2009 SENATE APPROPRIATIONS

SB 2021

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2021

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 01-09-09

Recorder Job Number: 6731

Committee Clerk Signature Rosella M. Loning

Minutes:

Chairman Holmberg called the committee hearing to order at 8:30 am.

All committee members were present, except. V. Chair Grindberg & Senator Lindaas.

Chairman Holmberg : Sen. V. Chair Grindberg and Senator Lindaas will not be in committee today.

Mike Ressler, Deputy CIO and Director of ITD presented testimony.

Chairman Holmberg asked **Mike Ressler** to make it clear if they are asking for additional funding over and above what the Governor has put in his budget. If the budget itself, or dollar amounts are fine, be very upfront about that and let the committee know. Mike Ressler stated that there are no additional requests above the Governor's budget.

Senator Christmann inquired who filled the two vacancies at ITD. Mike Ressler and Lisa Feldner are filling those positions on a temporary basis.

Senator Warner : Most of what you say is special funds has been laundered and is actually general funds plus federal funds from other agencies, right?

Mike Ressler: Yes.

Senator Warner : And anything you have coming out of an agency, you're calling special funds?

Mike Ressler: That's our special funds. We have 1/3, 1/3, 1/3, – meaning 1/3 was federal funds from agencies, 1/3 was special funds from agencies, 1/3 was general fund. We don't actually get dollars from the legislature. We get the authority to bill those agencies because you give money to them and then we collect. We can't tell you exactly what every one of those dollars will be because we don't know what the agencies specifically got budgeted.

(continuing with testimony)

Senator Fischer asked if projects that were appropriated don't get done, if the money is turned back.

Mike Ressler stated that they do a very close look at agencies, especially the large ones, so they know what their needs are going into the biennium. If an agency needs $312, they will put $312 in the budget. If they need the money, ITD needs to get the authority.

Senator Fischer clarified his question that the turn back is a piece that they haven't finished and didn't need you for.

Mike Ressler stated that in a particular project, if it's not going as fast as everybody had planned, then they have authority, and we have authority that it's not going to get consumed this biennium and this would be part of the return.

ITD is growing again, they took 28 positions and when those projects are complete, those 28 positions are gone. He is here asking for 25 of those 28 back. 4 are for Bank of ND.

In software development, we have 8 vacant positions.

Senator Fischer: You're talking about keeping those positions.

Mike Ressler: I'm not sure what we need at this time. We will need a good share of those. We kind of want to hold out and make a determination at that point, but we won't ask for more than we need. One of the main challenges we face is job security. .

After talking about pushing 10 MB out to the schools.....

Senator Christmann: That would take the schools to 10 MG instead of 1.5? Does this give 10 MG to everyone?

Mike Ressler stated that a minimum of 10 MG to every school and that there will be some schools that will get 100 MG.

Lisa Feldner, CIO ITD: Even if the school is very small, they would have video and that takes a lot of bandwidth.

Senator Robinson asked how they control the bandwidth when some schools are at 6, some at 7, some at 4. You're system is live at 10 MG, but if they only need 5?

Mike Ressler clarified that it's the hardware at the end of the fiber. They have the ability to access 10 MB. If they need 5 MG and they would have another 5 available.

Senator Robinson: It's on demand?

Mike Ressler said it's available if they need it and is surprised at the amount of bandwidth that is being used. (Continuing with testimony....)

Senator Seymour: You're talking about upgrading software, How many dollars do you have available to upgrade your staff? Professional development dollars.

Mike Ressler: We take professional development very seriously and what we are trying to do is budget approx. $2000 /year per employee for education. We do training where possible. We also share training with other agencies or even co-share with Basin Electric or MDU or share in the costs.

Jody French: Director of EduTech: Testimony # 2

Senator Krauter asked if they have Help Desk support and **Jody French** stated that they do.

Senator Krauter asked if private schools have Power School and was told that it is available to them for actual cost, but the state is only funding this for public schools.

(continuing with testimony....)

Senator Seymour: With this change in governance staying in the Fargo office. How is this working?

Jodi: We don't get money to accommodate those salary increases. We've always worked close with ITD. ITD has been great to help with smooth transitions.

Senator Warner: When you make that transfer of governance to NDSU – are you paying overhead costs paid to NDSU?

Jody French: We're already paying $15,000 to NDSU for staff and equipment housed at NDSUs campus, and that was part of the grant.

Senator Warner: The prohibition on services to private schools? Is that a constitutional issue?

Jody French: Yes.

Senator Mathern: How confident are you that these 54 schools want to come on board and what is the value of that subsidy per student to that school?

Jody French: We've been talking about this for a long time. Power School has been very well received and I'm confident that schools are looking forward to this. The value is that it eliminates a lot of the hands on work that they've done. A lot of the data they haven't been able to do in a synchronized manner that is consistent with the state. You have invest a lot of staff time to get information. Every school would be in the same system. They would have the same data elements that they are collecting and that everyone would be alike.

Senator Mathern asked what the dollar value to these schools would be. Or what would you charge private schools?

Jody French said they'd have to check into that because they aren't prepared with those figures. .

Senator Kilzer: You said 54,000 students are receiving benefits – how soon before all 100,000 would be enrolled and receiving benefits.

Jody French: By the end of 2012, every school will be using Power school.

Senator Seymour: Say I'm a 6th grade teacher. What stress would Power School put on me?

Jody French: There would be initial stress. Teachers have to put away the old system that they've been using – hanging attendance slips outside their door, keeping a couple paper books for grades, lesson plans, etc. Everything would be cohesive.

Mike Ressler: A benefit is to the parents. We can stay on top of our kids' grades and check them out nightly via internet.

Lisa Feldner, CIO of Information Technology Department (page 35 of attachment 1)

Chairman Holmberg left room.

Senator Warner inquired what kind of security and firewalls do we have in these systems to protect individual person's information. **Lisa Feldner** assured him it was very secure. Our prime concern was privacy laws (FERPA) and they abide by that. Users only have access for what they have a right to see.

Senator Warner asked for an idea of the end product. Is it for business or to make policy?

Lisa Feldner stated that K-12 sends students out to higher ed. K-12 teachers say "Tell us which kids need the help" so they are able to enter higher ed more equipped. They can't fix their programs if they don't know what needs attention.

Dan Pullen, Director of ND Educational Technology Council (page 1 of testimony 2)

Jon Skaare, ND Center for Distance Education. (Page1 of Testimony # 2)

Senator Seymour: You say you have online courses? What platform are you using? And who hosts your platform?

Jon Skaare: Mugle (sp?) We currently host our own program.

Senator Warner questioned the qualifications and licensing of online teachers and was answered that all the teachers who teach online must be licensed just as any other teacher in the state of ND.

Senator Krauter wondered who the users were and if they instate or out of state. 51% is out of state and 40% are instate. The out of state numbers are decreasing; ND numbers are staying the same.

Chairman Holmberg entered.

Senator Krauter asked if Mr. Skaare could provide a 10 year history of teacher salaries and

Senator Warner asked for state wide average?

Chairman Holmberg reminded the group two sessions ago, we did a bump in all salaries.

Senator Christmann wondered what schools were being charged for these textbooks.

JonSkaare: I believe 2200 schools ($45 per textbook) are using them

Bob Nutsch, GIS Coordinator for ITD (Testimony # 1- starts on p41)

Senator Fischer asked if information demand is going up, will hosting will go up every biennium? **Bob Nutsch** said they are looking into it, but there are several high demand areas for data. When there is wide spread usage, our agency takes on the information.

Pam Schafer, CJIS Director (Criminal Justice Information Sharing) (p54 –testimony #1)

Chairman Holmberg asked for any questions. Thank you. Lisa?

Lisa Feldner clarified that they do not do cell phones at ITD.

Chairman Holmberg closed the hearing and committee members please be back here at 20 to the hour.

Date: 2/18/09

Roll Call Vote # 1

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2021

Senate **Senate Appropriations** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number amendment as corrected .98040 0102

Action Taken ☑ Do Pass ☐ Do Not Pass ☐ Amended

Motion Made By _____ Seconded By _____

Senators	Yes	No	Senators	Yes	No
Sen. Ray Holmberg, Chairman			Sen. Aaron Krauter		
Sen. Bill Bowman, VCh			Sen. Elroy N. Lindaas		
Sen. Tony S. Grindberg, VCh			Sen. Tim Mathern		
Sen. Randel Christmann			Sen. Larry J. Robinson		
Sen. Tom Fischer			Sen. Tom Seymour		
Sen. Ralph Kilzer			Sen. John Warner		
Sen. Karen K. Krebsbach					
Sen. Rich Wardner					

Total Yes Voice Vote yes No _____

Absent _____

Floor Assignment _____

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

Will have 2 changes on corrected amendment.

Date: 2/18/09
Roll Call Vote #: 2

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2021

Senate **Senate Appropriations** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 15.1.0218 document

Action Taken ☑ Do Pass ☐ Do Not Pass ☑ Amended

Motion Made By _____ Seconded By _____

Representatives	Yes	No	Representatives	Yes	No
Senator Fischer			Senator Warner		
Senator Christmann			Senator Robinson		
Senator Krebsbach			Senator Krauter		
Senator Bowman			Senator Lindaas		
Senator Kilzer			Senator Mathern		
Senator Grindberg			Senator Seymour		
Senator Wardner					
Chairman Holmberg					

Total Yes voice vote yes No —

Absent _____

Floor Assignment _____

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

explained the change

98040.0103
Title.0200
Fiscal No. 2

Prepared by the Legislative Council staff for
Senate Appropriations
February 18, 2009

PROPOSED AMENDMENTS TO SENATE BILL NO. 2021

Page 1, line 2, after "department" insert "; to provide transfers; to provide a continuing appropriation; and to amend and reenact section 15.1-02-18 of the North Dakota Century Code, relating to membership of the statewide longitudinal data system committee"

Page 1, line 19, replace "5,287,892" with "5,031,254" and replace "8,010,240" with "7,753,602"

Page 1, line 23, replace "16,544,742" with "16,288,104" and replace "139,599,433" with "139,342,795"

Page 1, line 24, replace "5,507,804" with "7,974,129" and replace "118,514,574" with "120,980,899"

Page 2, line 1, replace "11,036,938" with "8,313,975" and replace "21,084,859" with "18,361,896"

Page 2, line 2, replace "24.00" with "22.00" and replace "330.20" with "328.20"

Page 2, remove line 15

Page 2, line 17, replace "4,644,422" with "2,606,386"

Page 2, after line 31, insert:

"**SECTION 5. AMENDMENT.** Section 15.1-02-18 of the North Dakota Century Code is amended and reenacted as follows:

15.1-02-18. Statewide longitudinal data system committee - Membership - Powers and duties - Report to interim committee - Continuing appropriation.

1. The statewide longitudinal data system committee consists of ~~the~~:

   a. The chancellor of the board of higher education or chancellor's designee~~, the~~.

   b. The superintendent of public instruction or superintendent of public instruction's designee~~, the~~.

   c. The chief information officer or chief information officer's designee~~, the~~.

   d. The director of the department of career and technical education or the director's designee~~, the~~.

   e. The director of job service North Dakota or the director's designee~~, the director~~.

   f. The commissioner of ~~the department of~~ commerce or the ~~director's~~ commissioner's designee~~, the~~.

g. The director of the department of human services or the director's designee~~, and one person~~.

h. The director of the North Dakota educational technology council.

i. The director of the North Dakota council of educational leaders or the director's designee.

j. The director of the North Dakota workforce development council or the director's designee.

k. Two members of the legislative assembly appointed by the ~~governor~~ chairman of the legislative council.

2. The governor shall appoint the chair of the committee. The committee may appoint advisory committees that would serve in an advisory capacity to the committee.

~~2.~~ 3. The committee shall ~~plan and propose~~ manage a longitudinal data system which:

a. Provides for dissemination of management information to stakeholders and partners of state education, training, and employment systems; and

b. Uses data from educational and workforce systems as central sources of longitudinal data.

4. The information technology department, at the direction of the committee, shall maintain a statewide longitudinal data system among education, workforce, and training entities. The department and the committee may, subject to federal and state privacy laws, enter interagency agreements, including agreements designating authorized representatives of the educational agencies participating in the system pursuant to the Family Educational Rights and Privacy Act (FERPA) [20 U.S.C. 1232g; 34 CFR 99].

~~3.~~ 5. The committee shall ~~recommend policies, procedures, and guidelines to protect the privacy and security of personal information as provided by state and federal law~~ set policy and adopt rules relating to access to and the collection, storage, and sharing of information and the systems necessary to perform those functions, subject to applicable federal and state privacy laws and interagency agreements and restrictions relating to confidential information required to conform to applicable federal and state privacy laws. The committee shall provide operational oversight for information sharing activities and make recommendations for and provide oversight of information sharing budgets. The committee may authorize studies to benefit and improve workforce training and education.

~~4.~~ 6. The committee shall provide a report to the information technology committee, interim committee on education issues, and interim committee on economic development ~~prior to the sixty-first legislative assembly~~ on the status of the statewide longitudinal data system ~~plan~~. The report ~~shall~~ must include recommendations for further development, cost proposals, proposals for legislation, and data sharing governance~~, including recommendations concerning the long-term role and administration of the followup information in North Dakota for education and training program~~.

7. The committee may solicit and receive moneys from public and private sources and those funds are appropriated on a continuing basis for the support of the longitudinal data system.

8. The information technology department shall provide staff and other necessary support to the committee."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98040.0103 FN 2

A copy of the statement of purpose of amendment is attached.

Bill No. 2021 Fiscal No. 2 02/18/09

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2021 - Information Technology Department - Senate Action

	Executive Budget	Senate Changes	Senate Version
Salaries and wages	$44,144,782		$44,144,782
Operating expenses	55,208,550		55,208,550
Capital assets	11,970,746		11,970,746
Center for Distance Education	6,287,917		6,287,917
Deferred maintenance	60,000		60,000
Statewide longitudinal data system	2,466,325		2,466,325
Educational Technology Council	974,986		974,986
EduTech	8,010,240	(256,638)	7,753,602
K-12 wide area network	5,976,970		5,976,970
Geographic information system	789,678		789,678
Criminal Justice Information Sharing	3,709,239		3,709,239
Total all funds	$139,599,433	($256,638)	$139,342,795
Less estimated income	118,514,574	2,466,325	120,980,899
General fund	$21,084,859	($2,722,963)	$18,361,896
FTE	330.20	(2.00)	328.20

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

	Removes FTE Positions for Deployment of PowerSchool[1]	Changes the Funding Source for Statewide Longitudinal Data System[2]	Total Senate Changes
Salaries and wages			
Operating expenses			
Capital assets			
Center for Distance Education			
Deferred maintenance			
Statewide longitudinal data system			
Educational Technology Council			
EduTech	(256,638)		(256,638)
K-12 wide area network			
Geographic information system			
Criminal Justice Information Sharing			
Total all funds	($256,638)	$0	($256,638)
Less estimated income	0	2,466,325	2,466,325
General fund	($256,638)	($2,466,325)	($2,722,963)
FTE	(2.00)	0.00	(2.00)

[1] This amendment removes 2 of the 29 FTE positions added in the executive budget for the statewide deployment of the PowerSchool application.

[2] This amendment changes the funding source for costs associated with implementing a statewide longitudinal data system.

This amendment also amends North Dakota Century Code Section 15.1-02-18 relating to the statewide longitudinal data system committee.

Date: 2/18/09
Roll Call Vote #: 3

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2021

Senate **Senate Appropriations** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number /

Action Taken ☒ Do Pass ☐ Do Not Pass ☑ Amended

Motion Made By Christman Seconded By Bowman

Representatives	Yes	No	Representatives	Yes	No
Senator Wardner	✓		Senator Robinson	✓	
Senator Fischer	✓		Senator Lindaas	✓	
V. Chair Bowman	✓		Senator Warner	✓	
Senator Krebsbach	✓		Senator Krauter	✓	
Senator Christmann	✓		Senator Seymour	✓	
Chairman Holmberg	✓		Senator Mathern	✓	
Senator Kilzer	✓				
V. Chair Grindberg	✓				

Total Yes 14 No 0

Absent 0

Floor Assignment Robinson

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

REPORT OF STANDING COMMITTEE

SB 2021: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2021 was placed on the Sixth order on the calendar.

Page 1, line 2, after "department" insert "; to provide transfers; to provide a continuing appropriation; and to amend and reenact section 15.1-02-18 of the North Dakota Century Code, relating to membership of the statewide longitudinal data system committee"

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   b. The superintendent of public instruction or superintendent of public instruction's designee~~, the~~.

   c. The chief information officer or chief information officer's designee~~, the~~.

   d. The director of the department of career and technical education or the director's designee~~, the~~.

   e. The director of job service North Dakota or the director's designee~~, the director~~.

   f. The commissioner of ~~the department of~~ commerce or the ~~director's~~ commissioner's designee~~, the~~.

g. The director of the department of human services or the director's designee~~, and one person~~.

h. The director of the North Dakota educational technology council.

i. The director of the North Dakota council of educational leaders or the director's designee.

j. The director of the North Dakota workforce development council or the director's designee.

k. Two members of the legislative assembly appointed by the ~~governor~~ chairman of the legislative council.

2. The governor shall appoint the chair of the committee. The committee may appoint advisory committees that would serve in an advisory capacity to the committee.

~~2.~~ 3. The committee shall ~~plan and propose~~ manage a longitudinal data system which:

a. Provides for dissemination of management information to stakeholders and partners of state education, training, and employment systems; and

b. Uses data from educational and workforce systems as central sources of longitudinal data.

4. The information technology department, at the direction of the committee, shall maintain a statewide longitudinal data system among education, workforce, and training entities. The department and the committee may, subject to federal and state privacy laws, enter interagency agreements, including agreements designating authorized representatives of the educational agencies participating in the system pursuant to the Family Educational Rights and Privacy Act (FERPA) [20 U.S.C. 1232g; 34 CFR 99].

~~3.~~ 5. The committee shall ~~recommend policies, procedures, and guidelines to protect the privacy and security of personal information as provided by state and federal law~~ set policy and adopt rules relating to access to and the collection, storage, and sharing of information and the systems necessary to perform those functions, subject to applicable federal and state privacy laws and interagency agreements and restrictions relating to confidential information required to conform to applicable federal and state privacy laws. The committee shall provide operational oversight for information sharing activities and make recommendations for and provide oversight of information sharing budgets. The committee may authorize studies to benefit and improve workforce training and education.

~~4.~~ 6. The committee shall provide a report to the information technology committee, interim committee on education issues, and interim committee on economic development ~~prior to the sixty first legislative assembly~~ on the status of the statewide longitudinal data system ~~plan~~. The report ~~shall~~ must include recommendations for further development, cost proposals, proposals for legislation, and data sharing governance~~, including recommendations concerning the long term role and administration of the followup information in North Dakota for education and training program~~.

7. The committee may solicit and receive moneys from public and private sources and those funds are appropriated on a continuing basis for the support of the longitudinal data system.

8. The information technology department shall provide staff and other necessary support to the committee."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98040.0103 FN 2

A copy of the statement of purpose of amendment is on file in the Legislative Council Office.

2009 HOUSE APPROPRIATIONS

SB 2021

2009 HOUSE STANDING COMMITTEE MINUTES

SB 2021

House Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: February 25, 2009

Recorder Job Number: 9730

Committee Clerk Signature	Holly N. Hand

Minutes:

Chm. Svedjan called the Committee back to order.

Mike Ressler, Deputy CIO, Information Technology Department, approached the podium and explained the information that was distributed.

Mr. Ressler first turned to (Attachment A) and reviewed page 4, "Information Technology Department 2009-11Budget Request," the "Information Technology Department" organization chart (page 5), and the "K-12 Educational Programs" chart (page 6).

Mr. Ressler reviewed each of the programs.

Information Technology Department Operations, p. 7 (5:12) The Special Fund authority for the Information Technology Department Operations component is being increased by $3.2 million as a result of the Governor's salary package and the health insurance package. We're asking for $4.1 million in Special Fund authority; $3.2 million of that is a result of the 5 and 5 Governor's salary package and health insurance increase. Information Technology Department is asking for continuation of 25 FTEs that deal with projects that are not complete and will continue into the next biennium. In the event an agency does not buy service from Information Technology Department anymore, like software development, we don't have any money to keep these people employed. (7:50) A relationship has been formed with Workforce Safety and Insurance similar to the relationship with the Bank of North Dakota. Information

Technology Department is asking for the legislature to grant permission to borrow $6 million for a Network Equipment Refreshment Project.

K-12 Network, p. 13 (11:55)

EduTech, p. 17 (14:23) The increase of $4.530 million in EduTech is for the online student information system, PowerSchool.

Rep. Nelson: That's all that program does? That data's being collected today, though. (15:50)

Mr. Ressler: It does more than that. The main cost is to put the PowerSchool licenses and the infrastructure that needs to be put in place to deploy PowerSchool to all the schools. EduTech does a lot more than just PowerSchool.

Rep. Nelson: So last biennium, the $2.7 million, there were less schools licensed? Tell me where we've come from in the last two years.

Mr. Ressler: Today the schools pay for it themselves. Information Technology Department continues to bill the schools today. The schools find the money out of their own budgets. This proposal would put General Fund dollars in so all the schools basically get this for free.

Rep. Nelson: And they're all licensed right now in the state?

Mr. Ressler: They are not. There is a number that are not. About fifty percent are using PowerSchool today.

Mr. Ressler continued. There is a big increase in FTE. The $2.7 million in this biennium funds 22 positions with EduTech. Today those positions are Higher Education positions and are not reflected in the Information Technology Department budget. Those 22 FTEs will become classified employees in Information Technology Department. Even though it looks like Information Technology Department is growing a lot, it's just a transferring and a better reporting of where the dollars are going. The 22 positions are being moved from Higher

Education to Information Technology Department. We are also asking for additional FTE primarily because of the PowerSchool deployment. (17:03)

Longitudinal Data System, p. 20 (18:18): This is a new program started this biennium. This is a system that tracks students from K-12 through college and will consist of a number of organizations who will oversee this. That committee exists today. We are asking for $2.4 million to deploy the system.

Rep. Ekstrom: Will this help with No Child Left Behind (NCLB) tracking data in terms of progress of the same third-grader all the way through? (19:03)

Mr. Ressler: I would like to defer to Dan.

Dan Pullen, Director, North Dakota Educational Technology Council: Schools do report student data to DPI. DPI has a certain number of data elements that they are required to report to the federal government. Those data elements are reported to DPI from a number of local districts. PowerSchool would allow that to be coordinated at the district level. The longitudinal data system will look at just a certain number of data elements that are applicable for students across K-16 as well as Job Service, economic development, and so forth. It's not specifically focused on NCLB K-12 reporting.

Mr. Ressler continued.

Educational Technology Council, p. 23 (20:20)

Centers for Distance Education, p. 25 (20:46) creates online training materials.

Geographic Information System (GIS) (21:07): The primary work is done out of the agencies.

Criminal Justice Information System (CJIS) (21:33): The CJIS Board made up of Lisa Feldner, Chief Justice VandeWalle and Deputy Attorney General Trenbeath set the direction of how the dollars should be spent in this area. The SAVIN program went in front of the

Emergency Commission and then the budget section and the legislature approved us because we had a federal grant that we received to get that program started. When you go before the Emergency Commission you are given permission to operate only for that biennium. So we really have to ask for the seventh position again. Your green sheet is correct at 24.

Mr. Ressler reviewed p. 31, Attachment A (23:30)

Senate Changes, p. 34 (23:48): Two primary changes. In the longitudinal data system where we had asked for General Fund authority, they said "We support the program but with all the potential stimulus money, is there any chance you can use some of those dollars to get this off the ground?" They switched it from General Fund to Special Fund. The final change was to the EduTech positions. We had asked for 7 FTEs and they cut that down to 5 FTEs.

Rep. Wieland: How many of the Special Funds that you show on the Overall Budget of $117 million is in fact General Funds? (25:01)

Mr. Ressler: About a third of those dollars are General Fund dollars that you appropriate to state agencies.

Rep. Wieland: On p. 9, approximately $3.2 million for the Governor's salary and health insurance package. If you're just changing the salary and health insurance package why is that kind of cost involved? What are you paying for?

Mr. Ressler: With 266 employees if you take the five percent and five percent increase and increase in health insurance (increase of $170) for 24 months, that is the $3.2 million that's needed in authority.

Jody French, Director of EduTech, approached the podium and reviewed the highlights of her testimony (Attachment B). (26:43)

Chm. Svedjan: Did the other fifty percent put in the requests to be put on PowerSchool? (30:30)

Ms. French: Many schools have shown an interest. Several have been using student information systems that have become outdated. Some may not have a system at all. Others are looking to use the system that the majority of schools in the state are because it's much easier to support and manage.

Rep. Kroeber: You said there's increased funding for the schools that are not on PowerSchool now. What type of funding will the schools that have already paid for PowerSchool up to this point receive? (31:13)

Ms. French: We would begin to cover the costs for all schools.

Rep. Kerzman: With regard to PowerSchool, is that similar to what Higher Education is talking about with their virtual research? (31:50)

Ms. French: There is no connection to Internet 2.

Dan Pullen, Director of the North Dakota Educational Technology Council approached the podium and reviewed his testimony (Attachment C). (32:30)

Rep. Bellew: What is the difference in the SmartBoard and ActivBoard? (35:20)

Mr. Pullen: They are really the same kind of device but made by different manufacturers. They are both interactive white boards used in K-12 education so that materials can be displayed and manipulated.

Rep. Nelson: Are there more applications for these grants than there is money available? (35:38)

Mr. Pullen: Yes. There are typically three times as many applications than we are able to fund.

Rep. Nelson: What is the procedure then to award the grants?

Mr. Pullen: There's a rubric that scores each application and the ones with the highest scores are the ones that are awarded.

Jon Skaare, Director of the North Dakota Center for Distance Education (ND CDE) approached the podium and reviewed his written testimony (Attachment D). Mr. Skaare circulated a textbook for review. (36:30)

Bob Nutsch, Geographic Information System (GIS) Coordinator, Information Technology Department approached the podium and reviewed the GIS portion of Attachment A – p. 46. (39:17)

Pam Schafer, Criminal Justice Information Sharing (CJIS) Director, Information Technology Department approached the podium and reviewed the CJIS portion of Attachment A – p. 56. (42:37)

Rep. Meyer: Why are three counties not using CJIS? (44:49)

Ms. Schafer: Sioux County is on the reservation and we have the BIA and that is one reason. Dunn County is in a similar situation. I can't see the third county.

Rep. Meyer: It is due to the BIA involvement?

Ms. Schafer: That is why. It's not that they can't. They just haven't come on board yet.

Ms. Schafer moved on to p. 62 of Attachment A. SAVIN (Statewide Automated Victim Information Notification System Partners) was approved this past year through a Bureau of Justice Assistance grant. A victim can go online and see the movement of their offender through SAVIN. (45:57)

Rep. Meyer: Do they have to apply for SAVIN or are they notified automatically? (48:28)

Ms. Schafer: They have to go on the Web and sign up for that or they can dial through a number and sign up.

Ms. Schafer moved back to p. 66 of Attachment A and reviewed the CJIS budget. Page 67 ranks the projects by importance to CJIS. $369,000 of the list is for one-time projects. Ms. Schafer concluded her remarks. (49:00)

Chm. Svedjan thanked the presenters from the Information Technology Department and closed the hearing.

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2021

House Appropriations Committee
Government Operations Division

☐ Check here for Conference Committee

Hearing Date: 3/3/09

Recorder Job Number: 10113

Committee Clerk Signature	Lori Englesa

Minutes:

Chairman Delzer opened the hearing on Senate Bill 2021. Roll was taken at a previous hearing.

Mike Ressler, Deputy CIO and Director of the Information Technology Department discussed the handout from the Full Committee hearing. (A)

Chairman Delzer: The special funds like they have here, those could easily be either general funds or federal funds or fees from other organizations. Correct?

Mike Ressler, Director of ITD: I would like John Skaare to answer that.

Chairman Delzer: Just in general, not necessarily particular to this one. Special funds could be any one of those three.

Mike Ressler, Director of ITD: Correct. For sure in that ITD Operations. That $110 million. That is other dollars that you appropriate to agencies. Roughly a third. Special funds a third. Federal funds in a third. General funds. When they come to IT it's called special funds.

Chairman Delzer: What about under K-12 Network?

Mike Ressler, Director of ITD: What that is, the $408,000 is special fund authority that we get E-rate dollars and so what we end up doing is we have to pay Sprint for internet access and

then we get a check back from Sprint for the E-rate portion. Those are not state dollars.

Those are private sector dollars.

Jon Skaare from Center for Distance Education presented his written testimony. (B)

Chairman Delzer: Before 05-07 were you always funded internally?

John Skaare: In 05-07 we were still funded about 15% by the state legislature, around $800,000 was general fund monies from the legislature.

Chairman Delzer: And yet your revenues was over what you expended for 05-07.

John Skaare: That is correct.

Chairman Delzer: So what happened to that $800,000?

John Skaare: That revenue figure that is included on the top had that $930,000 in it. It's an increase of about $200,000 which we had to continue to put in our operations.

Chairman Delzer: When you said revenue I thought you were talking people paying for the courses because you do charge for these courses, correct?

John Skaare: We do charge for these courses, correct.

Mr. Skaare continued with his testimony.

Chairman Delzer: So for the upcoming biennium your number of FTEs are going to be what?

John Skaare: 35.7.

Chairman Delzer: So it was 39.7 for this biennium, and they were fully funded.

John Skaare: They were fully funded with special fund authority.

Mr. Skaare continued with his testimony.

Chairman Delzer: What is the cost of the books both to you and what are you selling them for?

John Skaare: North Dakota Studies book I believe it is $44.

Chairman Delzer: And you sold 2800 copies of that. Who do you sell these books to?

John Skaare: To schools throughout North Dakota. They are also available in the museum gift shop. We will sell them to the public in general. 95% of the sales are to students, but it isn't to say that we will not sell them out to anybody who is interested in the book.

Chairman Delzer: What was your cost to create the book?

John Skaare: I could provide that information to you.

Chairman Delzer: I would also like to know you've got 4,600 students and 1,385 of them are in North Dakota. Where are the rest of them from, and what kind of tuition rates are we charging?

John Skaare: I can put that together for you.

Representative Dosch: How does it work when Dickinson State advertises that they have on-line courses that they can take through BSC. Is that part of this program?

John Skaare: What you are referring to is not within our program. There are colleges and other organizations throughout the state that are trying to get into the on-line high school business.

Chairman Delzer: None of your courses are dual credit. It is all high school correct?

John Skaare: That is correct.

Chairman Delzer: We do need to see what kind of numbers you have from other states and what we are charging them.

John Skaare: The items you have to develop, your overview and plan of action. Can you put together a list of how much you think it's going to cost to do those?

John Skaare: I certainly can.

Mike Ressler, Director of ITD explains page 6 of the power point presentation on K-12 Educational Programs and their organizational chart. See attachment A.

Chairman Delzer: Which ones are going over from Higher Ed?

Mike Ressler, Director of ITD: That's exactly where I am going next. The next group we would like to bring up is EduTech. Today those 22 positions are in Higher Education's budget. What we are asking for in our current budget is that we turn those Higher Education employees into ITD employees. You are going to see a request to increase by 31 positions. (Page 18 of power point presentation). 22 of those 31 are the 22 that exist in the higher education budget today.

Chairman Delzer: Why do we want to switch these employees over from Higher Ed to ITD?

Mike Ressler, Director of ITD: What we've seen in ITD's budget as we've started to put more responsibility inside our budget is we haven't always brought the dollars or the FTEs over accordingly. You've always granted us the special fund authority to go get those dollars, but many times like in the case of CJIS there were dollars that were put out in the attorney general's budget, the general fund dollars went out there, but the special funds came to ITD. So what's always been confusing is that it looks like there is duel spending that's taking place. The same holds true here with EduTech. The current budget is $2.7 million. That pays for those 22 people. However, the 22 positions aren't in our budget and so to me that's kind of confusing. You have the money going here and you've got the positions someplace else. What we feel is that by taking those positions and putting them inside ITD's budget, now you have the dollars going there as well as the positions.

Chairman Delzer: The current budget has 2.7 million?

Mike Ressler, Director of ITD: Correct. That does pay for the salaries of the 22 people.

Chairman Delzer: Yet the 09-11 they want $8.2 million.

Mike Ressler, Director of ITD: Correct. The majority of that growth of that $4.5 million increase in general fund authority, $4.1 million is for a program called Power School. That is a program that exists today. Approximately 50% of the students in North Dakota participate in the Power

School program. The North Dakota Commission on Education Improvements recommended that we general fund that initiative. Today that is not a general fund initiative so the schools today pay $10 per student for being in Power School. That is paid directly from the schools into ITD.

Chairman Delzer: Is that the one where they are going out to the small schools and putting those switches in and spending $50,000 on some of these small schools.

Mike Ressler, Director of ITD: The switches would be the equipment refreshment program that this initiative actually pays for the software license as well as the hosting fee for all schools in North Dakota to connect to Power School.

Chairman Delzer: There is some real question about whether we should do that for some of these schools.

Mike Ressler, Director of ITD: Jody French is just the right person to explain that in detail. This program does fund all the schools

Chairman Delzer: Part of the problem is you take it out to a school that has 10 students, and they are going to quit in two years. It doesn't make a lot of sense to spend $50,000 to $100,000 on infrastructure.

Mike Ressler, Director of ITD: We wouldn't spend $50,000 on infrastructure to deploy that. The infrastructure that we would spend would be from a network standpoint of which we already have infrastructure out in those locations today.

Chairman Delzer: I need to double check with the person that I had heard this from. It was from the private telecommunications systems that I've heard this that we are spending this kind of money for some schools that really didn't make a lot of sense to be doing it for.

Mike Ressler, Director of ITD: So you can see that in the request for Jody's budget, we are asking for an increase of $4.5 million in general funds. We are also asking for an increase in

special fund authority. The reason that's an increase is because the special fund she has today was never in our system. She could operate that on the Higher Ed side. For a total of 2009-2011 request $5.2 million. All we've talked about are the 22 additional FTE that are moving over, which is a transfer. There is an additional nine positions. Two of those positions exist today but they are up in the ITD operation side as special funds because when the schools pay $10 per student, part of that fee is for software that we pay to the vender. Another part is for ITD to host it. We would take them down from the operations side and put them down in here to general fund them. The other seven is for two additional technical staff and then Jody's asking for an increase of five people to deploy PowerSchool to the remaining schools.

Jody French, EduTech, presented her written testimony (C) and (D).

Representative Kempenich: Have you identified any stimulus money for this program?

Jody French: No we have not identified. Lisa Feldner, the CIO has the stimulus information and I believe has not identified anything that would serve schools in this capacity. This would be the student information system.

Representative Kempenich: You were in the grants in UND before correct? That's where your budget was.

Jody French: North Dakota State University.

Chairman Delzer: The $2.7 million you paid for the 22 employees before. Correct?

Jody French: That's correct.

Chairman Delzer: And now you're talking $8 million to pay for 31.

Jody French: A lot of those costs are for the PowerSchool licensing and hosting.

Chairman Delzer: I guess you'll need to break that down because everything we have says the only thing that's licensing is one time funding for software and whatever. How much are your license fees on top of that.

Jody French: We can get you a full schedule.

Chairman Delzer: The other thing I was asked by the chairman of the E & E section, how many people at UND or NDSU said was coming over, and they said two. Your list here is 22.

Jody French: That information would be incorrect because EduTech has 22 employees.

Chairman Delzer: We're going to need a whole list of everything that you have under there. EduTech is the PowerSchools?

Jody French: No. PowerSchools is one of our main programs but all the services that I highlighted from professional development to providing core IT services such as internet filtering and anti-virus service, and extracurricular programs for teachers are all under our umbrella.

Chairman Delzer: Was there funding last biennium for a number of stuff besides the $2.7 or did $2.7 cover everything?

Jody French: The $2.7 covered everything.

Chairman Delzer: We're going to need a list of what the $2.7 covered and what you're going to do with the $7.

Representative Kempenich: What you want is kind of your spending chart?

Chairman Delzer: The spending on the $2.7 and how you built the budget.

Jody French: We did collect special funds that I can report detail to you as well.

Chairman Delzer: Where are those special funds going now?

Jody French: Those special funds supplement the $2.7million.

Chairman Delzer: The Senate removed two of those seven positions, correct?

Mike Ressler, Director of ITD: That is correct.

Chairman Delzer: So what you have in there now is actually 29 instead of 31.

Mike Ressler, Director of ITD: That is correct.

Chairman Delzer: Which two did they remove?

Mike Ressler, Director of ITD: They didn't specify. I'm sure they went to a pay plan and took out two positions. I believe it was two of the individuals who were going to help deploy the implementation.

Chairman Delzer: Did they remove any funding?

Sheila Sandness, Legislative Council: They removed $256,638 for statewide deployment of PowerSchool application. Two FTE positions.

Mike Ressler, Director of ITD: What you can see here is it is confusing because there are positions in some budgets. There are special funds not recorded here. There are general funds in our budget that really pay for the positions. What we are proposing here would put it all in one budget and then you would see exactly what it is costing to provide EduTech.

Representative Kempenich: That number two. They changed the source. They went to income now in the Senate. How did they go about doing that from general funds?

Mike Ressler: We had two amendments to our budget in the Senate. The first one was removing two FTEs and the dollars associated. The second was not removing the longitudinal data system program but saying see if you can find some stimulus money. In the event you can, then it becomes special funds to ITD versus general funds. Those were the two proposals.

Chairman Delzer: One of the things we have to look at is we have to make sure this matches with the University budget as well.

Mike Ressler, Director of ITD: I'm not the expert on the Higher Ed budget, but my understanding is those are temporary positions as how Higher Education classifies those. I'm not so sure you see their FTE count drop because it's grants, they are temporary employees. The two positions that you reference migrating over that you said Higher Ed was moving to ITD, that's a different initiative with regards to video. In the K-12 program, we'll talk about the Educational Technology Council (page 24, Attachment A) and you can see it's pretty much a hold even budget.

Dan Pullen, North Dakota Educational Technology Council, presented written testimony. (E) The 2009-2011 budget is pretty much flat, pretty much the same as the current biennium. The only differences are that rather than provide a statewide license for a product called Atomic Learning, which was an on-line professional development tool which didn't prove to be cost effective through a statewide license but is continuing to be purchased by those schools that want it on an individual license. We reassigned those budget dollars to be able to provide another round of video support grants to schools in the upcoming biennium in the amount of $255,750.

Chairman Delzer: How many schools are left that have not received one?

Dan Pullen: Received the video grants?

Chairman Delzer: Yes

Dan Pullen reads testimony regarding video grants from his written testimony.

Dan Pullen: When we started 15 years ago with 35 school districts having video classrooms. Today every school district has at least one video classroom and most that are using them actively have two, and they want second ones and third ones as this need has increased for additional courses. The demand for increase numbers of these classrooms is what's driving this.

Chairman Delzer: Your testimony states that the grants require a 50% local match and will be awarded competitively to those districts that have not previously received a grant.

Dan Pullen: The classroom transformation grants. This is the second biennium we've had them, we have given similar numbers in both biennia. About 22 this year and about 25 in the previous biennium were awarded. That would be slightly over 50.

Chairman Delzer: Any of those schools that you've done this for closed?

Dan Pullen: None that I know of. So the two grant programs are the class and transformation grants and the video grants.

Mike Ressler, Director of ITD continued going through the power point presentation with page five including the core ITD divisions. We have a Policy & Planning Division. Their primary responsibility is directing enterprise architecture. It's the program where state agencies all work together to develop IT standards to make sure that we're developing technology that's meeting the needs of the agency. That's the group responsible for deploying and creating the project management program that we have in North Dakota. We're seeing with complex technology initiatives that are slipping and falling behind schedule. We believe with what we have in place today that we're finding out about those sooner than we would have previous years. Inside of Policy & Planning is our central procurement where we provide procurement advice for IT initiatives. The Administration Division is the accounting function. The security component inside ITD. We have the records management responsibility inside of ITD. Inside the Software Development division consists primarily of developers or systems analysts as well as the project managing staff that's for sale. Today we have nine individuals who are available. Agencies purchase their time to do project management. Computer Systems is the organization that runs the mainframe computer, all the servers, the email system, all the data base support for state government. Telecommunications Division is responsible for all phone

and network services. The customer base there is different than the other services we provide in that there our customer base is really all of state government. It's county and local government from a network standpoint, and that includes Higher Education and as well as K-12 services. Customer Service Division is the central help desk. Those people existed before. We just put them underneath Gary. The real focus has been providing good quality service and making sure we're monitoring and measuring our customers so that we are meeting their needs versus just saying the law says you have to buy from us. Therefore, be happy and just put up with us.

Mike Ressler, Director of ITD continued going through the power point presentation with page eight. The majority of this money has come as the result of the legislature authorizing ITD to do additional things. The bulk of ITD's funding comes from special funds. That's the result of ITD providing roughly 89 different services. Having a fee for those services and then charging the agencies who need to purchase those services. The decrease of 5 FTEs is because we are reducing three positions. If you look at the bulk of our increase, the $4.1 million in special funds (refers to page nine), $3.2 million is the governor's salary package. So the five and five plus the additional cost in health insurance. That adds $3.2 million of that $4.1 million. The other costs are our rent goes up. We do pay for all our services. We pay audit fees and rent. We are seeing software fees go up in the industry. That makes up the other $1 million.

Mike Ressler, Director of ITD continued going through the power point presentation with page ten. Last session, the legislature authorized us to hire 38 brand new positions. 28 of the initiatives are specific to an agency's project. You wanted 28 of the 38 positions to come back and if we need funding, we're going to have to ask for that. Of the 28, 3 of them we don't need. The other 25, we're asking that you give us the ability to continue with those positions.

Mike Ressler, Director of ITD continued going through the power point presentation with page eleven. Page 11 is a breakdown of those 28 positions. 15 were dedicated to the Human Service Medicaid System. That project is not going to be completed this biennium. The Bank of North Dakota will tell you this is the best model for them and allows them to focus on banking and lets ITD be the technology arm.

Representative Kempenich: If I remember right they had two that were working there and they added two more to get to five. And then they had one before that?

Mike Ressler, Director of ITD: I don't think so. The bank has had a staff of eleven technology people. People have left the bank and they have not filled them. They've supplemented them with ITD resources. ITD has five people dedicated to the Bank of North Dakota. Not full time necessarily, but it's five individuals almost full time. And it is based on their workload.

Chairman Delzer: Are you aware of what the bank would have on their own staff for IT?

Mike Ressler, Director of ITD: I don't know the exact count, but they do have technical staff that still work at the bank.

Chairman Delzer: What do they do compared to what your people do?

Mike Ressler, Director of ITD: What those people are primarily geared to is being more of the business analyst. They do have a couple desktop support people which is a service we don't provide state agencies.

Chairman Delzer: Under the 15 for the Medicaid System, my understanding is most of the holdup is with the provider. Are all fifteen of the positions, full and what do they do?

Mike Ressler, Director of ITD: We actually have 25 people. If you go back two sessions before, you will find you gave us 10 people for this last project as well. There has been plenty of work for the state to do even though the vender has fallen behind. There are things called

edits and audits and interfaces that need to take place. It's taking the other applications that exist in human service that have the tie into this new MMIS system.

Chairman Delzer: Are you sure you are not in a position where something is going to change and some of the work that you've done won't be valid anymore?

Mike Ressler, Director of ITD: That team has looked into that very closely, and we're making sure that we're not investing in work that we are going to throw away.

Chairman Delzer: Once that vendor is done, how many people are supposed to be continually hired?

Mike Ressler, Director of ITD: I'm not going to try and guess here today, but there will be a number of these staff that will need to be on board. It's not just software developers. It's also the system administrators so as they brought the application in, there's going to be hardware people that will have to keep working. I want to say approximately 17 of the 25.

Chairman Delzer: How are those being funded?

Mike Ressler, Director of ITD: Today that is being funded with the dollars that you have given to Human Services. I believe the majority of it is federal funds today.

Chairman Delzer: It's 90/10 I believe.

Mike Ressler, Director of ITD: The majority of it is 90/10. I believe there is some 75/25 money too.

Chairman Delzer: What is the deadline for that now?

Mike Ressler, Director of ITD: I believe June of 2010.

Chairman Delzer: How many of these are working on the existing program?

Mike Ressler, Director of ITD: Of the 25, we have 29 in total. Of course we have to keep the existing MMIS up in place so there's a combination of those 29 who are doing the new development as well as maintaining the existing.

Chairman Delzer: What kind of funding switch is that?

Mike Ressler, Director of ITD: That could be the 75/25. I want to say it's 90/10 for production and operations is 75/25, but I'm guessing. Continuing on with page eleven, these two positions that are the K-12 video positions, if you would ask Higher Ed what positions are they transferring to ITD, I believe these are the two they are talking about. This biennium, the interactive network is Higher Education's program to provide video services to the universities, but they also provided that to the K-12 schools. This current biennium, ITD took over the responsibility of providing video services to the K-12 schools, and so you gave us two positions, you gave the money to Higher Education, and then they just wrote a check to ITD to pay for those people. That's probably not the right way to do it. We are going to maintain that service. Keep the positions in ITD, but don't give the general funds to them.

Chairman Delzer: Are we sure that that's happened?

Mike Ressler, Director of ITD: Yes and I think Lori can verify that.

Chairman Delzer: This is IVN we're talking about

Mike Ressler, Director of ITD: We don't call our's IVN. The interactive video network is Higher Education's program. We just provide video services to the K-12 community.

Chairman Delzer: Higher Ed is not going to be performing that service anymore.

Mike Ressler, Director of ITD: They do not this biennium, and the will not in future biennia.

Chairman Delzer: So why do you not call it IVN?

Lisa Feldner, CIO of ITD: They still provide to Higher Ed.

Mr. Ressler continued on page eleven. The ConnectND support position is a position that was given to ITD to support any future work with regards to ConnectND. We see this as an ongoing requirement. The final program that makes up those 28 positions was 6 individuals that you gave us for Job Service Unemployment program. Even though they've had the

funding and permission to proceed for two biennia we've not pulled the trigger because this isn't the right time. We're analyzing the industry and market and determined that it's a little too unstable so the dollars haven't been used.

Chairman Delzer: Why do we have three people there.

Mike Ressler, Director of ITD: We've never filled any of those positions for Job Service because the project never got started. What we've done with those three people is we've needed one for the Bank of North Dakota to get us to five. Then we started an initiative with Workforce Safety & Insurance. That had the same start as our arrangement with the Bank of North Dakota. It was not one that WSI wanted to engage with ITD. They wanted to continue to do their own thing. WSI has agreed to allow ITD to provide the system administrator support. We took two of their individuals and hired them at ITD.

Chairman Delzer: Did you report that to anybody?

Mike Ressler, Director of ITD: At this time we have not reported it to anybody. We've never documented in front of the legislature and said, these are the people we have working. We can always tell you what that is, but it changes on the needs of our customers.

Chairman Delzer: How many temporaries do you have?

Mike Ressler, Director of ITD: We have two vacant director positions. We had two individuals that retired just before the legislative session, and we asked them to stay on a temporary basis through the session. We have 2 people that are temps in our computer systems division. I believe we had a total of four temps. We normally don't use temporary positions. If we need to supplement our staff, we bring in contractors.

Chairman Delzer: How are you handling these two retired directors?

Mike Ressler, Director of ITD: They're retired.

Chairman Delzer: You're paying them retirement, sick leave that way. Is that building on to their retirement or not.

Mike Ressler, Director of ITD: It is not. They get no benefits.

Chairman Delzer: And your plan is to do that until the end of session.

Mike Ressler, Director of ITD: They are on until June 30th 2009.

Mr. Ressler continued on page twelve. In ITD we don't have the ability to bill out rates, collect the money and build a surplus. All of our services are self-accounting. We don't subsidize one service with another. We can borrow money in the event we need to make an investment, or we can make our rates fluctuate. State agencies have recommended we keep our rates to an average. As a result, we have to look for funding. We're asking permission to borrow $6 million so we can replace all of our network equipment. It's anywhere from 9 to 15 years old. We try very hard not to put new equipment in schools that are closing down. If we have to, we've standardized on our infrastructure to where we can pick up that piece of equipment and move it to another location.

Chairman Delzer: On the Power Schools, are we forcing every school to take that?

Mike Ressler, Director of ITD: I believe it's an option.

Chairman Delzer: Totally funded or are we making them pay part of it?

Mike Ressler, Director of ITD: It is totally funded.

Mr. Ressler continued on page 12. We have two ways to do this. In the event we don't need to full $6 million, we won't spend the money.

Chairman Delzer: How will you repay that?

Mike Ressler, Director of ITD: We have raised our rates so that we can pay this back over five years. It's mandated by law that we don't go beyond five.

Mr. Ressler continued his testimony on page 13. I consider this a K-12 program. However, it is really part of our telecommunications. It resides in the operations side. Today the governor's office has supported and the legislature has supported that we provided bandwidth to all the K-12 schools. Back when we signed our contract the minimum bandwidth level was 1.5 megabits or a T1. Today that program we apply for E-rate funding, and 62% of those costs are reimbursed by the E-rate program. In the DCN contract, we don't own the fiber, we lease that fiber. What we've seen happen is with all the technology deployment the schools have had a need to have increased bandwidth. Schools were being required to go out and pay for additional circuits. We said to DCN is we need you to find a way to get us additional bandwidth without breaking the bank. DCN came back and offered a 10 MG circuit.

Mr. Ressler continued his testimony on page 14 and 15. I'm going to try and justify that $2.1 million increase in the general funds. We talked about the two positions. It was special fund authority. Now it is going to be give the general fund straight to ITD. That's $300,000. We asked for some upgrade costs because our video equipment that we put out, we actually took Higher Education's video equipment for K-12. It is somewhat old and obsolete. It's time to refresh that equipment. We're asking for $600,000 to upgrade video equipment as well as add an additional bridge because we are seeing a lot more activity in that area. If you go to page 16, $1.1 million is the result of going from the 1.5 MB up to the 10 MB as well as getting more internet activity. We can provide the 10 MB to the schools but then we'll need to buy internet access. Today that contract is through Sprint. DCN won the next contract. The $1.1 million is the result of that additional bandwidth as well as internet activity.

