization during an out-of-state procurement process.

Task force members suggested creating a system for the Legislative Assembly to prioritize projects deemed important. Task force members also suggested a system for legislators to better monitor the procurement process of legislatively mandated and funded projects.

Mr. Corey Mock, Chief Information Officer, Information Technology Department, presented information ([Appendix C](#)) regarding the procurement process and requirements related to information technology (IT) goods and services, the number of department procurement staff, other state agency procurement requirements related to IT goods and services, and suggestions to improve the procurement process, including recommendations for statutory changes related to procurement requirements. He noted:

- Senate Bill No. 2049 changed the definition of a major IT project from a project that has a total estimated cost of \$500,000 to a project that meets one or more of the following criteria:
 - Estimated costs of \$5 million or more;
 - Requires 1 year or longer to reach operational status; or
 - Requires oversight due to potential benefits, risks, public impact, visibility, or other significant reasons.
- Any project costing over \$100,000 will involve a project manager and planning.
- Smaller IT projects and purchases create the most work. Enterprise architects must review hardware and software components and risk management performs contract reviews.
- The new procurement system will give ITD greater insight into agencies' procurement processes and provide a better audit trail.
- A new IT project steering committee has reduced project cancellations and increased capacity.

In response to questions from task force members, Mr. Mock noted:

- ITD operates on a blacklist basis, not a whitelist basis, meaning state agencies and employees have the ability to download software or IT solutions to state devices unless the product is specifically disallowed. All IT solutions downloaded on state devices are reviewed by ITD and, because risk changes over time, ITD may conduct reassessments of approved IT solutions.
- ITD cannot force the prioritization of certain projects. Projects approved by the Legislative Assembly are prepared by the responsible agency and brought to ITD to begin the project.

Ms. Kim Weis, Chief Data Officer, Information Technology Department, presented information ([Appendix D](#)) regarding the feasibility of creating dashboards containing state agency performance information and program evaluation results. She noted:

- ITD has capabilities to build data dashboards but each agency is responsible for the collection and governance of data.
- Data dashboards can greatly improve government efficiency; however, data quality, cost effectiveness, skilled employees, and strong governance are needed to have meaningful data governance and processes.

In response to questions from task force members, Ms. Weis noted:

- Many states and large corporations struggle with data management. A successful initiative requires a cultural shift but many agencies do not have the funding or resources for proper data management.
- Data standards should not be imposed by ITD but rather be made in collaboration with each agency.

Mr. Mock presented information ([Appendix E](#)) regarding the need for establishing an inventory of state agency services and efforts to improve IT services and communication with other state agencies. He noted ITD is interested in establishing a publicly available agency services inventory listing similar to the service provided by the State of South Dakota; however, establishing a list of all programs and services provided by each state agency is a significant undertaking that would require a substantial amount of effort and resources.

- As of December 1, 2025, ITD is enforcing a return-to-office policy for ITD employees to be in state offices at least 1 day a week and has approximately 60 ITD employees working at agency facilities to provide personalized and quicker assistance for agency IT needs and improve communication with agency personnel.
- ITD is considering a walkup help desk for IT assistance in the Capitol.

Mr. John Bjornson, Director, Legislative Council, presented information regarding the status of the Legislative Council staff expansion, including plans for the new Policy and Program Evaluation Division. He noted:

- The Legislative Council received authorization for 25 new full-time equivalent (FTE) positions beginning in the 2025-27 biennium. Through November 2025, an FTE policy and program evaluation director position and 5 FTE policy analyst positions have been hired. The agency anticipates hiring an additional 5 FTE policy analyst positions and 4 FTE program evaluator positions in the near future.
- The staff expansion will allow the Legislative Council to provide proactive research, data and analysis, and other services to legislators.

Ms. Shannon Fleischer, Director, Policy and Program Evaluation Division, Legislative Council, presented information regarding plans for the new Policy and Program Evaluation Division. She noted:

- It is appropriate for legislators to send work requests to policy analysts.
- The Policy and Program Evaluation Division is beginning its first program evaluation, which will be on child care services administered by the Department of Health and Human Services, pursuant to House Bill No. 1119 (2025).

Mr. Cody Malloy, Director, Information Technology Services Division, Legislative Council, presented information regarding the feasibility of creating dashboards containing state agency performance information and program evaluation results. He noted:

- An update to the legislator request system will allow legislators to send work requests to policy analysts.
- The Legislative Council is prepared to work with ITD to create and support data dashboards.
- The Legislative Council is updating the legislative branch website to proactively provide information and data to legislators and citizens.

Ms. Sandy McMerty, Deputy Secretary of State, presented information regarding suggestions to improve agency services and increase efficiencies between state agencies. She noted:

- The Secretary of State is updating major IT systems used by the agency, including the election management, campaign finance, central indexing, and statement of interest systems to evaluate and increase efficiencies in the agency.

- Recent procurement changes have created challenges with the IT project prioritization process and decisions made by the IT project steering committee. The Secretary of State would encourage more collaboration between ITD, the Governor's office, and elected executive branch agencies to address these challenges.

In response to questions from task force members, Ms. McMerty noted:

- Preparatory work for IT projects requires significant time and resources, and agencies are hesitant to start preparatory work before knowing if the Legislative Assembly will appropriate funding for the project.
- Secretary of State staff recently began meeting regularly with an ITD business analyst to discuss agency IT needs.

Mr. John Arnold, Deputy Commissioner, Insurance Department, presented information ([Appendix F](#)) regarding suggestions to improve agency services and increase efficiencies between state agencies. He noted:

- The Insurance Commissioner has modernized workflows, consolidated file systems, converted to electronic payment and form submissions, and evaluated fiscal procedures, billing practices, and interagency processes to improve agency services.
- The Insurance Commissioner would prefer ITD to take a proactive role in identifying software solutions and providing expertise for agencies.
- Expanding capabilities for direct financial transactions with the Bank of North Dakota, replacing agency-specific forms with standardized common forms, and supporting agency-initiated process improvements would reduce interagency transactions and administrative costs and lead to sustainable improvements across state government.

Chairman Toman presented information ([Appendix G](#)) regarding questions to consider when evaluating budget or policy change requests.

No further business appearing, Chairman Toman adjourned the meeting at 3:43 p.m.

Levi Kinnischtzke
Senior Fiscal Analyst

ATTACH:7