Chairman Delzer: How much are the schools using?

Mike Ressler, Director of ITD: We have that information by school. We have schools exceeding well over 10 MB. There are two other components inside ITD. That is the

Geographic Information System which is an enterprise initiative. The Criminal Justice Information Sharing Program is another enterprise initiative.

Bob Neutsch discussed the GIS division of ITD in the testimony on page 41. ITD is requesting a continuation of the GIS program. In a GIS system data is related to each other and overlaid on top of each other for doing analytical work and creating maps. It is very fundamental technology used by a number of state agencies. GIS is a very dynamic and robust industry. The governance of the GIS program is taken care of by the GIS technical committee.

Bob Neutsch continues discussing the GIS division of ITD in the testimony on page 43. The railroad data that's in black came from the North Dakota Dept. of Transportation and the Census Bureau. The snowmobile trails in blue came from the Parks & Recreation Department and the light yellow is the fire districts, and that came from the DOT and Insurance Commission. The Devils Lake imagery came from the City of Devils Lake. Page 45 is an example of a plots guide which is in electronic format. This represents generally available data and also very specific Game & Fish data.

Bob Neutsch discussed the GIS division of ITD in the testimony on page 46, 47, 48, and 49.

Chairman Delzer: If you take that $100,000 out, you're actually up $90,000?

Bob Neutsch: The $100,000, if you compare it to the 05-07

Chairman Delzer: If you take the $100,000 out of the 07-09, you'd be at $698 for 07-09.

Bob Neutsch:

Chairman Delzer: We need a breakdown of your hosting costs. We need a detail of the spend down for this biennium.

Bob Neutsch: How detailed would you like to have the hosting costs? What does it cost for storing of data, delivery of data?

Chairman Delzer: I want to see that.

Bob Neutsch: Right.

Chairman Delzer: Department of Emergency Services has funding in there for a seamless base map. Are they working with you guys on that?

Bob Neutsch: They are working with us. Prior to them putting that request into the governor's budget, the GIS technical committee met with Greg Wills to discuss the pros and cons of the approach to collect that data. It would be our intention if that were to be successful, this data would be hosted on the GIS hub.

Chairman Delzer: None of that information is out there?

Bob Neutsch: We have fragments of that information. There is one exception of data that we don't have. In that request there are three main components of their request. One is aerial imagery. We do have some aerial imagery or photography statewide, but it has some age to it. The most recent we have statewide is 2006. What they need is high resolution. The second thing is address points. For every structure there would be a point. The third data set is what we call road centerlines. We have some of those data sets from the DOT and Census Bureau.

Chairman Delzer: What about the Oil & Gas Division with what they are doing with GIS stuff? Why is this not all of this being done and not using one thing?

Bob Neutsch: That was how the GIS hub was set up in the first place as a central location. That continues to be the intention. One of the things that occurs over time is agencies have business requirements where they can state a case why they need to have something in-house to meet their internal needs.

Chairman Delzer: So are they keeping a full set of data besides what you are keeping?

Bob Neutsch: Typically that's not the case. Their focus is on their own internal data requirements. They may have data that is extremely specific to their system. In some cases perhaps they may have some proprietary information.

Chairman Delzer: I can maybe see that in the Department of Mineral Resources, but I can't see that in Emergency Services at all. Is that going to be the case that Emergency Services will have their own besides yours, or is what they are going to pay for simply going to be put into yours.

Bob Neutsch: If I would speculate, we don't have all the Ts crossed on what they are actually going to do in terms of their systems. But in terms of their data, that data will be on the hub. There could be a situation where for reasons of redundancy during severe uptime requirements that they may have portions of their data on a local system, but the big chunks of data would reside on the GIS hub.

Chairman Delzer: That is supposed to be SITAC's number one priority.

Bob Neutsch: That's my understanding as well.

Lisa Feldner, CIO of ITD described the Longitudinal Data System on page 66-69. We were given $50,000 for consulting services to propose and determine what a longitudinal data system would cost. Longitudinal data systems track individuals over time. How can we target students and employees to get to the right place. We have some existing K-12 school districts in the state that are doing their own data warehouses, and we have state licenses for those. We looked at the $11 million and decided North Dakotans can do it for less. We took what we had and what we knew was existing costs (page 69).

Chairman Delzer: This certainly should fit under the stimulus package. What is the difference between this and the Power School?

Lisa Feldner, CIO of ITD: Yes, it does fit under the stimulus. Right now we are starting to write the proposal even though we don't have the criteria for the stimulus because we have a successful grant from DPI to follow. The senate put this as special funds in our budget. A PowerSchool is a records management system at the local school level. It is called a

transactional system. It functions in a different way than a longitudinal data system does. A data system is more of a warehouse that houses all the data. What we need PowerSchool to feed a longitudinal data system.

Chairman Delzer: I think I am going to quote Chairman Svedjan on one thing.

Representative Berg: I have kind of a big picture question. I will go back to 2003. 2003 every elected official and everyone was doing their own thing when it came to technology. It was a tremendous mess. In 2003 we said we wanted it all pulled together. Probably one of the highlights was when the Bank of North Dakota came in and said we like what you're doing, and we want you to take over our IT. What we had prior to 2003 were a lot of different vendors serving different agencies. The positive thing was it was helping private sector businesses in technology generate some revenue. Now we have 330 employees. $140 million payroll. The concept with technology in what we are doing would be we carve off some things that could be done by the private sector, monitored by ITD and we would ask for bids. What would be the essential role of ITD. If you said at a very high level, this is a role that ITD could play in that concept, and here are things that could be contracted out.

Chairman Delzer: You can think on that and answer that later.

Representative Dosch: In this particular budget for this project would this be the budget to implement the program or would each of these other agencies have a slice of this as well. Is this just IT's slice of the pie or does everyone else then have a cost factor as well.

Lisa Feldner, CIO of ITD: That is a great question.

Chairman Delzer: This was all general fund.

Lisa Feldner, CIO of ITD: It is. What this was was to get started. So building the baseline system. Other agencies, if they have components, it's probably essential to their agencies.

Chairman Delzer: Shelia can you check that out for us and see how many other ones have that?

Sheila Sandness, Legislative Council: OK.

The committee reviewed the bill.

Chairman Delzer: Section four has been part of the bill in the past. Is there any reporting requirements with section four? Sheila, has that been part of the budget in the past?

Mike Ressler, Director of ITD: I can tell you that we have not done any transferring yet. I think in the old days we had that ability to move money. Then it was taken away, and we had to go to the emergency commission.

Chairman Delzer: Is this new then?

Mike Ressler, Director of ITD: I believe what was put in this time was with Human Service project. We weren't sure how much of that stuff was going to be done via contractors versus be done internally. We put in the legislation that we had the ability to move that on IT projects.

Chairman Delzer: This says you make between salaries and wages, operating and capital assets. The question is whether this is new language or if it was in the budget the last couple times

Mike Ressler, Director of ITD: What was in the current statute is the ability to transfer with regards to IT projects.

Chairman Delzer: It says its necessary for the development and implementation of IT projects. That's basically everything except for your services.

Sheila Sandness, Legislative Council: The 2007 budget has that same transfer language.

Chairman Delzer: The deferred maintenance numbers, any one where they put deferred maintenance dollars in? Deferred maintenance is a new line the legislature is trying to get some handle on that. What do you consider deferred maintenance?

John Skaare: The $60,000 of deferred maintenance is in my budget. When I took over this organization, that was in, and we left that in under special fund authority. If we could, we looked at doing some projects to our lighting system in our building. I have not done that maintenance.

Chairman Delzer: What have you used that money for?

John Skaare: I have not touched it.

Chairman Delzer: Does this section need to be there?

John Skaare: This section can be removed.

Chairman Delzer: Section five, was that added by the Senate at your request?

Lisa Feldner, CIO of ITD: Yes, it was. We created the Longitudinal Data System committee. This was updating the membership. That's on the first part of section five.

Chairman Delzer: Does this give that committee appropriation powers?

Lisa Feldner, CIO of ITD: I guess I don't know the answer to that. The second part, numbers four and five, are privacy requirements that we need in statute in order to comply with federal law, Family Education Rights and Privacy Act. For Longitudinal Data Systems dealing with educational data, we need these two paragraphs in there to allow ITD to administer the system and to allow agencies to enter into inter-agency agreements.

Chairman Delzer: Seven and eight are the ones that say the committee may solicit and receive money.

Lisa Feldner, CIO of ITD: I think that was in there in the event a grant became available.

Chairman Delzer: It looks like they are putting two members of the legislative assembly on there.

Lisa Feldner, CIO of ITD: Correct. Initially this committee had a number of the Education Standards and Practices Board. There is a lot of professional development that we need to

track with longitudinal data. That position was in here and the employee went from the governor's office. Those were removed.

Chairman Delzer: The question I have is that is this an executive branch committee?

Lisa Feldner, CIO of ITD: I guess it is an executive branch committee. I don't think the committee has a problem with the legislators being on there.

Representative Glassheim: Is this an advisory committee, or is this a final decision committee?

Lisa Feldner, CIO of ITD: What this committee does is as you can see most of them are agency heads. Most of these agencies are either providers or consumers of data. They need to authorize entering into an inter-agency agreement that would say yes, I will share my data with the longitudinal data system, or authorize what data they are allowed to share within privacy and security issues.

Chairman Delzer: That sounds executive to me.

Lisa Feldner, CIO of ITD: It's the business processes that these agencies will do to determine what goes into the system, what is allowable and what is allowable to be reported.

Representative Glassheim: I think there is confusion at the bottom of page three it used to say the committee shall plan and propose and it now says manage. On line 5 of page 4 it says IT Department at the direction of the committee shall maintain. Are they managing or are you managing with their advice and consent, but are you managing or are they managing and hiring you. It may be a nonissue, but it seems like it could be an issue. If it were an executive agency doing something then I would agree. We have somebody on SYTEC now.

Chairman Delzer: I think we better read through that and see what we think.

Lisa Feldner, CIO of ITD: Those two words "manage" and "maintain", we went back and forth in emails for weeks. The committee decides the rules of the system because they are the

owners of the data. However, ITD has to maintain the system. We couldn't decide between maintain and manage.

Chairman Delzer: The way it's worded, they tell you to do and you have to do it.

Lisa Feldner, CIO of ITD: That was the idea. The reason we needed ITD in there in that way was because the federal government says you can authorize a contractor to do your data systems

Chairman Delzer: You're being hired as a contractor.

Lisa Feldner, CIO of ITD: but you need to put it in some kind of statute that says ITD can be the authorized representative.

Chairman Delzer closed the hearing on Senate Bill 2021.

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2021

House Appropriations Committee
Government Operations Division

☐ Check here for Conference Committee

Hearing Date: 3/11/09

Recorder Job Number: 10658

Committee Clerk Signature	Lori Ingluson

Minutes:

Chairman Delzer opened the discussion on Senate Bill 2021. Roll was taken with all members present.

Attached Testimony

Presentation to the House Appropriations- Government Operations Division- Attachment 2021.3.11.09A

Spend Down report- Attachment 2021.3.11.09B

Center for Distance Ed- Attachment 2021.3.11.09C

Educational Technology Council- Attachment 2021.3.11.09D

Testimony of Ruth Ann Larshus- Attachment 2021.3.11.09E

Course Price Comparison with Selected Competitors- Attachment 2021.3.11.09F

EduTech document- Attachment 2021.3.11.09G

Roxanne Woeste, Legislative Council explained the red book of all of the analysis of the trust funds.

The committee continued on with the detail hearing with the ITD budget.

Mike Ressler, Deputy CIO with ITD presented his written testimony (Attachment A and B).

Chairman Delzer: Do you know how that compares to what they said when they convinced us to go ahead with this? (Referring to the estimated 17 staff that will be needed to maintain new system, page 5).

Mike Ressler, Director of ITD: Seventeen was the number I presented two years ago in front of the House Appropriations Committee. It hasn't changed.

Chairman Delzer: From years it hasn't, but we actually approved that four years ago in the Human Services. I want to know what they told us. Do you know that?

Mike Ressler, Director of ITD: I do not know.

Chairman Delzer: Roxanne, can you find that out for me.

Mike Ressler, Director of ITD: My best guess would be that that was a best guess at that time only because we've all learned a whole lot about this new system. I don't know what that number would be, but I would believe that they would tell you today that was probably a best guess.

Chairman Delzer: I think they told us nine, but I want to double check.

Mr. Ressler continued with his testimony on page 5.

Chairman Delzer: So you are expecting implementation around July of 2010. (Referring to the Human Services Medicaid System.)

Mike Ressler, Director of ITD: That is correct.

Mr. Ressler continued with his testimony on page 6 regarding funding for the Human Service Medicaid System. That was about a $63 million project. A lot of it was federal funds to get it implemented.

Chairman Delzer: I see on your rental lease you've got a 5.4 increase. $581,000.

Dan Pullen: We have two notes that we have borrowed, that the legislature has authorized. That is where we pay the notes back. We haven't made any note payments this biennium. The note payments begin next biennium.

Chairman Delzer: When did you make the notes?

Mike Ressler, Director of ITD: We got permission from the emergency commission just before the first legislative session, the last legislative session. So it's probably been about two years. That was the mainframe migration note.

Chairman Delzer: That's at the Bank of North Dakota?

Mike Ressler, Director of ITD: They are not. What we've always done is the Bank has always had an opportunity to do the funding. They can actually make more money by loaning money out to other organizations than they can to state government. We put out an RPF and then we get larger banks that respond. I believe the mainframe migration is 3.4% interest rate. The second note that we borrowed was for the Medicaid Management System. That was a $6 million note. That is at 3.5%.

Chairman Delzer: Why did you borrow that?

Mike Ressler, Director of ITD: That was because Human Services had to procure software and hardware to get this implementation up and running.

Chairman Delzer: I thought we gave them the 10%? The money we put in there, they didn't spend for that?

Mike Ressler, Director of ITD: I think the money that you gave them helped pay for the ACS contract. Then the ITD software developers, that's what they used that for. The borrowing was something that they mentioned up front. We went in together when we went in on that note in front of the emergency commission and then the budget section to borrow the money.

It is included in their total cost that they always presented to you. It's just we needed some funding to get the project off the ground. Primarily hardware and software.

Representative Dosch: What is the balance owed on that?

Mike Ressler, Director of ITD: For the mainframe migration project, that project didn't actually come to completion. We didn't migrate all the applications that we'd hoped for. We only borrowed $1.5million of the $6 million we had the authority to borrow. We have $1.5 million that we owe back on the mainframe migration. It will be paid off by January 2010. We make our first payment in June, one in October and one in January. The $6 million that we borrowed, we borrowed the full amount, and currently $6 million is the balance. Human Services will start making their payments to ITD in July of 2009, and then we will make quarterly payments to the bank and have that paid off over a three to four-year period of time. By law we have to have our notes paid off within a five-year timeframe from the day we take out the money.

Chairman Delzer: You have $6million in your budget this biennium for borrowing authority?

Mike Ressler, Director of ITD: That is correct. One of the things we asked for was to borrow $6 million for the equipment refreshment program that we are going to be rolling out. It's upgrading the hardware and then putting voice over IP technology throughout North Dakota state government.

Chairman Delzer: And how do you plan to pay for that?

Mike Ressler, Director of ITD: That would be recovered through our rate increases.

Chairman Delzer: You already raised your rates so why do you have to borrow it?

Mike Ressler, Director of ITD: Yes we have increased our rates. ITD has something called an internal service fund. The federal government won't allow us to accumulate dollars in our account. We can't build cash up in advance. We could actually borrow money, which has

always been the practice we've done at ITD, or we could raise rates so that in that two-year period of time we could get the $6 million and actually pay it off. We've always run that philosophy through the governor's office as well as the department's. What they've asked for is we keep our rates to be somewhat steady. So we don't see large influxes. Our telephone rate was $21 per station before we raised the rates to $24. That $3 was to start accumulating the money to help pay off this note. If we didn't go to $24 and said let's pay this all off in one biennium, the rate might be $62. Then it would drop back down to the $21 mark.

Chairman Delzer: How many years do you expect to be paying that?

Mike Ressler, Director of ITD: For the equipment refreshment of $6 million we've set those notes up to be paid out over that five-year period of time. Usually it takes two years to get it off the ground so sometimes we won't make any payments for the first two years of the five, and we'll pay it off in years three, four and five. In the event we'd ever have the money to do it, we would pay it off early because it costs interest.

Chairman Delzer: Where is your authority to do that? I don't see it in the bill?

Mike Ressler, Director of ITD: It is in statute.

Chairman Delzer: The statute is in the law currently.

Mike Ressler, Director of ITD: It is 54-59-05 is where it specifically states that ITD has the authority to borrow money with your permission.

Chairman Delzer: And the money sits in your capital assets line? Or does it sit in the operating expense line?

Mike Ressler, Director of ITD: The money actually then goes to the Bank of North Dakota.

Chairman Delzer: Where does your authority sit in the bill.

Mike Ressler, Director of ITD: It's in that line that you just talked to.

Dan Pullen: The actual spending of the equipment when we buy it will be in both the operating the capital assets.

Mr. Ressler continued his testimony on page 7. There were no questions that came up other than a question about equipment refresh.

Representative Kempenich: Some of this broadband is being used in some of these areas now.

Mike Ressler, Director of ITD: To the best of our knowledge, we don't believe there is any stimulus money right with regards to the broadband.

Representative Kempenich: PowerSchools or none of that stuff?

Mike Ressler, Director of ITD: No.

Chairman Delzer: Yet the requirement for stimulus is you put the longitudinal data system together. They are not paying for any of it? You can't use any of it?

Mike Ressler, Director of ITD: That we can but not for the broadband.

Chairman Delzer: Do you have a list of what you expect to be able to use stimulus money for?

Lisa Feldner: We will be providing that to Roxanne today.

Chairman Delzer: So we are going to be able to adjust your budget here.

Mike Ressler, Director of IT: The LDS component that Lisa will talk to will address what we think we might be able to get stimulus money for. The stimulus money will be given to the Department of Public Instruction. It will not actually come into ITD. Our relationship with DPI will actually allow, we're hoping, some of those dollars to be shifted over.

Chairman Delzer: So the place where the funding source changed would be in DPI and not ITD.

Mike Ressler, Director of ITD: That is correct. The K-12 program does not have any LDS stuff in it. This is just deploying or upgrading the network.

Chairman Delzer: Upgrading the network for the PowerSchools?

Mike Ressler, Director of ITD: PowerSchools is one of the applications that will benefit from it. Just internet conactivity at the schools.

Chairman Delzer: Go on to the 10 MB instead of the 1.5.

Mike Ressler, Director of ITD: Correct.

Chairman Delzer: Even if they have ten students out there.

Mike Ressler, Director of ITD: The 10 MB is the contract we signed with DCN. We had the ability to also have a 5 MB circuit in the event a school won't necessarily need it. We have the ability to put 5 MB out there. The way the contract works with DCN is they created their increments. We feel like we got a really good deal from DCN due to the fact we were paying for a 5 MB circuit. Under the new contract, that's what we were paying to get 1.5.

Chairman Delzer: Could they continue the 1.5 and hook it up to their 5 and 10 so that they didn't have to change wiring to some of these small schools that don't need more than 1.5.

Mike Ressler, Director of ITD: There will be some locations where DCN will not be able to get the 5 MB out right away due to the fact that they'd have to lay fiber with some of their wiring. We have the ability to keep the 1.5 out there for a while. However your core infrastructure is also then set for Ethernet, and as long as you have some of that ATMT1 out there, you still have to keep some of that core investment in there. There is a cost in keeping a few of those out there. It would be more cost effective to get the ATM out and put the Ethernet in statewide.

Chairman Delzer: The Ethernet is five or ten?

Mike Ressler, Director of ITD: Or 100. We can go higher.

Representative Dosch: So this $2.1 million increase, is that for infrastructure increase? In the next biennium is that going to go away, or is this an ongoing expense?

Mike Ressler, Director of ITD: It is a combination of the two. If you look back at our original presentation on page 15. We talk about what some of that $2.1 is made up of. There were two positions that were given to ITD for this biennium where the money actually went to Higher Ed. Now those dollars will come to ITD instead. About $300,000 of that. We have a one-time funding source of $600,000 that we need for video equipment because not only do we have to replace the existing equipment that we have which is now old, we also have to add what is called a vide bridge because of all the additional video that is taking place. That's $600,000. So that $600,000 will not be asked for in the next biennium. There is $1.197 million which is for increased bandwidth so that is some additional dollars that are going to DNC even though our contract is very good. There was an increase in that cost to get there a little bit. We need to increase the bandwidth we're getting from the internet. That will be an ongoing cost. There's also $600,000 in there for equipment that is part of the equipment refresh program. What we don't do is we don't subsidize. K-12 pays for their portion of the network just like state government pays for their portion. So the $600,000 would be K-12's portion. Therefore we wouldn't have to borrow that money because we are asking for the general funds directly from K-12. If you add those numbers up you get very close to that $2.1 million.

Chairman Delzer: So the $1.1million is going to be ongoing? So what's the full contract there?

Mike Ressler, Director of ITD: I don't know. It's a monthly fee. Just for K-12 are you saying or for everything.

Chairman Delzer: Both

Mike Ressler, Director of ITD: We pay a big chunk of money for the state government side. Also Higher Education is in that same contract. That component we also then bill back to Higher Ed.

Dan Pullen: When you look DCN and the internet, after E-rate per biennium, it's about $3.5million just for K-12.

Chairman Delzer: What is it for state government and Higher Ed?

Dan Pullen: I will have to break that down.

Mike Ressler, Director of ITD: Remember the E-rate program for the K-12 component was 65% at one time. Now it's 62%. They pay 62% of the costs of the K-12 network. A large portion of those dollars come because we do the E-rate consortium.

Chairman Delzer: That's something that the schools do not have to pay because we run it through this.

Mike Ressler, Director of ITD: Correct. They also have the ability then to E-rate other components, but that doesn't come through our E-rate program.

Chairman Delzer: It there a separate spend down sheet for K-12?

Mike Ressler, Director of ITD: Yes, there was, and if you look at the very top they are not in the same order. I think it's line 74.

Chairman Delzer: Your contractual services are all DCN under K-12?

Mike Ressler, Director of ITD: Also Sprint would be one of our contracts. Sprint is who we buy our internet service from.

Chairman Delzer: How much is that?

Dan Pullen: $30,000 a month before E-rate. That's going up with ECN as the provider starting July 1, 2010.

Chairman Delzer: So you won't have Sprint. It will all be under DCN.

Dan Pullen: We did an RFP and DCN was the low bid.

Mr. Ressler continued on page 8 and 9.

Chairman Delzer: That was the one that was new last time. (Referring to the DIS.)

Mike Ressler, Director of ITD: The program was not new last time. He did get $100,000 of one-time money. It is one of the enterprise programs that came in around 2001. A little background on GIS. The agencies come before you and ask for GIS funding. What we had going on in the state was each one was hosting their own data, and there is this core central data that really only needs to be stored one time in a central location.

Chairman Delzer: Did we ever get a full answer on whether all these other ones are doing their own thing again?

Mike Ressler, Director of ITD: Bob feels that the program is working very well. The only time agencies are storing data on their own is if the GISTC say that there is not a need for that data to be used by more than one agency then that agency will store it, and we don't put it in the hub.

Chairman Delzer: The question is, are they all collecting the same data? Would we be better off running that through one collection covering everything?

Mike Ressler, Director of ITD: To the best of my knowledge I don't believe people are doubling up. They realize the dollars are hard to get. So if some agency is out looking for funding, they are more than happy to follow that agency and say, you go get the money and we'll use your data. I was not aware of any agencies who are out there trying to do their own thing.

Chairman Delzer: Is Emergency Management all stored in the hub?

Mike Ressler, Director of ITD: I don't know.

Chairman Delzer: The oil and gas, I could see some of theirs maybe not being relative to anybody else. Emergency management should be in the hub.

Mike Ressler, Director of ITD: The base map is what I believe has to do with Emergency Services. That base map will be in the hub.

Representative Kempenich: There were two projects that were called GIS. They didn't give us information that they were two different subjects calling it the same thing. Technically they have graphic information, but it's not going in the same direction.

Chairman Delzer: We don't know in five years time, that might need to be in the hub.

Representative Kempenich: Make sure they haven't changed their directions, and see where they are at with it.

Mr. Ressler continued with his testimony on page 10.

Chairman Delzer: Is the position in your budget?

Mike Ressler, Director of ITD: Yes it is. We went to the emergency commission this biennium and got the position. We do need to ask for it again. It is in our budget.

Chairman Delzer: The Senate left the position in?

Mike Ressler, Director of ITD: Yes.

Pam Schafer spoke about the CJIS system beginning on page 11. The amendment on SB 2041 is to change state radio to Department of Emergency Services.

Chairman Delzer: Was this Burn grant money the original grant?

Pam Schafer: No, that is not a Burn grant. It was a BJA grant, Bureau of Justice Assistance. It's called a discretionary grant.

Chairman Delzer: That might be one that we could use some stimulus money on.

Ms. Schafer continued her testimony on page 14. Special funding comes from the users that use our two programs, STARS and LEARNS program. That's our state's attorneys and law enforcement. The $1,060,641 of federal money in the SAVIN program is the BJA grant.

Chairman Delzer: Pam, if we took that $300,000 all you would have to do is come to the Emergency Commission.

Pam Schafer: That is correct and that is what we had to do last biennium with the BJA grant because $300,000 wasn't enough for the $1.4 so we ended up going to the Emergency Commission asking for that additional funding.

Ms. Schafer continued discussing the 09-11 CJIS projects on page 15.

Chairman Delzer: So is page 15 a priority list?

Pam Schafer: Yes. It is a priority list that our CJIS executive committee went through and ranked a priority. From there it went to our CJIS board. It was ranked there. They approved that. Then it went to SYTAC committee. That committee ranked it within the order of SYTAC.

Chairman Delzer: Can you explain the study a little bit more?

Pam Schafer: What we plan on doing, the records flow from state's attorneys to our courts to our Bureau of Criminal Investigation. We need to get into there and understand that better, how it is happening, how we can do it better and to allow that to flow more free flowing. Right now it is put on the responsibility to the state's attorneys to enter the disposition. I have been with the program for three years. We'd like to study that to get that to the most efficient method of getting that in.

Chairman Delzer: why the $100,000? What are you going to spend the money on?

Pam Schafer: It's a ballpark number. We compared it to other studies.

Chairman Delzer: Are you going to hire somebody extra to do that?

Pam Schafer: Yes. We would like to get an outside consultant to come in and do that study for us. An independent individual to come into those three agencies.

Chairman Delzer: Why would you want to do that compared to doing it yourselves?

Pam Schafer: This is one area I really believe expertise needs to come in with an unbiased viewpoint.

Chairman Delzer: Then why would you want to do any of the portals without having the study done first?

Pam Schafer: The rest of the ones that were coming into the portal, back in about 2002 or 2003 MTG did a study, those were records that were recommended to come into the portal. They're very clean, clear, in viewing those records. The DOCR currently has a system in place. The records are there. So to bring those in to our portal is very simple. It's a record that has been established. With the business study, we want to go in and look at the process of what is occurring from these three agencies.

Lisa Feldner, CIO of ITD explained the Longitudinal Data System beginning on page 16. The Senate moved all of this program into special funds because we believe we can get stimulus money for this. However, the existing FTE we need to move back. We used that FTE as an in kind match to receive DPI's data warehouse grant that they are receiving now.

Chairman Delzer: The question on FTEs, you have a number of them that are vacant. Why do we keep adding numbers?

Lisa Feldner, CIO of ITD: Because some of those are designated as software developers. This position isn't a software developer. We try not to mix the positions.

Chairman Delzer: Are these all unclassified or are they classified?

Lisa Feldner, CIO of ITD: They are classified.

Chairman Delzer: Any other agency, if they want to do it, they can go through HR and redo them. We're inflating our numbers of FTEs in a position where we probably don't need to.

Mike Ressler, Director of ITD: We take our best guess at trying to determine how many projects are actually funded and allocated. Then we make sure that we have the people that can actually do the work. If we find we have too many, that's when we give them back. We haven't done that a lot lately because we are always adding new projects.

Chairman Delzer: What is your actual number of employees right now?

Mike Ressler, Director of ITD: We are at 266 if you look at the ITD operations component.

Chairman Delzer: 266 is what you've currently got hired.

Mike Ressler, Director of ITD: Correct.

Chairman Delzer: And you're authorized for 306.

Mike Ressler, Director of ITD: Correct. The Center for Distance Education has the majority of those. 39 I believe.

Chairman Delzer: That's 40 vacant positions.

Mike Ressler, Director of ITD: The 266 plus the 40.

Chairman Delzer: Out of the 306 how many do you have hired?

Mike Ressler, Director of ITD: We have around 18 vacant today

Representative Kempenich: In the next two years are we going to get to 330?

Mike Ressler, Director of ITD: It is not our intention to inflate them at all. It is our best guess that we are going to need all those positions going in based on the workload. The only negative to it is inflating the FTE. If we have unfilled positions, that means nobody's paying us for those positions. There are no dollars in our budget to pay for that.

Chairman Delzer: If we decide we want to make sure we don't inflate our total FTE numbers we need to treat you guys like everybody else.

Mike Ressler, Director of ITD: Understood.

Representative Kempenich: 59:00 If you were to farm out some of your other positions, keep the numbers the same and work with what you got, how much of a process would that be.

Lisa Feldner, CIO of ITD: We would have to hire contractors. The rates for contractors are $75 to $150 an hour.

Representative Kempenich: Would there be other positions other than developers that would be cheaper to farm it out?

Mike Ressler, Director of ITD: We try. If we can find it cheaper externally, we will do that before we'll fill our own people. What I want to highlight on this position, this is a general funded position. In the event you make a decision to tell us to use one of our other vacant positions, we would ask that vacant position in and of itself doesn't have any dollars attached to it. It has special fund authority, but we would ask for general funds to be added to the budget so we could then pay for the position.

Chairman Delzer: This is General Fund? This we should be able to cover under the stimulus.

Lisa Feldner, CIO of ITD: We can cover all the LDS under the stimulus except the one position because we used it as a match for DPI's $9 million grant that they received.

Chairman Delzer: Has the stimulus package changed that?

Lisa Feldner, CIO of ITD: I don't believe with DPI's grant, it has changed that. The new stimulus dollars are for enhancements or new initiatives.

Chairman Delzer: We could use that to match the whole grant money.

Lisa Feldner, CIO of ITD: This money won't come into ITD. We'll need to show it as special funds because it will go into DPI.

Chairman Delzer: The DPI grant is $9 million?

Lisa Feldner, CIO of ITD: We don't know. That's what we asked for. IES has said there is an intent to award. They haven't told DPI the amount of money.

Chairman Delzer: What is the match supposed to be?

Lisa Feldner, CIO of ITD: It's an 18% in kind.

Representative Dosch: What do you anticipate the ongoing cost to be for the LDS system?

Lisa Feldner, CIO of ITD: We will have the FTE and then whatever the software maintenance will be on whatever we end up for the software and hardware.

Mike Ressler, Director of ITD: if you go to page 17.

Chairman Delzer: This was all switched by the Senate to special funds.

Mike Ressler, Director of ITD: Correct.

Chairman Delzer: Including the amount for the FTE?

Lisa Feldner, CIO of ITD: Yes. That's on page 18, 19, 20. The spend down is on line 71.

Mr. Ressler presented the testimony for the Center for Distance Ed. He distributed testimony prepared by John Skaare attached as C.

Chairman Delzer: Do you know what the total cost is per semester (regarding tuition)?

Mike Ressler, Director of ITD: I can look it up.

Ms. Feldner presented testimony from Dan Pullen with EduTech beginning at page 21. She distributed testimony prepared by Dan Pullen attached as D.

Chairman Delzer: The funding for that last time was how much?

Lisa Feldner, CIO of ITD: The schools funded PowerSchool on a per student basis, $10 per student. The support and implementation was in the EduTech budget. The people part of the implementation is in the EduTech budget.

Chairman Delzer: Why are these two split, the council and the tech?

Lisa Feldner, CIO of ITD: In 2001, the ETC, it was a council in existed many years ago that monitored public television. As the council evolved throughout the years, it eventually began to focus on K-12. Before EduTech was called EduTech, it was called the Center for Innovation and Instruction and was hosted at Valley City. As things evolved we thought it was important to put them under the governance board of ETC.

Chairman Delzer: I don't see the reason to keep your lines separate.

Dan Pullen: The line items in particular, they evolved over time, and as that funding initially came to ITD we wanted to be very careful because it was funding coming from different areas. It was ITD's attempt to keep the money separate from ITD.

Chairman Delzer: I guess it is probably OK. In essence the council is supposed to be running the EduTech line.

Mike Ressler, Director of ITD: The Educational Technology Council oversees the Center for Distance Education as well as EduTech. So when you really look at what their programs are, they are different. And then the ETC provides guidance on giving out grants to schools. I think it is simplest to keep them separate.

Representative Dosch: In several of the non-public schools you can also go on line and get grades. Is that through this PowerSchool program?

Lisa Feldner, CIO of ITD: It depends on the school. Some non-public schools are using PowerSchool. They also pay a higher rate because they are not general funded. They pay $20 per student.

Representative Dosch: Is there another option out there other than PowerSchool that schools can tap into?

Lisa Feldner, CIO of ITD: There are other systems that have online capabilities.

Representative Dosch: Who provides those services?

Lisa Feldner, CIO of ITD: St. Mary's provides their own tech support.

Chairman Delzer: The $10 fee. Is that part of the EduTech line or part of the council line?

Mike Ressler, Director of ITD: I think it's that's ITD. We get special fund authority.

Chairman Delzer: It's not in these line items?

Mike Ressler, Director of ITD: It is in ITD Operations.

Chairman Delzer: How big is that?

Mike Ressler, Director of ITD: I will look it up.

Ruth Ann Larshus, Superintendant from Powers Lake, presented her written testimony. See E attached.

Chairman Delzer: You pay $10 per student? What is it worth to you?

Ruth Ann Larshus: Every bit of that. It saves time. It saves money. About $50 per student I would say it would not be worth it.

Representative Meyer: Under this system, could you go in and apply as a parent for free and reduced meals?

Ruth Ann Larshus: The school puts on the fees. I don't think you can apply for it on this. You would still have to apply for it. What happens when you go on to this, the secretary puts in there that it is free or reduced. Those people will never have a charge on there. I don't believe you could apply for it.

Doug Johnson, Executive Director for the North Dakota Council of Educational Leaders, spoke in support of the EduTech program.

Doug Johnson: The commission has worked diligently on its work in looking at systems that can provide for accountability and academic progress of our students. We've looked at several assessment recommendations. We feel that just the ability of having a uniform system such as PowerSchool to track this information is going to be able to give legislators immediate feedback on the accountability our systems are providing through the changes we've made in our educational plan as laid out in HB1400. Without having a uniform system, you're going to have a variety of different entities having to get that information into a system that can be reported out. It's critical that we have a uniform system to do that. If we had a variety of different systems out there it would really create confusion and frustration on those school district's parts. Those kinds of availabilities that have a consistency force is very important.

We also, as a commission, have other things we are going to be needing to monitor and see how they tie in with the academic performance of our students. One of the big components that we are going to be doing with the 1400 is monitoring professional development that school districts are having. We want to make sure that when they put a professional development program in place, it is consistent with what is found to be strong, be supported through research and then see if that application has a positive or negative impact on the academic performance of the students. Only by looking at those assessments, extracting those and giving immediate feedback to the schools and legislatures and Department of Public Instruction. From the Commission's prospective we think it is very important to have that single statewide student data system. It's accurate. It's immediate. It's going to be efficient. Secondly, we think it's cost effective. We think that by centralizing the system through a system such as EduTech, we can provide services to small school where they don't have the technical support that they can have. Large schools can usually handle most of those. Finally from the Longitudinal Data System, this is probably the most important piece of work that we are working on now. We want to see the impact of how our students, as they progress through the system, interact with the different parts of the system. How our assessments are. How our career planning inventories are doing with them. How that relates to jobs that are available in North Dakota and how many of our students end up working in North Dakota.

Representative Meyer: Is Power School interactive for a parent? Like if your child has an F, and he's been missing for days, can you automatically talk to the teacher?

Doug Johnson: Yes, you can. You can email back to teacher. My understanding is that is very common. The dialogue between parents is phenomenal.

The committee took a break.

Chairman Delzer called the committee back to order.

Mike Ressler, Director of ITD: The PowerSchool count as of February 2009, 54,469 students. At $10 per year, roughly half a million dollars is what we're spending on PowerSchool. That is what we are collecting.

Chairman Delzer: What are you putting in the budget though.

Mike Ressler, Director of ITD: I think $95,000.

Mr. Ressler explained a handout from Jon Skaare regarding the comparisons to competitors for the publication of Center for Distance Ed.

Chairman Delzer: Which ones are accredited?

Mike Ressler, Director of ITD: I can't say I've seen that. I'm sure we could get it. .

Representative Dosch: Getting back to the tuition student charge of $477, the budget for Centers for Distant Learning is $6.3 million. We're servicing about a little over 4500 students who have signed up for his classes. That comes out to be about $1400 per student on the Center for Distance Education

Mike Ressler, Director of ITD: I don't know the answer to that question.

Representative Dosch: At one point in time do we analyze some of these programs and say, can we afford to continue providing the service. Right now that's what it works out to be is $1400 per student that is taking Distance Learning.

Mike Ressler, Director of ITD: I can ask him that question.

Representative Dosch: If we could go back to the PowerSchool and EduTech, I'm trying to find out what other services does EduTech provide?

Mike Ressler, Director of ITD: That will be the last presentation you will get today.

Mr. Ressler presented the EduTech document.

Mike Ressler, Director of ITD: (Regarding costs for EduTech Services) PowerSchool is going to be the largest dollar component or program Jody provides as well as will require the most of her people resources.

Chairman Delzer: How much funding was in Higher Ed for EduTech last time?

Mike Ressler, Director of ITD: We received $2.7 million of general fund money. So they must have received a similar appropriation to collect that.

Chairman Delzer: You're up from last time to this time. You'll be up $6 million?

Mike Ressler, Director of ITD: I don't believe it is that high.

Chairman Delzer: $5.2.

Mike Ressler, Director of ITD: .Correct. $757,000 of that number was special funds that existed today in Jody's budget. We didn't have any special funds for her. So that's just a transfer of almost $1 million. The increase that we are asking for in general fund dollars is $4.5 million. Also the spend down report was line 73.

Chairman Delzer: We need the breakdown of what that $4.5million is. Roxanne, we're going to need to check with Higher Ed.

Roxanne Woeste, Legislative Council: There is no funding in Higher Ed's budget for EduTech.

Chairman Delzer: I know there isn't, but there must have been before because we're moving the 22 FTEs.

Roxanne Woeste, Legislative Council: Higher Education has a continuing appropriation for special funds. They do not have special fund authority.

Chairman Delzer: We are moving 22 FTEs from Higher Ed to ITD. How were they being funded, and where was that money residing before.

Mike Ressler, Director of ITD: We had the money. You gave the money to us. That was the general fund's.

Chairman Delzer: That was the $2.7million.

Mike Ressler, Director of ITD: Correct. We wrote a check.

Chairman Delzer: Have you given us a list of what all constitutes your $4.5 million increase then?

Mike Ressler, Director of ITD: We can do that. Roughly $4.1 million was in my previous testimony.

Chairman Delzer: Totally broke down. What makes that all up.

Mike Ressler, Director of ITD: The difference between the $4.1 and the $4.5 is really the salary package.

Chairman Delzer: Why were the FTEs listed as part of Higher Ed?

Mike Ressler, Director of ITD: Because they were never part of state ITD. They were temporary positions inside of Higher Education.

Chairman Delzer: And you are making them full time positions under yours.

Mike Ressler, Director of ITD: They were full time temporary positions in Higher Ed. We're making the full time classified positions inside the state of North Dakota system.

Chairman Delzer: Were they all total benefits paid and everything?

Mike Ressler, Director of ITD: Yes.

Chairman Delzer: How could they do that on a temporary position.

Lori Laschkewitsch, Higher Ed only has recorded in our system their general funded FTE positions. All of the other FTE that they pay with special funds, they also receive benefits with those special funds that they receive. They would have been part of those special funded FTE that Higher Ed had.

Chairman Delzer: Have you given us a breakdown of the five FTEs that are new that are in your original documentation?

Mike Ressler, Director of ITD: I think I can give you a better detail. I think all I did in there was say that $4.1 million is the PowerSchool initiative.

Chairman Delzer: The $4.1 is all PowerSchool.

Mike Ressler, Director of ITD: It's PowerSchool.

Chairman Delzer: It is all general fund money.

Mike Ressler, Director of ITD: Correct.

Chairman Delzer: When you go out there, you are obviously going to do the $10 fee, and that's up in your operating. What are you doing with that?

Mike Ressler, Director of ITD: There will not be a $10 fee anymore because of general funds with the exception of the private schools. If they want to participate, will pay. That would fall into the special funds.

Chairman Delzer: That's the way the budget was put together.

Mike Ressler, Director of ITD: The Governor's Commission on Education recommended that that be a general fund initiative..

Representative Dosch: I am still trying to get my hands around EduTech. I understand your mission statement and the professional development. I'm trying to understand that the main function is PowerSchool on this. I'm questioning the need for 31 FTEs in an $8 million budget. Once a school is on, once they're trained, and the cost to maintain is $8 million for that system.

Mike Ressler, Director of ITD: It isn't probably the $8 million, because we've said the $2.7 million is what the old EduTech was. All the new money is really driven towards the PowerSchool initiative.

Lisa Feldner, CIO of ITD: Originally EduTech was needed as a training body. There are at least eight regional representatives that go to the schools in their region and provide all kinds of training. They provide K-12 email for the entire state. All teachers and all students. They

provide the blackboard training plus host the blackboard services for all schools. The EduTech staff was really a training arm from the beginning. PowerSchool was added very recently. These services have been over time very valuable services because schools don't have enough staff with the expertise in-house to be able to train on all these different things. They will definitely be relied upon heavily when they put in these new assessments because all of these new student assessments are all on-line assessments and all of the analysis of the data, those workshops will be provided by EduTech staff. ITD provides the backbone help desk for all of video ITD classes. We have over 400 end points across the state, and primarily they are K-12. The EduTech staff does all the training on how to use the system. They've been around for a very long time.

Chairman Delzer: Why is this under ITD compared to being under education, DPI?

Lisa Feldner, CIO of ITD: Back when I was in the education field, we were not getting the services from DPI that we needed. In 99 and then again in 2001 we asked that these services be provided. EduTech, before it was called EduTech, was a grass roots initiative to find somebody who would actually train and there was no support from DPI.

Chairman Delzer: ITD should possibly be handling the interactive part of it. I don't think that it fits in the ITD budget, to handle the education part of it. When we change it, I don't know that we will.

Lisa Feldner, CIO of ITD: I understand that, and I don't necessarily disagree with you logically. But practically it was very difficult to have it the other way.

Mike Ressler, Director of ITD: One of the requirements you asked is to provide documentation that show how you show performance measures. Information that says how you accomplish all the things you claim you are going to accomplish.

Mr. Ressler presented the annual report and the state IT plan.

Chairman Delzer: The privatization, have we ever put out an RFP to privatize that?

Lisa Feldner, CIO of ITD: No.

Representative Berg: I would just like to follow up on our discussion when we last met about taking components of ITD and starting to break them out. Where are we at on that.

Lisa Feldner, CIO of ITD: I have not gotten to that yet because I have been completely embroiled in stimulus package stuff.

Representative Berg: I guess this is really a critical issue from my perspective. If we need to again, if there is resources for us to provide or help or if you are being requested by the legislature to do things on stimulus that we can have others do, let us know.

Chairman Delzer closed the hearing on SB 2021.

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2021

House Appropriations Committee
Government Operations Division

☐ Check here for Conference Committee

Hearing Date: 3/19/09

Recorder Job Number: 11314

Committee Clerk Signature

Minutes:

Chairman Delzer opened the discussion on Senate Bill 2021.

Chairman Delzer: I don't even know where to go with this one. You got the issue in here. You got the 22 positions that came over that were off budget on the campuses. They are coming over as unbudget items in ITD, and you have two that were unbudget in the campuses that are coming over. Then they wanted to add seven more on top of that.

Representative Berg: I got a letter on my request to look at what things could be outsourced. It's absolutely nothing really.

Chairman Delzer: We have got an issue coming up to full committee that would allow the veterans' home to split the telephone service away from ITD.

Representative Berg: That's the start of things to come. It's difficult because they are trying to spread the costs of the whole system over all of state government. It's kind of like with our phones and blackberries where you pay $9.00 a month. That's maybe overcharging. My take on this budget, I'd like to get some language at least put in there that says we want you to take a serious look at not growing your FTEs but spinning this work that can be done out in the private sector.

Chairman Delzer: If you take a look at the green sheet. See Attachment #1. Roxanne , first off we will need to take the equity out. You'd have the statewide longitudinal data system. They changed it from statewide to special funds already over in the Senate. I think they changed 2.4 on the backside of the green sheet, they changed 2466 from general funds to special funds. I suppose that should be listed as stimulus money. They changed $2,466, 325 from generals to specials. On the green sheet when you read in the front of it, it is number 6.

Representative Berg: What is the longitudinal data system? What is that going to do?

Chairman Delzer: My understanding is what it is it's the tracking system for people through school and after school to see what they are doing.

Lori Laschkewitsch, OMB: That is correct. It would track everyone from kindergarten into the work force.

Chairman Delzer: That's part of the issue of the stimulus money for schools is you have to have a longitudinal data system.

Lori Laschkewitsch, OMB: You can't get the money without that.

Chairman Delzer: Do they fund doing it?

Lori Laschkewitsch, OMB: I believe that is a competitive grant.

Roxanne Woeste, Legislative Council: I think there are some competitive grants out there.

Representative Kaldor: Aren't they already doing the longitudinal study, but they need this to basically bring it into interactive electronic format?

Lori Laschkewitsch, OMB: They started on a longitudinal data system. However this $2.4 million that was general fund at this particular point would be needed to match the money that's in DPI budget for federal funds.

Chairman Delzer: Then we also have the issue of the PowerSchools which is $4,196 million. I'd like to have an amendment drawn that would switch that over to stimulus money. I'm not sure I agree with that whole system of how they are trying to rule PowerSchools out.

Rep. Dosch: Are they charging the schools anymore?

Chairman Delzer: Right. They started it up by saying the schools would pay a certain percentage of it which is $10 a student. Now they want to force everybody to do it so they're dropping the fee. I'm not sure we should drop the fee.

Representative Berg: I agree. All that is is just another raise for K-12 and Higher Ed and a shift on general funds.

Chairman Delzer: One of the things that bothers me about not having buy in from the locals is if it's free, they do it, but they don't necessarily care whether they do it or not. I guess you might draw an amendment, Roxanne, that would do that of putting that fee back in for everybody?

Rep. Berg: Put a fee attached that covers the cost of the program.

Chairman Delzer: I don't think you'd want to go that high. What would that be? Would that be $200 a student?

Rep. Berg: We have 90,000 students. $10 is $900,000 a year.

Chairman Delzer: Double that. It's $4.1 million.

Roxanne Woeste, Legislative Council: I think we're confusing some things. I thought in your prior item you had asked that PowerSchool be under the federal stimulus dollars.

Representative Berg: There are two different options here.

Roxanne Woeste, Legislative Council: If your second option is just to switch it to special funds, there is nothing in code regarding that fee. So if you switch it to special funds, they'd have to keep collecting the fee.

Rep. Berg: I certainly am not all close to being an expert, not even average, on this PowerSchool. What is the value of what they are doing? I got the impression it was for parents to be able to get the grades on line and communications on line. The problem with this technology is there is a lot of cool things you can do with technology, but it's expensive. What concerns me with this is $4 million as an ongoing cost, so this is not just a one shot deal. Apparently it's a $4 million, $2 million a year ongoing cost.

Representative Kaldor: I would like to ask Lori a question about this. I'm curious about the relationship between the PowerSchool and the longitudinal study. Is there a relationship?

Lori Laschkewitsch, OMB: PowerSchool is one of the components that will be used to feed the data into the longitudinal data system. If they do not have all of the schools on PowerSchool, say a school doesn't feel they can afford that, they would not be gathering data from that particular school, and therefore the longitudinal data system would not be complete.

Representative Kaldor: Would that jeopardize any of the federal match or would they just lose that portion of the federal match if a school district decided not to participate?

Lori Laschkewitsch, OMB: What I do know is that one of the criteria to get the education money is that we have a longitudinal data system, and the purpose of that is to have a comprehensive gathering of the data from all of the education.

Chairman Delzer: I think the information is being gathered. It still has to come in to DPI. I think what they told us was one of the biggest differences is it's a case of the teacher puts it in at one place. They send it in by paper and then somebody transfers it over. They were thinking it wasn't getting transferred right.

Representative Kaldor: In a way you might argue that it would be beneficial teacher plugging in this information rather than having an FTE in DPI taking it off a paper document.

Chairman Delzer: I'd agree with you if we got rid of the FTE at DPI.

Representative Kaldor: I know we won't add an FTE, but somebody's going to have to do that.

Chairman Delzer: It is $4 million a biennium. $2 million a year. That's pretty hefty spending. I don't know if the students' education is being improved by it, or if it's just a case of we're gathering information better. If the students' education is getting improved by it, I don't have a problem paying for it. Under the Centers for Distance Education, it looks like there was actually a little reduction there. One of the problems I have with that program is when you look at it, personally I don't think it belongs in ITD at all. I don't know what it has to do with ITD. It kind of bothers me how much their student base is outside of the state of North Dakota. I don't know that they receive funding enough from their student base to cover all their costs. There was an issue of increased funding for statewide wide area network including $597,064 ongoing funding and $1.2 million of one-time funding. Is there any chance of that $1.2 million being picked up by stimulus money? That's all general fund money.

Roxanne Woeste, Legislative Council: I did ask the representatives of ITD if that could be funded. They said possibly, but it could be through a competitive grant. They'd prefer not to get into a situation where they wouldn't have funding to expand this bandwidth for K-12 if they did not receive the competitive grant.

Chairman Delzer: Let's switch the $1.2 million to special funds for now. We can see if they have anything further to comment about that. What is the total dollar figure for the wide area network?

Roxanne Woeste, Legislative Council: Not including it in the executive budget for the wide area network. The total approximately $6 million of which about $5.6 is from the general fund.

Chairman Delzer: Is that the money that they receive back, the $408,000 for the E-rate.

Roxanne Woeste, Legislative Council: I think that does relate to some E-rate dollars. However, I think a large amount of the E-rate dollars get reimbursed directly to the provider, DCN.

Chairman Delzer: What about the GIS or the CJIS? Anybody got anything on those? Do we have any kind of report or study on the value of that CJIS system that we've been expanding in these last two, three bienniums? Has there ever been a report asked for any of that?

Roxanne Woeste, Legislative Council: I don't recall the specific report. They do come before the IT committee. Not at every meeting to discuss what is going on.

Chairman Delzer: But they discuss mostly what's going on of how their programming is coming. They don't really discuss what is going on as to how it is helpful for crime victims or criminal data or anything that way do they?

Roxanne Woeste, Legislative Council: Correct. Most of the updates that I have received from my interim committees regarding the initiative is just exactly what the initiative involves and entails in the current program.

Chairman Delzer: Why don't you put together a possible study section for the value from the citizens' standpoint of what we're really picking up for the citizens of North Dakota.

Representative Dosch: Is there a way in looking at that project, there's a lot of enhancements made to it, is it possible to take some dollars out of this overall budget for CJIS and perhaps they'll prioritize a little bit.

Chairman Delzer: We can have discussions about taking almost any of that that we would want to.

Representative Dosch: For example, the criminal justice business process study - $100,000 for that. I'd like to take that out and really another $100,000 out of that program. $200,000 out of that program.

Representative Kaldor: I want to make sure I'm clear. You're not talking about the number 9, the Criminal Justice Information System, are you? You're talking about the one above it? The number 8. I'm looking on the green sheet. The reason I ask that question is remember in the discussion we had the Criminal Justice Information System initiative. That's the one where the Supreme Court demonstrated a real capacity to do an IT project right. I wouldn't want to jeopardize that one. The one above it is the one you're talking about.

Roxanne Woeste, Legislative Council: The Criminal Justice Information Sharing initiative is kind of an umbrella initiative. Part if it is that SAVIN system, the Statewide Automated Victims' Information Notification system. There are several projects underneath it. It's more of like an umbrella type initiative. They have a hub which many of the law enforcement use in their cars. If they have a wireless internet access, they can access the hub and run drivers license and access a number of court records. They are the same initiative, 8 and 9.

Chairman Delzer: Rep. Dosch, which page were you looking on?

Representative Dosch: Page 15.

Chairman Delzer: This was coming out of ITD. This really makes good sense but half of these had the pages messed up on them. I've got that $100,000 for the Criminal Justice process study. It's questionable too. They've already moved the grants over.

Rep. Keller: On that business process study, as I recall from our subcommittee work, that's the one actually where they're going through and they are really carefully identifying what needs to be done in the IT environment. They don't want to make mistakes as they go to programming, they'll have every transaction that takes place either in the court or in the clerk of court's office, all of those processes that go on, they'll ensure that when that gets converted to an electronic and interactive format, that those business processes are correct. That would

be money well spent to avoid later changes because once you put this program into use it's like ConnectND, once it's implemented, it's harder to change and much more costly to change.

Chairman Delzer: It seemed to me that when he was talking to us, this page fifteen was basically their priority list. I wonder, Rep. Dosch, if you have a desire to reduce that sum, that we reduce another $100,000 with them having the option of doing whichever ones they want.

Representative Dosch: That would be my intent.

Chairman Delzer: We're looking at the first engrossment of the bill.

Representative Dosch: There was $600,000 for new video equipment, and I would like to see that come out.

Chairman Delzer: They were wanting to update some video equipment, weren't they.

Roxanne Woeste, Legislative Council: I will see if I can locate it.

Chairman Delzer: On the second page of the first engrossment, it looks like the total enhancements on the general fund would be $8 million.

Representative Dosch: $8.3 million.

Chairman Delzer: Yes, but if we were talking of switching that $4 million of PowerSchools money to special funds, that would come right directly off of that $8 million

Representative Dosch: What about the 22 FTEs have we decided anything on that?

Chairman Delzer: We haven't decided anything. I think they are special funded on the line, are they not? It's the EduTech ones and I think the EduTech is special funded.

Lori Laschkewitsch, OMB: They are general funded. They were a grant before. They were received by NDSU as special funds, but it was a grant that was paid out of general funds.

Chairman Delzer: Wasn't that just those two. I thought the 22 were special funds and the 2 were general funds.

Roxanne Woeste, Legislative Council: Those are general fund positions, but if you are going to switch that funding source for EduTech to special fund, that's basically those FTE positions. You'd be changing the funding source for those FTE positions.

Chairman Delzer: Oh, you would. The $4 million.

Roxanne Woeste, Legislative Council: Correct, in large part I believe.

Chairman Delzer: How were they funded in Higher Ed?

Roxanne Woeste, Legislative Council: For the 2007-09 biennium, the legislative assembly provided ITD a general fund appropriation for a little over $2 million was provided as a grant to EduTech. They gave that money to EduTech, and then they were special fund employees at NDSU contract.

Chairman Delzer: That $4million is all just for staffing?

Roxanne Woeste, Legislative Council: I would have to look back. I cannot provide that detail right now.

Chairman Delzer: I think you are right though. Looking on the bill itself, under the second page of the first engrossment, they are changing the powers and duties of the longitudinal data systems committee. They added two members of the legislative assembly. I'm not sure we want people from the legislature on there.

Representative Berg: Where are you at?

Chairman Delzer: Page three of the first engrossment of the bill. The Senate added a couple of legislators to it. Lines 25 and 26 of page 3.

Representative Meyer: Why did they want legislators in there?

Representative Berg: It's a lot cheaper than hiring lobbyists.

Chairman Delzer: That's exactly my concern about it is if you have legislators on an executive branch committee, you end up being lobbyists for the executive branch when the information comes back. And Legislative Council has to pay for them.

Roxanne Woeste, Legislative Council: If I could get a little clarification from Rep. Dosch regarding the $600,000 for video equipment. Do you have a page number? Were you referring to the $6 million for the refresh?

Representative Dosch: I found the page. It's $300,000, and the other $300,000 was the two FTEs. What has bothered me with ITD is it's $140 million and basically shows up as special funds, but they're not special funds. Those are general funds that we've paid other agencies that flow through to ITD. As legislators we are so careful with general funds, and because of the rush, we ignore special funds.

Roxanne Woeste, Legislative Council: You control it by looking at all the budgets. That's how you control how much goes to ITD.

Chairman Delzer: At some point is there a way we could get a listing on one page of how much of that special funds that is in ITD is general fund in other agencies?

Roxanne Woeste, Legislative Council: It depends on how agencies pay their bills. That's why when that question comes up, looking back roughly, it's approximately 1/3 general, 1/3 special and 1/3 federal that they receive. There's no way for me to look at Health Department's budget, and look at their IT budget and know how much of that is general fund, and how much of that is actually going to go to ITD compared to a consultant they hire for a different project or off-the-shelf software. IT budgets are managed within each agency.

Representative Dosch: Since this is a substantial amount of money, can we require that the budgets that they submit, separate out as a separate line item. State IT costs. Then it becomes a lot easier for us to identify out of each budget. If we ever want to control IT and

what we're spending on it, then it becomes very easy to go into each of these agency budgets and say we are going to cut your state ITD dollar amount by 10%. Then we're controlling the special funds plus look at IT's own budget and control that. Otherwise how do you control this? We can look at IT's budget and see what they are counting as special funds. That is some indication of what we are charging.

Chairman Delzer: I believe in the spend down level or the detail level, there is two line items that end up covering ITD costs. The problem is, is there an open line that a guy could move that so that you separate it out just the items that are ITD related? I know they're a roll up of ITD costs and some other costs as well.

Lori Laschkewitsch, OMB: Currently we have specific account codes for the IT so that we could track what those IT costs are. They are part of the operating line.

Chairman Delzer: They're rolled up too. It's not just the stuff they pay to ITD. There are some other things in that same line, is there not?

Lori Laschkewitsch, OMB: Most of those charges are the things that they are paying to ITD with the exception of IT contractual services.

Chairman Delzer: We should probably on a couple budgets take a look at that?

Representative Glassheim: The IT budget is about $140 million, and we're spending about $7 billion federal and special and general. The IT budget is 2% of our spending. Whether that's too high and it's run amok or isn't, I don't know. When you look at it as a percent of spending, I'm not sure it's that big of a deal.

Representative Berg: My point is that it just gets blurred so much. Maybe it's as simple as just having agencies that we move forward when they track their spending just to account for over the next two years so they pay for an ITD service, they have to track it whether it's general

fund or special fund or federal fund. Two years from now they would have that number when we go into session.

Lori Laschkewitsch, OMB: I think what you are going to find from that is the reports that would come up with in previous bienniums is that 1/3 is general funds, 1/3 is special funds, and 1/3 is federal funds. The only way that we've been able to find out what that mix has been is looking at the expenditures after the fact. It has been pretty consistently 1/3 of each of the funding sources.

Chairman Delzer: It gets even a little cloudier because VHS, you might have some retained funds that are being used, and they are special funds, but they are general fund equivalent. It's pretty hard to track that. Why don't we think about that, and when we take this up, we'll have another discussion on it.

Representative Berg: The question is, what is the purpose for that information. The one thought I had was you can collect all this, and you can make it work like general fund after you've pulled off the federal funds.

Chairman Delzer closed the hearing on 2021.

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2021

House Appropriations Committee
Government Operations Division

☐ Check here for Conference Committee

Hearing Date: 4/2/09

Recorder Job Number: 11691

Committee Clerk Signature Lori Ferguson

Minutes:

Chairman Delzer opened the discussion on Senate Bill 2021. He then explained amendment 98040.0202 which is the roll together of everything asked for.

Representative Berg: I think we are setting ourselves up with a lot of these budgets for problems. Clearly as we talked yesterday, if we end up with a list of $30 million that we've said we want the stimulus to pay for and there's $20 million that can be used, we're delegating legislative authority to someone else to make decisions what $20 million they are going to use. The second is if there is a backup funding source from the general fund, I don't see people going through the federal hoops that they might need to to get it funded that way. I understand how these amendments are coming forward because that's what we like, but the reality is I think we're going to lose our legislative authority in this process.

Chairman Delzer: I totally agree. I offered the amendment to take the contingency out down in full appropriation on one of the HR ones.

Representative Glassheim: When you say that they only may spend General Fund money to the extent that federal funds are not available, doesn't that imply they have to investigate availability, the feasibility of using them.

Representative Kempenich: We have seen this in the past where we've had different budgets, especially when you're dealing with DHS, and we've put it contingent. If you put any state money in it, you might as well appropriate it and get it over with because what will happen is that federal money will either be tagged to another project that they will find a better use for in 18 months or 2 years. Or they are going start another one with the general fund money even though you tie it like this, it doesn't mean much. We might as well fund it as General Fund money if it is something that's needed to fund it. If not, let's say to heck with it.

Representative Glassheim: Could you get some of that by saying that unless OMB certifies that federal funds are not available, that somebody has to look at it and say yes we tried and the feds said, no we can't use it this way?

Representative Dosch: I think the problem with what Representative Kempenich is saying is that so some of the stimulus money comes in and they say, yes you can use it for IT projects. IT turns around and says, great we can use it for IT projects. We're going to do this project over here. The legislature said that they'll appropriate the money for the Longitudinal Data over here so we're not going to use this IT money over here. We're going to use it on these other projects. We're going to go to the Emergency Commission. The federal dollars aren't going to come in and saying you have to use it for the Longitudinal Data. That's the problem. They are going to come in and say, yes, you can use for IT projects.

Chairman Delzer: The options that we have here is that the Senate sent it over listed as federal authority. Is that right? They switched it to federal authority, not special funds, right?

Roxanne Woeste, Legislative Council: When we appropriate dollars, we just appropriate general and special. We do not designated in special whether they are special dollars or federal dollars. So the Senate did switch it to special funds know that they could either use special funds or federal dollars.

Chairman Delzer: So we could either leave it alone. We could say it should be ARRA money which would be section 2. Or we could do the contingent which would be section 3. Or we could fund it straight out of general funds.

Representative Berg: The question is what is our best guess on it being funded by the stimulus money?

Chairman Delzer: The $6.4million under DPI is funded. They've been approved on that. I think there are some other competitive grants that ITD is putting in for that they haven't been approved for yet. The $6.4 has been approved, but whether or not DPI would use that for IT to do their share of it, that she didn't seem to know.

Representative Kaldor: In the contingent General Fund appropriation section, since we require that they spend any excess stimulus money that has to go to the Emergency Commission in the Budget Section, the appropriation is pretty clear that the federal stimulus money, this portion of it is to go for that purpose if it can. In the contingent section, what if we were to require that if the federal dollars are not available that they must come to the Emergency Commission and Budget Section for approval of the General Fund appropriation. If they haven't been able to use the federal dollars, at least they would have to come to us to get our authority. If you're concerned about that contingent appropriation.

Representative Berg: I really like that language in all of these things. At least there are the questions that can be asked. Having said that I think strategically how do we want to deal with this in all of the budget bills?

Chairman Delzer: I think this is the only one that we have that we are going to talk about a contingent fund that has to do with stimulus money.

Representative Berg: Don't you think the Senate is doing the same thing?

Chairman Delzer: I'm sure they are.

Representative Berg: If we were going to do this with a contingency, I'd really like to add that language. The other option would be to simply leave it as federal funding until we go to conference committee and then in conference committee we work out language. We're going to have way more projects that people want to fund with federal money than we probably have federal money available. Unless we're tracking that.

Chairman Delzer: At some point in time we're going to have to have that number. I don't have strong feelings about this.

Rep. Berg: I think maybe we should amend that language in that Rep. Kaldor suggested.

Chairman Delzer: If we are going to adopt that, I agree. It's a question of whether we want to adopt the contingent one or not.

Representative Kempenich: If that is a possibility I think we need to get it out of here.

Chairman Delzer: Roxanne, why don't you add that language to Section 3 then.

Roxanne Woeste, Legislative Council: I will, but I'm just going to add the Budget Section if that's okay with the committee. I don't think it would really be appropriate for the Emergency Commission. I will make it contingent upon Budget Section approval.

Representative Berg: Why wouldn't it be appropriate for the Emergency Commission?

Chairman Delzer: Because it's something that we've already appropriated. It's not new money, and that's what the Emergency Commission is supposed to deal with is unexpected monies.

Roxanne Woeste, Legislative Council: I don't know if that really adds a whole lot. Even if the Emergency Commission were to approve it, it still comes to the budget section. The Emergency Commission deals with specific items, and those duties are set out in statute. It does really approve contingent General Fund appropriations.

Chairman Delzer: Your thought is that the Emergency Commission may deny it?

Representative Berg: No, I don't think anything that makes sense is going to get denied anywhere. We're going to end this session with a lot of loose ends. It might make sense to give the Emergency Commission a little more authority. I do believe that things go to the Emergency Commission, and they may get more scrutiny sometimes.

Chairman Delzer: Don't you really think that if something comes to the Budget Section without the Emergency Commission approval that it would have more of a likelihood to be looked at harder by the Budget Section.

Representative Berg: Maybe what I suggest, the Budget Section is fine, but maybe we ought to form a separate bipartisan subcommittee of the Budget Section to take a look at these things. My point being when you get a big budget section together, sometimes it's difficult to engage the people to ask the questions that need to be asked.

Representative Kaldor: I had considered another issue here. I think we need to visit with OMB here about the statewide Longitudinal Data System and the effect that we may have on this relative to the stimulus funding.

Chairman Delzer: That is the only reason this is here.

Representative Kaldor: If we do not have the contingent General Fund appropriation of the section in the bill, do we compromise the federal stimulus money. Maybe council or OMB could cover that.

Chairman Delzer: That was ITD's reason for asking for the contingent fund because they say there may be a chance that they would not have special funds available unless DPI was willing to give up some of their $6 million.

Representative Kaldor: If the statewide Longitudinal Data System is not done, then the question is, does that compromise?

Chairman Delzer: It really is but on the same token if it is that important to do it, don't you think there would be an awful lot of pressure on DPI to release $2.2 million of that $6 million?

Representative Berg: I'd second Rep. Kaldor's amendment.

Chairman Delzer: Well, let's just add it to it, and we'll hand you the whole thing. We look on, on page 2, lines 14 and 15. We have, under the statement of purposes, we have the equity money coming out. We have the funding change that's going t o show up on the Longitudinal Data System and changes in appropriation. We have the funding shift for the deployment of PowerSchools of the $4 million from the General Fund to special funds. We have the decrease of the $600,000. That's on page 2, line 15. That has to do with the wide area network. Rep. Dosch asked for the video stuff. I think that may be an issue in conference committee, but I think to run it out of here for conference committee is fine. Then we have the decrease of $100,000 on CJIS initiative projects. On the second page, we had just the final numbers. We had a section of legislative intent that DPI may only spend the federal funds appropriated for the Longitudinal Data upon approval of IT. I understand that's the case of letting one agency have a little authority over another one. That is section 7 of the amendment. Section 8 is the Legislative Council study that one of us asked for that has to do with the CJIS information. Section 9 is the revenues. We wanted the ITD to monitor revenue collections by funding source and report the revenues for the biennium to date by funding source to the appropriations committee of the 62nd legislative assembly.

Representative Berg: What is the purpose of that?

Chairman Delzer: The purpose of that was we wanted to know how much of the money that they were getting in from the other agencies were special funds and how much was general funds. It all shows up as special funds for IT.

Representative Berg: You want to separate that out at that next level.

Chairman Delzer: And then Section 10 of the bill we took the two legislators off of that committee. In Section 11, we are declaring an emergency of Section 2 which has to do with the ARRA funds. Are there any other discussions we need on this?

Representative Kaldor: If we are going to rely upon DPI for that $2.2 million, that $6 million is federal already, and they can't use federal money to match federal money.

Chairman Delzer: It isn't a match situation though.

Representative Kaldor: But it's a competitive grant.

Chairman Delzer: It would be a competitive grant, but I did not understand that there was any matched dollars. Nobody has ever mentioned matched dollars.

Representative Kaldor: They would still be using federal money.

Chairman Delzer: My understanding of what we're doing though is we're leaving 2 and 3 in with the addition of Budget Section, and do you want the Emergency Commission?

Representative Berg: Leave it with the Budget Section. Again, we need to think through this as we get towards the end of the session because there is going to be a different level of scrutiny that needs to happen.

Chairman Delzer: That would be that set of amendments. Then we've got another one that's been handed out here.

Representative Berg explained 98040.0203.

Chairman Delzer: Why don't we do .02. If we've come to an exception of .0202, let's go ahead and do that. Does someone care to move .0202?

Representative Berg: So moved.

Chairman Delzer: We have a motion for .0202 with the addition of the Budget Section approval under Section 3.

Representative Dosch: Second.

Chairman Delzer: We have a second. Representative Dosch.

Representative Berg: Who are we bumping off that committee?

Chairman Delzer: It's the two legislators.

Representative Berg: Do you know who it is?

Chairman Delzer: No. I don't think we're actually bumping anybody off of that committee. This is a new committee.

Roxanne Woeste, Legislative Council: That's correct. Well, it's not a new committee. It was established last session, but there was no representation from Legislative members on there. That was added in the Senate.

Chairman Delzer: The Senate added the legislators.

Roxanne Woeste, Legislative Council: That's correct. We're not removing anyone.

Chairman Delzer: Further discussion on .0202? If not, all in favor of .0202 signify by saying aye. Opposed nay. Motion carries. .0202 is adopted. Representative Berg, go ahead and explain .0203

Representative Berg: Currently IT is outsourcing about 5% to 10% of its work. Historically, when we centralized all our IT, our intention was to centralize it, develop uniform processes for IT so we have compatibility. I don't think it was ever our intention to have government the source of all our IT services. What this does is it says over this next biennium ITD would look to outsource about 10% of its work. The following biennium, it looked to outsource 20% of its work. The legislative intent is from a business standpoint where I think the real bang is. This is similar to what is done by the federal government on the 8A contracting, but it would save the department, say it wants to contract out website design, and they go to a small company and say we are willing to have you do our website design. We are willing to work with you for five years. This company can staff up and prepare for whatever that work is. At the end of five

years, they would go out and hire someone else, and that company could not reapply, but at that point we would have a website design company in Bismarck that would hopefully be up and flourishing. It's kind of two things in this. The first is to say we would like you to really look at outsourcing more work, and then Section 7 really would define some broad parameters to help develop an industry. When I talked to Lisa about this she said they don't mind doing an RPF on project by project. It's kind of a one shot deal. That really doesn't help build IT businesses here in North Dakota.

Chairman Delzer: I have a couple questions on this. One is I don't know how we try to bind an intent the next legislature, your 20% for the next services. I don't know how we do something when we pass a budget out and then tell them to change that to 10% outsourcing during the year when we've already passed the budget. I don't disagree with the idea of outsourcing.

Representative Berg: I see a couple things. Clearly in 1983 there was language in our century code that says we are going to fund education 70% from the state.

Chairman Delzer: And we've fought that ever since.

Representative Berg: Whether it's binding or not, at least it sets an objection that it is going to be achieved this session. I don't have any problem with what we do for percentages.

Chairman Delzer: I don't have a problem with percentages. I'm a little uncomfortable with the 20% during 11-13.

Representative Berg: My objective for doing that was to at least make them aware that this is not something that we want just 10% outsource, but we want them to move in a direction where they are using businesses outside.

Chairman Delzer: I wonder if we should just possibly say it is the intent of the 61st Legislative Assembly that the IT department move to where it is outsourcing as much as practical or possible with the goal of reaching certain percentages in the future.

Representative Berg: If we replace that 20%, if we had the intention that they will continue to try and outsource more of their services. I'm fine with that.

Chairman Delzer: Representative Berg, my understanding is that 2133 which in all likelihood is going to pass the floor. That's the one with the veterans' home phone service. My understanding is they are going to start looking at outsourcing most of the phone services. Is that what you're talking about trying to get to? Or are you talking about things other than that.

Representative Berg: That's a perfect example that if we don't get them thinking along those lines, pretty soon everyone is going to ram a bill through to cover their particular IT needs that they can do cheaper. My objective is not that these things like phone are outsourced, but really some of the technical things that would help develop some IT businesses in North Dakota.

Chairman Delzer: And yet, that's part of the problem. The phone service would certainly cover these percentages. I'm not sure whether that's what you're looking for or not.

Representative Dosch: I guess another way this could be done is that we ask them, their legislative intent that they identify 20% of the IT services during the 09-11 biennium that could be outsourced in the following biennium.

Chairman Delzer: I agree with moving towards this. I wonder if this isn't something, Representative Berg, would you at all be willing to continue to work on language and just run the bill through conference committee without it?

Representative Berg: I guess my thinking was the reverse. Throw this language on and go to conference committee. If you look at the bottom of this page that I handed out, clearly, and this was from our discussion, Lisa laid out that last sentence about two areas that she thinks more outsourcing could be done. Telephone service and web content management. I don't know if anyone's used the conference call features with ITD. From my experience, it is quite a

bit more expensive and quite a bit more complicated than the private vendors that are out there doing conference calling. I really don't care if telephone is the one thing they outsource. It doesn't serve the second part of my amendment, but why not let that sector that is developing and evolving and improving their systems, take over the state's telephone service.

Chairman Delzer: Can they currently not contract with anybody for five years? Use Section 7 of your bill?

Representative Berg: I don't know. My assumption was that there would be a two year deal.

Chairman Delzer: I would think they could do a five year contract subject to legislative appropriation.

Lori Laschkewitsch, OMB: I believe that would be the case as long as it can be reviewed every two years to opt out of it because of legislative appropriation.

Chairman Delzer: It has to be, and Representative Berg, are you trying to get to the point where they could do five years without?

Representative Berg: No. If you read her letter, the first paragraph, they are trying to outsource. They've got these big one-time projects they are trying to outsource. A big one-time project is not going to go to a North Dakota vendor. It's going to go to some oracle or someone like that that comes in and does the deal. What we're looking at is kind of the bread and butter stuff that someone can say, okay we'll take on that contract. We'll maybe get paid $30,000 or $20,000 a month for that. We know that income stream is going to be there for 60 months so therefore, I can build my business up knowing that that is going to be there and also knowing that it is going to end after 60 months, they have to go out and look for other work and provide other business. It's what the 880 program has done. Just to kind of sum this up on that bottom paragraph where we just say they may enter into a contract, adding language that it is subject to legislative approval or it could be voided by the legislature or voided for

nonperformance. I would expect that to be in there. Maybe after five years put, subject legislative approval.

Chairman Delzer: That has to be subject to legislative approval every two years. The next legislature has to appropriate the money to pay for it.

Representative Kaldor: My guess is that every vendor probably understands that the term of their contract is going to be limited because of our appropriations process. The large projects are complicated because there is a certain amount of support services that are required for implementation. I don't think there is a company out there that doesn't think that if they do a major project, that they're not going to be gaining some revenues from that project for a longer period than just two years. And even longer probably than five years. I don't know that it is necessary to put that in. What Representative Berg is talking about has been that we don't want to basically commit the state to a vendor forever. Am I reading you right?

Representative Berg: Sure.

Representative Kaldor: One of the problems that I see with this process, I think actually there is an admirable effort. So often I see the RFP processes getting in the way, you can tell when ITD wants to do a project in house and when they want to do one outside because the RFP process seems to get much more complicated to understand what they are really getting at. When they want to do something internal, it's really hard to determine what that RFP is getting at. I would certainly at the very least like to study this process so that we have a better understanding. The vendors in North Dakota that are out there, and some of which are very capable of doing applications that don't get these jobs. I would actually like to see their input a little bit into how this process is done.

Chairman Delzer: Would you be amenable to a section suggesting a Legislative Council study to move the IT department towards more outsourcing with North Dakota private entities.

Representative Berg: I would be open to whatever. Maybe we should just adopt these amendments and send them to conference committee to see what they say. I don't think there is any danger of doing that that I can see.

Representative Kaldor: I would not be afraid of that. I just wonder how this will be received in the full committee.

Representative Berg: We can find out. I'm certainly willing to change this.

Chairman Delzer: Why don't we ask you to do this. I guess I, myself, would prefer study language that would do the same thing, that would bring these issues to light in a study coming back to the next session.

Representative Berg: I'll talk to Lisa about the percentages. I'm more concerned about the percentages than I am that 8A deal. That might be a little hard for people to grasp. Lisa is looking at contracting the phone and web design and see where that puts them.

Chairman Delzer: I would like to kick the bill out here in the next two minutes.

Representative Berg: Then I move the amendments.

Representative Kempenich: Second.

Representative Glassheim: I'm going to oppose this language. I think to accomplish what Representative Berg wants, you don't want the percentages in there just as a magic number and get them to be large telephone companies. Then they'll say, okay we did it. I don't think that's the point. I think you want to get smaller companies to get smaller contracts, and I don't think you're going to accomplish it this way. So I prefer the study language too because it will focus attention in front of the legislators and the department, how can we get this done. I don't think you're going to get done with these artificial percentages from anywhere. What I think we all like but I don't think you're going to get it done this way.

Chairman Delzer: I don't think I'm going to support this set the way it is worded right now. I have some concerns about that. In full committee, if something comes back with a little better wording, I think I would possibly support it there.

Representative Berg: I'm not interested in bringing it to full committee.

Chairman Delzer: We have a motion on the table. All those in favor say aye. Opposed nay. Motion carries. Amendments adopted.

Vice Chairman Thoreson: I move a do pass as amended on SB 2021.

Representative Berg: Second.

The clerk called the roll on a do pass as amended.

7 yes, 1 no, 0 absent and not voting. Representative Thoreson was assigned to carry the bill.

2009 HOUSE STANDING COMMITTEE MINUTES

SB 2021

House Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: April 3, 2009

Recorder Job Number: 11717

Committee Clerk Signature	Re Mae Kuch

Minutes:

Rep. Thoreson Moved the amendment .0204.

Rep. Delzer: Seconded:

Rep. Thoreson: reviewed the Statement of Purpose of Amendment on amendment .0204 (Attachment A) as well as the Sections that were added. Section 11, the Senate had added two legislators to the Committee and we removed that.

Chm. Svedjan: (5:25) Just to inquire about Power School and the State Wide Area Network. Did your committee examine whether those are relevant to ARRA – the stimulus bill?

Rep. Delzer: That's part of the reason for the shift. We think some of that might be covered and also the Title I money that they get. Some of those schools are part of the Power School system. Power School has been voluntary, but they were putting another carrot out there of not charging for it. But we had testimony from some superintendents and instructors that thought it was a very good deal and they would even pay more money for it.

Chm. Svedjan: I think it was stated in a prior meeting that STARS application through DPI was a part that would qualify for stimulus.

Rep. Berg: (6:58) P. 2, Section 3, we had good debate on stimulus money. The concern that this Committee had is that we end up with $20 million in stimulus and $30 million in other money and are we delegating legislative authority allowing someone else to pick and choose.

The hope is that if someone is saying we can't use federal money, then they'll have to explain to the Budget Section why they can't.

Rep. Delzer: (8:12) On the $600,000, most of that is video equipment. The Department may have some concerns, but it was the decision of the majority of the members to keep it removed at this time.

Rep. Nelson: In these cases where we have that contingent language, how is that treated in the budget status reports that we get every week? It would seem difficult to determine if that comes off the General Fund in the federal stimulus until it does.

Mr. Knudson: We would reflect that as regular General Fund appropriation. We would need to account that all that money would be spent if the federal funds can't be spent. So we are showing it as a regular General Fund appropriation that comes off the bottom line.

Rep. Nelson: So there is no accounting of the Federal Stimulus in the Budget Status Report as of today.

Mr. Knudson: We have a separate schedule for all the stimulus funds. We will be updating that. You'll probably get it Monday morning.

Chm. Svedjan: It's reflected as a General Fund expenditure in the Budget Status Report. But you will be receiving a separate document that will categorize all those things that we think are subject to stimulus funding.

Rep. Berg: (10:22) Section 10, back in 2003 we tried to centralize the IT. So we had uniformity throughout state government. That has been accomplished and today we have $140 million that we're spending on this budget, 328 FTEs. My intent was that when we had this centralized, then those services that could be provided in the private sector could be outsourced. My understanding is that they are around 8% outsourcing. This says that as you move forward, we want them to outsource at least 10 percent and 20 percent in future

bienniums. Our action on the Veterans' Home yesterday on the floor to save $500,000 by going somewhere different with their communications, is part of my fear. I don't want agencies coming in with separate bills. In visiting with ITD, I think the phone system and web site design are two things they've identified that would be good candidates for outsourcing. This does nothing more than say we would like to move in that direction. It does tie into Section 12 which is more of a capacity building thought. We can't outsource unless we have private sector businesses that can handle the work. There is a program that the federal government has done, where the government will contract with a business over a number of years and that allows that business to know that it is going to have cash flow for a number of years to hire people and build their capacity to service that account. But at the end of the years that contract is over and they can't rebid, it encourages that business to enter into contracts. So when the contract is over, they are a self-sustaining entity. Most of the things that have been outsourced are single projects. It's difficult for North Dakota to compete against larger companies. I think it would encourage IT companies around the state that will support not only the state but the rest of our businesses.

Rep. Skarphol: (14:08) The department outsources all of the phone service that they have outside of the capitol complex. That amounts to 10% of their business for example. They do that in this biennium. Does that count in the next biennium as 10%?

Rep. Berg: I would assume that will count.

Rep. Skarphol: They are not going to eventually become nonexistent. If you did not count it, ultimately it would be gone. Most of what they outsource today goes to out-of-state companies. How does that benefit North Dakota?

Rep. Berg: That's the problem with outsourcing single shot things. We don't have the capacity in ND to compete.

Rep. Berg: The percentages are not set in stone. Information Technology Department will play an important role in state government. My intention was to encourage them to look at services that can be outsourced.

Rep. Skarphol: I don't disagree with what you are trying to accomplish, but I'm not sure the mechanism is quite right. I can see a situation where the dept. is 9% outsourced. If there is a vender out there thinking if they are going to make that 10% mark, I am going to raise my bid because they are going to have to take my bid.

Rep. Berg: Asking council on the language, it says "it is the intent of the assembly." Is that a mandate on that specific percent?

Chm. Svedjan: My understanding is that intent language does not have the force of law.

Mr. Knudson: It doesn't have the force of law. It's laying out your intention. If they don't make the goals, they will have to explain why they didn't.

Rep. Skarphol: I think if a vender took it to court and the court were to look at legislative intent, it would mean that the expectation would be there for 10% because the court does take into consideration what the intent was. With regard to Section 12, I understand the logic, but part of the cost of what Information Technology Department does is training the vendors to understand the policies, standards and all of the associated things that are in place. I don't see anything from a vendor changing their name and getting on the list for the next ten years. I would disagree with the amendments.

Rep. Glassheim: My concern is a little different. Rep. Berg explained that we have tried to get better rates for state government. As we chip away at single sourcing, are we going to face higher rates for those who remain because you don't have the volume when you're bidding? Have you thought of that? Is there any way to track it to ensure our rates are going to be as good?

Rep. Berg: Take a look at cell phones. The more we can engage the private sector in technology, the private sector will come forward with solutions to provide the services that are cheaper, faster, and better long before they are going to come from the Government. ITD has done a wonderful job and achieved what we want them to. As an example, I used the Information Technology Department conference call feature and it's very complicated and expensive. There are a half dozen private vendors that give everyone a number and a code and you call in and it is 10 cents/minute. There is an opportunity with these amendments to open the thinking of (a) utilizing the private sector where it makes sense and where it is cost effective and (b) look at ways to encourage more technology businesses in North Dakota. My hope was to put these amendments in the bill and get this to Conference Committee. Between now and them, we can get more input from ITD. There is not disagreement on these from Information Technology Department that I have heard.

Rep. Skarphol: (22:55) It might not be a better mechanism to have the department to report to the next legislative assembly as to what services they have outsourced and what work has been done to develop in-state vendors so we can see what is being accomplished. I would make a motion to require such a report to the legislative council so it is available after the November meeting of the legislative council as to the utilization of outsourcing. Also to know what progress has been made by the department in helping to create in-state vendors that are bidding on these projects. A vast percentage goes to out-of-state entities and that doesn't equate to in-state knowledge base gain.

Rep. Onstad: (24:53) Do you perceive in 2009-11 that the goal would be to have that budget reduced by 10 and 20 percent and that outsourcing go to ND companies.

Rep. Berg: I don't see this as reducing the budget because the money will go to a third-party vendor. Information Technology Department provided a written response to this issue and we have a list of contracts they have outsourced over the last three years.

Chm. Svedjan: We do have a motion to adopt amendment .0204 to SB 2021

Voice Vote taken. Amendments are adopted.

Rep. Skarphol: What has been the past practice amongst employees at ITD is they may see the opportunity to leave the department and start a business and they contract back with ITD at higher costs than what they were paid as employees. That's problematic because its costs us more money to have that same individual working for state government. I'd like to see us have more companies. I'd like to see us develop a private sector that does this. The way the federal government handles that is they prohibit and individual who does that from coming back to work for the state government. In the state if that individual is not successful in their business, they end up suspending their business and going back to work for ITD. You know your job is guaranteed to get it back because they are short of people. I think a more appropriate mechanism would be to provide us with a report as to the practices that are taking place with regard to employees moving away from employment to creating companies and the success rates. My motion would include that information. The dept. provides legislative council with a report at our November meeting to reveal the practices that have taken place by ITD employees moving to the private sector and back and to the outsourcing that has been done by the dept. both in-state and out-of-state companies and to the efforts that have been made and have been successful with regard to establishment of technology companies in North Dakota as a result of the department's efforts.

Rep. Berg: Seconded it.

Rep. Delzer: Are you removing Section 10 and 12?

Rep. Skarphol: I would further move that those sections be removed and that we get this information before making the decisions that have been indicated in Sections 10 & 12.

Rep. Berg: I would not support removing those sections. I withdraw my second.

Rep. Berg: (30:50) We are getting very protective of a state agency. I think that there may be people that might bid on something and start a company. I don't want to discourage Information Technology Department employees from starting a company and providing that service. I do have a problem with them not being successful and them coming back and wanting their job.

Rep. Dosch: (32:09) Would Rep. Skarphol also considering reporting the non-essential function that Information Technology Department does that can be handled by the private sector. Government should be to provide essential functions that cannot be handled by the private sector. Can we identify those nonessential functions that could be handled by the private sector? We are concerned about the growth of government. ITD employs more than 300 people. Are they producing only the essential functions that the private sector cannot?

Rep. Skarphol: I am amenable to that recommendation.

Chm. Svedjan: So we are adding to this motion a report of the nonessential services provided by IT that could be provided by the private sector.

Rep. Onstad: We are not removing 9 and 10?

Chm. Svedjan: No. That will be a separate motion.

Voice vote taken. Amendment adopted. (Vote 2)

Rep. Skarphol: (34:45) Then I would move to further amend to remove Sections 10 and 12. The more information that we have at the time we make that decision the better. The language in Section 12 that prohibits the rehiring of a vendor would prohibit the rehiring of an

in-state vendor as well. If you try to discriminate between in- and out-of-state vendors in technology, the out-of-state vendors quit bidding.

Rep. Delzer: Seconded it.

Rep. Delzer: We had a good discussion in committee. It's fair for the committee to take a vote. It wasn't unanimous out of our section. The discussion was the same way.

Rep. Berg: I don't support this motion.

Rep. Skarphol: In the second sentence of Section 12 I think the "may" is mandatory. It isn't a permissive "may."

Rep. Berg: You know it going into the contract. If they know that, they may choose to not enter the contract. It is upfront permissive.

Voice vote taken to remove Sections 10 and 12. (Vote 3) **Motion defeated.**

Rep. Thoreson: Moved Do Pass as amended and further amended on SB 2021.

Rep. Berg: Seconded it.

A Roll Call vote was taken. (Vote 4) **Yes: 20, No: 4, Absent: 1,** (Representative Williams).

Representative Thoreson will carry the bill.

98040.0202
Title.
Fiscal No. 2

Prepared by the Legislative Council staff for
House Appropriations - Government
Operations
March 27, 2009

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2021

Page 1, line 2, after the first semicolon insert "to provide a contingent appropriation;", after the second semicolon insert "to provide for a legislative council study;", and remove "and"

Page 1, line 4, after "committee" insert "; and to declare an emergency"

Page 1, line 14, replace "6,462,653" with "4,882,814" and replace "44,144,782" with "42,564,943"

Page 1, line 19, replace "2,238,371" with "(25,512)" and replace "2,466,325" with "202,442"

Page 1, line 22, replace "1,910,451" with "1,310,451" and replace "5,976,970" with "5,376,970"

Page 1, line 24, replace "2,508,533" with "2,408,533" and replace "3,709,239" with "3,609,239"

Page 2, line 1, replace "16,288,104" with "11,744,382" and replace "139,342,795" with "134,799,073"

Page 2, line 2, replace "7,974,129" with "8,205,993" and replace "120,980,899" with "121,212,763"

Page 2, line 3, replace "8,313,975" with "3,538,389" and replace "18,361,896" with "13,586,310"

Page 2, after line 4, insert:

"**SECTION 2. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the information technology department, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

Statewide longitudinal data system	$2,263,883

The information technology department may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 3. CONTINGENT GENERAL FUND APPROPRIATION. If the federal funds appropriated under section 2 of this Act are not available to provide the sum of $2,263,883, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $2,263,883, or so much of the

sum as may be necessary, to the information technology department for costs associated with a statewide longitudinal data system, for the biennium beginning July 1, 2009, and ending June 30, 2011. The information technology department may only spend the general fund moneys to the extent that federal funds are not available to provide the $2,263,883 appropriated under section 2 of this Act."

Page 2, line 14, replace "369,748" with "269,748"

Page 2, line 15, replace "1,200,000" with "600,000"

Page 2, remove line 16

Page 2, line 18, replace "2,606,386" with "969,748"

Page 3, replace lines 3 through 30 with:

"**SECTION 7. DEPARTMENT OF PUBLIC INSTRUCTION - STATEWIDE LONGITUDINAL DATA SYSTEM EXPENDITURES - APPROVAL.** The department of public instruction may only spend the federal funds appropriated in House Bill No. 1013 for costs associated with the statewide longitudinal data system upon approval of the expenditures by the information technology department, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 8. LEGISLATIVE COUNCIL STUDY - CRIMINAL JUSTICE INFORMATION SHARING INITIATIVE. During the 2009-10 interim, the legislative council shall consider studying the value of the information technology department's criminal justice information sharing initiative. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 9. INFORMATION TECHNOLOGY DEPARTMENT - REVENUES FOR THE 2009-11 BIENNIUM. The information technology department shall monitor its revenue collections by funding source for the 2009-11 biennium and provide a report on revenue collections for the biennium to date by funding source to the appropriations committees of the sixty-second legislative assembly.

SECTION 10. AMENDMENT. Section 15.1-02-18 of the North Dakota Century Code is amended and reenacted as follows:

15.1-02-18. Statewide longitudinal data system committee - <u>Membership - Powers and duties -</u> Report to interim committee <u>- Continuing appropriation</u>.

1. The statewide longitudinal data system committee consists of ~~the~~:

   <u>a.</u> <u>The</u> chancellor of the board of higher education or chancellor's designee~~, the~~.

   <u>b.</u> <u>The</u> superintendent of public instruction or superintendent of public instruction's designee~~, the~~.

   <u>c.</u> <u>The</u> chief information officer or chief information officer's designee~~, the~~.

   <u>d.</u> <u>The</u> director of the department of career and technical education or the director's designee~~, the~~.

   <u>e.</u> <u>The</u> director of job service North Dakota or the director's designee~~, the director~~.

f. The commissioner of ~~the department of~~ commerce or the ~~director's~~ commissioner's designee~~, the~~.

g. The director of the department of human services or the director's designee~~, and one person appointed by the governor~~.

h. The director of the North Dakota educational technology council.

i. The director of the North Dakota council of educational leaders or the director's designee.

j. The director of the North Dakota workforce development council or the director's designee.

2. The governor shall appoint the chair of the committee. The committee may appoint advisory committees that would serve in an advisory capacity to the committee.

~~2.~~ 3. The committee shall ~~plan and propose~~ manage a longitudinal data system which:

a. Provides for dissemination of management information to stakeholders and partners of state education, training, and employment systems; and

b. Uses data from educational and workforce systems as central sources of longitudinal data.

4. The information technology department, at the direction of the committee, shall maintain a statewide longitudinal data system among education, workforce, and training entities. The department and the committee may, subject to federal and state privacy laws, enter interagency agreements, including agreements designating authorized representatives of the educational agencies participating in the system pursuant to the Family Educational Rights and Privacy Act (FERPA) [20 U.S.C. 1232g; 34 CFR 99].

~~3.~~ 5. The committee shall ~~recommend policies, procedures, and guidelines to protect the privacy and security of personal information as provided by state and federal law~~ set policy and adopt rules relating to access to and the collection, storage, and sharing of information and the systems necessary to perform those functions, subject to applicable federal and state privacy laws and interagency agreements and restrictions relating to confidential information required to conform to applicable federal and state privacy laws. The committee shall provide operational oversight for information-sharing activities and make recommendations for and provide oversight of information-sharing budgets. The committee may authorize studies to benefit and improve workforce training and education.

~~4.~~ 6. The committee shall provide a report to the information technology committee, interim committee on education issues, and interim committee on economic development ~~prior to the sixty-first legislative assembly~~ on the status of the statewide longitudinal data system ~~plan~~. The report ~~shall~~ must include recommendations for further development, cost proposals, proposals for legislation, and data sharing governance~~, including recommendations concerning the long-term role and administration of the followup information in North Dakota for education and training program~~.

7. The committee may solicit and receive moneys from public and private sources and those funds are appropriated on a continuing basis for the support of the longitudinal data system.

8. The information technology department shall provide staff and other necessary support to the committee.

SECTION 11. EMERGENCY. Section 2 of this Act is declared to be an emergency measure."

Page 4, remove lines 1 through 29

Page 5, remove lines 1 through 5

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

ate Bill No. 2021 - Information Technology Department - House Action

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages	$44,144,782	$44,144,782	($1,579,839)	$42,564,943
Operating expenses	55,208,550	55,208,550		55,208,550
Capital assets	11,970,746	11,970,746		11,970,746
Center for Distance Education	6,287,917	6,287,917		6,287,917
Deferred maintenance	60,000	60,000		60,000
Statewide longitudinal data system	2,466,325	2,466,325	(2,263,883)	202,442
Educational Technology Council	974,986	974,986		974,986
EduTech	8,010,240	7,753,602		7,753,602
K-12 wide area network	5,976,970	5,976,970	(600,000)	5,376,970
Geographic information system	789,678	789,678		789,678
Criminal Justice Information Sharing	3,709,239	3,709,239	(100,000)	3,609,239
Federal fiscal stimulus funds			2,263,883	2,263,883
Contingent appropriation			2,263,883	2,263,883
Total all funds	$139,599,433	$139,342,795	($15,956)	$139,326,839
Less estimated income	118,514,574	120,980,899	2,495,747	123,476,646
General fund	$21,084,859	$18,361,896	($2,511,703)	$15,850,193
FTE	330.20	328.20	0.00	328.20

Department No. 112 - Information Technology Department - Detail of House Changes

	Removes Salary Equity Funding[1]	Changes Funding Source for a Portion of the Statewide Longitudinal Data System[2]	Provides a Contingent Appropriation[3]	Changes Funding Source for Statewide Deployment of PowerSchool[4]	Decreases Funding for Equipment Purchases for the Statewide Wide Area Network[5]	Decreases Funding for CJIS Initiative Projects[6]
Salaries and wages	($1,579,839)					
Operating expenses						
Capital assets						
Center for Distance Education						
Deferred maintenance						
Statewide longitudinal data system		(2,263,883)				
Educational Technology Council						
EduTech						
K-12 wide area network					(600,000)	
Geographic information system						
Criminal Justice Information Sharing						(100,000)
Federal fiscal stimulus funds		2,263,883				
Contingent appropriation			2,263,883			
Total all funds	($1,579,839)	$0	$2,263,883	$0	($600,000)	($100,000)
Less estimated income	(1,498,745)	(202,442)	0	4,196,934	0	0
General fund	($81,094)	$202,442	$2,263,883	($4,196,934)	($600,000)	($100,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Total House Changes
Salaries and wages	($1,579,839)
Operating expenses	
Capital assets	
Center for Distance Education	
Deferred maintenance	
Statewide longitudinal data system	(2,263,883)
Educational Technology Council	
EduTech	
K-12 wide area network	(600,000)
Geographic information system	
Criminal Justice Information Sharing	(100,000)
Federal fiscal stimulus funds	2,263,883
Contingent appropriation	2,263,883
Total all funds	($15,956)
Less estimated income	2,495,747
General fund	($2,511,703)
FTE	0.00

[1] This amendment removes funding added in the executive budget for state employee salary equity adjustments.

[2] This amendment changes the funding source for 1 of the 2 FTE positions funded in the statewide longitudinal data system from special funds as provided for in the Senate version to funding from the general fund as provided for in the executive budget. The amendment maintains the appropriation of the remaining statewide longitudinal data system costs of $2,263,883 from federal fiscal stimulus funds.

[3] This amendment provides a contingent general fund appropriation of $2,263,883 for costs associated with the statewide longitudinal data system. The Information Technology Department may only spend the general fund money to the extent that federal fiscal stimulus funds are not available.

[4] This amendment changes the funding source for the increased costs associated with the statewide deployment of the PowerSchool application to special funds.

[5] This amendment removes $600,000 of the $1,200,000 one-time funding from the general fund included in the executive budget for the purchase of equipment for the statewide wide area network.

[6] This amendment decreases one-time funding from the general fund for Criminal Justice Information Sharing Initiative projects by $100,000, from $369,748 to $269,748.

This amendment also:

- Adds a section to provide legislative intent that the Department of Public Instruction may only spend the federal funds appropriated for costs associated with the statewide longitudinal data system in House Bill No. 1013 upon approval of the expenditure by the Information Technology Department.
- Adds a section to provide for a Legislative Council study of the value of the Criminal Justice Information Sharing Initiative.
- Adds a section to provide that the Information Technology Department is to monitor revenue collections by funding source for the 2009-11 biennium and provide a report to the 2011 Legislative Assembly.
- Amends Section 5 of the bill to remove the legislative members on the statewide longitudinal data system committee.

98040.0203
Title.

Prepared by the Legislative Council staff for
Representative Berg
April 1, 2009

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2021

Page 1, line 2, after the second semicolon insert "to provide a statement of legislative intent;" and after the third semicolon insert "to create and enact a new subsection to section 54-59-05 of the North Dakota Century Code, relating to the powers of the information technology department;"

Page 3, after line 2, insert:

"**SECTION 5. LEGISLATIVE INTENT - OUTSOURCING.** It is the intent of the sixty-first legislative assembly that the information technology department outsource 10 percent of its information technology services during the 2009-11 biennium and 20 percent of its information technology services during the 2011-13 biennium."

Page 5, after line 5, insert:

"**SECTION 7.** A new subsection to section 54-59-05 of the North Dakota Century Code is created and enacted as follows:

Notwithstanding any other provision of law, may enter a contract with an information technology vendor to provide professional services to the department for a term of up to five years. However, the department may not renew any such contract with a vendor under this subsection beyond a total of five years."

Renumber accordingly

Date: 4/2/09
Roll Call Vote #: 3

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2021

House House Appropriations- Government Operations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 98040.

Action Taken Do Pass As Amended

☐ Voice Vote ☐ Roll Call Vote

Motion Made By Vice Chairman Thoreson: Seconded By Representative Berg:

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer	X		Representative Glassheim	x	
Vice Chairman Thoreson	X		Representative Meyer	X	
Representative Kempenich	X		Representative Kaldor	X	
Representative Berg	X				
Representative Dosch		x			

Total (Yes) 7 No 1

Absent

Floor Assignment Vice Chairman Thoreson:

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

Attachment A
4/3/09

98040.0204
Title.
Fiscal No. 3

Prepared by the Legislative Council staff for
House Appropriations - Government
Operations
April 2, 2009

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2021

Page 1, line 2, after the first semicolon insert "to provide a contingent appropriation;", after the second semicolon insert "to provide for a legislative council study; to provide statements of legislative intent;", after the third semicolon insert "to create and enact a new subsection to section 54-59-05 of the North Dakota Century Code, relating to the powers of the information technology department;" and remove "and"

Page 1, line 4, after "committee" insert "; and to declare an emergency"

Page 1, line 14, replace "6,462,653" with "4,882,814" and replace "44,144,782" with "42,564,943"

Page 1, line 19, replace "2,238,371" with "(25,512)" and replace "2,466,325" with "202,442"

Page 1, line 22, replace "1,910,451" with "1,310,451" and replace "5,976,970" with "5,376,970"

Page 1, line 24, replace "2,508,533" with "2,408,533" and replace "3,709,239" with "3,609,239"

Page 2, line 1, replace "16,288,104" with "11,744,382" and replace "139,342,795" with "134,799,073"

Page 2, line 2, replace "7,974,129" with "8,205,993" and replace "120,980,899" with "121,212,763"

Page 2, line 3, replace "8,313,975" with "3,538,389" and replace "18,361,896" with "13,586,310"

Page 2, after line 4, insert:

"**SECTION 2. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the information technology department, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

Statewide longitudinal data system	$2,263,883

The information technology department may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 3. CONTINGENT GENERAL FUND APPROPRIATION - BUDGET SECTION APPROVAL. If the federal funds appropriated under section 2 of this Act are not available to provide the sum of $2,263,883, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $2,263,883, or so much of the sum as may be necessary, to the information technology department for costs associated with a statewide longitudinal data system, for the biennium beginning July 1, 2009, and ending June 30, 2011. The information technology department may only spend the general fund moneys to the extent that federal funds are not available to provide the $2,263,883 appropriated under section 2 of this Act and subject to approval by the budget section."

Page 2, line 14, replace "369,748" with "269,748"

Page 2, line 15, replace "1,200,000" with "600,000"

Page 2, remove line 16

Page 2, line 18, replace "2,606,386" with "969,748"

Page 3, replace lines 3 through 30 with:

"**SECTION 7. DEPARTMENT OF PUBLIC INSTRUCTION - STATEWIDE LONGITUDINAL DATA SYSTEM EXPENDITURES - APPROVAL.** The department of public instruction may only spend the federal funds appropriated in House Bill No. 1013 for costs associated with the statewide longitudinal data system upon approval of the expenditures by the information technology department, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 8. LEGISLATIVE COUNCIL STUDY - CRIMINAL JUSTICE INFORMATION SHARING INITIATIVE. During the 2009-10 interim, the legislative council shall consider studying the value of the information technology department's criminal justice information sharing initiative. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 9. INFORMATION TECHNOLOGY DEPARTMENT - REVENUES FOR THE 2009-11 BIENNIUM. The information technology department shall monitor its revenue collections by funding source for the 2009-11 biennium and provide a report on revenue collections for the biennium to date by funding source to the appropriations committees of the sixty-second legislative assembly.

SECTION 10. LEGISLATIVE INTENT - OUTSOURCING. It is the intent of the sixty-first legislative assembly that the information technology department outsource 10 percent of its information technology services during the 2009-11 biennium and 20 percent of its information technology services during the 2011-13 biennium.

SECTION 11. AMENDMENT. Section 15.1-02-18 of the North Dakota Century Code is amended and reenacted as follows:

15.1-02-18. Statewide longitudinal data system committee - <u>Membership - Powers and duties -</u> Report to interim committee <u>- Continuing appropriation</u>.

1. The statewide longitudinal data system committee consists of ~~the~~:

   <u>a.</u> <u>The</u> chancellor of the board of higher education or chancellor's designee~~, the~~.

b. The superintendent of public instruction or superintendent of public instruction's designee~~, the~~.

c. The chief information officer or chief information officer's designee~~, the~~.

d. The director of the department of career and technical education or the director's designee~~, the~~.

e. The director of job service North Dakota or the director's designee~~, the director~~.

f. The commissioner of ~~the department of~~ commerce or the ~~director's~~ commissioner's designee~~, the~~.

g. The director of the department of human services or the director's designee~~, and one person appointed by the governor~~.

h. The director of the North Dakota educational technology council.

i. The director of the North Dakota council of educational leaders or the director's designee.

j. The director of the North Dakota workforce development council or the director's designee.

2. The governor shall appoint the chair of the committee. The committee may appoint advisory committees that would serve in an advisory capacity to the committee.

~~2.~~ 3. The committee shall ~~plan and propose~~ manage a longitudinal data system which:

a. Provides for dissemination of management information to stakeholders and partners of state education, training, and employment systems; and

b. Uses data from educational and workforce systems as central sources of longitudinal data.

4. The information technology department, at the direction of the committee, shall maintain a statewide longitudinal data system among education, workforce, and training entities. The department and the committee may, subject to federal and state privacy laws, enter interagency agreements, including agreements designating authorized representatives of the educational agencies participating in the system pursuant to the Family Educational Rights and Privacy Act (FERPA) [20 U.S.C. 1232g; 34 CFR 99].

~~3.~~ 5. The committee shall ~~recommend policies, procedures, and guidelines to protect the privacy and security of personal information as provided by state and federal law~~ set policy and adopt rules relating to access to and the collection, storage, and sharing of information and the systems necessary to perform those functions, subject to applicable federal and state privacy laws and interagency agreements and restrictions relating to confidential information required to conform to applicable federal and state privacy laws. The committee shall provide operational oversight for information-sharing activities and make recommendations for and provide oversight of information-sharing budgets. The committee may authorize studies to benefit and improve workforce training and education.

~~4.~~ 6. The committee shall provide a report to the information technology committee, interim committee on education issues, and interim committee on economic development ~~prior to the sixty-first legislative assembly~~ on the status of the statewide longitudinal data system ~~plan~~. The report ~~shall~~ must include recommendations for further development, cost proposals, proposals for legislation, and data sharing governance~~, including recommendations concerning the long-term role and administration of the followup information in North Dakota for education and training program~~.

7. The committee may solicit and receive moneys from public and private sources and those funds are appropriated on a continuing basis for the support of the longitudinal data system.

8. The information technology department shall provide staff and other necessary support to the committee.

SECTION 12. A new subsection to section 54-59-05 of the North Dakota Century Code is created and enacted as follows:

Notwithstanding any other provision of law, may enter a contract with an information technology vendor to provide professional services to the department for a term of up to five years. However, the department may not renew any such contract with a vendor under this subsection beyond a total of five years.

SECTION 13. EMERGENCY. Section 2 of this Act is declared to be an emergency measure."

Page 4, remove lines 1 through 29

Page 5, remove lines 1 through 5

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98040.0204 FN 3

A copy of the statement of purpose of amendment is attached.

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2021 - Information Technology Department - House Action

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages	$44,144,782	$44,144,782	($1,579,839)	$42,564,943
Operating expenses	55,208,550	55,208,550		55,208,550
Capital assets	11,970,746	11,970,746		11,970,746
Center for Distance Education	6,287,917	6,287,917		6,287,917
Deferred maintenance	60,000	60,000		60,000
Statewide longitudinal data system	2,466,325	2,466,325	(2,263,883)	202,442
Educational Technology Council	974,986	974,986		974,986
EduTech	8,010,240	7,753,602		7,753,602
K-12 wide area network	5,976,970	5,976,970	(600,000)	5,376,970
Geographic information system	789,678	789,678		789,678
Criminal Justice Information Sharing	3,709,239	3,709,239	(100,000)	3,609,239
Federal fiscal stimulus funds			2,263,883	2,263,883
Contingent appropriation			2,263,883	2,263,883
Total all funds	$139,599,433	$139,342,795	($15,956)	$139,326,839
Less estimated income	118,514,574	120,980,899	2,495,747	123,476,646
General fund	$21,084,859	$18,361,896	($2,511,703)	$15,850,193
FTE	330.20	328.20	0.00	328.20

Department No. 112 - Information Technology Department - Detail of House Changes

	Removes Salary Equity Funding[1]	Changes Funding Source for a Portion of the Statewide Longitudinal Data System[2]	Provides a Contingent Appropriation[3]	Changes Funding Source for Statewide Deployment of PowerSchool[4]	Decreases Funding for Equipment Purchases for the Statewide Wide Area Network[5]	Decreases Funding for CJIS Initiative Projects[6]
Salaries and wages	($1,579,839)					
Operating expenses						
Capital assets						
Center for Distance Education						
Deferred maintenance						
Statewide longitudinal data system		(2,263,883)				
Educational Technology Council						
EduTech						
K-12 wide area network					(600,000)	
Geographic information system						
Criminal Justice Information Sharing						(100,000)
Federal fiscal stimulus funds		2,263,883				
Contingent appropriation			2,263,883			
Total all funds	($1,579,839)	$0	$2,263,883	$0	($600,000)	($100,000)
Less estimated income	(1,498,745)	(202,442)	0	4,196,934	0	0
General fund	($81,094)	$202,442	$2,263,883	($4,196,934)	($600,000)	($100,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Total House Changes
Salaries and wages	($1,579,839)
Operating expenses	
Capital assets	
Center for Distance Education	
Deferred maintenance	
Statewide longitudinal data system	(2,263,883)
Educational Technology Council	
EduTech	
K-12 wide area network	(600,000)
Geographic information system	
Criminal Justice Information Sharing	(100,000)
Federal fiscal stimulus funds	2,263,883
Contingent appropriation	2,263,883
Total all funds	($15,956)
Less estimated income	2,495,747
General fund	($2,511,703)
FTE	0.00

[1] This amendment removes funding added in the executive budget for state employee salary equity adjustments.

[2] This amendment changes the funding source for 1 of the 2 FTE positions funded in the statewide longitudinal data system from special funds as provided for in the Senate version to funding from the general fund as provided for in the executive budget. The amendment maintains the appropriation of the remaining statewide longitudinal data system costs of $2,263,883 from federal fiscal stimulus funds.

[3] This amendment provides a contingent general fund appropriation of $2,263,883 for costs associated with the statewide longitudinal data system. The Information Technology Department may only spend the general fund money to the extent that federal fiscal stimulus funds are not available and upon approval of the budget section.

[4] This amendment changes the funding source for the increased costs associated with the statewide deployment of the PowerSchool application to special funds.

[5] This amendment removes $600,000 of the $1,200,000 one-time funding from the general fund included in the executive budget for the purchase of equipment for the statewide wide area network.

[6] This amendment decreases one-time funding from the general fund for Criminal Justice Information Sharing Initiative projects by $100,000, from $369,748 to $269,748.

This amendment also:

- Adds a section to provide legislative intent that the Department of Public Instruction may only spend the federal funds appropriated for costs associated with the statewide longitudinal data system in House Bill No. 1013 upon approval of the expenditure by the Information Technology Department.
- Adds a section to provide for a Legislative Council study of the value of the Criminal Justice Information Sharing Initiative.
- Adds a section to provide that the Information Technology Department is to monitor revenue collections by funding source for the 2009-11 biennium and provide a report to the 2011 Legislative Assembly.
- Adds a section to provide legislative intent relating to information technology services outsourcing.

Date: 4/3/09
Roll Call Vote #: 1

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2021

Full House Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number .0204

Action Taken adopt amendment .0204

Motion Made By Thoreson Seconded By Delzer

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan					
Vice Chairman Kempenich					
Rep. Skarphol			Rep. Kroeber		
Rep. Wald			Rep. Onstad		
Rep. Hawken			Rep. Williams		
Rep. Klein					
Rep. Martinson					
Rep. Delzer			Rep. Glassheim		
Rep. Thoreson			Rep. Kaldor		
Rep. Berg			Rep. Meyer		
Rep. Dosch					
Rep. Pollert			Rep. Ekstrom		
Rep. Bellew			Rep. Kerzman		
Rep. Kreidt			Rep. Metcalf		
Rep. Nelson					
Rep. Wieland					

Total (Yes) _____ No _____

Absent _____

Floor Assignment Voice Vote - Carries

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

98040.0205
Title.
Fiscal No. 3

Prepared by the Legislative Council staff for
House Appropriations
April 3, 2009

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2021

Page 1, line 2, after the first semicolon insert "to provide a contingent appropriation;", after the second semicolon insert "to provide for a legislative council study; to provide statements of legislative intent; to provide for a report to the legislative council", after the third semicolon insert "to create and enact a new subsection to section 54-59-05 of the North Dakota Century Code, relating to the powers of the information technology department;" and remove "and"

Page 1, line 4, after "committee" insert "; and to declare an emergency"

Page 1, line 14, replace "6,462,653" with "4,882,814" and replace "44,144,782" with "42,564,943"

Page 1, line 19, replace "2,238,371" with "(25,512)" and replace "2,466,325" with "202,442"

Page 1, line 22, replace "1,910,451" with "1,310,451" and replace "5,976,970" with "5,376,970"

Page 1, line 24, replace "2,508,533" with "2,408,533" and replace "3,709,239" with "3,609,239"

Page 2, line 1, replace "16,288,104" with "11,744,382" and replace "139,342,795" with "134,799,073"

Page 2, line 2, replace "7,974,129" with "8,205,993" and replace "120,980,899" with "121,212,763"

Page 2, line 3, replace "8,313,975" with "3,538,389" and replace "18,361,896" with "13,586,310"

Page 2, after line 4, insert:

"**SECTION 2. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the information technology department, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

Statewide longitudinal data system	$2,263,883

The information technology department may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 3. CONTINGENT GENERAL FUND APPROPRIATION - BUDGET SECTION APPROVAL. If the federal funds appropriated under section 2 of this Act are not available to provide the sum of $2,263,883, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $2,263,883, or so much of the sum as may be necessary, to the information technology department for costs associated with a statewide longitudinal data system, for the biennium beginning July 1, 2009, and ending June 30, 2011. The information technology department may only spend the general fund moneys to the extent that federal funds are not available to provide the $2,263,883 appropriated under section 2 of this Act and subject to approval by the budget section."

Page 2, line 14, replace "369,748" with "269,748"

Page 2, line 15, replace "1,200,000" with "600,000"

Page 2, remove line 16

Page 2, line 18, replace "2,606,386" with "969,748"

Page 3, replace lines 3 through 30 with:

"**SECTION 7. DEPARTMENT OF PUBLIC INSTRUCTION - STATEWIDE LONGITUDINAL DATA SYSTEM EXPENDITURES - APPROVAL.** The department of public instruction may only spend the federal funds appropriated in House Bill No. 1013 for costs associated with the statewide longitudinal data system upon approval of the expenditures by the information technology department, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 8. LEGISLATIVE COUNCIL STUDY - CRIMINAL JUSTICE INFORMATION SHARING INITIATIVE. During the 2009-10 interim, the legislative council shall consider studying the value of the information technology department's criminal justice information sharing initiative. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 9. INFORMATION TECHNOLOGY DEPARTMENT - REVENUES FOR THE 2009-11 BIENNIUM. The information technology department shall monitor its revenue collections by funding source for the 2009-11 biennium and provide a report on revenue collections for the biennium to date by funding source to the appropriations committees of the sixty-second legislative assembly.

SECTION 10. LEGISLATIVE INTENT - OUTSOURCING. It is the intent of the sixty-first legislative assembly that the information technology department outsource 10 percent of its information technology services during the 2009-11 biennium and 20 percent of its information technology services during the 2011-13 biennium.

SECTION 11. INFORMATION TECHNOLOGY DEPARTMENT OUTSOURCING - REPORT TO LEGISLATIVE COUNCIL. The information technology department shall report to the legislative council at its November 2010 meeting on:

1. The department's current level of outsourcing of its information technology services.

2. Nonessential information technology services that could be considered for outsourcing.

3. The number of the department's employees who have resigned from the department to provide information technology consulting services in the

private sector and the number of which have been rehired by the department.

4. The department's efforts to assist in the creation of North Dakota technology-related companies.

SECTION 12. AMENDMENT. Section 15.1-02-18 of the North Dakota Century Code is amended and reenacted as follows:

15.1-02-18. Statewide longitudinal data system committee - Membership - Powers and duties - Report to interim committee - Continuing appropriation.

1. The statewide longitudinal data system committee consists of ~~the~~:

   a. The chancellor of the board of higher education or chancellor's designee~~, the~~.

   b. The superintendent of public instruction or superintendent of public instruction's designee~~, the~~.

   c. The chief information officer or chief information officer's designee~~, the~~.

   d. The director of the department of career and technical education or the director's designee~~, the~~.

   e. The director of job service North Dakota or the director's designee~~, the director~~.

   f. The commissioner of ~~the department of~~ commerce or the ~~director's~~ commissioner's designee~~, the~~.

   g. The director of the department of human services or the director's designee~~, and one person appointed by the governor~~.

   h. The director of the North Dakota educational technology council.

   i. The director of the North Dakota council of educational leaders or the director's designee.

   j. The director of the North Dakota workforce development council or the director's designee.

2. The governor shall appoint the chair of the committee. The committee may appoint advisory committees that would serve in an advisory capacity to the committee.

~~2.~~ 3. The committee shall ~~plan and propose~~ manage a longitudinal data system which:

   a. Provides for dissemination of management information to stakeholders and partners of state education, training, and employment systems; and

   b. Uses data from educational and workforce systems as central sources of longitudinal data.

4. The information technology department, at the direction of the committee, shall maintain a statewide longitudinal data system among education, workforce, and training entities. The department and the committee may,

subject to federal and state privacy laws, enter interagency agreements, including agreements designating authorized representatives of the educational agencies participating in the system pursuant to the Family Educational Rights and Privacy Act (FERPA) [20 U.S.C. 1232g; 34 CFR 99].

~~3.~~ 5. The committee shall ~~recommend policies, procedures, and guidelines to protect the privacy and security of personal information as provided by state and federal law~~ set policy and adopt rules relating to access to and the collection, storage, and sharing of information and the systems necessary to perform those functions, subject to applicable federal and state privacy laws and interagency agreements and restrictions relating to confidential information required to conform to applicable federal and state privacy laws. The committee shall provide operational oversight for information-sharing activities and make recommendations for and provide oversight of information-sharing budgets. The committee may authorize studies to benefit and improve workforce training and education.

~~4.~~ 6. The committee shall provide a report to the information technology committee, interim committee on education issues, and interim committee on economic development ~~prior to the sixty-first legislative assembly~~ on the status of the statewide longitudinal data system ~~plan~~. The report ~~shall~~ must include recommendations for further development, cost proposals, proposals for legislation, and data sharing governance~~, including recommendations concerning the long-term role and administration of the followup information in North Dakota for education and training program~~.

7. The committee may solicit and receive moneys from public and private sources and those funds are appropriated on a continuing basis for the support of the longitudinal data system.

8. The information technology department shall provide staff and other necessary support to the committee.

SECTION 13. A new subsection to section 54-59-05 of the North Dakota Century Code is created and enacted as follows:

Notwithstanding any other provision of law, may enter a contract with an information technology vendor to provide professional services to the department for a term of up to five years. However, the department may not renew any such contract with a vendor under this subsection beyond a total of five years.

SECTION 14. EMERGENCY. Section 2 of this Act is declared to be an emergency measure."

Page 4, remove lines 1 through 29

Page 5, remove lines 1 through 5

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98040.0205 FN 3

A copy of the statement of purpose of amendment is attached.

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2021 - Information Technology Department - House Action

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages	$44,144,782	$44,144,782	($1,579,839)	$42,564,943
Operating expenses	55,208,550	55,208,550		55,208,550
Capital assets	11,970,746	11,970,746		11,970,746
Center for Distance Education	6,287,917	6,287,917		6,287,917
Deferred maintenance	60,000	60,000		60,000
Statewide longitudinal data system	2,466,325	2,466,325	(2,263,883)	202,442
Educational Technology Council	974,986	974,986		974,986
EduTech	8,010,240	7,753,602		7,753,602
K-12 wide area network	5,976,970	5,976,970	(600,000)	5,376,970
Geographic information system	789,678	789,678		789,678
Criminal Justice Information Sharing	3,709,239	3,709,239	(100,000)	3,609,239
Federal fiscal stimulus funds			2,263,883	2,263,883
Contingent appropriation			2,263,883	2,263,883
Total all funds	$139,599,433	$139,342,795	($15,956)	$139,326,839
Less estimated income	118,514,574	120,980,899	2,495,747	123,476,646
General fund	$21,084,859	$18,361,896	($2,511,703)	$15,850,193
FTE	330.20	328.20	0.00	328.20

Department No. 112 - Information Technology Department - Detail of House Changes

	Removes Salary Equity Funding[1]	Changes Funding Source for a Portion of the Statewide Longitudinal Data System[2]	Provides a Contingent Appropriation[3]	Changes Funding Source for Statewide Deployment of PowerSchool[4]	Decreases Funding for Equipment Purchases for the Statewide Wide Area Network[5]	Decreases Funding for CJIS Initiative Projects[6]
Salaries and wages	($1,579,839)					
Operating expenses						
Capital assets						
Center for Distance Education						
Deferred maintenance						
Statewide longitudinal data system		(2,263,883)				
Educational Technology Council						
EduTech						
K-12 wide area network					(600,000)	
Geographic information system						
Criminal Justice Information Sharing						(100,000)
Federal fiscal stimulus funds		2,263,883				
Contingent appropriation			2,263,883			
Total all funds	($1,579,839)	$0	$2,263,883	$0	($600,000)	($100,000)
Less estimated income	(1,498,745)	(202,442)	0	4,196,934	0	0
General fund	($81,094)	$202,442	$2,263,883	($4,196,934)	($600,000)	($100,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Total House Changes
Salaries and wages	($1,579,839)
Operating expenses	
Capital assets	
Center for Distance Education	
Deferred maintenance	
Statewide longitudinal data system	(2,263,883)
Educational Technology Council	
EduTech	
K-12 wide area network	(600,000)
Geographic information system	
Criminal Justice Information Sharing	(100,000)
Federal fiscal stimulus funds	2,263,883
Contingent appropriation	2,263,883
Total all funds	($15,956)
Less estimated income	2,495,747
General fund	($2,511,703)
FTE	0.00

[1] This amendment removes funding added in the executive budget for state employee salary equity adjustments.

[2] This amendment changes the funding source for 1 of the 2 FTE positions funded in the statewide longitudinal data system from special funds as provided for in the Senate version to funding from the general fund as provided for in the executive budget. The amendment maintains the appropriation of the remaining statewide longitudinal data system costs of $2,263,883 from federal fiscal stimulus funds.

[3] This amendment provides a contingent general fund appropriation of $2,263,883 for costs associated with the statewide longitudinal data system. The Information Technology Department may only spend the general fund money to the extent that federal fiscal stimulus funds are not available and upon approval of the budget section.

[4] This amendment changes the funding source for the increased costs associated with the statewide deployment of the PowerSchool application to special funds.

[5] This amendment removes $600,000 of the $1,200,000 one-time funding from the general fund included in the executive budget for the purchase of equipment for the statewide wide area network.

[6] This amendment decreases one-time funding from the general fund for Criminal Justice Information Sharing Initiative projects by $100,000, from $369,748 to $269,748.

This amendment also:

- Adds a section to provide legislative intent that the Department of Public Instruction may only spend the federal funds appropriated for costs associated with the statewide longitudinal data system in House Bill No. 1013 upon approval of the expenditure by the Information Technology Department.
- Adds a section to provide for a Legislative Council study of the value of the Criminal Justice Information Sharing Initiative.
- Adds a section to provide that the Information Technology Department is to monitor revenue collections by funding source for the 2009-11 biennium and provide a report to the 2011 Legislative Assembly.
- Adds a section to provide legislative intent relating to information technology services outsourcing.

- Amends Section 5 of the engrossed bill to remove the legislative members on the statewide longitudinal data system committee.
- Adds a section to create a new subsection to North Dakota Century Code Section 54-59-05 relating to information technology services contracts.
- Adds a section to provide a report to the Legislative Council.

Date: 4/3/09
Roll Call Vote #: 2

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2021

Full House Appropriations Committee

☐ Check here for Conference Committee

Further Amend

Legislative Council Amendment Number TBD

Action Taken see below

Motion Made By Skarphol Seconded By [redacted] Berg

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan					
Vice Chairman Kempenich					
Rep. Skarphol			Rep. Kroeber		
Rep. Wald			Rep. Onstad		
Rep. Hawken			Rep. Williams		
Rep. Klein					
Rep. Martinson					
Rep. Delzer			Rep. Glassheim		
Rep. Thoreson			Rep. Kaldor		
Rep. Berg			Rep. Meyer		
Rep. Dosch					
Rep. Pollert			Rep. Ekstrom		
Rep. Bellew			Rep. Kerzman		
Rep. Kreidt			Rep. Metcalf		
Rep. Nelson					
Rep. Wieland					

Total (Yes) _____ No _____

Absent _____

Floor Assignment Voice Vote - carries

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

- ITD provide report to social ITD etc moving to private sector

[redacted]

- Report of non-essential services

Date: 4/3/09
Roll Call Vote #: 3

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2021

Full House Appropriations Committee

☐ Check here for Conference Committee

Further Amend Failed

Legislative Council Amendment Number TBD

Action Taken remove Section 10 + 12

Motion Made By Skarphol Seconded By Delzer

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan					
Vice Chairman Kempenich					
Rep. Skarphol			Rep. Kroeber		
Rep. Wald			Rep. Onstad		
Rep. Hawken			Rep. Williams		
Rep. Klein					
Rep. Martinson					
Rep. Delzer			Rep. Glassheim		
Rep. Thoreson			Rep. Kaldor		
Rep. Berg			Rep. Meyer		
Rep. Dosch					
Rep. Pollert			Rep. Ekstrom		
Rep. Bellew			Rep. Kerzman		
Rep. Kreidt			Rep. Metcalf		
Rep. Nelson					
Rep. Wieland					

Total (Yes) _____ No _____

Absent _____

Floor Assignment Voice Vote - failed

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

98040.0206
Title.0300
Fiscal No. 3

Prepared by the Legislative Council staff for
House Appropriations
April 3, 2009

YR
4/6/09
18 1

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2021

Page 1, line 2, after the first semicolon insert "to provide a contingent appropriation;", after the second semicolon insert "to provide for a legislative council study; to provide statements of legislative intent; to provide for a report to the legislative council;", and replace "and" with "to create and enact a new subsection to section 54-59-05 of the North Dakota Century Code, relating to the powers of the information technology department;"

Page 1, line 4, after "committee" insert "; and to declare an emergency"

Page 1, line 14, replace "6,462,653" with "4,882,814" and replace "44,144,782" with "42,564,943"

Page 1, line 19, replace "2,238,371" with "(25,512)" and replace "2,466,325" with "202,442"

Page 1, line 22, replace "1,910,451" with "1,310,451" and replace "5,976,970" with "5,376,970"

Page 1, line 24, replace "2,508,533" with "2,408,533" and replace "3,709,239" with "3,609,239"

Page 2, line 1, replace "16,288,104" with "11,744,382" and replace "139,342,795" with "134,799,073"

Page 2, line 2, replace "7,974,129" with "8,205,993" and replace "120,980,899" with "121,212,763"

Page 2, line 3, replace "8,313,975" with "3,538,389" and replace "18,361,896" with "13,586,310"

Page 2, after line 4, insert:

"**SECTION 2. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the information technology department, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

Statewide longitudinal data system	$2,263,883

The information technology department may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 3. CONTINGENT GENERAL FUND APPROPRIATION - BUDGET SECTION APPROVAL. If the federal funds appropriated under section 2 of this Act are

not available to provide the sum of $2,263,883, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $2,263,883, or so much of the sum as may be necessary, to the information technology department for costs associated with a statewide longitudinal data system, for the biennium beginning July 1, 2009, and ending June 30, 2011. The information technology department may only spend the general fund moneys to the extent that federal funds are not available to provide the $2,263,883 appropriated under section 2 of this Act and subject to approval by the budget section."

Page 2, line 14, replace "369,748" with "269,748"

Page 2, line 15, replace "1,200,000" with "600,000"

Page 2, remove line 16

Page 2, line 18, replace "2,606,386" with "969,748"

Page 3, replace lines 3 through 30 with:

"**SECTION 7. DEPARTMENT OF PUBLIC INSTRUCTION - STATEWIDE LONGITUDINAL DATA SYSTEM EXPENDITURES - APPROVAL.** The department of public instruction may spend only the federal funds appropriated in House Bill No. 1013 for costs associated with the statewide longitudinal data system upon approval of the expenditures by the information technology department, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 8. LEGISLATIVE COUNCIL STUDY - CRIMINAL JUSTICE INFORMATION SHARING INITIATIVE. During the 2009-10 interim, the legislative council shall consider studying the value of the information technology department's criminal justice information sharing initiative. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 9. INFORMATION TECHNOLOGY DEPARTMENT - REVENUES FOR THE 2009-11 BIENNIUM. The information technology department shall monitor its revenue collections by funding source for the 2009-11 biennium and provide a report on revenue collections for the biennium to date by funding source to the appropriations committees of the sixty-second legislative assembly.

SECTION 10. LEGISLATIVE INTENT - OUTSOURCING. It is the intent of the sixty-first legislative assembly that the information technology department outsource 10 percent of its information technology services during the 2009-11 biennium and 20 percent of its information technology services during the 2011-13 biennium.

SECTION 11. INFORMATION TECHNOLOGY DEPARTMENT OUTSOURCING - REPORT TO LEGISLATIVE COUNCIL. The information technology department shall report to the legislative council at its November 2010 meeting on:

1. The department's current level of outsourcing of its information technology services.

2. Nonessential information technology services that could be considered for outsourcing.

3. The number of the department's employees who have resigned from the department to provide information technology consulting services in the private sector and the number of which have been rehired by the department.

4. The department's efforts to assist in the creation of North Dakota technology-related companies.

SECTION 12. AMENDMENT. Section 15.1-02-18 of the North Dakota Century Code is amended and reenacted as follows:

15.1-02-18. Statewide longitudinal data system committee - Membership - Powers and duties - Report to interim committee - Continuing appropriation.

1. The statewide longitudinal data system committee consists of ~~the~~:

   a. The chancellor of the board of higher education or chancellor's designee~~, the~~.

   b. The superintendent of public instruction or superintendent of public instruction's designee~~, the~~.

   c. The chief information officer or chief information officer's designee~~, the~~.

   d. The director of the department of career and technical education or the director's designee~~, the~~.

   e. The director of job service North Dakota or the director's designee~~, the director~~.

   f. The commissioner of ~~the department of~~ commerce or the ~~director's~~ commissioner's designee~~, the~~.

   g. The director of the department of human services or the director's designee~~, and one person appointed by the governor~~.

   h. The director of the North Dakota educational technology council.

   i. The director of the North Dakota council of educational leaders or the director's designee.

   j. The director of the North Dakota workforce development council or the director's designee.

2. The governor shall appoint the chair of the committee. The committee may appoint advisory committees that would serve in an advisory capacity to the committee.

~~2.~~ 3. The committee shall ~~plan and propose~~ manage a longitudinal data system which:

   a. Provides for dissemination of management information to stakeholders and partners of state education, training, and employment systems; and

   b. Uses data from educational and workforce systems as central sources of longitudinal data.

4. The information technology department, at the direction of the committee, shall maintain a statewide longitudinal data system among education, workforce, and training entities. The department and the committee, subject to federal and state privacy laws, may enter interagency agreements, including agreements designating authorized representatives of the educational agencies participating in the system pursuant to the

Family Educational Rights and Privacy Act (FERPA) [20 U.S.C. 1232g; 34 CFR 99].

~~3.~~ 5. The committee shall ~~recommend policies, procedures, and guidelines to protect the privacy and security of personal information as provided by state and federal law~~ set policy and adopt rules relating to access to and the collection, storage, and sharing of information and the systems necessary to perform those functions, subject to applicable federal and state privacy laws and interagency agreements and restrictions relating to confidential information required to conform with applicable federal and state privacy laws. The committee shall provide operational oversight for information-sharing activities and make recommendations for and provide oversight of information-sharing budgets. The committee may authorize studies to benefit and improve workforce training and education.

~~4.~~ 6. The committee shall provide a report to the information technology committee, interim committee on education issues, and interim committee on economic development ~~prior to the sixty-first legislative assembly~~ on the status of the statewide longitudinal data system ~~plan~~. The report ~~shall~~ must include recommendations for further development, cost proposals, proposals for legislation, and data sharing governance~~, including recommendations concerning the long-term role and administration of the followup information in North Dakota for education and training program~~.

7. The committee may solicit and receive moneys from public and private sources and those funds are appropriated on a continuing basis for the support of the longitudinal data system.

8. The information technology department shall provide staff and other necessary support to the committee.

SECTION 13. A new subsection to section 54-59-05 of the North Dakota Century Code is created and enacted as follows:

Notwithstanding any other provision of law, may enter a contract with an information technology vendor to provide professional services to the department for a term of up to five years. However, the department may not renew any such contract with a vendor under this subsection beyond a total of five years.

SECTION 14. EMERGENCY. Section 2 of this Act is declared to be an emergency measure."

Page 4, remove lines 1 through 29

Page 5, remove lines 1 through 5

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98040.0205 FN 3

A copy of the statement of purpose of amendment is attached.

	Total House Changes
Salaries and wages	($1,579,839)
Operating expenses	
Capital assets	
Center for Distance Education	
Deferred maintenance	
Statewide longitudinal data system	(2,263,883)
Educational Technology Council	
EduTech	
K-12 wide area network	(600,000)
Geographic information system	
Criminal Justice Information Sharing	(100,000)
Federal fiscal stimulus funds	2,263,883
Contingent appropriation	2,263,883
Total all funds	($15,956)
Less estimated income	2,495,747
General fund	($2,511,703)
FTE	0.00

[1] This amendment removes funding added in the executive budget for state employee salary equity adjustments.

[2] This amendment changes the funding source for 1 of the 2 FTE positions funded in the statewide longitudinal data system from special funds as provided for in the Senate version to funding from the general fund as provided for in the executive budget. The amendment maintains the appropriation of the remaining statewide longitudinal data system costs of $2,263,883 from federal fiscal stimulus funds.

[3] This amendment provides a contingent general fund appropriation of $2,263,883 for costs associated with the statewide longitudinal data system. The Information Technology Department may only spend the general fund money to the extent that federal fiscal stimulus funds are not available and upon approval of the budget section.

[4] This amendment changes the funding source for the increased costs associated with the statewide deployment of the PowerSchool application to special funds.

[5] This amendment removes $600,000 of the $1,200,000 one-time funding from the general fund included in the executive budget for the purchase of equipment for the statewide wide area network.

[6] This amendment decreases one-time funding from the general fund for Criminal Justice Information Sharing Initiative projects by $100,000, from $369,748 to $269,748.

This amendment also:

- Adds a section to provide legislative intent that the Department of Public Instruction may only spend the federal funds appropriated for costs associated with the statewide longitudinal data system in House Bill No. 1013 upon approval of the expenditure by the Information Technology Department.
- Adds a section to provide for a Legislative Council study of the value of the Criminal Justice Information Sharing Initiative.
- Adds a section to provide that the Information Technology Department is to monitor revenue collections by funding source for the 2009-11 biennium and provide a report to the 2011 Legislative Assembly.
- Adds a section to provide legislative intent relating to information technology services outsourcing.

- Amends Section 5 of the engrossed bill to remove the legislative members on the statewide longitudinal data system committee.
- Adds a section to create a new subsection to North Dakota Century Code Section 54-59-05 relating to information technology services contracts.
- Adds a section to provide a report to the Legislative Council.

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2021 - Information Technology Department - House Action

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages	$44,144,782	$44,144,782	($1,579,839)	$42,564,943
Operating expenses	55,208,550	55,208,550		55,208,550
Capital assets	11,970,746	11,970,746		11,970,746
Center for Distance Education	6,287,917	6,287,917		6,287,917
Deferred maintenance	60,000	60,000		60,000
Statewide longitudinal data system	2,466,325	2,466,325	(2,263,883)	202,442
Educational Technology Council	974,986	974,986		974,986
EduTech	8,010,240	7,753,602		7,753,602
K-12 wide area network	5,976,970	5,976,970	(600,000)	5,376,970
Geographic information system	789,678	789,678		789,678
Criminal Justice Information Sharing	3,709,239	3,709,239	(100,000)	3,609,239
Federal fiscal stimulus funds			2,263,883	2,263,883
Contingent appropriation			2,263,883	2,263,883
Total all funds	$139,599,433	$139,342,795	($15,956)	$139,326,839
Less estimated income	118,514,574	120,980,899	2,495,747	123,476,646
General fund	$21,084,859	$18,361,896	($2,511,703)	$15,850,193
FTE	330.20	328.20	0.00	328.20

Department No. 112 - Information Technology Department - Detail of House Changes

	Removes Salary Equity Funding[1]	Changes Funding Source for a Portion of the Statewide Longitudinal Data System[2]	Provides a Contingent Appropriation[3]	Changes Funding Source for Statewide Deployment of PowerSchool[4]	Decreases Funding for Equipment Purchases for the Statewide Wide Area Network[5]	Decreases Funding for CJIS Initiative Projects[6]
Salaries and wages	($1,579,839)					
Operating expenses						
Capital assets						
Center for Distance Education						
Deferred maintenance						
Statewide longitudinal data system		(2,263,883)				
Educational Technology Council						
EduTech						
K-12 wide area network					(600,000)	
Geographic information system						
Criminal Justice Information Sharing						(100,000)
Federal fiscal stimulus funds		2,263,883				
Contingent appropriation			2,263,883			
Total all funds	($1,579,839)	$0	$2,263,883	$0	($600,000)	($100,000)
Less estimated income	(1,498,745)	(202,442)	0	4,196,934	0	0
General fund	($81,094)	$202,442	$2,263,883	($4,196,934)	($600,000)	($100,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Date: 4/3/09
Roll Call Vote #: 4

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2021

Full House Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number TBD

Action Taken Do Pass as Amended

Motion Made By Thoreson Seconded By Berg

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan	✓				
Vice Chairman Kempenich	✓				
Rep. Skarphol	✓		Rep. Kroeber	✓	
Rep. Wald	✓		Rep. Onstad	✓	
Rep. Hawken	✓		Rep. Williams	—	
Rep. Klein	✓				
Rep. Martinson	✓				
Rep. Delzer	✓		Rep. Glassheim	✓	
Rep. Thoreson	✓		Rep. Kaldor	✓	
Rep. Berg	✓		Rep. Meyer	✓	
Rep. Dosch		✓			
Rep. Pollert		✓	Rep. Ekstrom	✓	
Rep. Bellew		✓	Rep. Kerzman		✓
Rep. Kreidt	✓		Rep. Metcalf	✓	
Rep. Nelson	✓				
Rep. Wieland	✓				

Total (Yes) 20 No 4

Absent 1

Floor Assignment Thoreson

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

REPORT OF STANDING COMMITTEE

SB 2021, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (20 YEAS, 4 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2021 was placed on the Sixth order on the calendar.

Page 1, line 2, after the first semicolon insert "to provide a contingent appropriation;", after the second semicolon insert "to provide for a legislative council study; to provide statements of legislative intent; to provide for a report to the legislative council;", and replace "and" with "to create and enact a new subsection to section 54-59-05 of the North Dakota Century Code, relating to the powers of the information technology department;"

Page 1, line 4, after "committee" insert "; and to declare an emergency"

Page 1, line 14, replace "6,462,653" with "4,882,814" and replace "44,144,782" with "42,564,943"

Page 1, line 19, replace "2,238,371" with "(25,512)" and replace "2,466,325" with "202,442"

Page 1, line 22, replace "1,910,451" with "1,310,451" and replace "5,976,970" with "5,376,970"

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Page 2, after line 4, insert:

"**SECTION 2. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the information technology department, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

Statewide longitudinal data system	$2,263,883

The information technology department may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

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Page 2, remove line 16

Page 2, line 18, replace "2,606,386" with "969,748"

Page 3, replace lines 3 through 30 with:

"**SECTION 7. DEPARTMENT OF PUBLIC INSTRUCTION - STATEWIDE LONGITUDINAL DATA SYSTEM EXPENDITURES - APPROVAL.** The department of public instruction may spend only the federal funds appropriated in House Bill No. 1013 for costs associated with the statewide longitudinal data system upon approval of the expenditures by the information technology department, for the biennium beginning July 1, 2009, and ending June 30, 2011.

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2. Nonessential information technology services that could be considered for outsourcing.

3. The number of the department's employees who have resigned from the department to provide information technology consulting services in the

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1. The statewide longitudinal data system committee consists of ~~the~~:

   a. The chancellor of the board of higher education or chancellor's designee~~, the~~.

   b. The superintendent of public instruction or superintendent of public instruction's designee~~, the~~.

   c. The chief information officer or chief information officer's designee~~, the~~.

   d. The director of the department of career and technical education or the director's designee~~, the~~.

   e. The director of job service North Dakota or the director's designee~~, the director~~.

   f. The commissioner of ~~the department of~~ commerce or the ~~director's~~ commissioner's designee~~, the~~.

   g. The director of the department of human services or the director's designee~~, and one person appointed by the governor~~.

   h. The director of the North Dakota educational technology council.

   i. The director of the North Dakota council of educational leaders or the director's designee.

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2. The governor shall appoint the chair of the committee. The committee may appoint advisory committees that would serve in an advisory capacity to the committee.

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   a. Provides for dissemination of management information to stakeholders and partners of state education, training, and employment systems; and

   b. Uses data from educational and workforce systems as central sources of longitudinal data.

4. The information technology department, at the direction of the committee, shall maintain a statewide longitudinal data system among education, workforce, and training entities. The department and the committee, subject to federal and state privacy laws, may enter interagency agreements, including agreements designating authorized representatives of the educational agencies participating in the system pursuant to the Family Educational Rights and Privacy Act (FERPA) [20 U.S.C. 1232g; 34 CFR 99].

~~3.~~ 5. The committee shall ~~recommend policies, procedures, and guidelines to protect the privacy and security of personal information as provided by state and federal law~~ set policy and adopt rules relating to access to and the collection, storage, and sharing of information and the systems necessary to perform those functions, subject to applicable federal and state privacy laws and interagency agreements and restrictions relating to confidential information required to conform with applicable federal and state privacy laws. The committee shall provide operational oversight for information-sharing activities and make recommendations for and provide oversight of information-sharing budgets. The committee may authorize studies to benefit and improve workforce training and education.

~~4.~~ 6. The committee shall provide a report to the information technology committee, interim committee on education issues, and interim committee on economic development ~~prior to the sixty-first legislative assembly~~ on the status of the statewide longitudinal data system ~~plan~~. The report ~~shall~~ must include recommendations for further development, cost proposals, proposals for legislation, and data sharing governance~~, including recommendations concerning the long term role and administration of the followup information in North Dakota for education and training program~~.

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Notwithstanding any other provision of law, may enter a contract with an information technology vendor to provide professional services to the department for a term of up to five years. However, the department may not renew any such contract with a vendor under this subsection beyond a total of five years.

SECTION 14. EMERGENCY. Section 2 of this Act is declared to be an emergency measure."

Page 4, remove lines 1 through 29

Page 5, remove lines 1 through 5

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98040.0205 FN 3

A copy of the statement of purpose of amendment is on file in the Legislative Council Office.

2009 SENATE APPROPRIATIONS

CONFERENCE COMMITTEE

SB 2021

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2021 conference committee

Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: 04-20-09

Recorder Job Number: 12023

Committee Clerk Signature Rose Laning

Minutes:

Chairman Christmann: opened the conference committee hearing on SB 2021 at 4:30 p.m. concerning EduTech and ITD. Roll call was taken. **Senator Fischer** and **Senator Robinson** were present as were **Representatives Thoreson, Dosch, and Glassheim**.

Senator Christmann: I'm not sure who is leader.

Rep. Thoreson: Amendment .0206 – change was removal of equity funding. We made change in funding of FTE position with statewide longitudinal system Made change with federal stimulus dollars. If dollars not there, then able to go to general fund. Item #4 is costs associated with power school. Those funds could be used from their fees rather than general fund.

Senator Christmann: Did you have amount?

Rep. Dosch: $25. That's currently what they're paying.

Rep. Thoreson: Item # 5 Decrease in statewide area network of $600K.

Senator Robinson: Can they explain the reasoning or rational behind the $600K.

Rep. Dosch: For video for schools, felt not necessary.

Senator Robinson: I would add that in our review on the Senate side, we funded it because we are falling behind in REAs, and it is becoming harder to find teachers with various

academic. We need to come back and talk about that. This would have a serious impact in our ability to sustain our ability let alone move forward.

Senator Christmann: Your goal was to eliminate equipment purchases but the network itself is acceptable.

Rep. Dosch: replacement of some video equipment.

Senator Robinson: If we're going to bring additional schools on line. The equipment ages quickly and is heavily used.

Senator Christmann: I'm going to ask the committee to come back and we'll have to put in an hour deciding because we are not going to get through this in 30 min.

Rep. Thoreson: Item # 6 CJIS (Criminal Justice Information sharing) Decrease general funding by $100K.

Senator Christmann: Is that for a specific thing?

Rep. Thoreson: I will try to get my information, but didn't bring it along today. There are many bullet points on the statement of purpose (SOP). Sec. #7; the intent language that DPI can only spend federal funds.

Senator Christmann: is this new, I don't recall.

Rep. Thoreson: I don't' recall.

Senator Robinson: Don't we have an analysis or that already. We're spending too much money on reporting.

Senator Christmann: We'll have Lisa or Mike give us a couple paragraphs on reporting process.

Rep. Dosch: We felt that special funds that they receive are general funds to ITD? They are special funds to ITD< but from other agencies.

Rep. Thoreson: Section #10 deals with outsourcing – the intent of this legislative assembly. ITV out sources 10% of services and 20% in the following biennium . This was just discussion about services they provide. There was issue with veterans' home that Rep. Berg brought forward.

Senator Christmann: There's not another part of government that we're patterning after.

Rep. Thoreson: I am not aware of any that have that position.

Rep. Dosch: (Got into more details) Berg asked IT to put together list. We're really growing IT. We wanted to consolidate and put everyone on same page. Are there other modules out there that a private business could take care of, rather than the state being a big player in the IT? Such as outsourcing phones, etc. The vet's home was able to save a lot of money by going to outside source.

Senator Christmann: We'll seek a response from ITD and next meeting.

Rep. Thoreson: Next section also deals with outsourcing the number of persons who have resigned looking for employment elsewhere. Some have left and come back. Do a report to legislative council next November. Next section- removes legislative members on statewide longitudinal system. We determined it not necessary to have legislators on committee, also an additional report to LC. Those are changes that House brought forward. I'm certain we won't be resolving this today.

Senator Christmann: Can you cover 2nd to last one? It is section 13, contracts can't be renewed for 5 years.

Rep. Thoreson: After 5 years, different vendor would be useful. I apologize for not having complete notes.

Rep. Dosch: His idea was to use services by ITD now and form new company. Get this company off ground and then state looks to another vendor. I think those were his thoughts behind that.

Senator Christmann: I suppose we'd deal with getting phone lines through Quest for 5 years. And then get computers for next 4, but they'd be off list. It's confusing.

Senator Robinson: We worked on IT committee for so long. The only way they grow is when they are asked to take on more work or FTEs because of MMIS. Then they have to respond. They don't want to be in situation where we have people and then let them go. We have to be where we can offer continuous employment. We don't pay as much, but it's a great place to work. We can dig deep into this. The more legislators we get involved in ITD, it provides an agenda for ITD.

Rep. Thoreson: I don't disagree and I think ITD does great job. Our thoughts are to focus on agency and what is best with regards to moving forward!

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2021

Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: 04-22-09

Recorder Job Number: 12134

Committee Clerk Signature

Minutes:

Chairman Christmann opened the conference committee hearing SB 2021 in reference to EduTech and ITD. Let the record show all conferees are present. They are as follows: **Sen. Fischer, Robinson**; **Rep. Thoreson, Dosch, and Glassheim**.

Sen.Christmann- after discussing these are there anything that house people feel isn't necessary?

Rep. Thoreson- I think that we have discussed but I am not sure that the house has come to an agreement yet on putting the $600,000 back in, we are planning further discussions probably before our next meeting.

Rep. Dosch- one of the things too that we are doing is that we are trying to look at the overall picture as well on these budgets and on IT, the total general fund increase and this is after with the house amendments on here and we are going to take the general fund from about $10 million up to $13 million, it is about a 25% increase. So we are just trying to take a look at the overall picture before we look at specific issues.

Sen.Christmann- we didn't get a chance to sit down and visit amongst ourselves on this side of the table either, I am looking at the statement of purpose, I don't think that looks problematic. My understanding is that the CJIS does allow them to come to the budget section in general funds if they aren't able to acquire in the stimulus.

Rep. Thoreson- I think that the general idea of what the initiatives were would they would be able to fund what they had before the amount, I think that I need to come back with an answer.

Sen.Christmann- I understand that the longitude system is pretty essential for long range federal funding including probably some of the stimulus money. Outside of that I think that it is pretty important for us to understand how well we are doing in number of different areas. Is there a feeling that we are going to be able to enhance participated from raising the price from $10 to $25 per student or do we just charge it to them, I am comfortable with some increase but to $25 it seems to me that if we want to grow the program and get more schools to sign on and participate we probably need to mandate it.

Sen. Robinson- that is an area that I would like to spend more time on, I would like to hear and collect further information from some other folks.

Sen. Christmann- I think that we all understand the importance and cost of this, it either needs to be subsidized or pay for it on its own. Who requested the CJIS study?

Rep. Thoreson: I believe it was Rep. Berg.

Sen. Christmann- the 3rd one about monitoring the revenue connections there is some issue with OMB I believe . Getting down to the last one on the first page and the middle one regarding those contracts, I really think that we would be making an enormous mistake to contribute to something like that at the beginning cutting their contracts short and signaling to the holders of the contract that that company or those people that haven't taken off by about the 4th year of their contract that they are completely out of line with the state and that they would be losing all of their employees.

Rep. Thoreson- we will try to come up with some resolution or our position so we can move forward on that.

Sen. Fischer- if you are outsourcing with a company you can only outsource for 5 years?

Rep. Dosch- we will visit with the individual that brought those forward.

Rep. Glassheim- it seems to me that these 2 sections are examples of a good idea that is not realized.

Senator Christmann closed the conference committee.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2021 conference committee

Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: April 23, 2009

Recorder Job Number: 12171

Committee Clerk Signature

Minutes:

Senator Christmann: called the conference committee hearing to order on SB 2021 which concerns EduTech and ITD. The minutes are to reflect that all committee members are present: **Senators Christmann, Fischer, Robinson** and **Representatives Thoreson, Dosch** and **Glassheim.**

Senator Christmann: Are we ready to be moving forward? We will deal with everything as a bundle later but for now informally—the 1st bullet point on salary equity—I think the Senate is ready to accede to the House change.

Senator Robinson: What are you implying on the salary, the 1st one? Are you talking about the agreements that were announced yesterday?

Senator Christmann: Yes, in this case the House removed the equity funding; a different equity package is going to be in the OMB bill. So, we would be acceding to the House amendments?

Rep. Thoreson: It would be further amended.

Senator Christmann: We had previous meetings so I am always looking to see if other senators want to add anything. I have sense from yesterday's discussion that on that second one we are probably comfortable with that or something close.

Rep. Thoreson: Change of funding source...

Senator Robinson: We're looking at the stimulus.

Senator Christmann: I guess we should look at 2 and 3 together. 2&3 together as far as the 2.264M between the second and third, one says we are going to do it with stimulus funds and the other says if we don't get the funds, we'll use general. Why did we switch that one FTE from special to general?

Roxanne Woeste, Legislative Council: The one position is an existing position. The department needs that position funded from the general fund as they do need to have some matching funds with the stimulus money coming in.

Senator Christmann: If it came to final bargaining chip, we could have more discussion. I'm not hearing a lot of objection to those. I think the fourth one is going to take a little more discussion so let's jump to 5th one—the $600,000 for the wide area network. I feel strongly that it needs to be restored. I didn't feel strong arguments from House side.

Rep. Dosch: We may need to come back to that one. It is not necessarily that specific $600,000 as it is the overall funding picture in the ITD department. We are looking at about $3.5 M increase in general funds to ITD and that's with the House amendments. That represents about a 35% increase. ITD is running on a budget of about $134M. Given the disaster spending that is going to be coming out in the next couple days and what the state is doing for that, we're going to be putting a lot of money into road. We must control our spending somewhat if we want to fund some of these emergency priorities that are coming up. I think that perhaps those dollars could be found in existing budget.

Senator Christmann: We kind of line item these things and the network is there. Let's say they fired Mike Ressler to save $600,000—I don't know if that would solve the problem. (laughter)

Rep. Dosch: I understand that they have to have the chancellor in the budget so I think his job is safe for now.

Senator Christmann: Seriously though, if they do want to have this network and keep our schools connected, we need to fund it.

Senator Robinson: I appreciate what you are saying about the increase in ITD and we've been hearing for years that ITD is growing. This is for K-12 and it could be a fee for service. We could take a whole lot of this budget, almost all of it and put it back in all of agencies. It is a little deceiving to point to ITD and say look at this growth, over the years we have transferred more and more to ITD. Not long ago, there were no general fund dollars. Information technology was at one point computers but now it is telephones, etc. We've really stretched out that umbrella. Here the Power Schools and other programs and ITD could be much smaller. This connectivity issue is critical. If we are going to move forward without it, we don't have the connections with K-12 that we've been promoting from the legislative perspective without the $600,000.

Rep. Dosch: That's assuming that there is no wiggle room in their $134M budget. It may require them to prioritize their budgets. We're funding half of it, those are just my thoughts.

Rep. Glassheim: If we're looking to save money, I think we start with the $6M in (inaudible followed by laughter) if we really cared about saving money, that's what we'd do. The increase or enhancements in the ITD budget, which is $11M—12M goes to the longitudinal data system, etc. None of these are IT, they are but they are serving different departments. If we want them, then we have to pay for them. I wouldn't vote against them because it's an increase in ITD, the whole world is moving forward with more sophisticated systems.

Senator Robinson: We have struggled with the issue of too many small schools yet education is paramount, it is our number one priority. We've come so far in the last few years with

schools coming together in REA, they are sharing, joining hands, and using interactive video. Schools that otherwise wouldn't be able to offer programs are able to with ITD cooperation and leadership we are able to do that. If we intervene and not fund a program such as this one, we wouldn't be able to do those things. This process would be brought to snail's pace.

Rep. Thoreson: It's not that we're not funding it, it's that we're not funding it at the level which was originally requested in the budget. I do believe that $600,000 is a significant increase. I guess at this point this one we are still going to need to chew on.

Senator Christmann: I'm keeping the track with "S" (Senate) or "H" (House) and there are few "H"s.

Rep. Thoreson: We have an "H" coming up.

Senator Fischer: All things are going up in price. We do not have same standards as we did 20 years ago for things like bridges for example. Since this spring IT has become a bigger player. Our county and others put a lot of money into technology to keep an eye on rivers and dams. Along with these increased costs, we are seeing these budgets expand. I agree with you about prioritizing but to me IT and infrastructure are two of the most important ones this year to keep up with and fund adequately.

Rep. Dosch: When you say adequately funded, I agree but what we also have to keep mind is that ITD charges and every agency budget has had healthy increase in the charges they have from ITD. We're giving the IT budget a 35% increase and they are charging some pretty good fees to other agencies. These aren't the only dollars that IT has coming in. Their estimated income is expected to increase by $8.2M from special funds which is basically agency funds.

Senator Fischer: I understand that and if we go back and fund the agency and the do not charge individual agencies for services—that has been discussed for years. If you funded this agency as standalone and just gave them money and said now serve the state, would you

have a difference in dollars? Because you would have separate agencies—I think it works better the way it is now.

Rep. Dosch: I agree—my only point is that a $3.5M increase in general funds is not their only increase in revenue.

Senator Robinson: You have to keep in mind that they have other income, but that income is tied to other projects, other services that they provide. To say we could take $600,000 from some other area of the budget, it might have to come from, and it can't come from, a human service project or DOT project. The fact is if we downsize ITD and move into the private sector, we have some of that going right now. We have folks that have left ITD and open an office in downtown. Would have a tremendous cost increase if we went back to the old way of doing business and had every agency out on their own—no coordination and no consolidation. That's why we moved in this direction.

Senator Christmann: Maybe we'll have better luck finding Hs in bottom group. To me there are three things here that really bundle together; Sections 10, 11, 13 of amendments—the outsourcing, the report to legislative council about the outsourcing, and the requirement that we not extend the outsourcing beyond 5 years. I feel very strongly that we're getting too far into the agency decision making and that those sections shouldn't be there.

Rep. Dosch: You bundled them

Rep. Thoreson: Take them one at a time

Senator Christmann: On section 10, certainly those two go together but really I think it's a conceptual thing of how far into management we want to go.

Rep. Dosch: Under section 10, what would your feelings be if we just kept the first part? If we kept it as the intent...read a section of the bill...and then got rid of the rest of that understanding that section 10 deals with intent. I kind of felt that there was a need to let them

know what the intent is. It's the thought process about what they can farm out and be done by private sector.

Senator Christmann: Things that can be quantified like this...The people work for the state and hopefully recognize us as the policy making branch of the government. How much difference is there really between legislative intent and a clear mandate? It's pretty definite. It's not like we are saying that it is our intent to improve highways, this is pretty quantifiable.

Senator Robinson: We're already doing this in the IT committee. If there is an agency that is providing leadership in this, it is ITD. They don't put on staff/project unless they need to. This agency is nationally recognized as a leader in having balance. They want ND people on the program because we're doing the right thing. I just got another email yesterday about this. They could put together in short order a number of outsourcing initiative that they've done and they will do that when needed. Legislative management outsourced and got burned. We feel that some of our most important decisions stay with our local people who have expertise. The folks sitting around the table were best you'd find anywhere. There is tremendous risk in a blanket statement about percentages when it's working so well.

Rep. Thoreson: As chairman of that committee—have they provided you with outsourcing items?

Senator Robinson: Yes they have handed them out and I could get them. Spoke about the committee members, Rep. Skarphol sat in on all but one committee. The other thing we have in place is SITAC, the State Information Advisory Committee. They constantly review all of these projects.

Chairman Christmann: Rep. Thoreson, would you like to answer the question answered by Senator Robinson.

Rep. Thoreson: I would, just a ballpark.

Mike Ressler, ITD: I have estimated on our budget that of the $134M, 59% is outsourced.

Rep. Thoreson: 59 % is currently being done. If that's the case, it's not a big issue.

Senator Robinson: Why would tell them to do something better? They are already doing a fantastic job.

Rep. Dosch: I'm just talking to myself here. If we took out section 10 and leave section 11 that is more basic information. That's seems pretty harmless.

Senator Christmann: Let me read through this.

Rep. Thoreson: If we were to leave in #11, I'd be comfortable having this report be given to Senator Robinson's committee since you have already been working on this. You could then report to council.

Senator Robinson: I'm not speaking for this side personally. If we eliminated section 10, I can live with section 11 & 12.

Chairman Christmann: The group I was talking about were 10, 11, and13.

Senator Robinson: The ones that are problematic for me are section 10 and 13. 11 and 12 are ok.

Chairman Christmann: I've read it over, and if Sections 10 and 13 were disappearing, I'd leave it up to the committee to decide where the report will go.

Senator Robinson: I'm ok with that. The one thing we tried with the information committee was to get this info to more people. If there is one area in state government where I feel a lot of legislators are confused; general funds, special funds, etc. The one thing we tried to do, and I know ITD has led the way on this, is get this information to more committees. ITD has been very good about explaining this to senators. We need to understand this completely.

Rep. Thoreson: That is why I though in looking at this, it would be more sensible to report to the ITD committee and have you put together a presentation. It makes sense that the people

with the knowledge could present this to us. I'd like to keep section 11 but maybe make that change where it would say something to the effect of "the ITD shall report to the interim technology committee with this information and the committee shall makes this available to the legislative council at its 11/2010 meeting."

Chairman Christmann: If it were switched to the technology committee, it would have to be earlier.

Senator Robinson: Just for informational purposes, we should have all received the ITD annual report which is very comprehensive. I try to remind my colleagues to look at that, it is worth saving. The report is valuable.

Chairman Christmann: So we drop sections 10 & 13 and keep section 11 with the change? That's 2 "H"s, but it's also an "S". We didn't gain a lot of ground. (laughter) Let's get up to the top of those bullet points again. The legislative intent regarding DPI—refresh me briefly.

Roxanne Woeste: The DPI has some federal money they have been awarded to implement their portion of a statewide longitudinal data system. This section has been added at the request of the department so the department can assist them with the implementation of this portion.

Chairman Christmann: Senator Robinson, Senator Fischer? We're all ok with that one.

I don't have problem with CJIS. The revenue collections by funding source, I think that has some issues for ITD. I don't know if someone else familiar enough to make the case for why that shouldn't be there, I just know there was a red flag on that.

Rep. Dosch: Based on some conversations yesterday, I understand a little bit of the dilemma from ITD that the fees they receive go back to the agency. We can perhaps go back and retrieve that information from the agency level rather than ITD in particular. So with that being

said, we wouldn't have a problem with giving another H on that section. Make sure you mark it down.

Chairman Christmann: Got it! (laughter) Where is that in the bill?

Roxanne: Section 5, lines 25 & 26 in the engrossed bill (.0200).

Chairman Christmann: Is that a partisan thing or a House/Senate thing?

Rep. Glassheim: Isn't just separation of powers?

Rep. Thoreson: I think that was part of it. It does report to the committee. The Legislature is advised of what is going on so we thought in that case it was not necessary to add members to committee. It's being reported to us anyway.

Chairman Christmann: We thought it would be valuable to have that sort of inside information, not only of what comes out in the final report but also how it came to be.

Rep. Dosch: I think it was maybe just a matter of having too much legislative involvement. As Rep. Thoreson said, they do report to the interim committee anyway so I think that was basically our discussion.

Chairman Christmann: Small point while we are really dug in on this one, why don't we just stop it...

Rep. Thoreson: If you want another "H" on your list, we're ready.

Chairman Christmann: Thanks for interrupting me before I was ready to give up. (laughter)

Rep. Thoreson: I guess it is one of those things where we are going to get the information anyway, we can leave it.

Chairman Christmann: Number 6, CJIS (Criminal Justice Informational System) is a money issue. Senators do you have any problem with that?

Senator Robinson: We're ok with number 6.

Rep. Thoreson: That's an "S."

Chairman Christmann: Too many "S" and not enough "H"s. Now would be the time to mark one down on #5 on that $600,000.

Rep. Thoreson: I understand that, I guess that is something which before we make a change we need to talk to the leadership.

Senator Robinson: I don't want to skip around but that's a big issue we need to resolve. I would like to ask the chair and the committee if we could focus on the issue of the Power School next time we meet. I'm hearing from my superintendents and it is a program we're asking for. We are saying we want this information. I have questions about how without extra funding—where is the staff going to be? How many schools are going to participate unless we have the lion's share, we don't have anything.

Chairman Christmann: Now that we are really in the mode here and focused on the bill, Roxanne can you refresh on the differences between the House and Senate versions.

Roxanne: In regards to Power School I believe the differences between the versions are—in the Senate version it has general fund dollars for a large portion of the program for all school districts. Right now there are a number of schools using the application but I believe they are paying a fee of $10. The Senate version is free of charge.

Senator Robinson: That is consistent with the governor's budget.

Chairman Christmann: What is the House version like?

Roxanne: The House version changes the funding source to special funds. If they wanted to continue to implement that, they'd need to charge school districts a fee.

Chairman Christmann: The schools would pay whole fee?

Roxanne: I believe so. That number on there, due to the funding change, should be $3,940,296. The Senate removed 2 FTEs removing $256,239.

Chairman Christmann: I wrote down $25, is that the offhand estimate of what that's going to cost us? Let's pretend this is $4M, if we kept it at $12.5 dollars then we would need $2M of general funds.

Roxanne Woeste: I'm not so sure about the fee.

Rep. Thoreson: When we had discussion earlier there was some confusion as to whether the fee of $25 would be for everyone joining or for everyone currently enrolled now.

Dan Pullen, Director, ND Educational Technology Council: Implementing Power School for all schools is $25 fee for support staff.

Rep. Thoreson: That's for every school – not just those in there now.

Senator Robinson: My concern is this, the Power School program is directly connected to the longitudinal data. The two are together in terms of intent to create a data base. I am worried about the funding level, I am getting e-mails saying you mandated this program to us, pay for it or we are not going to have it. Can you talk briefly about that?

Dan Pullen: In planning the whole system of how these data systems will be developed, the Power School is the foundation for all of those. We want a system that delivers consistent data in consistent way. Talked about the system

Chairman Christmann: I don't think it is a question of the value but a question of the funding.

Rep. Dosch: One question came up with the school stimulus money and title 1 funds. Can any of title 1 funds be used for this?

Roxanne: You can't you federal money to meet state requirements. If the state is going to mandate Power Schools, they would have to provide the funding. A large number of schools won't get any stimulus money.

Senator Robinson: I know the cost here but if I remember the testimony going way back, the frustration is that we can't get a reading that is accurate unless we have a very high

percentage of students. If we start whittling down the number of schools, our investment dollars are not going to have a return. That's idea behind funding it—we will have 100% or very close to it. It will be THE picture of K-12 education in ND.

Chairman Christmann: This idea may leave me in the crowd of one but I am going to throw out. This may not be an all or nothing proposition; we proposed to have it be free. Speculated about a compromise

Rep. Dosch: We understand the value of Power School. They say it's time savings and value. There is a real value to this.

Chairman Christmann: Adjourned the meeting.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2021 conference committee

Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: April 24, 2009

Recorder Job Number: 12206

Committee Clerk Signature Rose Laning

Minutes:

Senator Christmann: called the conference committee hearing to order on SB 2021 concerning ITD and EduTech. The minutes are to reflect that all members ertr present: **Senators Christmann, Fischer, Robinson; Representatives Thoreson, Dosch and Glassheim. Roxanne Woeste,** Legislative Council and **Lori Laschkewitsch**, OMB.

Senator Christmann: Spoke about the current status of the bill. The two issues we're split on are related to Power School funding and the network.

Rep. Dosch: What we'd be willing to do on the $600,000—probably the mistake we made is specifically identifying the network stuff. We understand the need on that. We were still looking at the overall budget of IT. Somewhere if network is priority, we need to fund that. When you look at the size of budget, we should be able to glean at least $600,000 out of it. The EduTech deal that is going forward is over $5M, the K-12 network is $1.9M, $2.2 for the longitudinal data. We are looking at going from $10M from general funds to an additional $8M, we just felt that $600,000 should be able to be funded somewhere. Given that, we'd be willing to say we will do $300,000 on that and ask IT to find $300,000 out of their budget.

Senator Robinson: I'd like to mull over that. Maybe with that in the background the other major issue is Power School. We could spend some time on that

Senator Christmann: Let's keep on this – maybe can get this done. I think the things we need to keep track of are separate categories and things that we ask them to do. Gave example of the Metrology Lab that lost money. This is a separate issue. As far as them pulling back on something, one of the things that we really added on to ITD is project oversight trying prevents fiascos from happening. They are building three oversight people into their special funds now – that's $740,000. We also could label this as one-time spending since it's for equipment.

Senator Robinson: Explain again.

Senator Christmann: I'd be willing to label this as a one-time thing. Barring significant growth or some sort of technology change, it should last more than two years I would hope. I'd offer that as one-time spending.

Rep. Dosch: I don't know what we'd accomplish with that. I'm not sure what part of the budget is equipment purchase in the IT departments.

Senator Christmann: It wouldn't be built into their base for next time.

Senator Robinson: We call these cost centers IT because we want to coordinate technology state wide. We can consolidate and have a composite picture. I would hope we'd find the dollars. If we do not we start impacting the ability of the system to work at capacity.

Rep. Dosch: It's not that we'd single out this one single project. I'm looking at the overall budget and this is a drop in the bucket. We're just asking for little efficiencies. We're increasing $8M in general fund spending just for IT. I thought $600,000 would have been pretty easy to accomplish.

Senator Christmann: Where do we see general fund increases by categories? I can't lay it out by numbers or categories. A lot of these little costs are salaries and wages – they can save all they want but it doesn't go to the network. If they save some money from wages it

means lower rates for all the agencies or it will be turned back at the end of the biennium but it will not go to the network.

Roxanne Woeste, Legislative Council: Section 4 page 2 - 1st engrossment .0200. It does allow them to transfer money around from salaries and wages so they have some flexibility. They can't transfer all of their line items, just salaries and wages.

Senator Christmann: Some can, but a lot can't.

Rep. Dosch: Out of this line item that we're talking about here, they'd be able to transfer some of that around some of the operating expense category?

Roxanne Woeste: The $600,000 in question was in the K-12 network line item. They don't have any flexibility with that line item. They just have flexibility with those line items that are specifically addressed in section 4; salaries and wages, operating and capital assets.

Rep. Dosch: Could we switch $300,000 out of operating and fully fund the $600,000?

Roxanne Woeste: We would have to see if there is $300,000 in the general fund line item.

Chairman Christmann: We've got a unique item that connects these entities and we stuck it in the IT budget. If it's our choice to have a network, we need to fund it.

Rep. Thoreson: I don't disagree but again I think we're looking for some flexibility. We may find a more appropriate use of those funds.

Chairman Christmann: Jump back to Power School where we have flexibility. Dan Pullen brought to my attention that there was a request for 2 more employees that would be out general funds. Did that request come to you?

Rep. Thoreson: No

Chairman Christmann: Anything else?

Rep. Dosch: Power School. Bit of a jump.

Rep. Thoreson: If there is value to this as they say there is, we feel that there needs to be some buy in from the people using it. We understand your position – as we learned in our last meeting that perhaps charging $25 for every user may be a bit high. Right now it's at $10 – perhaps it could be increased to $15 per user. I had a conversation earlier with Bev Nielson, Educational Technology Council, currently there are some Title 8 funds available, but don't know where it's going to go. There is some disagreement about where the funds will go but maybe some of those schools may qualify for it.

Senator Christmann: What is Title 8 – are there a lot of schools qualify?

Rep. Thoreson: It is money from feds available to schools but I am not sure what strings are attached to it. There is a small window and maybe the possibility of using those funds. I am not sure how it is distributed.

Senator Christmann: But at $15 you'd be able to use the general fund for the remainder? I want a short recess to confer with the other senators.

The senators left the room to confer—tape continues to run

Senator Christmann: We have a counter proposal for you. We go 10 & 10. Keep the $10 on the Power School and put the $600,000 back in for the network. We could wrap up and go to Ressler's place for supper.

Rep. Thoreson: So you would go $10 for the Power School and put the $600,000 back in. Are we scheduled for ½ hour? If we can take two minutes, we'll be right back.

The representatives leave to confer

Rep. Glassheim: My proposal would be $12 Power School, put $600,000 back in and find $300,000 in savings wherever it wants. ITD's prerogative, they would identify $300,000 in general fund savings find it wherever they can.

Senator Christmann: I am inclined to be ok with the $12 but the $300,000 just isn't going to transfer into this line. They can take $300,000 out of CJIS (Criminal Justice Informational System), but that can't come out of this line. Their powers are limited. Savings of $300,000 just doesn't get it to this project.

Rep. Glassheim: On capital assets there is about 110M, is none of that general fund money? Is $200,000 all there is?

Senator Robinson: We're a fee for service agency, if you want to reduce the budget we can tell other agencies to ask for that much less in services and you will have a corresponding reduction in ITD. They only respond to demands from agencies. Spoke about some of the agencies

Senator Christmann: Outside of that part, I would vote for that proposal if we leave that last phrase out.

Rep. Glassheim: What is the general fund, $21M, what is that for—is that just products?

Lori Laschkewitsch, OMB: K-12, everything else is funded by charging for services. That's all special funded.

Rep. Dosch: We will be funding $13M in general funds this biennium according to the bill now. I'm look at the .0300 version, page two line 7.

Senator Robinson: Could we just ask Lori to give us the big pieces of that 13M, where is going?

Lori Laschkewitsch: Their operating budget had the $200,000 in it. The Center for Distance Education has $1M in general funds. And each of educational lines Edutech, longitudinal data, geographic information systems has $700,000, and CJIS has $1.9 M.

Rep. Dosch: CJIS if I remember had a lot of flexibility.

Lori Laschkewitsch: There are projects.

Senator Christmann: We've taken $1.4 M out of Edutech, but with the $12 half of that is still being saved. The longitudinal system data is better than a $2M reduction in funds. I think we can do this and move forward—put the 600,000 back in along with the $12 fee and declare it good.

Rep. Thoreson: I still feel we should be able to find the $300,000 somewhere. The motion would be **to put Power School at $12 and the $600,000 would go back in with language detailing it as onetime funding, plus the changes agreed upon yesterday.**

Rep. Glassheim: Seconded.

Roxanne Woeste: I just need to get proper amount from the department in regards to the Power School.

Senator Robinson: We can look at the amendments tomorrow afternoon.

Senator Christmann: Is there any desire to address the three project oversight people and put them into the general fund? (General no from the committee) If this passes, we'd have Roxanne do the amendments.

Motion carried by a unanimous voice vote.

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Fiscal No. 1

Prepared by the Legislative Council staff for
Conference Committee
April 24, 2009

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2021

That the House recede from its amendments as printed on pages 1255-1258 of the Senate Journal and pages 1244-1247 of the House Journal and that Engrossed Senate Bill No. 2021 be amended as follows:

Page 1, line 2, after the first semicolon insert "to provide a contingent appropriation;", after the second semicolon insert "to provide for a legislative council study; to provide for a report;", and remove "and"

Page 1, line 4, after "committee" insert "; and to declare an emergency"

Page 1, line 14, replace "6,462,653" with "4,882,814" and replace "44,144,782" with "42,564,943"

Page 1, line 19, replace "2,238,371" with "(25,512)" and replace "2,466,325" with "202,442"

Page 1, line 24, replace "2,508,533" with "2,408,533" and replace "3,709,239" with "3,609,239"

Page 2, line 1, replace "16,288,104" with "12,344,382" and replace "139,342,795" with "135,399,073"

Page 2, line 2, replace "7,974,129" with "5,900,401" and replace "120,980,899" with "118,907,171"

Page 2, line 3, replace "8,313,975" with "6,443,981" and replace "18,361,896" with "16,491,902"

Page 2, after line 4, insert:

"**SECTION 2. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the information technology department, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

Statewide longitudinal data system	$2,263,883

The information technology department may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 3. CONTINGENT GENERAL FUND APPROPRIATION - BUDGET SECTION APPROVAL. If the federal funds appropriated under section 2 of this Act are

not available to provide the sum of $2,263,883, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $2,263,883, or so much of the sum as may be necessary, to the information technology department for costs associated with a statewide longitudinal data system, for the biennium beginning July 1, 2009, and ending June 30, 2011. The information technology department may only spend the general fund moneys, to the extent that federal funds are not available to provide the $2,263,883 appropriated under section 2 of this Act and subject to approval by the budget section."

Page 2, line 14, replace "369,748" with "269,748"

Page 2, line 16, replace "936,638" with "353,600"

Page 2, line 18, replace "2,606,386" with "1,923,348"

Page 3, after line 2, insert:

"**SECTION 7. DEPARTMENT OF PUBLIC INSTRUCTION - STATEWIDE LONGITUDINAL DATA SYSTEM EXPENDITURES - APPROVAL.** The department of public instruction may spend only the federal funds appropriated in House Bill No. 1013 for costs associated with the statewide longitudinal data system upon approval of the expenditures by the information technology department, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 8. LEGISLATIVE COUNCIL STUDY - CRIMINAL JUSTICE INFORMATION SHARING INITIATIVE. During the 2009-10 interim, the legislative council shall consider studying the value of the information technology department's criminal justice information sharing initiative. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 9. INFORMATION TECHNOLOGY DEPARTMENT OUTSOURCING - REPORT TO INFORMATION TECHNOLOGY COMMITTEE. The information technology department shall report to the information technology committee on:

1. The department's current level of outsourcing of its information technology services.

2. Nonessential information technology services that could be considered for outsourcing.

3. The number of the department's employees who have resigned from the department to provide information technology consulting services in the private sector and the number of which have been rehired by the department.

4. The department's efforts to assist in the creation of North Dakota technology-related companies.

The information technology committee shall incorporate the information received in its report to the legislative council."

Page 5, after line 5, insert:

"**SECTION 11. EMERGENCY.** Section 2 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98040.0207 FN 1

A copy of the statement of purpose of amendment is attached.

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2021 - Information Technology Department - Conference Committee Action

	Executive Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	$44,144,782	$44,144,782	($1,579,839)	$42,564,943	$42,564,943	
Operating expenses	55,208,550	55,208,550		55,208,550	55,208,550	
Capital assets	11,970,746	11,970,746		11,970,746	11,970,746	
Center for Distance Education	6,287,917	6,287,917		6,287,917	6,287,917	
Deferred maintenance	60,000	60,000		60,000	60,000	
Statewide longitudinal data system	2,466,325	2,466,325	(2,263,883)	202,442	202,442	
Educational Technology Council	974,986	974,986		974,986	974,986	
EduTech	8,010,240	7,753,602		7,753,602	7,753,602	
K-12 wide area network	5,976,970	5,976,970		5,976,970	5,376,970	600,000
Geographic information system	789,678	789,678		789,678	789,678	
Criminal Justice Information Sharing	3,709,239	3,709,239	(100,000)	3,609,239	3,609,239	
Federal fiscal stimulus funds			2,263,883	2,263,883	2,263,883	
Contingent appropriation			2,263,883	2,263,883	2,263,883	
Total all funds	$139,599,433	$139,342,795	$584,044	$139,926,839	$139,326,839	$600,000
Less estimated income	118,514,574	120,980,899	190,155	121,171,054	123,476,646	(2,305,592)
General fund	$21,084,859	$18,361,896	$393,889	$18,755,785	$15,850,193	$2,905,592
FTE	330.20	328.20	0.00	328.20	328.20	0.00

Department No. 112 - Information Technology Department - Detail of Conference Committee Changes

	Removes Salary Equity Funding[1]	Changes Funding Source for a Portion of the Statewide Longitudinal Data System[2]	Provides a Contingent Appropriation[3]	Changes Funding Source for Statewide Deployment of PowerSchool[4]	Decreases Funding for CJIS Initiative Projects[5]	Total Conference Committee Changes
Salaries and wages	($1,579,839)					($1,579,839)
Operating expenses						
Capital assets						
Center for Distance Education						
Deferred maintenance						
Statewide longitudinal data system		(2,263,883)				(2,263,883)
Educational Technology Council						
EduTech						
K-12 wide area network						
Geographic information system						
Criminal Justice Information Sharing					(100,000)	(100,000)
Federal fiscal stimulus funds		2,263,883				2,263,883
Contingent appropriation			2,263,883			2,263,883
Total all funds	($1,579,839)	$0	$2,263,883	$0	($100,000)	$584,044
Less estimated income	(1,498,745)	(202,442)	0	1,891,342	0	190,155
General fund	($81,094)	$202,442	$2,263,883	($1,891,342)	($100,000)	$393,889
FTE	0.00	0.00	0.00	0.00	0.00	0.00

This amendment removes funding added in the executive budget for state employee salary equity adjustments. This is the same amount of funding that was removed for state employee equity adjustments in the House version.

[2] This amendment changes the funding source for one of the two FTE positions funded for the statewide longitudinal data system from special funds as provided for in the Senate version to funding from the general fund as provided for in the executive budget. The amendment maintains the appropriation of the remaining statewide longitudinal data system costs of $2,263,883 from federal fiscal stimulus funds. This is the same change as provided for in the House version.

[3] This amendment provides a contingent general fund appropriation of $2,263,883 for costs associated with the statewide longitudinal data system. The Information Technology Department may only spend the general fund money to the extent that federal fiscal stimulus funds are not available and upon approval of the Budget Section. This is the same change as provided for in the House version.

[4] This amendment changes the funding source for a portion of the increased costs associated with the statewide deployment of the PowerSchool application to special funds. The House amendments provided for a funding source change of $4,196,934 to special funds relating to the statewide deployment of the PowerSchool application.

[5] This amendment decreases one-time funding from the general fund for Criminal Justice Information Sharing Initiative projects by $100,000, from $369,748 to $269,748. This is the same change as provided for in the House version.

This amendment also adds sections providing:

- Legislative intent that the Department of Public Instruction may only spend the federal funds appropriated for costs associated with the statewide longitudinal data system in House Bill No. 1013 upon approval of the expenditure by the Information Technology Department. This section was also added in the House amendments.
- For a Legislative Council study of the value of the Criminal Justice Information Sharing Initiative. This section was also added in the House amendments.
- For a report to the Information Technology Committee. The House amendments to the bill included a report to the Legislative Council.

This amendment does not include the following sections added in the House amendments:

- A section to provide that the Information Technology Department monitor revenue collections by funding source for the 2009-11 biennium and provide a report to the 2011 Legislative Assembly.
- A section to provide legislative intent relating to information technology services outsourcing.
- A section to create a new subsection to North Dakota Century Code (NDCC) Section 54-59-05 relating to information technology services contracts.

This amendment also maintains the Senate version of the amendment to NDCC Section 15.1-02-18 relating to the statewide longitudinal data system committee.

REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)

Bill Number SB 2021 (, as (re)engrossed): Date: April 24, 2009

Your Conference Committee Senate Appropriations

For the Senate:	YES	NO	For the House:	YES	NO
Christmann	✓		Thoreson	✓	
Fischer	✓		Dosch	✓	
Robinson	✓		Glassheim	✓	

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

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

____, and place _____ on the Seventh order.

____, adopt (further) amendments as follows, and place _____ on the Seventh order:

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

((Re)Engrossed) _____ was placed on the Seventh order of business on the calendar.

DATE: _____
CARRIER: _____

LC NO.	of amendment
LC NO.	of engrossment
Emergency clause added or deleted	
Statement of purpose of amendment	

MOTION MADE BY: _____

SECONDED BY: _____

VOTE COUNT ___ YES ___ NO ___ ABSENT

REPORT OF CONFERENCE COMMITTEE

SB 2021, as engrossed: Your conference committee (Sens. Christmann, Fischer, Robinson and Reps. Thoreson, Dosch, Glassheim) recommends that the **HOUSE RECEDE** from the House amendments on SJ pages 1255-1258, adopt amendments as follows, and place SB 2021 on the Seventh order:

That the House recede from its amendments as printed on pages 1255-1258 of the Senate Journal and pages 1244-1247 of the House Journal and that Engrossed Senate Bill No. 2021 be amended as follows:

Page 1, line 2, after the first semicolon insert "to provide a contingent appropriation;", after the second semicolon insert "to provide for a legislative council study; to provide for a report;", and remove "and"

Page 1, line 4, after "committee" insert "; and to declare an emergency"

Page 1, line 14, replace "6,462,653" with "4,882,814" and replace "44,144,782" with "42,564,943"

Page 1, line 19, replace "2,238,371" with "(25,512)" and replace "2,466,325" with "202,442"

Page 1, line 24, replace "2,508,533" with "2,408,533" and replace "3,709,239" with "3,609,239"

Page 2, line 1, replace "16,288,104" with "12,344,382" and replace "139,342,795" with "135,399,073"

Page 2, line 2, replace "7,974,129" with "5,900,401" and replace "120,980,899" with "118,907,171"

Page 2, line 3, replace "8,313,975" with "6,443,981" and replace "18,361,896" with "16,491,902"

Page 2, after line 4, insert:

"**SECTION 2. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the information technology department, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

Statewide longitudinal data system	$2,263,883

The information technology department may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 3. CONTINGENT GENERAL FUND APPROPRIATION - BUDGET SECTION APPROVAL. If the federal funds appropriated under section 2 of this Act are not available to provide the sum of $2,263,883, there is appropriated out of any

moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $2,263,883, or so much of the sum as may be necessary, to the information technology department for costs associated with a statewide longitudinal data system, for the biennium beginning July 1, 2009, and ending June 30, 2011. The information technology department may spend the general fund moneys only to the extent that federal funds are not available to provide the $2,263,883 appropriated under section 2 of this Act and subject to approval by the budget section."

Page 2, line 14, replace "369,748" with "269,748"

Page 2, line 16, replace "936,638" with "353,600"

Page 2, line 18, replace "2,606,386" with "1,923,348"

Page 3, after line 2, insert:

"**SECTION 7. DEPARTMENT OF PUBLIC INSTRUCTION - STATEWIDE LONGITUDINAL DATA SYSTEM EXPENDITURES - APPROVAL.** The department of public instruction may spend only the federal funds appropriated in House Bill No. 1013 for costs associated with the statewide longitudinal data system upon approval of the expenditures by the information technology department, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 8. LEGISLATIVE COUNCIL STUDY - CRIMINAL JUSTICE INFORMATION SHARING INITIATIVE. During the 2009-10 interim, the legislative council shall consider studying the value of the information technology department's criminal justice information sharing initiative. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 9. INFORMATION TECHNOLOGY DEPARTMENT OUTSOURCING - REPORT TO INFORMATION TECHNOLOGY COMMITTEE. The information technology department shall report to the information technology committee on:

1. The department's current level of outsourcing of its information technology services.

2. Nonessential information technology services that could be considered for outsourcing.

3. The number of the department's employees who have resigned from the department to provide information technology consulting services in the private sector and the number of which have been rehired by the department.

4. The department's efforts to assist in the creation of North Dakota technology-related companies.

The information technology committee shall incorporate the information received in its report to the legislative council."

Page 5, after line 5, insert:

"**SECTION 11. EMERGENCY.** Section 2 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98040.0207 FN 1

A copy of the statement of purpose of amendment is on file in the Legislative Council Office.

Engrossed SB 2021 was placed on the Seventh order of business on the calendar.

2009 TESTIMONY

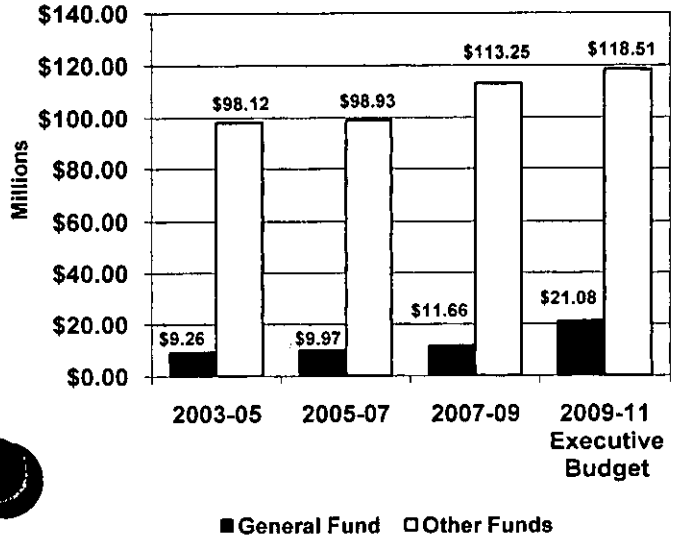
SB 2021

Department 112 - Information Technology Department
Senate Bill No. 2021

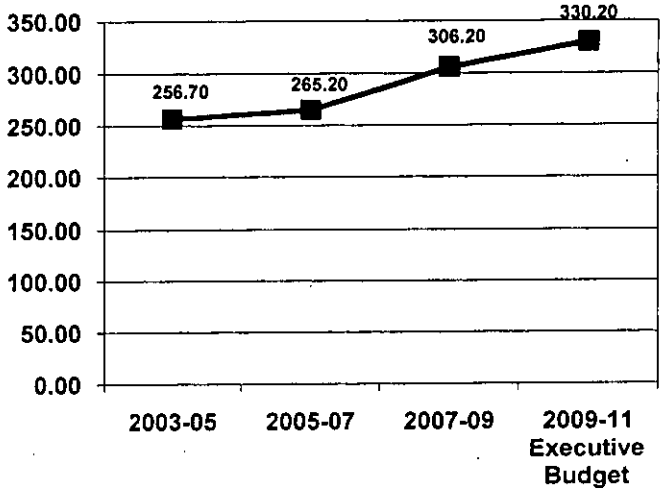
	FTE Positions	General Fund	Other Funds	Total
2009-11 Executive Budget	330.20	$21,084,859	$118,514,574	$139,599,433
2007-09 Legislative Appropriations	306.20	11,659,411	113,248,365	124,907,776
Increase (Decrease)	24.00	$9,425,448	$5,266,209	$14,691,657

[1]The 2007-09 appropriation amounts include $241,595 of other funds for the agency's share of the $10 million funding pool appropriated to the Office of Management and Budget for special market equity adjustments for classified employees. The 2007-09 appropriation amounts do not include $1,485,160 of additional special funds authority resulting from Emergency Commission action during the 2007-09 biennium.

Agency Funding



FTE Positions



Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2009-11 Executive Budget	$16,440,437	$4,644,422	$21,084,859
2007-09 Legislative Appropriations	10,047,921	1,611,490	11,659,411
Increase (Decrease)	$6,392,516	$3,032,932	$9,425,448

First House Action

Attached is a summary of first house changes.

Executive Budget Highlights
(With First House Changes in Bold)

	General Fund	Other Funds	Total
Information Technology Department			
1. Continues funding for 25 of the 28 new FTE positions authorized by the 2007 Legislative Assembly and identified to be project-specific. Section 6 of House Bill No. 1021 (2007) provides legislative intent that the 28 new FTE positions identified as project-specific may be filled while the projects are being developed and funding is available.			
2. Deletes 3 FTE positions identified by the 2007 Legislative Assembly as project-specific and not requested by the department		($460,344)	($460,344)
3. Removes one-time funding provided to the department for the 2007-09 biennium ($1,151,490 for the Criminal Justice Information Sharing Initiative and $100,000 for geographic information system data acquisition)	($1,251,490)		($1,251,490)

4. Provides funding of $1,504,608 to address salary equity issues ($77,232 from the general fund and $1,427,376 from other funds) and funding of $75,231 for the related second-year salary increase ($3,862 from the general fund and $71,369 from other funds)	$81,094	$1,498,745	$1,579,839
5. Adjusts funding for operating expenses as follows:			
a. Increases funding for loan repayments relating to the mainframe migration project and Medicaid management information system project		$5,470,600	$5,470,600
b. Decreases funding relating to a decrease in consultants		(3,865,146)	(3,865,146)
c. Other changes	$559	(3,460,375)	(3,459,816)
Total	$559	($1,854,921)	($1,854,362)
6. Increases funding for the statewide longitudinal data system, including $183,279 of ongoing funding for a new FTE position and $2,038,036 of **one-time funding** for contractual services. **The Senate changed the funding source for the statewide longitudinal data system from the general fund to special funds.**	$2,221,315		$2,221,315
7. Increases funding for the statewide wide area network, including $597,064 of ongoing funding and $1,200,000 of **one-time funding**, for increasing the base bandwidth to each kindergarten through grade 12 school	$1,797,064		$1,797,064
8. Increases funding for the Criminal Justice Information Sharing Initiative, including $157,068 for 1 new FTE position and $1,471,495 for operating expenses associated with the Statewide Automated Victim Information Notification system	$504,954	$1,123,609	$1,628,563
9. Provides **one-time funding** for Criminal Justice Information System Initiative projects	$369,748		$369,748
Center for Distance Education			
10. Deletes 4 FTE positions not requested by the center		($312,828)	($312,828)
11. Removes one-time funding provided to the center for the 2007-09 biennium	($170,000)		($170,000)
12. Provides **one-time funding** for online course development	$100,000	($100,000)	$0
Educational Technology Council			
13. Removes one-time funding provided to the council for the 2007-09 biennium	($190,000)		($190,000)
EduTech			
14. Increases funding for EduTech by $4,954,495, of which $4,017,857 is considered ongoing funding and $936,638 is considered **one-time funding**, for the statewide deployment of the PowerSchool application. Includes the transfer of 22 FTE positions from North Dakota State University to the Information Technology Department and 7 new FTE positions. **The Senate removed 2 of the 7 new FTE positions.**	$4,196,934	$757,561	$4,954,495

Other Sections in Bill

Line item transfers - Section 4 authorizes the Office of Management and Budget to make transfers of funds between the salaries and wages, operating expenses, and capital assets line items of the Information Technology Department as may be requested by the Chief Information Officer as necessary for the development and implementation of information technology projects.

Statewide Longitudinal Data System Committee - Section 5 amends North Dakota Century Code Section 15.1-02-18 to change the membership of the Statewide Longitudinal Data System Committee and provide for committee responsibilities.

Continuing Appropriations

There are no continuing appropriations for this agency.

Major Related Legislation

Senate Bill No. 2041 - Criminal Justice Information Sharing Board - This bill expands the membership of the Criminal Justice Information Sharing Board and provides that board members who are not state employees are entitled to compensation and expense reimbursement.

Senate Bill No. 2142 - Information technology plans - This bill:

- Allows the Chief Information Officer to exempt state agencies from having to submit an information technology plan;
- Changes the date information technology plans are due from July 15 to August 15 of each even-numbered year;
- Allows the Chief Information Officer to grant state agencies an extension relating to the due date for information technology plans; and
- Deletes the state agency information technology plan and statewide information technology plan requirements.

ATTACH:1

TEMENT OF PURPOSE OF AMENDMENT:

e Bill No. 2021 - Funding Summary

	Executive Budget	Senate Changes	Senate Version
Information Technology Department			
Salaries and wages	$44,144,782		$44,144,782
Operating expenses	55,208,550		55,208,550
Capital assets	11,970,746		11,970,746
Center for Distance Education	6,287,917		6,287,917
Deferred maintenance	60,000		60,000
Statewide longitudinal data system	2,466,325		2,466,325
Educational Technology Council	974,986		974,986
EduTech	8,010,240	(256,638)	7,753,602
K-12 wide area network	5,976,970		5,976,970
Geographic information system	789,678		789,678
Criminal Justice Information Sharing	3,709,239		3,709,239
Total all funds	$139,599,433	($256,638)	$139,342,795
Less estimated income	118,514,574	2,466,325	120,980,899
General fund	$21,084,859	($2,722,963)	$18,361,896
FTE	330.20	(2.00)	328.20
Bill Total			
Total all funds	$139,599,433	($256,638)	$139,342,795
Less estimated income	118,514,574	2,466,325	120,980,899
General fund	$21,084,859	($2,722,963)	$18,361,896
FTE	330.20	(2.00)	328.20

Senate Bill No. 2021 - Information Technology Department - Senate Action

	Executive Budget	Senate Changes	Senate Version
Salaries and wages	$44,144,782		$44,144,782
Operating expenses	55,208,550		55,208,550
Capital assets	11,970,746		11,970,746
Center for Distance Education	6,287,917		6,287,917
Deferred maintenance	60,000		60,000
Statewide longitudinal data system	2,466,325		2,466,325
Educational Technology Council	974,986		974,986
EduTech	8,010,240	(256,638)	7,753,602
K-12 wide area network	5,976,970		5,976,970
Geographic information system	789,678		789,678
Criminal Justice Information Sharing	3,709,239		3,709,239
Total all funds	$139,599,433	($256,638)	$139,342,795
Less estimated income	118,514,574	2,466,325	120,980,899
General fund	$21,084,859	($2,722,963)	$18,361,896
FTE	330.20	(2.00)	328.20

Department 112 - Information Technology Department - Detail of Senate Changes

	Removes FTE Positions for Deployment of PowerSchool[1]	Changes the Funding Source for Statewide Longitudinal Data System[2]	Total Senate Changes
Salaries and wages			
Operating expenses			
Capital assets			
Center for Distance Education			
Deferred maintenance			
Statewide longitudinal data system			
Educational Technology Council			
EduTech	(256,638)		(256,638)
K-12 wide area network			
Geographic information system			
Criminal Justice Information Sharing			
Total all funds	($256,638)	$0	($256,638)
Less estimated income	0	2,466,325	2,466,325
General fund	($256,638)	($2,466,325)	($2,722,963)
FTE	(2.00)	0.00	(2.00)

[1] This amendment removes 2 of the 29 FTE positions added in the executive budget for the statewide deployment of the PowerSchool application.

[2] This amendment changes the funding source for costs associated with implementing a statewide longitudinal data system.

This amendment also amends North Dakota Century Code Section 15.1-02-18 relating to the statewide longitudinal data system committee.

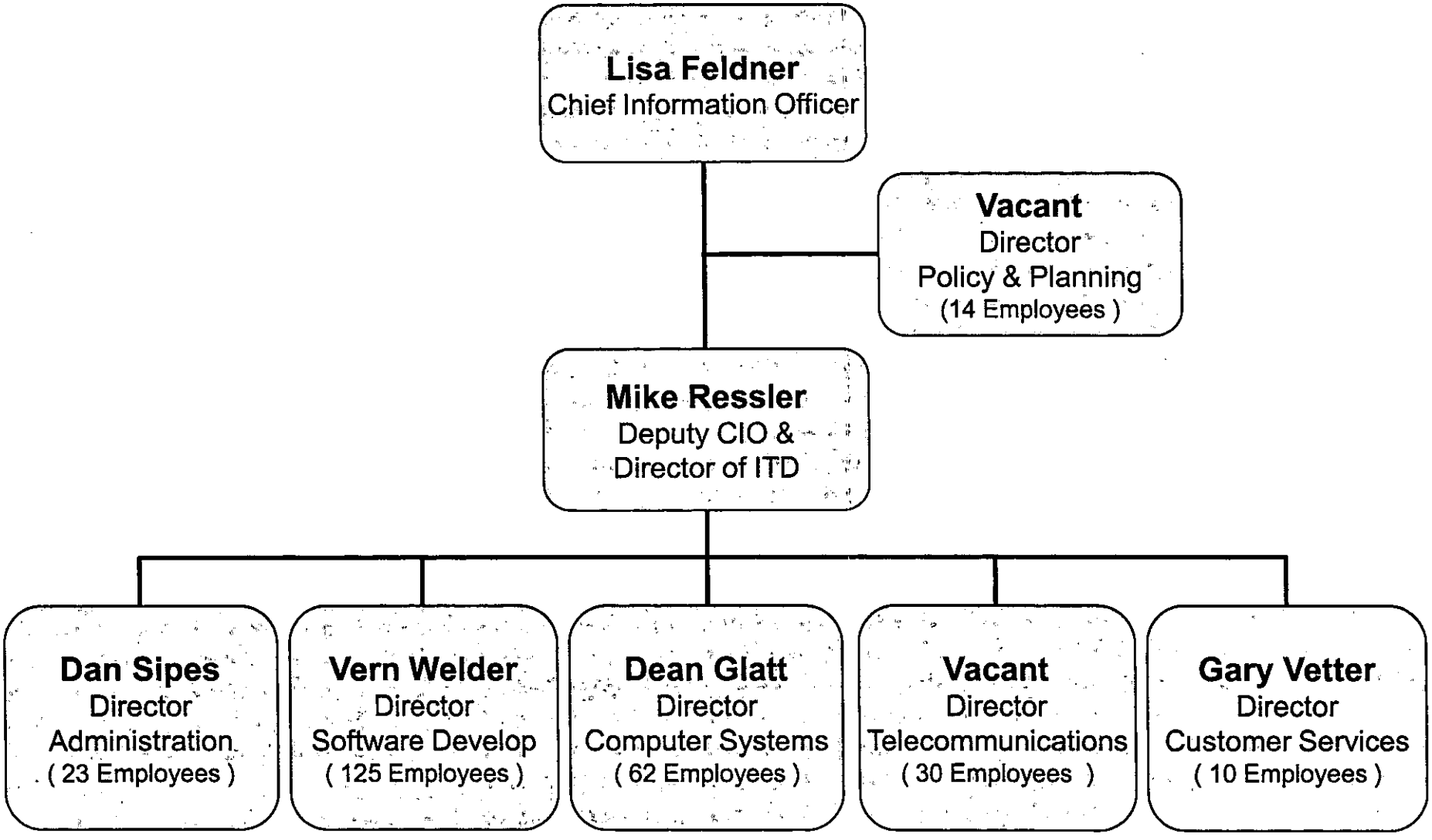
ITD 2009-11 Budget Request

Presentation to the Senate Appropriations Committee

Mike J. Ressler, Deputy CIO
Information Technology Department

January 9, 2009

Information Technology Department



ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
ITD Operations	709,391	110,614,687		111,324,078	252

ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
ITD Operations	709,391	110,614,687		111,324,078	252
2007 – 09 Budget	557,204	106,464,543		107,021,747	257
Difference	+ 152,187	+ 4,150,144		+ 4,302,331	- 5

ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
ITD Operations	709,391	110,614,687		111,324,078	252
K-12 Network	5,568,970	408,000		5,976,970	4
EduTech	7,252,679	757,561		8,010,240	31
Longitudinal Data System	2,466,325			2,466,325	2
Educational Technology Council	974,986			974,986	1.5
Center for Distance Education	1,229,232	5,118,685		6,347,917	35.7
GIS	714,678		75,000	789,678	1
CJIS	2,168,598	180,000	1,360,641	3,709,239	3
Total	21,084,859	117,078,933	1,435,641	139,599,433	330.2

2-25-09 to House Approps

ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
ITD Operations	709,391	110,614,687		111,324,078	252
2007 – 09 Budget	557,204	106,464,543		107,021,747	257
Difference	+ 152,187	+ 4,150,144		+ 4,302,331	- 5
2005 – 07 Biennium	818,977	88,277,506		89,096,483	223

2-25-09

ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
Total ITD	21,084,859	117,078,933	1,435,641	139,599,433	330.2
2007 – 09 Budget	11,659,411	112,948,365	1,785,160	126,392,936	307.2
Difference	+ 9,425,448	+ 4,130,568	- 349,519	+ 13,206,497	23
	$ 4,644,422 is one-time				
2005 – 07 Biennium	9,972,837	98,934,390	500,000	109,407,227	269.2

2-25-09
House Approps

ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
ITD Operations	+ 152,187	+ 4,150,144		+ 4,302,331	- 5
K-12 Network	+ 2,154,998	- 244,547		+ 1,910,451	0
EduTech	+ 4,530,331	+ 757,561		+ 5,287,892	+ 31
Longitudinal Data System	+ 2,238,371			+ 2,238,371	+ 1
Educational Technology Council	+ 28,719			+ 28,719	0
Center for Distance Education	+ 297,911	- 532,617		- 234,679	- 4
GIS	- 83,471			- 83,471	0
CJIS	+ 296,402		- 349,519	- 53,117	0
Difference	+ 9,425,448	+ 4,130,568	- 349,519	+ 13,206,497	23

2-25-09
House Approps

ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
K-12 Network	5,568,970	408,000		5,976,970	4
2007 – 09 Budget	3,413,972	652,547		4,066,519	4
Difference	+ 2,154,998	- 244,547		+ 1,910,451	0
2005 – 07 Biennium	3,395,550	4,147,400		7,542,950	2

3-11-09 to Govt ops

ITD Operations

Special Fund Authority

$ 3,238,577

Governor's Salary and Health Insurance Package

Moving 2 Existing Positions Over to EduTech
For Supporting PowerSchool

1-7-09

ITD Operations

Special Fund Authority

SECTION 6 of HB 1021. LEGISLATIVE INTENT - FTE POSITIONS.

It is the intent of the sixtieth legislative assembly that the twenty-eight new full-time equivalent positions identified as project-specific and funded in section 3 of this Act may be filled while the project is being developed and funding is available for the biennium beginning July 1, 2007, and ending June 30, 2009.

Budget Request Includes Continuation of 25 Positions

Eliminates 3 Software Developers

1-8-09

ITD Operations

28 Positions

Human Services Medicaid System	15	Software Developers & System Administrators	Keep
Bank of North Dakota Support	4	Software Developers	Keep
K-12 Video Support Positions	2	Telecom Analysts	Keep
ConnectND Support Position	1	Software Developer	Keep
Job Service Unemployment System	6	Software Developers (Keep 3 and Eliminate 3)	

1-9-05

ITD Operations

Special Fund Authority

54-59-05. Powers and duties of department. The department:

May purchase, finance the purchase, or lease equipment, software, or implementation services or replace, including by trade or resale, equipment or software as may be necessary to carry out this chapter. An agreement to finance the purchase of software, equipment, or implementation services may not exceed a period of five years. The department shall submit any intended financing proposal which is in excess of one million dollars, to the budget section of the legislative council or the legislative assembly before executing a financing agreement. The department may finance the purchase only to the extent the purchase amount does not exceed seven and one-half percent of the amount appropriated to the department during that biennium.

Permission to Borrow $ 6,000,000

Network Equipment Refreshment Project

1-8-05

ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
ITD Operations	709,391	110,614,687		111,324,078	252
K-12 Network	5,568,970	408,000		5,976,970	4
EduTech	7,252,679	757,561		8,010,240	31
Longitudinal Data System	2,466,325			2,466,325	2
Educational Technology Council	974,986			974,986	1.5
Center for Distance Education	1,229,232	5,118,685		6,347,917	35.7
GIS	714,678		75,000	789,678	1
CJIS	2,168,598	180,000	1,360,641	3,709,239	3
Total	21,084,859	117,078,933	1,435,641	139,599,433	330.2

F-T 09

ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
Total ITD	21,084,859	117,078,933	1,435,641	139,599,433	330.2
2007 – 09 Budget	11,659,411	112,948,365	1,785,160	126,392,936	307.2
Difference	+ 9,425,448	+ 4,130,568	- 349,519	+ 13,206,497	23
	$ 4,644,422 is one-time				

1-9-09

ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
ITD Operations	+ 152,187	+ 4,150,144		+ 4,302,331	- 5
K-12 Network	+ 2,154,998	- 244,547		+ 1,910,451	0
EduTech	+ 4,530,331	+ 757,561		+ 5,287,892	+ 31
Longitudinal Data System	+ 2,238,371			+ 2,238,371	+ 1
Educational Technology Council	+ 28,719			+ 28,719	0
Center for Distance Education	+ 297,911	- 532,617		- 234,679	- 4
GIS	- 83,471			- 83,471	0
CJIS	+ 296,402		- 349,519	- 53,117	0
Difference	+ 9,425,448	+ 4,130,568	- 349,519	+ 13,206,497	23

1-9-09

ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
Total ITD	21,084,859	117,078,933	1,435,641	139,599,433	330.2
2007 – 09 Budget	11,659,411	112,948,365	1,785,160	126,392,936	307.2
Difference	+ 9,425,448	+ 4,130,568	- 349,519	+ 13,206,497	23
	$ 4,644,422 is one-time				
2005 – 07 Biennium	9,972,837	98,934,390	500,000	109,407,227	269.2

3-11-09 to Govt Ops

Operations

		Expenditures as of Jan 31, 2009	2007-09 Appropriation	2009-11 Recommendation	Change from 07-09 Appropriation
Expenditures					
511000	Salaries - Permanent	19,878,078	28,236,153	30,844,336	2,608,183
512000	Salaries - Other	8,560	10,000	1,950,024	1,940,024
511900	Salary Budget Adjustment	0	0	77,232	77,232
513000	Temporary Salaries	205,456	218,800	41,600	(177,200)
514000	Overtime	695,240	604,920	838,800	233,880
516000	Fringe Benefits	6,168,650	8,743,712	10,392,790	1,649,078
510000	Salaries and Benefits	26,955,984	37,813,585	44,144,782	6,331,197
521000	Travel	420,290	772,000	772,000	0
531000	Supplies - IT Software	15,190,387	18,171,937	14,694,100	(3,477,837)
532000	Supply/Material-Professional	16,858	25,600	25,600	0
533000	Food and Clothing	23	38	0	(38)
536000	Office Supplies	57,619	100,000	100,000	0
541000	Postage	7,325	9,500	9,500	0
542000	Printing	34,022	45,000	45,000	0
551000	IT Equip under $5,000	1,421,356	1,970,976	1,777,350	(193,626)
552000	Other Equip under $5,000	92,836	227,000	227,000	0
553000	Office Equip & Furniture-Under	8,286	20,000	20,000	0
561000	Utilities	37,890	50,000	50,000	0
571000	Insurance	33,001	61,000	61,000	0
581000	Rentals/Leases-Equip & Other	784	2,530,400	8,001,000	5,470,600
582000	Rentals/Leases - Bldg/Land	1,117,362	1,908,374	2,020,000	111,626
591000	Repairs	958,437	1,470,000	1,470,000	0
601000	IT - Data Processing	109,161	140,500	140,500	0
602000	IT-Communications	4,070,880	5,310,000	5,310,000	0
603000	IT Contractual Services and Re	14,749,284	22,682,087	18,921,000	(3,761,087)
611000	Professional Development	609,013	1,170,500	1,166,500	(4,000)
621000	Operating Fees and Services	209,159	330,000	330,000	0
623000	Fees - Professional Services	56,084	68,000	68,000	0
520000	Operating Expenses	39,200,057	57,062,912	55,208,550	(1,854,362)
683000	Other Capital Payments	5,133,364	5,407,075	5,405,746	(1,329)
691000	Equipment Over $5000	407,421	1,096,175	235,000	(861,175)
693000	IT Equip / Software Over $5000	4,976,110	5,642,000	6,330,000	688,000
681000	Capital Assets	10,516,896	12,145,250	11,970,746	(174,504)
Total Expenditures		**76,672,937**	**107,021,747**	**111,324,078**	**4,302,331.00**
Expenditures by Source					
General Fund Expenditures		464,713	557,204	709,391	152,187
Federal Fund Expenditures		0	0	0	0
Special Fund Expenditures		76,208,224	106,464,543	110,614,687	4,150,144
Total Expenditures by Source		**76,672,936**	**107,021,747**	**111,324,078**	**4,302,331**

ITD Operations

Human Service Medicaid System

Currently 29 ITD Software Developers, System Administrators, Data Base Analyst and Project Managers are Working on Existing (old) and New Systems

Estimating 17 ITD Staff will be Needed to Maintain New System after Implementation and Knowledge Transfer is Complete

(System will be certified 1 year after implementation – est. July 2011)

3-11-09 to Gov ops

ITD Operations

Human Service Medicaid System

Human Service Funding Percentages for Implementation:

90% Federal Funds and 10% General Funds

Human Service Funding Percentages for Operations:

75% Federal Funds and 25% General Funds

3-11-09 to Govt Ops

15.1-02-18 Statewide longitudinal data system committee - Membership – Powers and duties.

1. The statewide longitudinal data system committee consists of:
   a. The chancellor of the board of higher education or chancellor's designee.
   b. The superintendent of public instruction or superintendent of public instruction's designee.
   c. The chief information officer or chief information officer's designee.
   d. The director of the department of career and technical education or the director's designee.
   e. The director of job service North Dakota or the director's designee.
   f. The commissioner of the department of commerce or the commissioner's designee.
   g. The director of the department of human services or the director's designee.
   h. The director of the North Dakota Educational Technology Council.
   i. The director of the North Dakota Council of Educational Leaders or the director's designee.
   ~~a.~~j. The director of the North Dakota Workforce Development Council or the director's designee.
   k. The executive director of the Education Standards and Practices Board or the executive director's designee.
   l. A representative appointed by the governor.

   The governor shall appoint the chair of the committee. The committee may appoint advisory committees that would serve in an advisory capacity to the committee.

2. The committee shall ~~plan and propose~~ manage a longitudinal data system which:
   a. Provides for dissemination of management information to stakeholders and partners of state education, training, and employment systems; and
   b. Uses data from educational and workforce systems as central sources of longitudinal data.
3. The information technology department, at the direction of the committee, shall maintain a statewide longitudinal data system among education, workforce, and training entities. The department and the committee may, subject to federal and state privacy laws, enter into interagency agreements, including agreements designating authorized representatives of the educational agencies participating in the system pursuant to the Family Educational Rights and Privacy Act (FERPA) (20 U.S.C. § 1232g; 34 CFR Part 99)

~~3.~~4. The committee shall set policy and adopt rules relating to access to and the collection, storage, and sharing of information and the systems necessary to perform those functions, subject to applicable federal and state privacy laws and interagency agreements and restrictions relating to confidential information required to conform to applicable federal and state privacy laws. The committee shall provide operational oversight for information sharing activities and make recommendations for and provide oversight of information sharing budgets. The committee may authorize studies to benefit and improve workforce training and education. ~~The committee shall recommend set policies, procedures, and guidelines to protect the privacy and security of personal information as provided by state and federal law.~~

5. The committee shall provide a report to the information technology committee, interim committee on education issues, and interim committee on economic development ~~prior to the sixty-first legislative assembly~~ on the status of the statewide longitudinal data system ~~plan~~. The report shall include recommendations for further development, cost proposals, proposals for legislation, and data sharing governance.~~, including recommendations concerning the long-term role and administration of the follow-up information in North Dakota for education and training program.~~
6. The committee may solicit and receive moneys from public and private sources and expend the moneys for the longitudinal data system.

~~4.~~7. The information technology department shall provide staff and other necessary support to the committee.

Longitudinal Data System

- Longitudinal Data System (LDS) committee has been meeting regularly throughout the 2007-09 biennium to prepare for the system
- Subcommittees include security/privacy, data governance, communications, FINDET, & technical
- Included in recommendations from the Governor's Commission on Education Improvement

- Entities represented: K-12 districts, DPI, Job Service, NDUS, Human Services, Health Dept., Career & Technical Ed, Commerce, Governor's Office, Workforce Development, ND Council of Educational Leaders, ND School Boards Assn., Education Technology Council

1-9-09

Longitudinal Data System

- A system that allows for tracking of subjects over time
- Will utilize recommendations received from Claraview Report
- Will pull data from other agency data marts, higher education data marts, and K-12 data marts
- Will build on and utilize the expertise gained from existing data warehouses in the K-12 community and Human Services
- Will utilize existing enterprise contracts for software and development tools

1-5-09

Longitudinal Data System

- The Claraview Report estimated the budget for the first two years at approximately $11 million

- We are estimating that we can build or acquire a system with basic functionality for only $2.2 million

1-9-09

2009-11 Budget Detail

95,000	K-12 Students
45,000	Higher Ed Students
140,000	Total Students

Viewpoint Software License Fee ($5.50 one-time)	$	770,000
Software Annual Maintenance (2 years @ $1.25/yr)	$	350,000
ITD Hosting Fee (2 years @ $2/yr)	$	560,000
Program Manager Position	$	167,464
Project Management for Implementation	$	78,036
Initial Report Development (400 hrs @ $75/hr)	$	30,000
Consulting	$	250,000
Total Estimated Budget	$	2,205,500

1- 9-09

ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
Longitudinal Data System	2,466,325			2,466,325	2

1-9-09

ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
Longitudinal Data System	2,466,325			2,466,325	2
2007 – 09 Budget	227,954			227,954	1
Difference	+ 2,238,371			+ 2,238,371	+ 1
2005 – 07 Biennium	0			0	0

2-25-09
to House approps

Longitudinal Data System

General Fund Authority

Application for Tracking Student Data

Approximately 140,000 (K-12 & Higher Ed) Students

$ 2,205,000

($ 2,038,036 one-time funding
for hardware, software and implementation)

1-9-09

Longitudinal Data System

Senate Changed

General Fund Authority

Application for Tracking Student Data

Approximately 140,000 (K-12 & Higher Ed) Students

$ 2,466,325 Includes 2 FTE

To

Special Fund Authority

2-25-09 to House Approps

Longitudinal Data System

Senate Changed

General Fund Authority

Application for Tracking Student Data

Approximately 140,000 (K-12 & Higher Ed) Students

$ 2,466,325 Includes 2 FTE

To

Special Fund Authority

Note: ITD will need General Funds Dollars as In-kind Match

3-11-09 To Govt Ops.

Prepared by the North Dakota Legislative Council staff for House Appropriations - Government Operations
March 2009

2009 FUNDING FOR A STATEWIDE LONGITUDINAL DATA SYSTEM

The schedule below is a listing of 2009 House and Senate bills under consideration which are intended to provide funding for a statewide longitudinal data system:

Bill No.	Agency	2009-11 Legislative Appropriations as of Crossover		
		General Fund	Federal Funds	Total
HB 1013	Department of Public Instruction		$9,000,000	$9,000,000
SB 2021	Information Technology Department		2,466,325	2,466,325
Total			$11,466,325	$11,466,325

Longitudinal Data Sys-Line71

		Expenditures as of Jan 31, 2009	2007-09 Appropriation	2009-11 Recommendation	Change from 07-09 Appropriation
Expenditures					
511000	Salaries - Permanent	90,641	100,000	295,288	195,288
512000	Salaries - Other	0	0	0	0
511900	Salary Budget Adjustment	0	0	0	0
513000	Temporary Salaries	0	0	0	0
514000	Overtime	0	0	0	0
516000	Fringe Benefits	25,422	30,000	90,433	60,433
510000	Salaries and Benefits	116,064	130,000	385,721	255,721
521000	Travel	1,493	3,000	3,000	0
531000	Supplies - IT Software	0	0	1,120,000	1,120,000
532000	Supply/Material-Professional	225	500	500	0
533000	Food and Clothing	0	0	0	0
536000	Office Supplies	0	0	0	0
541000	Postage	10	0	0	0
542000	Printing	0	0	0	0
551000	IT Equip under $5,000	30	0	0	0
552000	Other Equip under $5,000	0	0	0	0
553000	Office Equip & Furniture-Under	0	0	0	0
561000	Utilities	0	0	0	0
571000	Insurance	0	0	0	0
581000	Rentals/Leases-Equip & Other	0	0	0	0
582000	Rentals/Leases - Bldg/Land	0	0	0	0
591000	Repairs	0	0	0	0
601000	IT - Data Processing	18,013	22,000	690,036	668,036
602000	IT-Communications	51	0	0	0
603000	IT Contractual Services and Re	60,040	72,454	267,068	194,614
611000	Professional Development	2,174	0	0	0
621000	Operating Fees and Services	0	0	0	0
623000	Fees - Professional Services	0	0	0	0
520000	Operating Expenses	82,037	97,954	2,080,604	1,982,650
683000	Other Capital Payments	0	0	0	0
691000	Equipment Over $5000	0	0	0	0
693000	IT Equip / Software Over $5000	0	0	0	0
681000	Capital Assets	0	0	0	0
Total Expenditures		**198,101**	**227,954**	**2,466,325**	**2,238,371.00**
Expenditures by Source					
General Fund Expenditures		198,101	227,954	2,466,325	2,238,371
Federal Fund Expenditures		0	0	0	0
Special Fund Expenditures		0	0	0	0
Total Expenditures by Source		**198,101**	**227,954**	**2,466,325**	**2,238,371**

NORTH DAKOTA
EDUCATIONAL TECHNOLOGY COUNCIL

North Dakota Senate Appropriations Committee Testimony
January 9, 2009

Senator Holmberg and members of the Senate Appropriations Committee, I am Dan Pullen, director of the North Dakota Educational Technology Council.

The mission of the North Dakota Educational Technology Council is to develop technology systems and coordinate their use to enhance and support educational opportunities for elementary and secondary education as cited in NDCC 54-59. The Educational Technology Council also serves as the governing board for the ND Center for Distance Education and EduTech (see page 4).

Jon Skaare, the director of the ND Center for Distance Education and Jody French, the director of EduTech, are both here today to provide testimony related to the services they provide and their 2009-2011 budget requests.

The work of the ND ETC is summarized in the Council's five Results Policies:

1. *North Dakota educational technology systems will continuously improve educational opportunities for students.*
2. *Technology systems to enhance educational opportunities will be more efficient, effective and coordinated on a statewide basis.*
3. *Distance education systems will be in place to deliver a comprehensive curriculum to North Dakota students.*
4. *Professional development relating to the use of educational technology will be available to school administrators and teachers to meet changing education needs.*
5. *Policies and practices to sustain the integrity, stability and security of the educational technology systems will be promoted and maintained.*

As the director of the ND ETC, I work closely with the directors of EduTech and ND CDE in order to accomplish the work of the Council. In addition, I work cooperatively with the ND DPI, ND ITD, NDUS, and others on an ongoing basis to ensure that K-12 educational technology efforts are effective and efficient. We have an outstanding record in North Dakota of working together across agencies to serve K-12 students, teachers and administrators.

2007-2009 Appropriation – ND ETC

The ND ETC 2007-09 base budget appropriation is $946,267 from the general fund. In addition, a supplementary appropriation of $190,000 was added to the ND ETC budget for video grants to schools. ND ETC spending for 2007-2009 is projected to be as budgeted.

Salaries and wages	$289,388
Operating expenses	$52,129
Classroom Transformation Grants to Schools	$383,750
Atomic Learning Statewide License for all Schools	$221,000
Video Grants to Schools	$190,000
Total	**$1,136,267**

2007-2009 Major Accomplishments – ND ETC

- ND ETC awarded *Classroom Transformation Grants* ($383,750) to 22 schools for new classroom technologies including one-to-one hand-held devices, specialized music hardware and software and interactive white boards (see page 4). Fifty-six applications were received. These grants required a 50% local match from the districts.
- ND ETC awarded grants to North Dakota high schools for new and upgraded video classrooms as well as supported the purchase of statewide IP video recording capability for schools ($190,000). The video grants to schools required a 60% local match.
- ND ETC made *Atomic Learning* training videos available to all schools statewide ($221,000). After four years of state funding, the use of Atomic Learning has not met our goals (cost-effectiveness when compared to individual school purchases). The statewide contract will not be renewed for 2009-11, nor will funding be requested. Schools can purchase district licenses for Atomic Learning at a discounted price. For the coming year, 20 schools have done so.
- ND ETC administered a teacher technology grant program made available through the Qwest Foundation in 2007 and 2008. $2,500 grants were awarded to ten teachers each year.
- ND ETC continued to facilitate the implementation of ViewPoint data warehouses in schools that choose to develop their own data warehouse and analysis capabilities. As ETC Director, I also chair the ongoing Viewpoint Users Group meetings.
- As ND ETC Director, I organized and chair the statewide PowerSchool Steering Committee, which meets to ensure cross-agency communication and data compatibility as PowerSchool is implemented in more schools and potentially in all schools statewide.
- As ND ETC Director, I serve on two subcommittees of the State Longitudinal Data System Committee: the K12 Educational Data and Communications subcommittees.

2009-2011 Budget Request – ND ETC

The ND ETC is requesting an appropriation of $974,986 for 2009-2011. This is the same as the current biennium but includes the governor's recommended increase in employee compensation.

Salaries and wages	$328,567
Operating expenses	$41,669
Classroom Transformation Grants to Schools (18-22)	$349,000
Video Support Grants to schools (15-25)	$255,750
Total	**$974,986**

2009-2011 Budget Narrative – ND ETC

The proposed 2009-11 ND ETC budget request continues the work of the Council including another round of the ETC Classroom Transformation Grants and additional ETC Video Support Grants.

Classroom Transformation Grants - $349,000 (18 - 22 grants of up to $20,000 each)

This is a continuation of the successful grant program begun in 2005. Grants will be awarded to schools for implementation of technology-rich teaching/learning environments that will result in positive impacts on student achievement. These grants are intended as an incentive to districts that have planned to implement major educational technology improvements that cannot be fully funded with available local resources. The grants require a 50% local match and will be awarded competitively to those districts that have not previously received an ETC Classroom Transformation Grant.

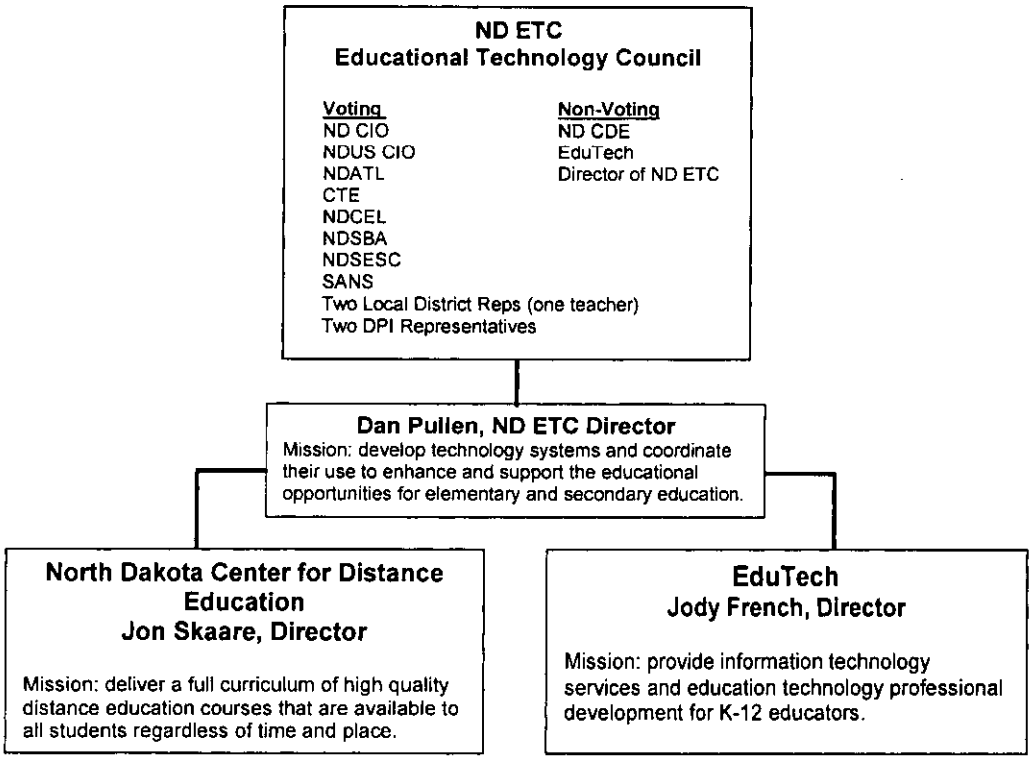
Video Support Grants to Schools - 255,750 (15 - 25 grants of $10,000 to $15,000 each)

For over 20 years video classrooms have been in use in North Dakota high schools for sharing teachers and classes in math, science, foreign languages, career/technical education and dual credit courses. With declining student numbers, difficulty in filling teaching positions and increasing graduation requirements, video classrooms are an effective way for schools to provide a full curriculum to their students. These video grants require a 60% local match and will be awarded to schools on a competitive basis for new video classrooms or for improving and updating existing classrooms.

Senator Holmberg and Members of the Committee, I thank you for the opportunity to discuss the work of the ND Educational Technology Council. Because of the work of the ND ETC, educational technology systems are effectively and efficiently implemented and coordinated at the state level to enhance and support educational opportunities for elementary and secondary students.

I welcome your questions.

ND ETC Organization Chart



ND ETC Classroom Transformation Grants – 2007- 09

Bismarck, Horizon Middle	4 ActivBoards and related hardware/software in math classrooms.
Bismarck, Solheim Elem.	8 ActivBoards or digital projectors and related hardware and software in grades 3-6. Projectors and document cameras in grades K-2 and special education classroom.
Center-Stanton Elem.	14 ActivBoards with ActivSlates and ActiVotes installed for differentiated instruction.
Dakota Prairie Jr./Sr. High	12 ActivBoards and related hardware/software in all Jr. and Sr. high classrooms.
Divide County Elem.	10 ActivBoards and related hardware/software installed in elementary classrooms.
Drayton Schools	7 SmartBoards in 4 elementary classrooms, the HS math classroom and two computer labs.
Glen Ullin Elem.	ActivBoard, ActivSlates /ActiVotes sets installed in 8 elementary classrooms.
Grand Forks – ESL Prog.	60 English Language Learners in K-8 – iPods forEnglish language acquisition and mastery.
Griggs County Elem.	5 data projectors and two ActivBoards are installed in elementary classrooms.
Harvey Schools	10 ActivBoards are mounted in classrooms throughout the school district.
Hillsboro Schools	9 ActivBoards, ActivSlate sets and data projectors in the math classrooms, grades 3 to 12.
Jamestown Middle School	9 music workstations; midi keyboard, music software, speakers, headphones and microphones, installed throughout the music department.
Lisbon High School	4 ActivBoards, ActiVotes/ActivSlate sets and data projectors in the math & science classrooms.
Maple Valley Schools	3 SmartBoards are purchased for each of the three Maple Valley Schools.
Minot-Washington Elem.	Senteo response systems are placed in each classroom to accompany the SmartBoards.
Mohall-Lans.-Sherw. Elem.	11 SmartBoards in elementary classrooms.
Page Elem.	8 ActivBoards and 3 sets of ActiVotes have been installed in elementary classrooms.
Pingree-Buchanan Schools	3 ActivBoards, ActivSlate/ActiVote in grades 3-6. 7 ActivBoards, ActivSlate/ActiVote in the high school math, science and English classrooms.
TGU Schools	31 data projectors in all classrooms throughout the district.
Valley Elem in Crystal	8 SmartBoards, Senteo response systems and Slates in elementary classrooms.
Velva	10 SmartBoards, data projectors and MacBooks in elementary classrooms. 7 document cameras to share among the classrooms.
Williston High School	30 computers for students in the American Pageant, a combined English and history class.

NORTH DAKOTA
EDUCATIONAL TECHNOLOGY COUNCIL

North Dakota House Appropriations Committee Testimony
February 25, 2009

Representative Svedjan and Members of the House Appropriations Committee, I am Dan Pullen, director of the North Dakota Educational Technology Council.

The mission of the North Dakota Educational Technology Council is to develop technology systems and coordinate their use to enhance and support educational opportunities for elementary and secondary education as cited in NDCC 54-59. The Educational Technology Council also serves as the governing board for the ND Center for Distance Education and for EduTech (see page 4).

The work of the ND ETC is summarized in the Council's five Results Policies:

1. *North Dakota educational technology systems will continuously improve educational opportunities for students.*
2. *Technology systems to enhance educational opportunities will be more efficient, effective and coordinated on a statewide basis.*
3. *Distance education systems will be in place to deliver a comprehensive curriculum to North Dakota students.*
4. *Professional development relating to the use of educational technology will be available to school administrators and teachers to meet changing education needs.*
5. *Policies and practices to sustain the integrity, stability and security of the educational technology systems will be promoted and maintained.*

As the director of the ND ETC, I work closely with the directors of EduTech and ND CDE to accomplish the work of the Council. I also work cooperatively with ND DPI, ND ITD, NDUS, and others on an ongoing basis to ensure that K-12 educational technology efforts are effective and efficient.

ND ETC Budgets 2005 – 2011

ND ETC Revenues and Expenditures	2005-2007	2007-2009	2009-2011
General Funds Revenue: Ongoing	$886,597	$946,267	$974,986
General Funds Revenue: One-Time	$0	$190,000	$0
General Funds Expenditures	886,597	$1,136,267	

2007-2009 Appropriation – ND ETC

The ND ETC 2007-09 base budget appropriation is $946,267 from the general fund. In addition, a supplementary appropriation of $190,000 was added to the ND ETC budget for video grants to schools. ND ETC spending for 2007-2009 is projected to be as budgeted.

Salaries and wages	$289,388
Operating expenses	$52,129
Classroom Transformation Grants to Schools	$383,750
Atomic Learning Statewide License for all Schools	$221,000
Video Grants to Schools	$190,000
Total	**$1,136,267**

2007-2009 Major Accomplishments – ND ETC

- ND ETC awarded *Classroom Transformation Grants* ($383,750) to 22 schools for new classroom technologies including one-to-one hand-held devices, specialized music hardware and software and interactive white boards (see page 4). Fifty-six applications were received. These grants required a 50% local match from the districts.
- ND ETC awarded grants to North Dakota high schools for new and upgraded video classrooms as well as supported the purchase of statewide IP video recording capability for schools ($190,000). The video grants to schools required a 60% local match.
- ND ETC made *Atomic Learning* training videos available to all schools statewide ($221,000). After four years of state funding, the use of Atomic Learning has not met our goals (cost-effectiveness when compared to individual school purchases). The statewide contract will not be renewed for 2009-11, nor will funding be requested. Schools can purchase district licenses for Atomic Learning at a discounted price. For the coming year, 20 schools have done so.
- ND ETC administered a teacher technology grant program made available through the Qwest Foundation in 2007 and 2008. $2,500 grants were awarded to ten teachers each year.
- ND ETC continued to facilitate the implementation of ViewPoint data warehouses in schools that choose to develop their own data warehouse and analysis capabilities. As ETC Director, I also chair the ongoing Viewpoint Users Group meetings.
- As ND ETC Director, I organized and chair the statewide PowerSchool Steering Committee, which meets to ensure cross-agency communication and data compatibility as PowerSchool is implemented in more schools and potentially in all schools statewide.
- As ND ETC Director, I serve on two subcommittees of the State Longitudinal Data System Committee: the K12 Educational Data and Communications subcommittees.

NORTH DAKOTA
EDUCATIONAL TECHNOLOGY COUNCIL

North Dakota House Appropriations Government Operations Committee
March 11, 2009

Representative Delzer and members of the Committee, my name is Dan Pullen. I serve as the director of the ND Educational Technology Council. The ND ETC is the governing board for EduTech. I wish to provide additional information related to one of the services provided to North Dakota schools by EduTech. That service is PowerSchool.

PowerSchool is a student information system designed specifically for K-12 schools. It has several features including state reporting, scheduling, grade book, attendance, meal tracking, and parental access. Parents access their child's grades and attendance, school announcements, assignments, schedules, class registration, and teacher comments. Teachers use PowerSchool to take attendance, enter grades, post assignments, view assessment information, and communicate with parents and students. Administrators use PowerSchool to generate reports including transcripts, discipline logs, class population, demographics, grade point averages, assessment reports, and required state and federal reports. PowerSchool is a key operations tool used by students, teachers, administrators and parents every day – all day.

As Elinor Meckle, elementary principle at Lisbon said,

> *"We print all of our progress reports and report cards out of Power School. We also do all of our attendance and lunch count through this. All of the student and teacher demographic information is recorded in Power School. Our school membership for STARS (DPI reporting system) is also downloaded out of Power School. This is also the vehicle we use for parent contact as far as student grades and assignments. We are accessing information throughout the entire day with Power School."*

By September 2009, 83% of all North Dakota public K12 students will be in schools that use PowerSchool. As DPI further develops STARS, its data reporting system, and other longitudinal data systems, we are planning for PowerSchool to be able to directly provide the required student and school data to those systems. In order to provide consistent data systems for the needs of all schools, we have proposed that PowerSchool be available to all schools. The Governor's Commission on Education Improvement has also endorsed PowerSchool as the appropriate approach to consistent data systems for all schools.

As we indicated in other testimony, EduTech staff provides start-up assistance to schools as they adopt PowerSchool. This is important to ensuring that all schools implement PowerSchool in a consistent way so that all data elements needed for reporting can easily and efficiently be collected and reported to DPI and others. EduTech staff also provides ongoing support for schools, training and customized services, to enable schools to make full use of Powerschool.

Jason Gullickson, elementary principal in Rugby said,

> *"We use (PowerSchool) for attendance, grades, discipline, tracking student and parent login data, etc. These are just a few. We then utilize the data within our school improvement processes. EduTech has been great to work with. I rely on their expertise in both formalized training opportunities and when I make a quick call for 'emergency' assistance."*

Hy Schlieve, the superintendent at Drayton said,

> *"I think those of us who have not been on PowerSchool but have recently begun to implement it are finding definite advantages over our prior student DB (database) and believe we will see more when we need to do our end of the year reports. I do not believe it is a small school - large school issue, but if it is, I believe it is more important for the small school because we do not have the human capital that larger schools have."*

Craig Nansen, the technology coordinator in Minot said.

> *"We have been going through the conversion to PowerSchool since December of this school year and everything is going according to plan, on schedule, and much more smoothly due to EduTech's support. If we didn't have centralized support through EduTech, every school would have to be re-inventing their training and support. More and more, due to No Child Left Behind, state reporting through STARS, data warehouse initiatives such as ViewPoint, school improvement plans and initiatives such as Professional Learning Communities, we are depending on instant, reliable access to data. PowerSchool is the backbone of this data ... It is imperative that all schools in North Dakota use the same student information system for state reporting to DPI, for tracking and transferring student information as they move from one district to another, for training purposes ... so every district is doing it the same way."*

Darin King, the technology coordinator at Grand Forks added,

> *"If you are going to have an effective data collection process, the producers of the data must have a user friendly system at their disposal that promotes accurate, timely data entry. The data gathered by (PowerSchool) is both operational and longitudinal in nature. Operational data is the data needed to effectively and efficiently operate a school on a day to day basis... If the goal is for the state (STARS and LDS) to have accurate, actionable data, there needs to be a statewide data management tool for schools. Period."*

Chairman, Delzer and members of the Committee, we believe we have done a good job of planning and implementing PowerSchool as a school data system that meets the need for schools' daily operation as well as the need for accountability to parents, community, and to state and federal stakeholders. If you have further questions about PowerSchool, please contact me or Jody French, the director of EduTech.

There are others here today to provide additional information related to PowerSchool and how it fits into the local and state K12 educational enterprise.

2009-2011 Budget Request – ND ETC

The ND ETC is requesting an appropriation of $974,986 for 2009-2011. This is the same as the current biennium but includes the governor's recommended increase in employee compensation.

Salaries and wages	$328,567
Operating expenses	$41,669
Classroom Transformation Grants to Schools (18-22)	$349,000
Video Support Grants to schools (15-25)	$255,750
Total	**$974,986**

2009-2011 Budget Narrative – ND ETC

The proposed 2009-11 ND ETC budget request continues the work of the Council including another round of the ETC Classroom Transformation Grants and additional ETC Video Support Grants.

Classroom Transformation Grants - $349,000 (18 - 22 grants of up to $20,000 each)

This is a continuation of the successful grant program begun in 2005. Grants will be awarded to schools for implementation of technology-rich teaching/learning environments that will result in positive impacts on student achievement. These grants are intended as an incentive to districts that have planned to implement major educational technology improvements that cannot be fully funded with available local resources. The grants require a 50% local match and will be awarded competitively to those districts that have not previously received an ETC Classroom Transformation Grant.

Video Support Grants to Schools - 255,750 (15 - 25 grants of $10,000 to $15,000 each)

For over 20 years video classrooms have been in use in North Dakota high schools for sharing teachers and classes in math, science, foreign languages, career/technical education and dual credit courses. With declining student numbers, difficulty in filling teaching positions and increasing graduation requirements, video classrooms are an effective way for schools to provide a full curriculum to their students. These video grants require a 60% local match and will be awarded to schools on a competitive basis for new video classrooms or for improving and updating existing classrooms.

Representative Svedjan and Members of the Committee, I thank you for the opportunity to discuss the work of the ND Educational Technology Council – coordinating technology systems to enhance and support educational opportunities for elementary and secondary students.

I welcome your questions.

Dan Pullen, ND ETC Director
DanPullen@ND.Gov
701.231.6032

Regional Information Technology Specialists

www.edutech.nodak.edu/contact

Six information technology specialists, with offices across the state, are prepared to share information on technology and curriculum development, provide training, and serve as ongoing resources. Check out their region Weblogs on the back page.

Software Discount Program

www.edutech.nodak.edu/services/spa

EduTech has contracted with a number of vendors to provide discounted software to North Dakota K-12 schools. Faculty, staff and students may also purchase popular Microsoft products at discounted prices.

Virus Protection

www.edutech.nodak.edu/services/antivirus

EduTech has made licenses for Symantec AntiVirus Corporate Edition (SAVCE) and Symantec Client Security (SCS) available to all K-12 schools in North Dakota. The virus protection program provides up-to-date computer virus protection and/or desktop security to machines and file servers.

Application Services

Blackboard

www.edutech.nodak.edu/services/blackboard

EduTech, in cooperation with NDSU, offers access to Blackboard, a web-based course-building and online learning environment. This software enables instructors to present course content, instructional materials and assessments to their students on the Web.

EduMail

www.edutech.nodak.edu/support/mail/edumail

EduTech provides North Dakota member schools with free e-mail accounts for students, teachers and other school personnel. All e-mail accounts are stored on EduTech's mail servers and are protected by anti-virus and anti-spam tools. EduTech's anti-virus and anti-spam scanning tools are also available to schools that use their own e-mail servers.

E-mail Lists

www.edutech.nodak.edu/services/listserv

EduTech, as a partner of the North Dakota University System (NDUS), offers access to Listserv e-mail list software that creates a very flexible environment to efficiently communicate with large numbers of people.

PowerSchool

www.edutech.nodak.edu/powerschool

EduTech's team of information technology specialists will assist your school district in PowerSchool deployment, training and support. PowerSchool, the leading Web-based K-12 student information system, includes scheduling, gradebook, attendance, parent access, meal tracking, and state reporting features. Parents, students, teachers and administrators can use the system to share information about grades, attendance records and homework assignments in real-time.

Web Hosting and EduWeb

www.edutech.nodak.edu/services/web_hosting

EduTech provides Web hosting services to K-12 schools and educational organizations in North Dakota that don't have the resources to manage and secure their own Web server. EduWeb is EduTech's next generation of Web hosting. Using EduWeb, the ability to put information onto your school's Web site is put into the hands of the students and teachers with that information! Teachers can update their own pages, students can update activities—no knowledge of HTML is necessary!

Customer Costs for EduTech Services

Centralized, core IT services such as e-mail, helpdesk support, virus protection, internet filtering and web hosting are offered at no cost to schools. By leveraging licensing costs, hardware and staff resources, EduTech can provide statewide services at a fraction of what the individual school costs would be to provide the service on their own.

For example,

- EduTech provides Symantec Endpoint Protection (virus protection) and prior versions of Symantec to 40,000 school computers. The integrated suite of applications provides firewall, intrusion prevention and antivirus components. EduTech manages security on Symantec Endpoint Protection installed computers removing the need for a management server to be installed and maintained at each school. This results in a cost savings of $600,000 each year.
- Internet filtering service is provided to all schools on STAGEnet bringing them in compliance with the Children's Internet Protection Act (CIPA). Providing this service on a statewide basis saves $650,000 per year compared to individual school licenses and local support and maintenance.

EduTech charges schools fees for professional development, technology assessment services and customized services such as INSTEP. Typical professional development costs are $45/hour/educator. These nominal costs cover the costs of materials, development and travel for the EduTech trainer.

Expenses for EduTech Services

EduTech is a service organization with the majority of funds targeted for salaries, benefits, travel and communication costs. These dollars allow EduTech staff to work on-site or via telecommunications with school administrators and teachers to offer implementation, training and support services to use technology effectively in their school district.

After staffing costs, licensing is EduTech's largest expense. Virus protection software licenses are negotiated every two years. Typically, the number of school computers increases during this time. The cost of anti-virus software for March 2008-2010 was $280,000. Internet filtering licenses are due every three years at a cost of $120,000. Blackboard is licensed under NDSU at a cost of $18,000 each year. These costs do not include hardware and staff costs to maintain and support them. EduTech also covers licensing costs for all of their servers, help desk management software and staff desktops.

Equipment is the next largest expense. EduTech hosts twenty-five servers for the centralized IT services they provide as well desktop or laptop computers for each employee that are refreshed every three years.

Final expenses for EduTech include day to day office costs such as rent at our Valley City and Fargo locations, printing, instructional resources and office supplies.

ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
Educational Technology Council	974,986			974,986	1.5

1-9-09 Senate Approps

ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
Educational Technology Council	974,986			974,986	1.5
2007 – 09 Budget	946,267			946,267	1.5
Difference	+ 28,719			+ 28,719	0

1-9-09

ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
Educational Technology Council	974,986			974,986	1.5
2007 – 09 Budget	946,267			946,267	1.5
Difference	+ 28,719			+ 28,719	0
2005 – 07 Biennium	886,597			886,597	1.5

2-25-09 to House Approps

Education Tech Council-Line72

		Expenditures as of Jan 31, 2009	2007-09 Appropriation	2009-11 Recommendation	Change from 07-09 Appropriation
Expenditures					
511000	Salaries - Permanent	177,233	220,826	247,341	26,515
512000	Salaries - Other	0	0	0	0
511900	Salary Budget Adjustment	0	0	0	0
513000	Temporary Salaries	0	0	0	0
514000	Overtime	0	0	0	0
516000	Fringe Benefits	54,955	68,869	81,226	12,357
510000	Salaries and Benefits	232,187	289,695	328,567	38,872
521000	Travel	16,037	27,614	25,000	(2,614)
531000	Supplies - IT Software	192,843	221,200	0	(221,200)
532000	Supply/Material-Professional	0	69	69	0
533000	Food and Clothing	0	0	0	0
536000	Office Supplies	63	150	150	0
541000	Postage	336	3,000	1,000	(2,000)
542000	Printing	76	200	200	0
551000	IT Equip under $5,000	1,497	2,000	2,000	0
552000	Other Equip under $5,000	0	0	0	0
553000	Office Equip & Furniture-Under	70	150	150	0
561000	Utilities	0	0	0	0
571000	Insurance	0	0	0	0
581000	Rentals/Leases-Equip & Other	0	0	0	0
582000	Rentals/Leases - Bldg/Land	894	3,200	3,000	(200)
591000	Repairs	0	100	100	0
601000	IT - Data Processing	0	0	0	0
602000	IT-Communications	1,579	3,189	3,000	(189)
603000	IT Contractual Services and Re	324	1,000	1,000	0
611000	Professional Development	5,350	4,000	4,000	0
621000	Operating Fees and Services	652	500	500	0
623000	Fees - Professional Services	1,000	1,200	1,500	300
520000	Operating Expenses	220,721	267,572	41,669	(225,903)
712000	Grants	470,869	579,000	604,750	25,750
Total Expenditures		**923,778**	**1,136,267**	**974,986**	**(161,281)**
Expenditures by Source					
General Fund Expenditures		923,778	1,136,267	974,986	(161,281)
Federal Fund Expenditures		0	0	0	0
Special Fund Expenditures		0	0	0	0
Total Expenditures by Source		**923,778**	**1,136,267**	**974,986**	**(161,281)**

2

EduTech
Education Technology Services

Senate Appropriations Committee
January 9, 2009

Senator Holmberg and members of the Senate Appropriations Committee, my name is Jody French, and I serve as director of EduTech.

EduTech provides information technology services and professional development to North Dakota's K-12 schools. Our mission is to provide educators and students with opportunities that extend learning in the classroom and beyond, focusing on the use of technology to improve student achievement.

EduTech uses a regional model to provide support services to schools by housing staff in school/campus locations across North Dakota. Staff members are located in Bismarck, Devils Lake, Killdeer, Elgin, Valley City, Grand Forks and Fargo.

EduTech is currently hosted by North Dakota State University Information Technology Services, which provides housing for EduTech's main office and server infrastructure, payroll/human resources services and Information Technology (IT) leadership.

All North Dakota public schools use EduTech services at some level. EduTech provides statewide access to anti-virus software, Internet filtering, e-mail and other core IT services for staff and students.

2007-2009 Appropriation

EduTech's current appropriation is $2,722,348. Salary, operating and equipment expenditures are expected to be as projected.

2007-2009 Accomplishments

STAGEnet provides schools with greater opportunities for use of Internet resources, distance education, and large scale applications such as PowerSchool. These opportunities increased schools' need for professional development and other support services EduTech provides. The following describes EduTech's services and usage on an annual basis:

Professional Development

EduTech offers educators training in computer fundamentals, Internet safety, and classroom product creation. The Instructional Technology Partnership Program (INSTEP) provides teachers and administrators the opportunity to work one-on-one with an EduTech trainer to integrate technology in the curriculum with the goal of improving student learning. Professional development sessions are available face-to-face or via videoconference with most available for graduate credit. At least 400 training sessions are held each year. Sessions are typically 4 hour sessions held after school or on school inservice days.

Regional Leadership

Six information technology specialists, with offices across the state, share information on technology and curriculum development, provide training and serve as ongoing resources for schools across the state.

IT Services

Internet filtering service is provided to all schools on STAGEnet bringing them in compliance with the Children's Internet Protection Act (CIPA).

E-mail (with spam and virus filtering), Web hosting and Blackboard are available to all North Dakota schools. EduTech hosts over 53,000 e-mail accounts and delivers an average of 485,000 e-mail messages each day and blocks (due to spam and viruses) an average of 420,000 e-mail messages each day. EduTech hosts 5,100 Blackboard accounts and 330 school and K-12 related websites.

EduTech provides Symantec Endpoint Protection (SEP) and prior versions of Symantec to 40,000 school computers. The integrated suite of applications provides firewall, intrusion prevention and antivirus components. EduTech manages security on SEP installed computers removing the need for a management server to be installed and maintained at each school.

Help Desk Support

The help desk assists educators with technology questions and provides support for EduTech services, such as e-mail, web hosting, PowerSchool and Blackboard. The help desk supports more than 100 requests per day by e-mail and telephone.

PowerSchool:

EduTech supports school districts in the deployment and daily use of PowerSchool, a Web-based K-12 student information system. Services include setup, basic and advanced training, helpdesk support, user group meetings and onsite consulting. One hundred school districts have implemented PowerSchool with a total of 54,637 students. EduTech holds at least 100 advanced training sessions per year and an annual PowerSchool user group meeting.

In collaboration with ITD, EduTech requests to offer PowerSchool to all public schools. Having a single student information system for all schools has several technical and organizational advantages as the Department of Public Instruction and other state agencies move toward a more robust system of data collection, reporting and analysis. The EduTech staff that works with schools on PowerSchool implementation, training and support will be critical in collecting, preparing and loading school-based data into the planned DPI and statewide data warehouses. If funded, fifty-four schools would scheduled for implementation from July 1, 2009 to May 1, 2012. The majority of these schools are small with high support needs.

Special Projects:

EduTech offers a number of statewide special projects that involve instructional technology such as piloting a blogging/podcasting service with 12 ND schools and the offering of a global professional development experience, titled Jazzing up your Curriculum with Videoconferencing, for video instructors. EduTech will expand the blogging/podcasting service to all public schools in Winter 2009 and will offer Jazzing up your Curriculum to all instructors on an annual basis.

Technology Assessment:

EduTech works under a contract with DPI to offer assessment services for schools who receive Title II, D grant funds. Due to decreases in federal funding, this service has been greatly reduced in the past several years.

Statewide Licensed software tools:

EduTech provides training and support for the statewide deployment of Atomic Learning, an online tutorial service, and until recently, Technology Solutions that Work (TSW), a database of comprehensive analysis of what research says works and doesn't work with technology in schools.

E-rate:

EduTech provides E-rate program leadership, training and support for K-12 schools. At least

eight E-rate workshops are held per year and more than 100 phone calls are supported. The E-rate program provides discounts for eligible telecommunications services (telephone, long distance, cellular and transport services), STAGEnet Internet service, and internal connections (switches, servers, wired and wireless connections).

NDATL:

EduTech supports the North Dakota Association of Technology Leaders (NDATL), in cooperation with DPI, by providing Web space, training, video meetings and travel reimbursements for NDATL members. Nearly two hundred NDATL members participate in these activities. Due to decreases in federal funding, travel reimbursements were not distributed in 08-09.

Internet2 & Video Projects:

EduTech provides leadership and training for curriculum enrichment to North Dakota schools using videoconferencing and other technology applications that allow classrooms access to content from around the globe. EduTech collaborates with ITD to facilitate and provide technical support for Internet2 and videoconference curriculum applications. The NDUS and EduTech co-sponsor many events bridging ND students across time zones and borders to their peers around the world.

Over 50 classrooms participated in events each year. Examples of events include:

Content Providers: Videoconference events between K12 schools and content providers at state and national levels such as the State Historical Society of North Dakota/Heritage Center, the Knife River Indian Village Historic site, the Center of Science and Industry and FBLA students videoconferencing with Senator Dorgan.

Collaborative Events: Point to point and multipoint videoconference events connecting classrooms for specific curriculum-based activities such as Read Around the Planet, Megaconfernce/Megaconference Jr. and cultural exchanges with Australia and Ireland.

K-12 and Higher Ed Connections: Advanced Technologies/Content Experts: Point to point videoconference events connecting K12 students to content experts, research and advanced technologies available on campuses in North Dakota such as the ND Ag grant on biofuels and Emergency Preparedness: Northwood, ND and Greensburg, Kansas.

Discounts:

EduTech provides statewide discounts on software, hardware, and other technology-related products. EduTech manages around 10 special purchasing agreements with major vendors such as Microsoft, Adobe and Discovery Streaming.

2009-2011 Budget Request

EduTech requests the same appropriation as in 2007-09 ($2,722,348) to deliver core services and an additional $4,530,331 to allow EduTech and ITD to deliver PowerSchool services to all schools.

General funds	$7,252,679
Special funds	$ 757,561
Total	$8,010,240

Variances

EduTech has been under NDSU since 1990 and has several long-term employees. EduTech requests their staff members transfer and become ITD employees rather than NDSU employees under Grants & Contracts. Employees funded under Grants & Contracts do not receive the Governor's salary package when the budget is created. Becoming ITD employees will allow EduTech to strengthen our on-going and future collaborations with ITD, particularly the PowerSchool expansion, and to receive the necessary funding to meet on-going staffing costs. NDSU has agreed to continue to host staff who reside in the Fargo office as well as EduTech servers and other equipment.

My contact information is: Jody French, EduTech Director
jody.french@sendit.nodak.edu
701.231.7208

Thank you.

EduTech
Education Technology Services

ND House Appropriations Committee
February 25, 2009

Representative Svedjan and members of the House Appropriations Committee, my name is Jody French, and I serve as director of EduTech.

EduTech provides information technology services and professional development to North Dakota's K-12 schools. Our mission is to provide educators and students with opportunities that extend learning in the classroom and beyond, focusing on the use of technology to improve student achievement.

EduTech uses a regional model to provide support services to schools by housing staff in school/campus locations across North Dakota. Staff members are located in Bismarck, Devils Lake, Killdeer, Elgin, Valley City, Grand Forks and Fargo.

EduTech is currently hosted by North Dakota State University Information Technology Services, which provides housing for EduTech's main office and server infrastructure, payroll/human resources services and Information Technology (IT) leadership.

All North Dakota public schools use EduTech services at some level. EduTech provides statewide access to anti-virus software, Internet filtering, e-mail and other core IT services for staff and students.

2005-2007 Appropriation

EduTech's 2005-2007 appropriation was $2,652,348. 2005-2007 expenditures were $2,652,348.

2007-2009 Appropriation

EduTech's current appropriation is $2,722,348. Salary, operating, equipment, and other expenditures are expected to be as projected.

2007-2009 Accomplishments

STAGEnet provides schools with greater opportunities for use of Internet resources, distance education, and large scale applications such as PowerSchool. These opportunities increase schools' needs for professional development and other support services EduTech provides. The following describes EduTech's services and usage on an annual basis:

Professional Development

EduTech offers educators training in computer fundamentals, Internet safety, and classroom product creation. The Instructional Technology Partnership Program (INSTEP) provides teachers and administrators the opportunity to work one-on-one with an EduTech trainer to integrate technology in the curriculum with the goal of improving student learning. Professional development sessions are available face-to-face or via videoconference with most available for graduate credit. At least 400 training sessions are held each year. Sessions are typically 4 hour sessions held after school or on school inservice days.

Regional Leadership

Six information technology specialists, with offices across the state, share information with schools on technology and curriculum development, provide training and serve as ongoing resources for schools across the state.

IT Services

Internet filtering service is provided to all schools on STAGEnet bringing them in compliance with the Children's Internet Protection Act (CIPA). Providing this service on a statewide basis saves $650,000 per year compared to individual school licenses and local support and maintenance.

E-mail (with spam and virus filtering), Web hosting and Blackboard (an online course management tool) are available to all North Dakota schools. EduTech hosts over 53,000 e-mail accounts and delivers an average of 485,000 e-mail messages each day and blocks (due to spam and viruses) an average of 420,000 e-mail messages each day. EduTech hosts 5,100 Blackboard accounts and 330 school and K-12 related websites.

EduTech provides Symantec Endpoint Protection (SEP) and prior versions of Symantec to 40,000 school computers. The integrated suite of applications provides firewall, intrusion prevention and antivirus components. EduTech manages security on SEP installed computers

removing the need for a management server to be installed and maintained at each school. This results in a cost savings of $600,00 each year.

Help Desk Support

The help desk assists educators with technology questions and provides support for EduTech services, such as e-mail, web hosting, PowerSchool and Blackboard. The help desk supports more than 100 requests per day by e-mail and telephone.

PowerSchool:

EduTech supports school districts in the deployment and daily use of PowerSchool, a Web-based K-12 student information system. Services include setup, basic and advanced training, helpdesk support, user group meetings and onsite consulting. One hundred school districts have implemented PowerSchool with a total of 54,637 students. EduTech holds at least 100 advanced training sessions per year and an annual PowerSchool user group meeting.

In collaboration with ITD, EduTech requests to offer PowerSchool to all public schools. Having a single student information system for all schools has several technical and organizational advantages as the Department of Public Instruction and other state agencies move toward a more robust system of data collection, reporting and analysis. The EduTech staff that works with schools on PowerSchool implementation, training and support will be critical in collecting, preparing and loading school-based data into the planned DPI and statewide data warehouses. If Power School were funded for all schools, fifty-four schools would be scheduled for implementation from July 1, 2009 to May 1, 2012. The majority of these schools are small with high support needs.

Special Projects:

EduTech offers a number of statewide special projects that involve instructional technology such as piloting a blogging/podcasting service with 12 ND schools and the offering of a global professional development experience, titled Jazzing up your Curriculum with Videoconferencing, for video instructors. EduTech expanded the blogging/podcasting service to all public schools in January of this year and will offer Jazzing up your Curriculum to all instructors on an annual basis.

Technology Assessment:

EduTech works under a contract with DPI to offer assessment services for schools who receive

Title II-D grant funds. Due to decreases in federal Title II-D funding, this service has been greatly reduced in the past several years.

Statewide Licensed software tools:

EduTech provides training and support for the statewide deployment of Atomic Learning, an online tutorial service, and until recently, Technology Solutions that Work (TSW), a database of comprehensive analysis of what research says works and doesn't work with technology in schools.

E-rate:

EduTech provides E-rate program leadership, training and support for K-12 schools. At least eight E-rate workshops are held per year and more than 100 phone calls are supported. The E-rate program provides discounts for eligible telecommunications services (telephone, long distance, cellular and transport services), STAGEnet Internet service, and internal connections (switches, servers, wired and wireless connections).

NDATL:

EduTech supports the North Dakota Association of Technology Leaders (NDATL), in cooperation with DPI, by providing Web space, training, video meetings and travel reimbursements for NDATL members. Nearly two hundred NDATL members participate in these activities. Due to decreases in federal funding, travel reimbursements were not distributed in 08-09.

Internet2 & Video Projects:

EduTech provides leadership and training for curriculum enrichment to North Dakota schools using videoconferencing and other technology applications that allow classrooms access to content from around the globe. EduTech collaborates with ITD to facilitate and provide technical support for Internet2 and videoconference curriculum applications. The NDUS and EduTech co-sponsor many events bridging ND students across time zones and borders to their peers around the world. Over 50 classrooms participate in these events each year. Examples of events include the following.

Content Providers: Videoconference events are facilitated between K12 schools and content providers at state and national levels such as the State Historical Society of North Dakota/Heritage Center, the Knife River Indian Village Historic site, the Center of Science and Industry and FBLA students videoconferencing with Senator Dorgan.

Collaborative Events: EduTech facilitates point-to-point and multipoint videoconference events connecting classrooms for specific curriculum-based activities such as Read Around the Planet, Megaconfernce/Megaconference Jr. and cultural exchanges with Australia and Ireland.

K-12 and Higher Ed Connections: Advanced Technologies/Content Experts: EduTech facilitates point-to-point videoconference events connecting K12 students to content experts, research and advanced technologies available on campuses in North Dakota such as the ND Ag grant on biofuels and Emergency Preparedness: Northwood, ND and Greensburg, Kansas.

Discounts:
EduTech provides statewide discounts on software, hardware, and other technology-related products. EduTech manages 10 special purchasing agreements with major vendors such as Microsoft, Adobe and Discovery Streaming.

2009-2011 Budget Request

EduTech requests the same appropriation as in 2007-09 ($2,722,348) to deliver core services and an additional $4,530,331 to allow EduTech and ITD to deliver PowerSchool services to all schools.

General funds	$7,252,679
Special funds	$ 757,561
Total	$8,010,240

Variances

EduTech has operated as a contract through NDSU since 1990 and has several long-term employees. EduTech requests that its staff members transfer and become ITD employees rather than NDSU employees under Grants & Contracts. Employees funded under NDSU Grants & Contracts do not receive the Governor's salary package when the budget is created. Becoming ITD employees will allow EduTech to strengthen our on-going and future collaborations with ITD, particularly the PowerSchool expansion, and to receive the necessary funding to meet on-going staffing costs. NDSU has agreed to continue to host EduTech employees who reside in the Fargo office as well as EduTech servers and other equipment. Thank you.

My contact information is: Jody French, EduTech Director
jody.french@sendit.nodak.edu
701.231.7208

EduTech's Mission and Purpose

EduTech's mission is to provide North Dakota educators and students with opportunities that extend learning in the classroom and beyond, focusing on the use of technology to improve student achievement. We are dedicated to strengthening education technology services and professional development opportunities for North Dakota administrators, school districts and teachers. Many of our services are at no cost or are provided at a nominal charge.

Services:

Professional Development

Training Workshops

www.edutech.nodak.edu/training
Qualified EduTech instructors deliver face-to-face and videoconference workshops with graduate credit available for approved courses.

-Technology fundamentals (Block A)
www.edutech.nodak.edu/training/topics/?cat=1
Learn the "how-to" of basic computer software and hardware with topics such as Microsoft Office 2007, Microsoft Windows VISTA, podcasting, ActivBoards/SmartBoards, i-SAFE, Internet research, computer troubleshooting and more.
-Product creation (Block B)
www.edutech.nodak.edu/training/topics/?cat=2
Learn specific skills required to produce Web pages, newsletters, iMovies, Excel spreadsheets, PowerPoint presentations and more.
-Curriculum integration (Block C)
www.edutech.nodak.edu/training/topics/?cat=3
Gather ideas for theme-based classroom activities that use one or more technology applications, such as word processing, Excel spreadsheets, PowerPoint presentations and more.
-Special topics
www.edutech.nodak.edu/training/topics/?cat=4
Build your own training with topics that focus on your specific school and district needs.

E-Rate

-Training
www.edutech.nodak.edu/training/topics/?cat=4
EduTech keeps administrators and technology coordinators current with the E-Rate program's ongoing changes by offering a series of informational sessions across the state each fall.
-Information
www.edutech.nodak.edu/erate
The E-Rate information page includes the program overview, application instructions, eligible service list, site visit preparation guide, Schools and Libraries Division (SLD) links, contact information and more.

INSTEP

www.edutech.nodak.edu/training/instep

The INSTEP (Instructional Technology Partnership) program prepares teachers to integrate technology in the curriculum to empower students with tools that enhance their learning. Teachers partner, one-on-one, with EduTech's technology professionals using your school's existing technology to implement classroom activities to meet individual needs.

Technology Assessments

www.edutech.nodak.edu/services/school_assessment

EduTech works with your school distirct to gather data regarding the education technology that you currently use to support student learning. Information gathered through the assessment process enables you to make decisions impacting student achievement based on sound knowledge.

Videoconferencing Enrichment and Courses

www.edutech.nodak.edu/video

The combination of North Dakota STAGEnet and videoconferencing technology allows North Dakota schools to share courses and participate in national and worldwide educational opportunities.

-Videoconference Enrichment Events

Collaborative events like the Megaconference, Megaconference Jr., Read Across North Dakota, Read Around the Planet, World Languages Across North Dakota and more will enrich your students as they reach out to classrooms across the state and around the world.

-Workshops for Developing Videoconferencing in the Classroom

EduTech offers basic and advanced hands-on workshops designed to introduce educators to the tools and resources used for videoconference-based programs.

-Videoconferencing Institute

EduTech sponsors this summer institute to update educators with new ideas and technologies to improve their current videoconference classes. This is a great opportunity for educators of similar content areas to share ideas for activities and lessons.

Technical & Customer Services

Help Desk

www.edutech.nodak.edu/help

The EduTech Help Desk will answer questions and provide support for our services or connect you to the person on our team who can meet your needs.

Contact the help desk via phone at 800.774.1091 (ND toll free) and 701.231.1091 (Fargo area) or via e-mail at sendit.helpdesk@sendit.nodak.edu.

Internet Filtering

www.edutech.nodak.edu/services/internet_filtering

EduTech provides Internet filtering services to K-12 schools and educational organizations connected to North Dakota STAGEnet. By doing so, we bring all filtered entities into compliance with the Children's Internet Protection Act (CIPA), a federal law which requires schools to implement Internet filtering to remain eligible for E-Rate funding.

Regional Information Technology Specialists

www.edutech.nodak.edu/contact

Six information technology specialists, with offices across the state, are prepared to share information on technology and curriculum development, provide training, and serve as ongoing resources. Check out their region Weblogs on the back page.

Software Discount Program

www.edutech.nodak.edu/services/spa

EduTech has contracted with a number of vendors to provide discounted software to North Dakota K-12 schools. Faculty, staff and students may also purchase popular Microsoft products at discounted prices.

Virus Protection

www.edutech.nodak.edu/services/antivirus

EduTech has made licenses for Symantec AntiVirus Corporate Edition (SAVCE) and Symantec Client Security (SCS) available to all K-12 schools in North Dakota. The virus protection program provides up-to-date computer virus protection and/or desktop security to machines and file servers.

Application Services

Blackboard

www.edutech.nodak.edu/services/blackboard

EduTech, in cooperation with NDSU, offers access to Blackboard, a web-based course-building and online learning environment. This software enables instructors to present course content, instructional materials and assessments to their students on the Web.

EduMail

www.edutech.nodak.edu/support/mail/edumail

EduTech provides North Dakota member schools with free e-mail accounts for students, teachers and other school personnel. All e-mail accounts are stored on EduTech's mail servers and are protected by anti-virus and anti-spam tools. EduTech's anti-virus and anti-spam scanning tools are also available to schools that use their own e-mail servers.

E-mail Lists

www.edutech.nodak.edu/services/listserv

EduTech, as a partner of the North Dakota University System (NDUS), offers access to Listserv e-mail list software that creates a very flexible environment to efficiently communicate with large numbers of people.

PowerSchool

www.edutech.nodak.edu/powerschool

EduTech's team of information technology specialists will assist your school district in PowerSchool deployment, training and support. PowerSchool, the leading Web-based K-12 student information system, includes scheduling, gradebook, attendance, parent access, meal tracking, and state reporting features. Parents, students, teachers and administrators can use the system to share information about grades, attendance records and homework assignments in real-time.

Web Hosting and EduWeb

www.edutech.nodak.edu/services/web_hosting

EduTech provides Web hosting services to K-12 schools and educational organizations in North Dakota that don't have the resources to manage and secure their own Web server. EduWeb is EduTech's next generation of Web hosting. Using EduWeb, the ability to put information onto your school's Web site is put into the hands of the students and teachers with that information! Teachers can update their own pages, students can update activities—no knowledge of HTML is necessary!

Customer Costs for EduTech Services

Centralized, core IT services such as e-mail, helpdesk support, virus protection, internet filtering and web hosting are offered at no cost to schools. By leveraging licensing costs, hardware and staff resources, EduTech can provide statewide services at a fraction of what the individual school costs would be to provide the service on their own.

For example,

- EduTech provides Symantec Endpoint Protection (virus protection) and prior versions of Symantec to 40,000 school computers. The integrated suite of applications provides firewall, intrusion prevention and antivirus components. EduTech manages security on Symantec Endpoint Protection installed computers removing the need for a management server to be installed and maintained at each school. This results in a cost savings of $600,000 each year.
- Internet filtering service is provided to all schools on STAGEnet bringing them in compliance with the Children's Internet Protection Act (CIPA). Providing this service on a statewide basis saves $650,000 per year compared to individual school licenses and local support and maintenance.

EduTech charges schools fees for professional development, technology assessment services and customized services such as INSTEP. Typical professional development costs are $45/hour/educator. These nominal costs cover the costs of materials, development and travel for the EduTech trainer.

Expenses for EduTech Services

EduTech is a service organization with the majority of funds targeted for salaries, benefits, travel and communication costs. These dollars allow EduTech staff to work on-site or via telecommunications with school administrators and teachers to offer implementation, training and support services to use technology effectively in their school district.

After staffing costs, licensing is EduTech's largest expense. Virus protection software licenses are negotiated every two years. Typically, the number of school computers increases during this time. The cost of anti-virus software for March 2008-2010 was $280,000. Internet filtering licenses are due every three years at a cost of $120,000. Blackboard is licensed under NDSU at a cost of $18,000 each year. These costs do not include hardware and staff costs to maintain and support them. EduTech also covers licensing costs for all of their servers, help desk management software and staff desktops.

Equipment is the next largest expense. EduTech hosts twenty-five servers for the centralized IT services they provide as well desktop or laptop computers for each employee that are refreshed every three years.

Final expenses for EduTech include day to day office costs such as rent at our Valley City and Fargo locations, printing, instructional resources and office supplies.

ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
EduTech	7,252,679	757,561		8,010,240	31

1-9-09

ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
EduTech	7,252,679	757,561		8,010,240	31
2007 – 09 Budget	2,722,348			2,722,348	0
Difference	+ 4,530,331	+ 757,561		+ 5,287,892	+ 31

1-9-09

ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
EduTech	7,252,679	757,561		8,010,240	31
2007 – 09 Budget	2,722,348			2,722,348	0
Difference	+ 4,530,331	+ 757,561		+ 5,287,892	+ 31
2005 – 07 Biennium	2,652,348	0		2,652,348	0

2-25-09
To House Approps

EduTech

General Fund Authority

PowerSchool Application for K-12 Schools
Approximately 90,000 Students

$ 4,168,372

($ 936,638 one-time funding for hardware and software)

Moving 2 Existing Positions From ITD Operations to EduTech for Supporting PowerSchool

1-5-09

EduTech

Senate Removed

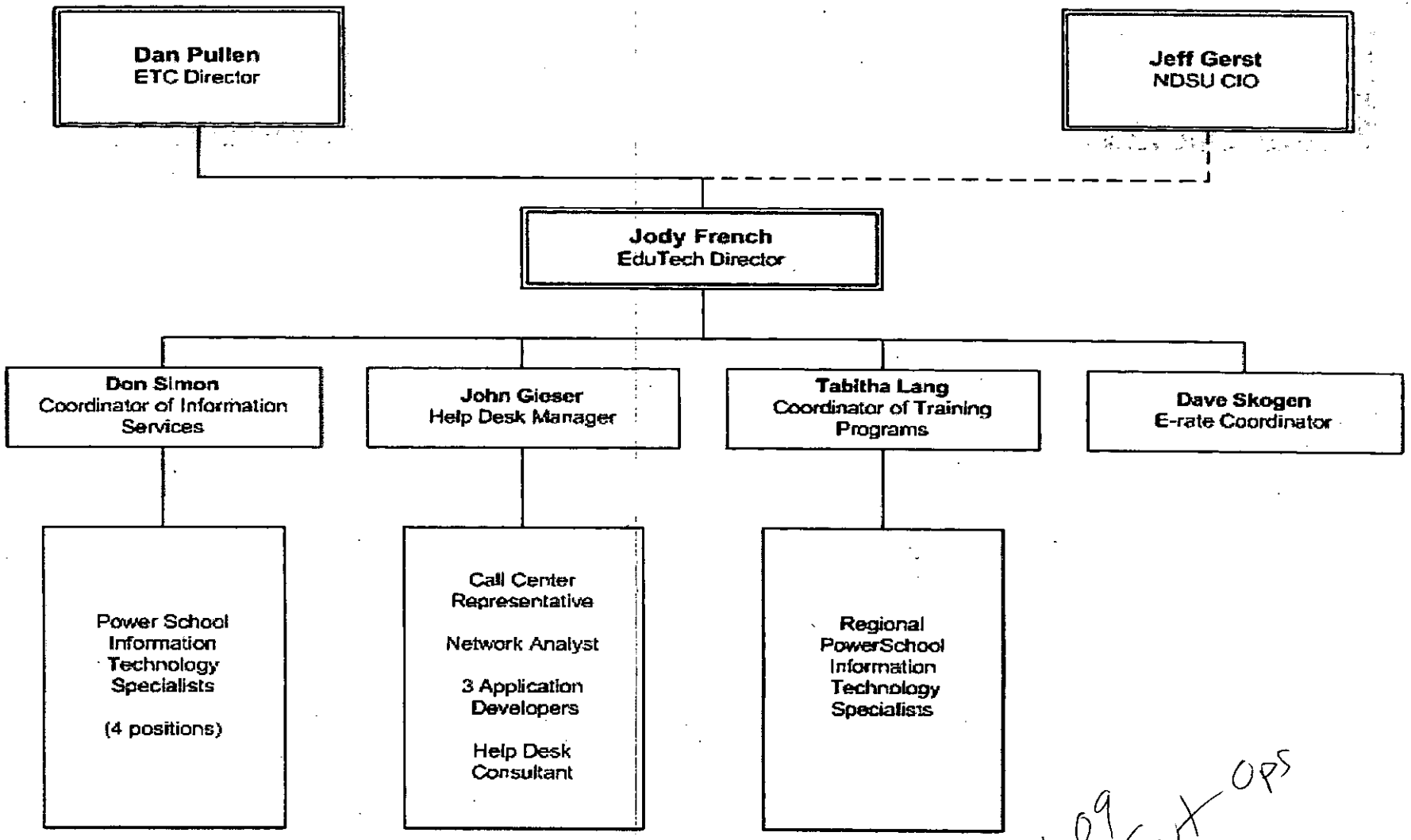
General Fund Authority

2 Positions

$ 256,638

2-25-09 To House Approp

EduTech Organization Chart



3-11-09 to Govt Ops

EduTech-Line73

		Expenditures as of Jan 31, 2009	2007-09 Appropriation	2009-11 Recommendation	Change from 07-09 Appropriation
Expenditures					
511000	Salaries - Permanent	0	0	3,232,669	3,232,669
512000	Salaries - Other	0	0	0	0
511900	Salary Budget Adjustment	0	0	0	0
513000	Temporary Salaries	0	0	0	0
514000	Overtime	0	0	109,080	109,080
516000	Fringe Benefits	0	0	1,184,060	1,184,060
510000	Salaries and Benefits	0	0	4,525,809	4,525,809
521000	Travel	0	0	307,953	307,953
531000	Supplies - IT Software	0	0	1,538,960	1,538,960
532000	Supply/Material-Professional	0	0	2,000	2,000
533000	Food and Clothing	0	0	0	0
536000	Office Supplies	0	0	46,000	46,000
541000	Postage	0	0	0	0
542000	Printing	0	0	0	0
551000	IT Equip under $5,000	0	0	116,058	116,058
552000	Other Equip under $5,000	0	0	0	0
553000	Office Equip & Furniture-Under	0	0	0	0
561000	Utilities	0	0	0	0
571000	Insurance	0	0	0	0
581000	Rentals/Leases-Equip & Other	0	0	0	0
582000	Rentals/Leases - Bldg/Land	0	0	192,200	192,200
591000	Repairs	0	0	4,000	4,000
601000	IT - Data Processing	0	0	4,000	4,000
602000	IT-Communications	0	0	83,200	83,200
603000	IT Contractual Services and Re	0	0	245,282	245,282
611000	Professional Development	0	0	83,942	83,942
621000	Operating Fees and Services	0	0	6,000	6,000
623000	Fees - Professional Services	0	0	0	0
520000	Operating Expenses	0	0	2,629,595	2,629,595
683000	Other Capital Payments	0	0	0	0
691000	Equipment Over $5000	0	0	0	0
693000	IT Equip / Software Over $5000	0	0	854,836	854,836
681000	Capital Assets	0	0	854,836	854,836
712000	Grants	2,446,374	2,722,348	0	(2,722,348)
Total Expenditures		**2,446,374**	**2,722,348**	**8,010,240**	**5,287,892**
Expenditures by Source					
General Fund Expenditures		2,446,374	2,722,348	7,252,679	4,530,331
Federal Fund Expenditures		0	0	0	0
Special Fund Expenditures		0	0	757,561	757,561
Total Expenditures by Source		**2,446,374**	**2,722,348**	**8,010,240**	**5,287,892**

K-12 Network

Reduced Special Fund Authority
Increased General Fund Authority

Changed Funding Source For (2) ITD Positions
and Core Video Equipment

- $ 300,110 and + $ 300,110
+ $ 600,000 (one-time funding)

1-9-09
Senate
Approps

Section 7 of HB 1021. Video Support Services - North Dakota University System Assistance.

Section 3 of this Act includes the sum of $300,110 to be provided by the North Dakota university system for the cost of two full-time equivalent positions and related operating expenses to provide support for video services in school districts.

K-12 Network

Increased General Fund Authority

Increased Bandwidth to Each K-12 School, Equipment Upgrade & Additional Internet Capacity

$ 1,197,064

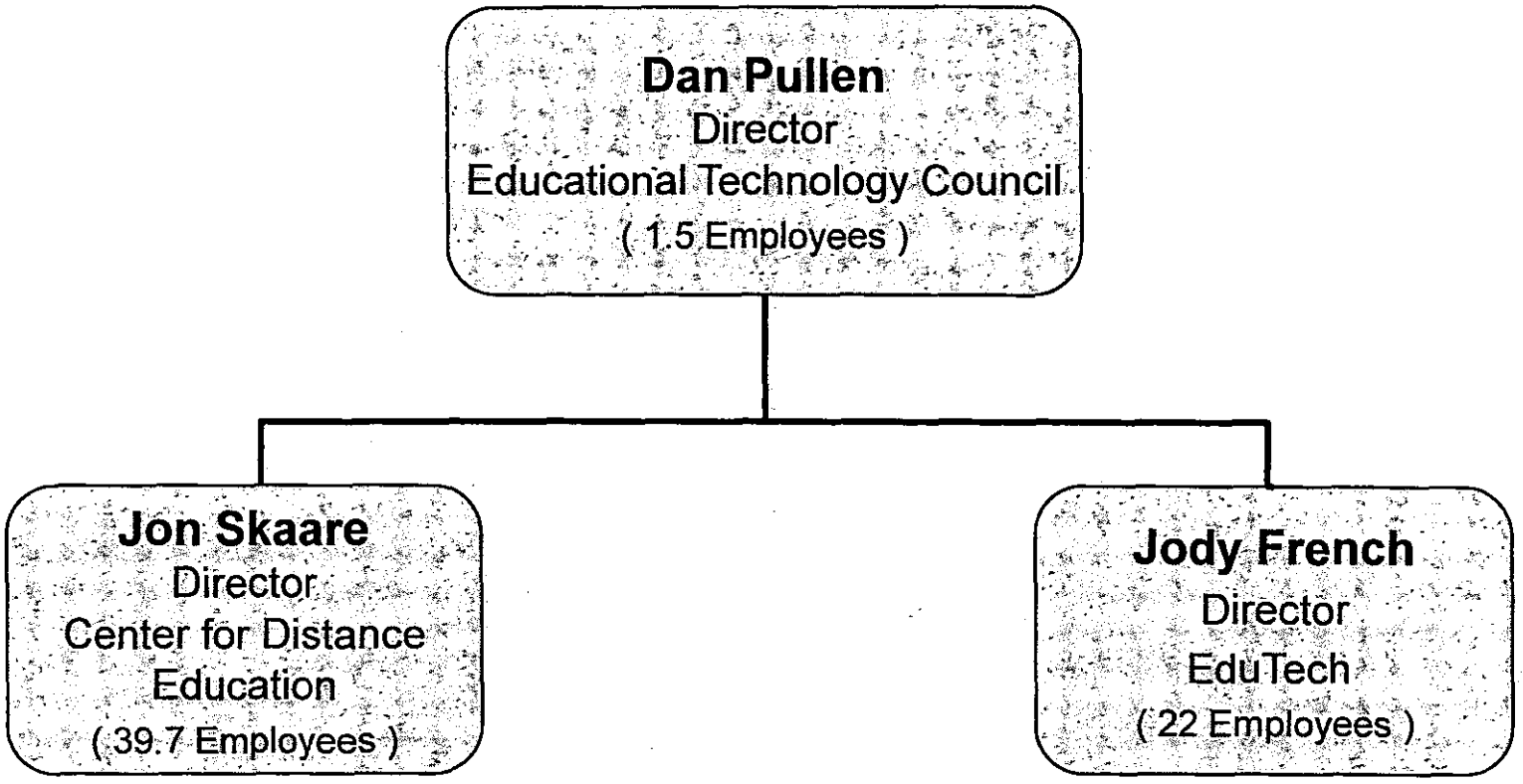
($ 600,000 is one-time funding)

This biennium each school receives a 1.5 MB circuit paid with general funds. This request will increase each school to a minimum of 10 MB. New DCN Ethernet service contract.

The State e-rates this service and receives a 65% discount. This is funding provided from the Universal Service Fund program and used by ITD to pay DCN for the service.

1-909

K-12 Educational Programs



2-25-09
to House approps

ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
K-12 Network	5,568,970	408,000		5,976,970	4

Z-25-01 to House appropriations

ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
K-12 Network	5,568,970	408,000		5,976,970	4
2007 – 09 Budget	3,413,972	652,547		4,066,519	4
Difference	+ 2,154,998	- 244,547		+ 1,910,451	0

1-5-09

ITD 2009–11 Budget Request

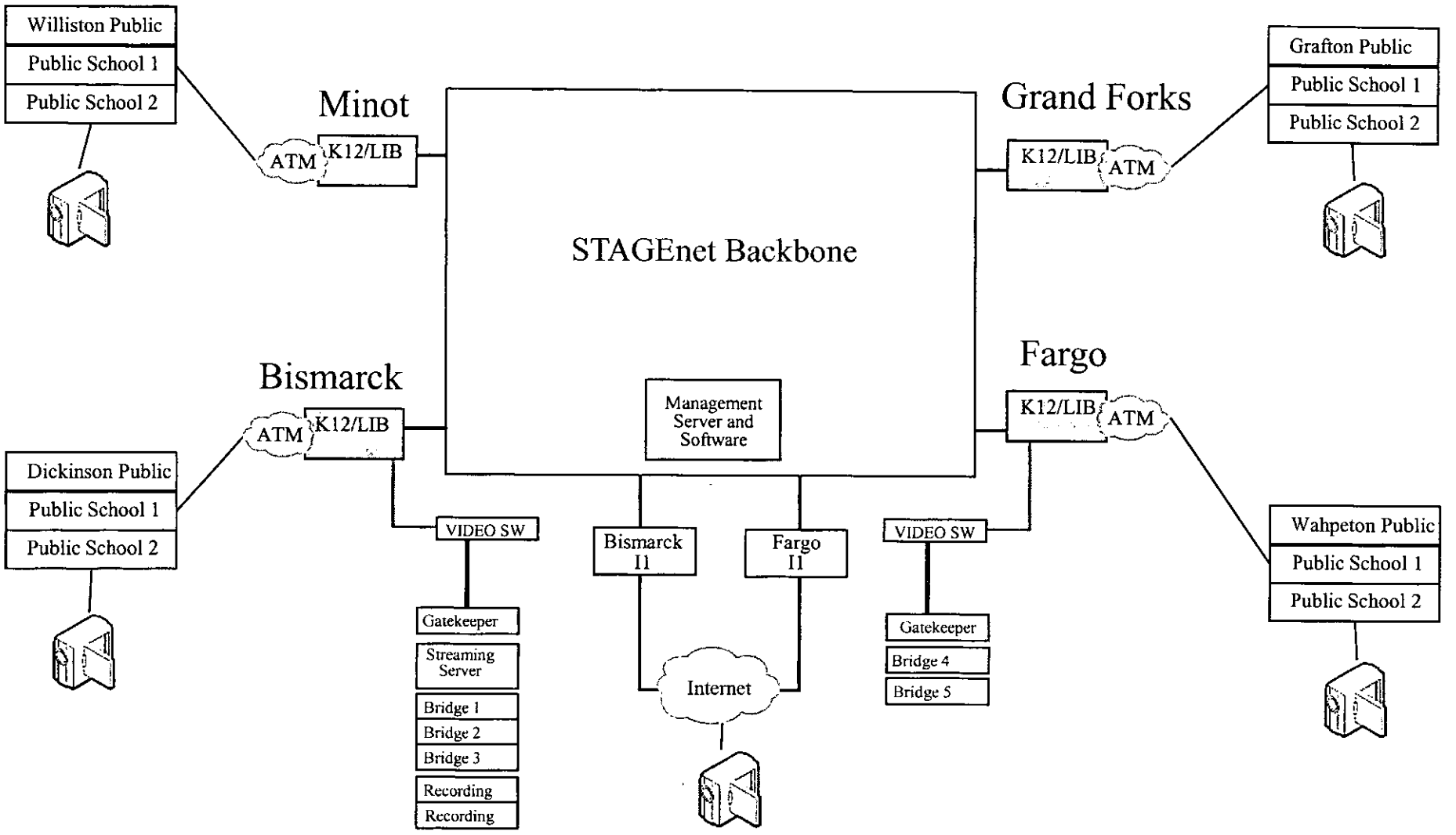
Program	General Funds	Special Funds	Federal Funds	Total	FTE's
K-12 Network	5,568,970	408,000		5,976,970	4
2007 – 09 Budget	3,413,972	652,547		4,066,519	4
Difference	+ 2,154,998	- 244,547		+ 1,910,451	0
2005 – 07 Biennium	3,395,550	4,147,400		7,542,950	2

2-25-09

K12 Wide Area Network-Line74

		Expenditures as of Jan 31, 2009	2007-09 Appropriation	2009-11 Recommendation	Change from 07-09 Appropriation
Expenditures					
511000	Salaries - Permanent	317,051	363,578	493,253	129,675
512000	Salaries - Other	0	0	0	0
511900	Salary Budget Adjustment	0	0	0	0
513000	Temporary Salaries	0	0	0	0
514000	Overtime	21,616	28,500	24,000	(4,500)
516000	Fringe Benefits	101,988	132,899	166,647	33,748
510000	Salaries and Benefits	440,655	524,977	683,900	158,923
521000	Travel	10,354	16,000	12,000	(4,000)
531000	Supplies - IT Software	237,224	120,200	120,000	(200)
532000	Supply/Material-Professional	958	500	500	0
533000	Food and Clothing	0	0	0	0
536000	Office Supplies	9	4,000	4,000	0
541000	Postage	0	0	0	0
542000	Printing	38	100	0	(100)
551000	IT Equip under $5,000	85,329	90,000	1,285,000	1,195,000
552000	Other Equip under $5,000	0	2,000	2,000	0
553000	Office Equip & Furniture-Under	0	0	0	0
561000	Utilities	0	0	0	0
571000	Insurance	0	0	0	0
581000	Rentals/Leases-Equip & Other	0	0	0	0
582000	Rentals/Leases - Bldg/Land	44,693	60,000	60,000	0
591000	Repairs	1,530	1,000	1,000	0
601000	IT - Data Processing	25,056	40,000	40,000	0
602000	IT-Communications	3,154	3,400	3,000	(400)
603000	IT Contractual Services and Re	1,896,092	2,959,842	3,524,070	564,228
611000	Professional Development	8,382	9,000	6,000	(3,000)
621000	Operating Fees and Services	371	500	500	0
623000	Fees - Professional Services	0	10,000	10,000	0
520000	Operating Expenses	2,313,189	3,316,542	5,068,070	1,751,528
683000	Other Capital Payments	0	0	0	0
691000	Equipment Over $5000	0	0	0	0
693000	IT Equip / Software Over $5000	191,879	225,000	225,000	0
681000	Capital Assets	191,879	225,000	225,000	0
Total Expenditures		**2,945,723**	**4,066,519**	**5,976,970**	**1,910,451**
Expenditures by Source					
General Fund Expenditures		2,605,916	3,413,972	5,568,970	2,154,998
Federal Fund Expenditures		0	0	0	0
Special Fund Expenditures		339,808	652,547	408,000	(244,547)
Total Expenditures by Source		**2,945,723**	**4,066,519**	**5,976,970**	**1,910,451**

STAGEnet 2008 K12 Video Connectivity



4/21/09

PowerSchool

Description

PowerSchool is an Internet-based student information system (SIS) that functions either independently or with other computer applications. Web browsers, spreadsheet programs, and other applications all work in different ways to complement PowerSchool and to provide users with robust tools for viewing, manipulating, storing, and retrieving data.

PowerSchool tracks student records and progress. School administrators and teachers enter data into the system, where it is stored. When they need to access the information, they can perform searches and run reports. Parents can monitor their children's progress and learn about school activities.

The types of information managed by PowerSchool include grades, attendance, school schedules, class schedules, daily bulletins, lunch balances, medical alerts, discipline records and citizenship. All of this information is accessed through a Web browser.

K-12 Roles

PowerSchool For Parents – a means of communication between school personnel and parents regarding the progress of their students, as well as events that occur within their schools by using bulletins to keep parents informed.

PowerSchool For Students – a resource for students to monitor their own progress/grades within the courses they are enrolled, and a way to pre-register for classes, as well as monitor their school attendance.

PowerSchool For Teachers – teachers use the web gradebook to track progress of students, and maintain records for the courses they teach. Power School gives them the ability to report progress to parents in an efficient and effective way.

PowerSchool for Administrators – administration and school office personnel use PowerSchool to effectively manage their school information and maintain data integrity. Official documents such as report cards and transcripts are generated by PowerScool administrative staff (school principals and administrative assistants).

For more information

Informative statements	http://www.powerschool.com/product/
Product demos	http://www.powerschool.com/demos/

SB 2021
ITD

Report to Senate Appropriations
Statewide PowerSchool Services
Delivered by EduTech & ITD
January 13, 2009

Service Summary

PowerSchool provides scheduling, gradebook, attendance, parent portal (access to their student's grades, attendance, newsletter, etc.), meal tracking and reporting features to schools. It also provides a single data collection and storage system for student/school data needed to submit reports to DPI throughout the year.

To date, one hundred school districts have implemented PowerSchool with a total of 54,637 students. The statewide rollout to all schools is projected to be 93,000 students (public and non-public, excluding BIA students).

Costs for 2009-11

Licensing	$ 5.76
Hosting	$ 8.50
*Implementation, training and support	$10.74
Total	$25.00

*Customized services, such as custom report cards, are available at an extra cost.

Benefit/Need

As part of the plan developed by the Governor's Commission on Education Improvement, PowerSchool will be supported for all ND public schools beginning in the 2009-11 biennium. Having a single student information system for all schools has several technical and organizational advantages as the Department of Public Instruction (DPI) and other state agencies move toward a more robust system of data collection, reporting and analysis. The EduTech staff that works with schools on PowerSchool implementation, training and support will be critical in collecting, preparing and loading school-based data into the planned DPI and statewide data warehouses. To accomplish this goal PowerSchool licensing, hosting, implementation, training and helpdesk support would be funded by the state general fund beginning in July 2009.

The school districts currently using PowerSchool recognize several advantages by sharing a common administrative system. Their licensing costs are lower because statewide buying power was leveraged to negotiate the software contract. In addition, EduTech can provide support services for multiple districts and can supplement the support provided by district staff. Lessons learned can be shared across district boundaries. Many small districts are not able to support a robust student information system on their own so administrators, students, parents and teachers do not have the benefit of online services or electronic data for analysis. By funding the deployment of a common system statewide, all districts will be able to take advantage of these benefits. In addition, EduTech and DPI are working with PowerSchool districts to automate the

state reporting process. With all districts on the same software, this automated interface can be built once and used by all of them.

Clarification on EduTech and ITD providing service to private schools

EduTech and ITD provide services, such as STAGEnet internet service and anti-virus software to private schools. Private schools are assessed fees for the services based on the actual cost of the service. This practice is consistent with the Attorney General's Opinion 91-03 (February 6, 1991) indicating private schools can participate in the statewide educational telecommunication programs as long as the private school pays for its share of participation.

Due to the limited use of PowerSchool by private schools, they have not been charged full participation fees, only licensing and hosting fees. To date the rate has been $10.00 per student, per year. Private schools will have implementation, training and support costs added to their rate beginning July 1, 2009. The per pupil, per year rate for private schools will then be $20.00. This rate is $5.00 less than the overall per pupil cost of PowerSchool statewide. This is because the rate charged to private schools will not include one-time costs associated with expanding the staffing and hosting resources necessary to implement and support PowerSchool statewide for all public schools.

Proposed Implementation Timeline

9/1/2009

Dunseith
Selfridge School District
Bottineau School District
Central Valley School District
Central Cass School District
Eight Mile School District

1/1/2010

Bowbells School District
Griggs County Central School District
United School District
Alexander School District
Anamoose School District
North Central School District - Rock Lake

5/1/2010

Enderlin Area School District
Finley-Sharon School District
North Sargent School District
Grenora School District
Warwick School District
Richland School District

9/1/2010

Hope/Page School District
Northern Cass School District
Midway School District
Burke Central School District
Marmot Schools
Gackle-Streeter School District
LaMoure School District

1/1/2011

Dakota Prairie School District
Litchville-Marion School District
Milnor School District
Scranton School District
Tappen School District
Wing School District

5/1/2011

Maple Valley School District
Wyndmere School District
Lewis and Clark School District
Hankinson School District
Rolette School District
Edgeley School District

9/1/2011

Kulm School District
TGU
Linton School District
Valley School District
Kensal School District
Devils Lake School District

1/1/2012

Lakota School District
McClusky School District
Munich School District
Starkweather School District
Steele-Dawson School District
Wolford School District

5/1/2012

Zeeland School District
Drake School District
St Thomas School District

Current PowerSchool Districts

District	Active Student Count
Adams/ Edmore	129
Ashley	121
Barnes County North	312
Beach	279
Belfield	220
Beulah	690
Bismarck	11271
Bowman	431
Carrington	575
Carson (Roosevelt)	103
Cavalier	391
Center/Stanton	211
Dickinson Public	2516
Dickinson Trinity	368
Divide County	225
Drayton	121
Edinburg	106
Elgin-New Leipzig	164
Ellendale	362
Emerado	70
Fairmount	121
Fessenden-Bowdon	150
Flasher	204
Fordville-Lankin	81
Four Winds	131
Garrison	354
Glen Ullin	143
Glenburn	243
Grafton	811
Grand Forks	7150
Hatton	210
Hazelton-Moffit-Braddock	143
Hazen	622
Hebron	169
Hettinger	277
Hillsboro	390
Jamestown	2215
Kenmare	283
Killdeer	378
Kindred	668
Langdon	396
Leeds	146
Lidgerwood	195
Lisbon	639
Maddock	171
Mandan	3199
Mandaree	192
Manvel	131

Current PowerSchool Districts

Max	150
Mayville	548
McKenzie County	523
Medina	159
Midkota	106
Minnewauken	222
Minto	197
Mohall	335
Montpelier	105
Mott-Regent	216
Napoleon	234
Nedrose	199
New England	141
New Rockford	355
New Salem	307
New Town	706
Newburg	74
North Border (Pembina & Walhalla)	459
North Star (Cando)	241
Northwood	222
Oakes	570
Park River	413
Parshall	265
Pingree-Buchanan	148
Powers Lake	101
Ray	175
Richardton-Taylor	247
Rolla (Mt. Pleasant)	246
Rugby	566
Sargent Central	242
Sawyer	137
Solen	177
South Heart	235
St. John	322
St. John's Academy, Jamestown	166
St. Michaels, Grand Forks	97
Stanley	401
Sterling	22
Strasburg	148
Surrey	340
Thompson	397
Tioga	257
Turtle Lake-Mercer	155
Underwood	211
Valley City	1108
Velva	380
Wahpeton	1194
Washburn	258
Westhope	130

Current PowerSchool Districts

Williston	1121
Wilton	222
Wishek	210
Total Active Students	**54637**

Schools in Implementation

Fargo	10497
West Fargo	6535
Harvey	421
Larimore	477
Minot	6335
Total Students in Implementation	**24265**
Total Students	**78902**

April 22, 2009 1

North Dakota PowerSchool Fact Sheet

Present PowerSchool Districts
School Year 2002-2003
Bismarck
St. John
Garrison
Mohall
Maddock
Leeds
Beulah
Montpelier
Belfield
Stanley
Rugby
Barnes County North
Newburg
Number of Schools 13
School Year 2003-2004
Fairmount
Turtle Lake-Mercer
Adams/ Edmore
Bowman
Dickinson Public
Rolla (Mt. Pleasant)
Richardton-Taylor
Parshall
Jamestown
St. John's Academy, Jamestown
Solen
North Border (Pembina & Walhalla)
Wishek
Beach
Hillsboro
Williston
Carson (Roosevelt)
Grand Forks
Hettinger
Elgin-New Leipzig
Thompson
Medina
Sargent Central
Mandaree
Ashley
New Salem
Glen Ullin
Number of Schools 27
School Year 2004-2005
Flasher
Killdeer
Velva
Hebron
Hatton
McKenzie County
Pingree-Buchanan
Max
Grafton
Northwood
Kenmare
Minto
Midkota
Wilton
Washburn
Edinburg
Center/Stanton
North Star (Cando)
Dickinson Trinity
Wahpeton
Number of Schools 20

Present PowerSchool Districts
School Year 2005-2006
Ellendale
Mayville
Lisbon
Carrington
Fessenden-Bowdon
Napoleon
Surrey
Sawyer
Cavalier
Lidgerwood
Kindred
Powers Lake
Number of Schools 12
School Year 2006-2007
Langdon
Strasburg
Hazelton-Moffit-Braddock
New England
South Heart
Glenburn
Number of Schools 6
School Year 2007-2008
Mandan
Park River
Divide County
Emerado
Fordville-Lankin
Sterling
Four Winds
Oakes
New Rockford
Mott-Regent
Ray
Tioga
New Town
Westhope
Manvel
Valley City
Underwood
Nedrose
Number of Schools 18
School Year 2008-2009
St. Michaels, Grand Forks
Hazen
Minnewaukan
Drayton
Number of Schools 4
School Year 2009-2010
Fargo
West Fargo
Minot
Harvey
Larimore
Number of Schools 5

Future PowerSchool Districts
School Year 2009-2010
Dunseith
Selfridge
Bottineau
Central Valley
Central Cass
Eight Mile
Enderlin
Finley-Sharon
North Sargent
Grenora
Warwick
Richland
School Year 2010-2011
Hope/Page
Northern Cass
Midway
Burke Central
Marmot
Gackle-Streeter
LaMoure
Dakota Prairie
Litchville-Marion
Milnor
Scranton
Tappen
Wing
Maple Valley
Wyndmere
Lewis & Clark
Hankinson
School Year 2011-2012
St.Thomas
Rolette
Edgeley
Kulm
TGU
Linton
Valley –Hoople/Crystal
Kensal
Devils Lake
Lakota
McClusky
Munich
Starkweather
Steele-Dawson
Wolford
Zeeland
Drake

EduTech Employees working on PowerSchool
Don Simon, Director, Hired 1997, PowerSchool since 2002
Shawn Stelter, Hired 2001, PowerSchool 2002, Resigned June, 2005
Jane Hovda Hired 2001, PowerSchool since 2002
Sarah McFadden Hired 2001, PowerSchool since 2002
Melissa Bitz Hired 2002, PowerSchool since 2002
Janet O'Hara Hired 2007, PowerSchool since 2007

Process for Implementing PowerSchool for a ND School District

1. EduTech contacts school district to establish kickoff meeting
    a. Ranges from several weeks to several months between initial call and actual meeting date
2. EduTech asks ITD to create server for new school
3. School fills out worksheets to gather date needed for initial setup
4. EduTech pre enters some static date (create schools, codes needed for state reporting)
5. Conduct kickoff meeting on site at the school – last 1 full day
    a. Two EduTech staff are present
    b. Establish dates for admin and teacher training
6. School works on preparing data (student info, teacher info, course, sections and student schedules) for importing into PowerSchool
7. EduTech and schools conduct 1 to 2 hour weekly/bi-weekly conference calls until administrator training
8. School finishes spreadsheets of data and sends to EduTech; EduTech staff reviews and sends back to school to fix data errors; once clean EduTech imports into school site
9. EduTech requests ITD "create" a training server for the school
10. 1.5 days spent on site at the school for admin training
    a. Typically 2 EduTech staff are present
    b. Dates of training are a few months to almost a full year after kickoff meeting
11. Teacher training - 4 hours with each teacher group (15 to 25 per group)
12. Schools start contacting helpdesk for support
13. Schools encouraged to attend workshops for
    a. Standards
        i. used on elementary report cards 1 day workshop
    b. Creating Object Reports
        i. Used to create elementary report cards and transcripts 1 day workshop
    c. End of Term workshop
        i. How to store grades at End of Term, calculate GPA, honor roll 1 day workshop
    d. Scheduling workshop
        i. Schools use PowerSchool to create high school schedules 1-2 day workshop with option to attend multiple 1 day help days
    e. State Reporting workshops
        i. Fall Enrollment 1-2 day workshop
        ii. Spring Pupil Membership 1-2 day workshop
    f. End of Year
        i. Close out current school year and begin next 1 day workshop
    g. PowerLunch
        i. Smaller districts use to track lunch transactions 1 day workshop
    h. PowerSchool Users Group
        i. Schools attend to learn about more advanced features in PowerSchool and refresh their initial training 2 day workshop

PowerSchool Post Implementation

At the conclusion of PowerSchool implementation and initial Administrative and Teacher training, the school district goes into active use of PowerSchool for their day-to-day business and student reporting. EduTech's role changes at this point to one of support and ongoing training.

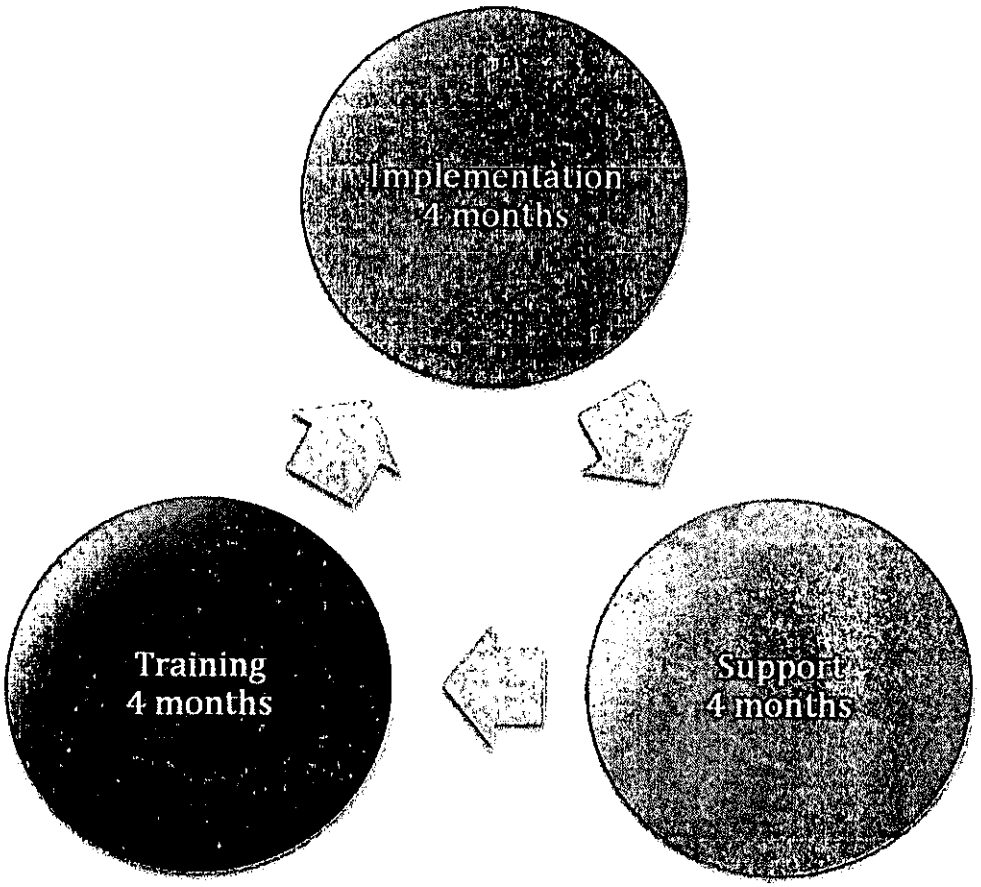
Schools call the EduTech Help Desk when they need help with PowerSchool issues. They call with reporting and grading questions. They contact us if their PowerSchool website goes down or if there are printing issues. EduTech Help Desk staff creates a ticket using our support software and assign the issue to one of the PowerSchool team members who is working support. If there is a server issue, ITD is called for resolution. The school district is notified when the issue is resolved.

EduTech provides ongoing and advanced training opportunities for the schools through a series of workshops. These are hands on sessions that teach the School personnel how to build reports, student schedules, mine their data effectively and how to run end of term and end of year processes. The scheduling, end of term, and end of year workshops are repeated numerous times and schools are encouraged to attend them annually as there are changes in the application on a consistent basis through application updates. New workshops are added as PowerSchool adds functionality to the application.

The EduTech PowerSchoo lteam also organizes an annual North Dakota PowerSchool User Group meeting to which all North Dakota PowerSchool districts are invited. This user group meeting consists of general informational sessions on PowerSchool and concurrent hands on sessions on PowerSchool functionality. The user group meeting also acts as a networking opportunity for PowerSchool users to exchange ideas and best practices. We have had guests attend our user group meeting from neighboring states such as Minnesota, Montana, South Dakota and Wisconsin. We have also begun collaborating with the Minnesota user group to provide more user support for the upper Midwest PowerSchool users.

EduTech PowerSchool®
Expansion Plan

EduTech Three Team Model



This model utilizes a team approach to PowerSchool® Implementation, Support and Training. Each team consists of 3 FTEs (9 total) who will rotate through a 4-month duty cycle as illustrated in the above graphic. This model insures that each team member becomes and remains proficient in all areas of EduTech's role with PowerSchool® in North Dakota. It also provides optimal services for North Dakota School Districts and will ensure the continued success of PowerSchool® in North Dakota.

This model will also allow for a maximum number of implementations per year and still allow EduTech to support and train existing customers even with the number of PowerSchool® customers steadily increasing.

Staffing

This model requires the addition of 5 FTEs to the current EduTech PowerSchool staff. These could come from either current EduTech Regional staff or new hires.

Staff Training

Current EduTech PowerSchool team members are certified in PowerSchool® training with the exception of one person. PowerSchool® does require partners to go through certification. This maintains the integrity of support and will allow our team members to contact PowerSchool® directly and with the highest priority on application issues. All existing and new PowerSchool® team members will need to go through the certification process if they have not already done so. Below is the pricing model for certification.

Implementation Team Duties

- Conduct PowerSchool® Demos if requested by District
- Conduct Kickoff meeting and District/School setup
- Provide district with consultation regarding the data model and initial input of data into the PowerSchool® application
- Assist with data extract from previous system if necessary
- Validate data before importing into PowerSchool®
- Monitor progress of District with weekly phone conferences
- Schedule and conduct initial PowerSchool® Administrative training
- Schedule and conduct initial PowerSchool® Teacher Training

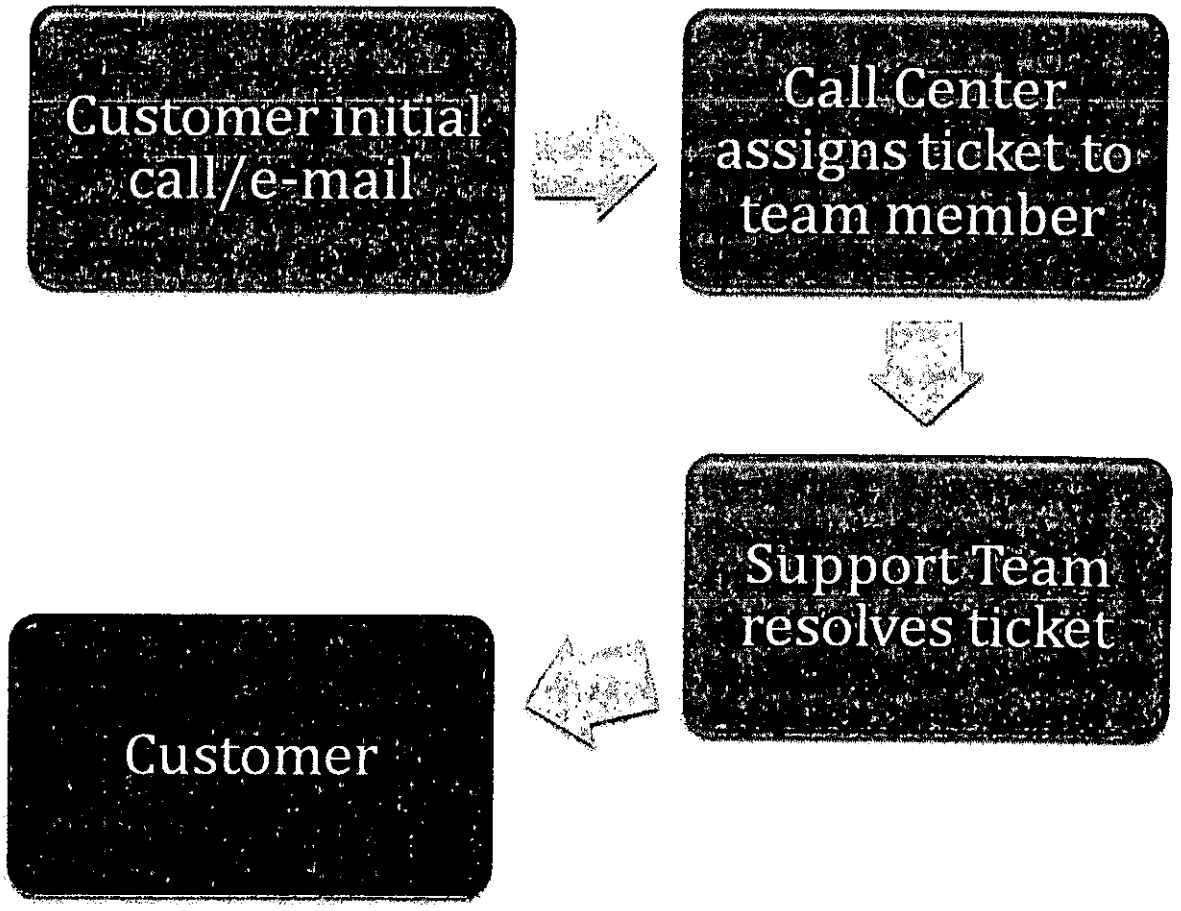
Support Team Duties

- Respond to call center assigned PowerSchool® tickets
- Provide day to day phone and e-mail support regarding PowerSchool® issues
- Resolve issues in a timely manner
- Contact PowerSchool® support if needed to solve application issues
- Work closely with ITD system administrators regarding server issues
- Maintain the c.Support knowledge base for PowerSchool® issues
- Provide Implementation and Training teams with information regarding common PowerSchool® issues

Training Team Duties

- Schedule and Provide Training to PowerSchool® Districts other than initial Administrative and Teacher Training
- Develop Advanced PowerSchool® Training sessions and documentation
- Maintain PowerSchool® Documentation
- Assist the implementation team with Initial Administrative and Teacher Training when needed

Support Model



From October 2005 to September of 2008 the EduTech PowerSchool® team closed over 10,000 support tickets. Customers always get confirmation that their issues have been submitted through c.Support® which is the help desk ticketing system that we use. Typically, most issues have been resolved within 1 business day after submission.

The EduTech PowerSchool® team has a history of providing exemplary support for PowerSchool® districts in North Dakota and we don't expect that to change. The three-team approach will maintain that level of support for the districts when they have a PowerSchool® issue.

EduTech and ITD work together on Server related issues. ITD staff maintains the PowerSchool® servers and they deal directly with PowerSchool® when there is a server issue that needs escalation. EduTech staff submits server related issues to ITD using their HEAT ticketing system.

PowerSchool Student Information System for all North Dakota Public Schools:
Status of Legislation Requesting State General Funds.

- SB 2021 contained $4,308,497 in general funds to fund PowerSchool for all public schools.
- The Senate reduced that general fund amount by $200,000 (2 FTE).
- The House reduced that general fund amount to $0, providing spending authority if ITD, ETC and EduTech are able to secure special funding for the total amount.

General Funds Should Support PowerSchool.

1. **PowerSchool is Needed to Apply for All Stimulus Funds**. In order for the State of North Dakota or individual school districts to apply for and receive any of the $100 million of federal stimulus money, they must be able to collect and report a whole new level of performance data. PowerSchool is the key data collection tool that schools and the state will need to receive any of those funds.

   Federal requirements related to data system reporting capabilities include the following:
   A. Student-level enrollment, demographic, and program participation information;
   B. Data linking student to teacher to coursework and student achievement;
   C. Student-level information about the points at which students exit, transfer in, transfer out, drop out, or complete P-16 education programs, and
   D. The capacity to communicate with higher education data systems, including e-transcript information: courses completed and grades earned.

2. **PowerSchool is the Foundation of All Other Education Data Systems.** PowerSchool in all schools will provide a consistent, validated and cost-effective data source for most K-12 reporting requirements: DPI reports for state and federal purposes, the new DPI data warehouse, and the state longitudinal data system. Since the state needs the data available in PowerSchool, then the state should pay for it.

3. **Statewide Consistency is Needed.** If PowerSchool is not funded and hosted statewide, school districts will have no incentive to work cooperatively on developing consistent data elements and definitions. This would make the development of automated data extracts and other data uploads more costly and less reliable.

4. **Federal Stimulus Funds Cannot Fund PowerSchool.** Federal stimulus funds are one-time, and not intended for ongoing operational costs. Not all schools will get federal stimulus funds. Using federal funds to pay for PowerSchool would be supplanting – not supplementing.

5. **PowerSchool Provides Accountability.** The state of North Dakota is investing over $921 million in K-12 education in the coming biennium. Funding PowerSchool statewide will cost less than 1/2 of 1 percent of that investment and can ensure accountability.

6. **Governor's Commission recommended PowerSchool Funding.** *"The Commission concluded that achieving adequacy in K-12 education does require information systems that can track student performance outcomes in relation to a wide range of education inputs and strategies. Ultimately these information systems would compare K-12 education strategies to college and career outcomes. The Commission recommends the following:*
   1. *Grant the Information Technology Department (ITD) requests for PowerSchool, Longitudinal Data System, Wide Area Network, and Center for Distance Education.*
   2. *All school districts should be required to use the PowerSchool system by September of 2010 unless they are exempted by the Director of ITD."*

Government Operations Committee

March 11, 2009

E

Chairman Delzer and members of the Committee, my name is Ruth Ann Larshus, and I serve as Principal and Superintendent for the Powers Lake School District. I am here today in support of EduTech's budget request, SB 2021.

Our school has made use of a number of the services offered by EduTech for well over a decade. Many of these services are things we could not afford or it would be difficult to find local funding to make these services available for our school district. E-mail, desktop/anti-virus protection, internet filtering and web hosting have played a very valuable role in the success of the technology in our district.

Although we see value in many EduTech services, my goal today is to speak to the importance of a statewide implementation of PowerSchool. Powers Lake has been using PowerSchool for 4 years.

PowerSchool is a benefit to me as an administrator as I run reports such as:

Deficiency reports – for the quarter, the semester, or for the year

Attendance – the teacher's take attendance first hour and we know if anyone is absent or tardy.

PowerSchool is a benefit to parents and students as they can check each and every day for:

Student grades

Student attendance

Daily bulletin which includes activities and lunch menus

Assignments posted by teachers and/or missing work

Fees that students owe

Edutech provides continuous support, endless training, and up to date resources. Edutech came into the school system and trained the administrators, office personnel, and technology coordinators. With EduTech's help, these people set up the program individualized for the needs of our school system. After the program is set up, Edutech comes back to the school and trains all personnel to the every day use of PowerSchool.

Edutech personnel are always willing to answer questions and provide services that make the PowerSchool student information system user-friendly. We use their helpdesk on a regular basis and receive excellent support.

Daily features of PowerSchool that are used at Powers Lake include:

1. Attendance – each teacher takes his/her own classroom attendance each period. This is an excellent way to track students.
2. Grading – instructors put grades on each time they grade papers. They can put grades on wherever internet is accessible as it is a web based program.
3. Daily Reporting
4. Demographic Information – this includes family members, home phone numbers, home address, emergency contacts.
5. In-house reporting – on the daily bulletin side, an administrator can send bulletin items to just teachers or to the total public.
6. Fee Functions – the lunch fees are put on daily as well as any other fees. This is available for parental viewing. As a result of this feature, we have not had one

family default on their lunch bill. We put such things as activity fees, lunch fees, and music fees in this window.

7. Student Scheduling – all students are entered into the class schedule – to change classes, it lists all the classes for that particular hour so with a click of a button, a student can be removed from one class and entered into another class.
8. Parent/student Access - parents and students each have a user name and password to get on to the student's own page. Parents' only have access to their own child. It's web based so parents and students have access to the students' grades, attendance, and fees.
9. Historical Grades – all the classes plus the grades from the 7th grade to current
   - Grade Point Average (GPA) and transcripts with ACT scores
   - Make templates for the type of report cards and transcripts that is applicable to each school.
10. Discipline and Medical Logs – these are put on so when a teacher clicks on to the student, the medical sign shows that there is a medical concern for the student. If the instructor clicks on the icon, the page will come up that identifies the medical alert.
11. Transferring Students between buildings is simple as the classes can be rolled over from one school to the next.

PowerSchool offers a student and parent portal –access by Powers Lake users:

Parent access for the year: 2335 sessions

Student access for the year: 525 sessions

Percent of student records that have been accessed: 69.9%

Number of parents signed up to receive progress reports via email: 24.2%

As you can tell, I am a strong proponent for this legislation as EduTech and their services are vital in our quest of using technology to help improve our student achievements while providing our students and teachers with opportunities that extend their experiences in the classroom. Our job is to provide services to educate students and I believe that PowerSchool is a valuable tool for each and every student's education.

I am willing to answer any questions you might have. Thank you for your time today.

Contact information:

Ruth Ann Larshus

Principal/Superintendent, Powers Lake School District

Telephone 464-5432

Email Ruthann.larshus@sendit.nodak.edu

STUDENT AND/OR PARENT LOG ON PAGE. THEY CAN CLICK ON EACH ICON.

12
Powers Lake High School - Powers Lake Public School

Logout ?

PowerSchool

Grades and Attendance | Grades History | Attendance History | Email Notification | Teacher Comments | School Bulletin | Class Registration | Balance | My Calendars

Grades and Attendance

Attendance By Class

Exp	Last Week					This Week					Course	Q1	Q2	S1	Q3	Q4	Y1	Absences	Tardies
	M	T	W	H	F	M	T	W	H	F									
1(M-F)	A			T							Human Ant Albertson, John	B 90	B 90	B 90	A- 94		B+ 91	9	9
2(M-F)											Sr. Math Vatne, Marlyn	B+ 92	C 79	B- 86	--		--	5	0
2(M-F)	A										Coll. Alg. Vatne, Marlyn				D 74		--	4	0
3(M-F)											Ag III - Horticulture Dosch, Dennis	A 95	A 95	A 95	--		--	4	0
3(M-F)	A										Agri Science II Dosch, Dennis				B 89		--	2	0
4(M-F)											Health Careers Demke, Brenda	A 95	A 97	A 96	B+ 92		A- 94	4	0
5(M-F)											Study Hall Larshus, RuthAnn				--		--	3	1
6(M-F)											Study Hall Whitmore, Jennifer				--		--	4	0
7(M,R)		.	.		.		.	.		.	Study Hall Larshus, RuthAnn				--		--	1	0
8(M-F)						A					ENGLISH IV Whitmore, Jennifer	A 97	A- 94	A 95	A 97		A 96	5	0
7(T-W,F)	.			.		.			.		Chorus Gunderson, Susan	A 100	A 0	A+ 100	A 0		A 100	4	1
																	Attendance Totals	45	11

Show dropped classes also

Legend
Attendance Codes: Blank=Present | A=Absent | T=Tardy | U=Unexcused Absent | X=Extracurricular | F=Field Trip | C=College Visit | UT=Unexcused Tardy | IS=In School Suspension |

Citizenship Codes: H=Honorable | S=Satisfactory | N=Needs to improve | U=Unsatisfactory |

Print Page

THE PERSON LOGGED ON, CAN CLICK ON ANY OF THE BLUE COLORED TABS FOR AN IN_DEPTH EXPLANATION OF THE GRADE OR ABSENCES.

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01/29/2009		0.00	-9.25	Lunch Status (Student did not eat today)
02/02/2009	11:10 AM	-1.85	-11.10	Meal/Lunch
02/03/2009	1:01 PM	-1.85	-12.95	Meal/Lunch
02/04/2009		0.00	-12.95	Lunch Status (Student did not eat today)
02/05/2009		0.00	-12.95	Lunch Status (Student did not eat today)
02/11/2009		0.00	-12.95	Lunch Status (Student did not eat today)
02/11/2009	2:03 PM	35.00	22.05	Lunch Deposit
02/12/2009		0.00	22.05	Lunch Status (Student did not eat today)
02/17/2009	2:48 PM	-1.85	20.20	Meal/Lunch
02/18/2009		0.00	20.20	Lunch Status (Student did not eat today)
02/19/2009		0.00	20.20	Lunch Status (Student did not eat today)
02/24/2009		0.00	20.20	Lunch Status (Student did not eat today)
02/26/2009		0.00	20.20	Lunch Status (Student did not eat today)
03/02/2009	2:54 PM	-1.85	18.35	Meal/Lunch
03/03/2009		0.00	18.35	Lunch Status (Student did not eat today)
03/04/2009		0.00	18.35	Lunch Status (Student did not eat today)
03/05/2009	3:18 PM	-1.85	16.50	Meal/Lunch
03/06/2009	10:27 AM	-1.85	14.65	Meal/Lunch

Fee Transactions - Current Balance: $0.00

Date	Time	Fee Type	Description	Fee	Paid	Balance
08/14/2008	8:28 AM	VB PARTICIPATION		30.00	30.00	0.00
08/21/2008	8:25 AM	INSURANCE		10.00	10.00	0.00
10/07/2008	1:50 PM	MUSIC FEES	Shirt	15.00	15.00	0.00
12/11/2008	10:48 AM	GBB PARTICIPATION		30.00	30.00	0.00
12/11/2008	11:05 AM	OTHER	Practice Jersey	17.00	17.00	0.00
			Totals:	102.00	102.00	0.00

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IF A STUDENT OR PARENT CLICKS ON THE DOLLAR ICON, THIS IS THE ITEMIZED STATEMENT THEY WOULD SEE.

THIS IS THE ADMINISTRATOR HOME PAGE. I HAVE ACCESS TO ALL STUDENTS, TEACHER SCHEDULES, CLASS LISTS, AND I CAN RUN REPORTS, PUT ITEMS ON THE DAILY BULLETIN, AND GENERALLY TAKE CARE OF ANY STUDENT FILES.

PowerSchool

School: Powers Lake High School

Term: 08-09 Year

Logout

Larshus, RuthAnn

Functions

Absentee Report
Daily Bulletin
Enrollment Summary
Master Schedule
PowerLunch
Reports
Special Functions
Teacher Schedules

Setup

Personalize
School
Staff
System
Dashboard

Search Students

View Field List How to Search

Browse Students

A B C D E F G H I J K L M
N O P Q R S T U V W X Y Z
7 8 9 10 11 12 M F All

Stored Options

Stored Searches Stored Selections

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THIS STUDENT HAS A MEDICAL ALERT!

School: Powers Lake High School

Term: 08-09 Year

Logout ?

Page > Student Selection > Quick Lookup

Larshus, RuthAnn

Quick Lookup

[redacted] 7 1510 A PLHS

Attendance By Class

Exp	Last Week					This Week					Course	Q1	Q2	S1	Q3	Q4	Y1	Absences		Tardies	
	M	T	W	H	F	M	T	W	H	F								08-09	08-09	08-09	08-09
1(M-F)											7-8 US History Nordloef, Laurene	A 97	A+ 100	A 98	B 89		A- 94	1	1	0	0
2(M-F)											7th FACS Hegstad, Laurie	A 98	A 96	A 95	--		--	0	0	0	0
2(M-FB)											7-8 Health Hegstad, Laurie				C+ 84		--	1	1	0	0
3(M-F)											EARTH SCI Albertson, John	B+ 92	A- 93	B+ 92	A- 94		B+ 92	1	1	0	0
4(M-F)											7-8 Keyboarding Rystedt, Roberta L	A+ 100	C 82.44	B 87.37	--		--	0	0	0	0
4(M-F)											7-8 Ag Dosch, Dennis				A 95		--	0	0	0	0
5(M-F)											7 Lang Arts Whitmore, Jennifer	A 97	B 89	A- 93	A 97		A- 94	2	2	0	0
6(M)		.	.	.	.		.	.	.	.	Study Hall Dihle, Donna		0	0	--		--	0	0	0	0
7(M-F)											7th Math Dihle, Donna	B+ 92	B 90	B+ 91	B 87		B 90	2	2	0	0
8(M,W,F)		.		.			.		.		Phy Ed 7-8 Christenson, Mona	A+ 100	A+ 100	A+ 100	A 98		A 99	1	1	0	0
6(T-F)	.					.					H.S. Band Gunderson, Susan	C 82	A- 93	B 87	B 90		B 88	1	1	0	0
8(T,R)	.		.		.	.		.		.	JH Music Gunderson, Susan	A 97	A 99	A 97	A+ 101		A 98	1	1	0	0
																	Attendance Totals	10	10	0	0

Show dropped classes also

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THIS IS WHAT YOU SEE WHEN YOU CLICK ON THE MEDICAL ICON.

Medical Alert

Asthma
Takes Advair, Singulair, Zyrtec, Rhinocart

Alert Expires: Never

Close

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North Dakota Center for Distance Education (ND CDE)

Senate Appropriations Committee
January 9, 2009

Introduction

Senator Holmberg and members of the Committee, my name is Jon Skaare, director of the North Dakota Center for Distance Education (ND CDE).

The North Dakota Center for Distance Education was established by the 1935 Legislative Assembly. Today, in our *73nd anniversary* year, the Center offers more than 160 courses to students in grades 6–12, with 109 of them available online.

As the state's distance education high school, we are fully accredited by the *North Dakota Department of Public Instruction*, the *North Central Association Commission on Accreditation and School Improvement* (NCA/CASI), and the *Commission on International and Trans-Regional Accreditation* (CITA). All ND CDE core courses also meet the eligibility requirements established by the *National Collegiate Athletic Association* (NCAA).

In addition to providing distance and independent study courses to students and schools, ND CDE offers a fully accredited high school diploma.

Program Objectives

ND CDE's program objectives are to provide educational opportunities to learners in North Dakota by offering:

1. A broad curriculum of middle level and high school distance education courses, available in several formats (print, online (asynchronous), and online (semester based).
2. Enhanced online courses that meet 21st Century Skills.
3. An alternative opportunity for students to earn a high school diploma.
4. Videoconferencing courses to students and schools.
5. Semester-based online courses to assist schools and to enhance curriculum opportunities.

ND CDE Goals

In addition to our program objectives, ND CDE has several goals for the future. One of our main goals is to remain a competitor in the field of distance education. Currently, many ND schools use us when students need to make up a credit or take another class to graduate, but our goal is to make online learning an integral part of each student's educational experience in North Dakota.

To prepare for increased opportunities to partner with ND Schools, ND CDE is transitioning from being a traditional independent study correspondence school to an online distance education school. The development and refinement of critical thinking skills among our students is one of our top priorities, and we pride ourselves on providing challenging courses that are aligned to state and national standards.

Online distance education programs are becoming an integral part of education throughout the United States. The report, "Keeping Pace with K–12 Online Learning: A Review of State-Level Policy and Practice," indicates that there are currently 30 state-led programs or initiatives for online learning. In fact, many of these programs are promoting themselves in our area. For example, Minnesota Virtual High School is currently advertising in local newspapers and on local television stations in Fargo. This particular program is funded by Minnesota Transitions Charter School which receives state per pupil funding. Additional distance education course providers that are being use in North Dakota schools include the Jefferson County Public School e-school (Kentucky) and OdyssyeWare Inc. (Arizona).

Therefore, it is currently ND CDE's goal to improve our current online courses and make them more dynamic to promote active learning. This will involve converting approximately 90 online courses to our Moodle platform and enhancing the courses with audio, video, interactive games, and other activities. These improvements do, however, come at a cost, and as a result, ND CDE is asking for an optional package consisting of $100,000 to offset technology expenses associated with improving and enhancing our online courses.

In short, our goals are to:

1. Make online learning an integral part of each student's educational experience in North Dakota. Other state led programs already require students to take an online course as a graduation requirement. This was discussed by the Governors Commission on Educational Improvement.
2. Improve ND CDE's current online courses to make them more dynamic and interactive.
3. Increase the number of dedicated hours that employees could spend on online course enhancements to make the conversion in significantly less time.
4. Continue ND CDE's mission which is to help small schools meet rigorous graduation requirements and fulfill any teacher shortage areas due to no child left behind requirements.

2007–2009 Appropriation

- The Center's current appropriation is $6,582,596 for biennium 2007–2009 of which $931,324 of that was general fund monies. The remaining amount is generated from tuition, other fees, and the sale of materials to schools.

2007–2009 Expenditures

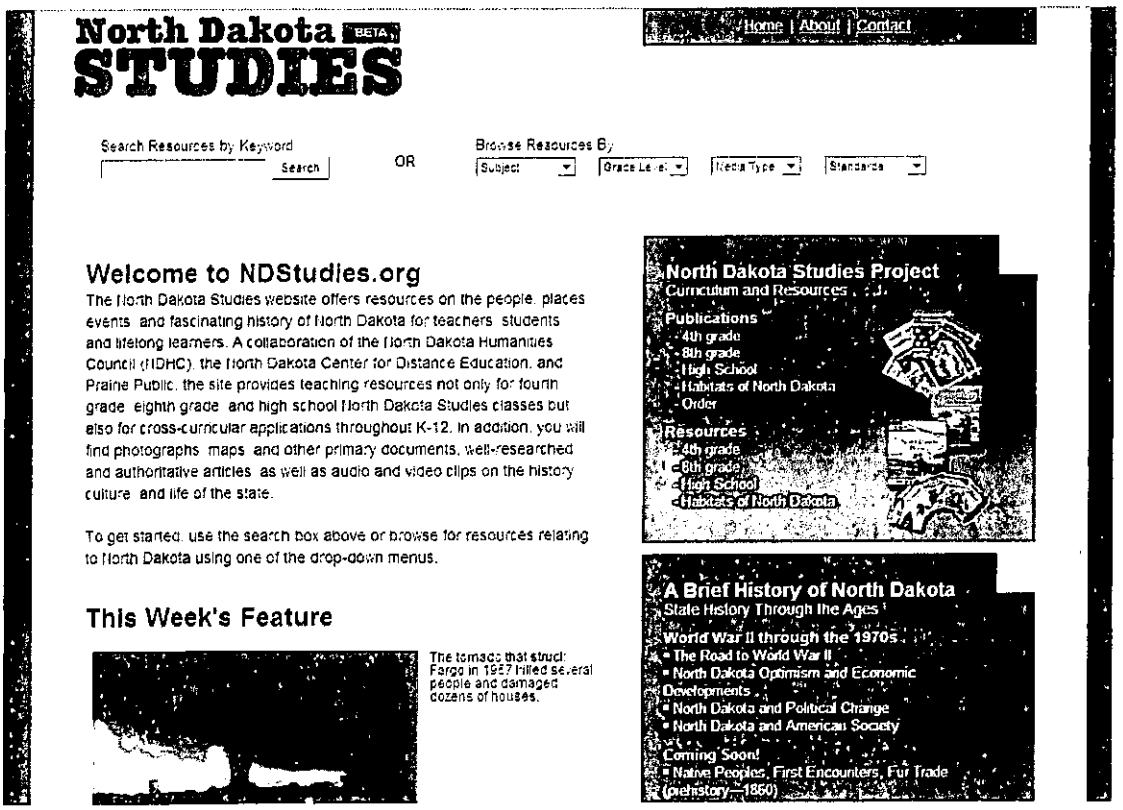
- Salary and benefits represent the largest expense in ND CDE budget. Presently, 39.7 permanent and various temporary employees are employed at an annual cost of $3,524,378. That annual salary/benefit amount is expected to increase during the 2009–20011 biennium—particularly the health coverage component. This will impact us significantly this year because the majority of this increase is paid with special funds generated from tuition and other fees. Therefore, we are asking for an optional package of $250,000 to offset these expenditures.
- In the last biennium, ND CDE has cut 12% of its salary line for an overall savings of $473,615.
- ND CDE will give up 4.0 FTE, as well.

North Dakota Studies and Civics Education Projects

I would also like to update you on the status of the North Dakota Studies and the Civics Education Projects that were funded by the 59th Legislative Assembly.

2007–2009 Accomplishments

- Created a North Dakota Studies website in collaboration with the ND Humanities Council and Prairie Public, which includes project information; publications; North Dakota Studies and Civics Education resources for Grades 4, 8, and high school; and the Habitats of North Dakota units.



- The North Dakota Studies Project continues to publish and distribute:
  - five 4th Grade North Dakota Studies unit textbooks.
  - ***North Dakota Legendary***, a full-color, 416-page, hard-bound textbook with more than 500 photographs for Grade 8, which was created in the previous biennium.
- The North Dakota Studies Project in collaboration with the State Historical Society of North Dakota, developed and published ***North Dakota History: Readings about the Northern Plains State,*** a full color, 434-page, hard-bound high school textbook with more than 340 photographs.
  - BTD, more than 2,800 copies sold to schools and general public.
  - Received the North Dakota Library Association's 2008 "*Notable Document Award.*"
  - Meets the course requirement outlined in 15.1-21-02 of the NDCC.
- The North Dakota Studies Project in collaboration with the State Historical Society of North Dakota, has developed:
  - 24 "document sets" of primary research material to directly accompany the seven units of the high school ***North Dakota History*** textbook.
  - online document sets discussing the origin, history, and de-commission of the ***USS North Dakota***.
  - lesson plans for Grades 4, 8, and high school.
- The North Dakota Studies Project in collaboration with the North Dakota Game and Fish Department developed and published five unit textbooks on the state's habitats.

2009–2011 Overview and Plan of Action

- The North Dakota Studies Project will continue populating the website with resources for Grades 4, 8, and high school.
- The North Dakota Studies Project will continue to develop primary research "document sets" to accompany the high school ***North Dakota History*** textbook.
- The North Dakota Studies Project, in collaboration with the North Dakota Department of Agriculture, North Dakota Farm Bureau, and North Dakota Farmers Union, will develop a 4th Grade unit on agriculture.
- The North Dakota Studies Project, in collaboration with the North Dakota Indian Affairs Commission, will create online resources on North Dakota's four Indian nations that will include history and culture overviews, timelines, tribal government and leaders, and student activities.
- The North Dakota Studies Project, in collaboration with the State Historical Society, plans to photo document many of the small community school buildings that have closed in the last 10 years.
- The North Dakota Studies Project, in collaboration with the North Dakota Supreme Court, will host a two-day workshop, "***The Constitution and Judicial Decision-Making***" for approximately 20 North Dakota social studies teachers.

- The North Dakota Studies Project will develop a middle level civics education textbook that will complement the 4th Grade unit text developed during 2005–2007.

For the 2009–2011 biennium, ND CDE is requesting an optional package of $25,000 for North Dakota Studies website development and $30,000 for Civics Education.

2009–2011 Governor's Recommendation

With the Governor's recommended compensation amounts, the North Dakota Center for Distance Education's budget request is $6,347,917 for the 2009–2011 biennium. ND CDE has requested $1,229,232 in general fund monies for operation of the Center. We have requested four optional packages--$250,000 to cover salary and benefit increases; $100,000 for online course development; $25,000 to maintain the ND Studies website; and $30,000 for additional Civics education projects. These are included in the $1,229,232 figure.

Conclusion

The North Dakota Center for Distance Education has the potential to be a leader in the up and coming industry of distance education and online learning. Now and in the future, I am confident that ND CDE will continue to provide quality distance education opportunities to students and schools throughout the state of North Dakota and to students in other states and countries. And, as always, ND CDE will strive to ensure that these educational opportunities are affordable to the students of North Dakota.

Thank you, Senator Holmberg, and members of the Committee, for the opportunity to testify today. On behalf of the staff and faculty at ND CDE, I want to extend my appreciation for the long-standing support we have received from the Legislative Assembly. If you have any questions, I will do my best to address them.

Jon Skaare, State Director
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Attachment D
2/25/09
ITD Over-view

North Dakota Center for Distance Education (ND CDE)

North Dakota House Appropriations Committee

Introduction

Representative Svedjan and members of the Committee, my name is Jon Skaare, Director of the North Dakota Center for Distance Education (ND CDE).

The North Dakota Center for Distance Education was established by the 1935 Legislative Assembly. Today, in our 73rd year, the Center offers more than 160 courses to students in grades 6–12, with 109 of them available online. As the state's distance education high school, we are fully accredited by the *North Dakota Department of Public Instruction*, the *North Central Association Commission on Accreditation and School Improvement* (NCA/CASI), and the *Commission on International and Trans-Regional Accreditation* (CITA). All ND CDE core courses are taught by highly-qualified teachers and also meet the eligibility requirements established by the *National Collegiate Athletic Association* (NCAA). In addition to providing distance and independent study courses to students and schools, ND CDE offers a fully accredited high school diploma.

Program Objectives

ND CDE's program objectives are to provide educational opportunities to learners in North Dakota by offering:

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In addition to our program objectives, ND CDE has several goals as we plan for the future. First, we plan to remain a competitor in the field of distance education. Currently, many ND schools use us when students need to make up a credit or take another class to graduate, but our goal is to make online learning an integral part of each student's educational experience in North Dakota. The development of critical thinking skills and self-directed learning among our students is one of our top priorities and we pride ourselves on providing challenging courses that are aligned to state and national standards. To prepare for increased opportunities to partner with ND Schools, ND CDE is transitioning from being a traditional independent study correspondence school to an online distance education school.

Online distance education programs are becoming an integral part of education throughout the United States. The report, "Keeping Pace with K–12 Online Learning: A Review of State-Level Policy and Practice," indicates that there are currently 30 state-led programs or initiatives for online learning. In fact, many of these programs are promoting themselves in our area. For example, Minnesota Virtual High School is currently advertising in local newspapers and on local television stations in Fargo. This particular program is funded by Minnesota Transitions Charter School which receives state per pupil funding. Additional distance education course providers that are being use in North Dakota schools include the Jefferson County Public School e-school (Kentucky) and OdyssyeWare Inc. (Arizona).

ND CDE's goal is to improve our current online courses, and make them more dynamic to promote active learning. This will involve converting approximately 90 online courses to our new online delivery platform (Moodle) and enhancing the courses with audio, video, interactive games, and other activities.

In short, our goals are to:

1. Make online learning an integral part of each student's educational experience in North Dakota. Other states already require students to take an online course as a graduation requirement. This was discussed by the Governors Commission on Educational Improvement.
2. Improve ND CDE's current online courses to make them more dynamic and interactive.
3. Increase the number of hours that CDE employees spend on online course enhancements in order to make the conversion in significantly less time.
4. Continue ND CDE's mission to help small schools meet rigorous graduation requirements and alleviate any teacher shortages.

2005–2007 Revenue and Expenditures

- In 2005–2007 ND CDE's revenue was $5,535,732. Its expenditures totaled $5,334,596.

2007–2009 Appropriation

- The Center's current appropriation is $6,582,596. Of that, $931,324 is from the general fund. The remaining revenue is generated from tuition, other fees, and the sale of curriculum materials to schools.
- ND CDE received a one-time funding package of $80,000 for ND Studies text books and other curriculum publications.
- ND CDE also received $90,000 in pass through monies to complete a ND Studies project with the ND Humanities Council.

2007–2009 Expenditures

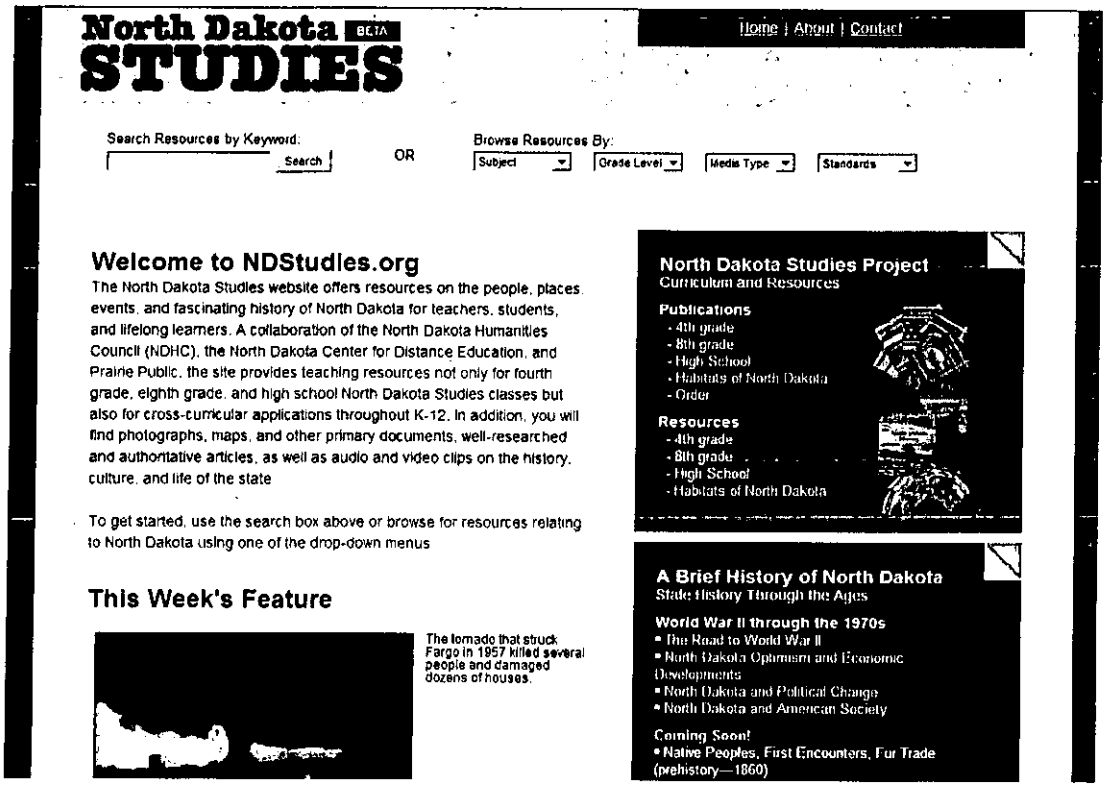
- Salary and benefits represent the largest expense in ND CDE budget. Presently, 39.7 permanent and temporary employees are employed at an annual cost of $3,524,378. That annual salary/benefit amount is

expected to increase during the 2009–20011 biennium—particularly the health coverage component. This will impact us significantly this year because the majority of this increase is paid with special funds generated from tuition and other fees. Current estimates for a 5% salary increase per employee per year with a full health insurance premium coverage would create an additional $400,000 increase in expenses for our program. Therefore, we have requested $250,000 to offset these expenditures during the 2009–2011 biennium.

- The current estimate for expenditures during this biennium is $4,617,361. The current estimate for revenue is $4,417,631.
- During this biennium, ND CDE cut 12% of its salary line for an overall savings of $473,615.
- ND CDE also plans to turn back 4.0 FTE for the coming biennium.

2007–2009 Accomplishments

- In 2007–2008, ND CDE received 7467 new course enrollments (print and online combined).
- During 2007–2008, ND CDE provided services to 4636 student—1385 of whom were North Dakota students.
- Teachers evaluated 88,182 print and online lessons.
- Sold over $456,685 worth of curricular materials to schools.
- Provided video conferencing classes to three North Dakota schools (48 students).
- Faculty wrote 22 completely **NEW** courses and updated/enhanced over 30 online courses.
- Created a North Dakota Studies website in collaboration with the ND Humanities Council and Prairie Public, which includes project information; publications; North Dakota Studies and Civics Education resources for Grades 4, 8, and high school; and the Habitats of North Dakota units.



- The ND CDE North Dakota Studies Project continues to publish and distribute:
  - Five 4th Grade North Dakota Studies unit textbooks.
  - ***North Dakota Legendary***, a full-color, 416-page, hard-bound textbook with more than 500 photographs for Grade 8, which was created in the previous biennium.
- In collaboration with the State Historical Society of North Dakota, ND CDE developed and published ***North Dakota History: Readings about the Northern Plains State,*** a full color, 434-page, hard-bound high school textbook with more than 340 photographs.
  - To date more than 2800 copies have been sold to schools and the general public.
  - This text received the North Dakota Library Association's 2008 "*Notable Document Award.*"
  - The textbook and related teacher resources meet the course requirement outlined in 15.1-21-02 of the NDCC.
- In collaboration with the State Historical Society of North Dakota, ND CDE developed:
  - 24 "document sets" of primary research material to directly accompany the seven units of the high school ***North Dakota History*** textbook.
  - Online document sets discussing the origin, history, and de-commission of the ***USS North Dakota***.
  - Lesson plans for Grades 4, 8, and high school.
- In collaboration with the North Dakota Game and Fish Department, ND CDE developed and published five unit textbooks on the state's habitats.

2009–2011 Overview and Plan of Action

- ND CDE will:
  - Analyze course enrollment numbers and materials only sales to determine which courses should be eliminated from our curriculum.
  - Continue updating and enhancing our online courses to make them more dynamic by including more features like Discovery Education videos, interactive activities to engage the student in the learning process, more self-check components, auto graded portions that will provide students with immediate feedback, discussion boards that promote student interaction and critical thinking, and organized teacher-led chat rooms that can be used for question/answer sessions.
  - Continue ND CDE's mission to help small schools meet rigorous graduation requirements and alleviate any teacher shortages by offering print, online, and videoconferencing courses.
- The ND CDE North Dakota Studies Project will:
  - Continue populating the website with resources for Grades 4, 8, and high school.
  - Continue to develop primary research "document sets" to accompany the high school ***North Dakota History*** textbook.
  - Develop a 4th Grade unit on agriculture in collaboration with the North Dakota Department of Agriculture, North Dakota Farm Bureau, and North Dakota Farmers Union.

- In collaboration with the North Dakota Indian Affairs Commission, create online resources on North Dakota's four Indian nations that will include history and culture overviews, timelines, tribal government and leaders, and student activities.
- In collaboration with the State Historical Society, photographically document many of the small community school buildings that have closed in the last 10 years.
- In collaboration with the North Dakota Supreme Court, will host a two-day workshop, "***The Constitution and Judicial Decision-Making***" for approximately 20 North Dakota social studies teachers.
- Develop a middle level civics education textbook that will complement the 4th Grade unit text developed during 2005–2007.

2009–2011 Budget Request

With the Governor's recommended compensation amounts, the North Dakota Center for Distance Education's budget request is $6,347,917 for the 2009–2011 biennium. ND CDE has requested $1,229,232 in general fund monies for operation of the Center and $5,118,685 in special funds. Included in the Governor's general fund budget, we have allocated $250,000 to cover salary and benefit increases; $100,000 for online course development; $25,000 to maintain the ND Studies website; and $30,000 for additional Civics education projects.

Conclusion

Now and in the future, I am confident that the ND Center for Distance Education will continue to provide quality distance education opportunities to students and schools throughout the state of North Dakota and to students in other states and countries. As always, ND CDE will strive to ensure that these educational opportunities are affordable to the students of North Dakota.

Thank you, Representative Svedjan and members of the Committee, for the opportunity to testify today. On behalf of the staff and faculty at ND CDE, I want to extend my appreciation for the long-standing support we have received from the Legislative Assembly. If you have any questions, I will do my best to address them.

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North Dakota Center for Distance Education (ND CDE)

House Appropriations – Government Operations Division

March 11, 2009

Introduction

Representative Delzer and members of the Committee, I am providing you with the additional information you requested. First, I have included an organizational chart. Next, I will provide you with information regarding the costs of producing the North Dakota Studies high school textbook. Additionally, I will provide you with information about our resident and nonresident student and tuition rate. Finally, I have provided the spend down request to the ITD administration.

The *North Dakota History* textbook has been well received throughout the state. Below are the expenses that it took to produce this book.

North Dakota History High School Textbook

EXPENSE CATEGORY	AMOUNT
Graphic Artist Salary	$ 14,459.00
Content Writing	$ 2,400.00
Content Editing	$ 10,228.00
SHSND Staff Research and Editing	$ 8,500.00
340 SHSND Photos—Permission and Usage Fees	$ 2,720.00
Promotional Brochure to Schools	$ 603.88
Printing of Textbooks	$ 50,015.58
Printing of Teacher Guides	$ 6,145.78
Postage and Shipping Charges	$ 2,162.00
Mileage for Staff	$ 1,500.00
Ongoing Project Management	$7,500.00
TOTAL EXPENSES	$ 106,234.24

SALES AND REVENUE	AMOUNT
Sales of 2069 Textbooks to Schools and General Public	$83,766.00
Sales of 93 Teacher Guides to Schools	$ 3,255.00
TOTAL REVENUE	$87,021.00

I was also asked to explain where our students are from and the tuition rate. ND CDE has always charged nonresident students more than resident students. Currently, the difference is $8.00 per semester. We plan to increase tuition significantly for nonresident students next biennium. However, the out-of-state revenue that we earn allows ND CDE to continue to operate, and gives us the opportunity to provide this program to North Dakota students. The following chart details where our students are from.

Student Enrollments by State and Year

2005-2008

State	2005-06	State	2006-07	State	2007-08
Alabama	8	Alabama	10	Alabama	1
Alaska	1,242	Alaska	1,001	Alaska	928
Arizona	101	Arizona	108	Arizona	66
Arkansas	4	Arkansas	2	Arkansas	3
California	191	California	161	California	182
Colorado	149	Colorado	108	Colorado	59
Connecticut	7	Connecticut	19	Connecticut	8
Delaware	1	Delaware	1	Delaware	1
Dist. Of Columbia	0	Dist. Of Columbia	0	Dist. Of Columbia	0
Florida	45	Florida	51	Florida	26
Georgia	12	Georgia	10	Georgia	7
Hawaii	37	Hawaii	42	Hawaii	33
Idaho	17	Idaho	11	Idaho	29
Illinois	40	Illinois	38	Illinois	45
Indiana	14	Indiana	11	Indiana	9
Iowa	4	Iowa	7	Iowa	9
Kansas	21	Kansas	18	Kansas	14
Kentucky	5	Kentucky	1	Kentucky	3
Louisiana	17	Louisiana	3	Louisiana	3
Maine	12	Maine	5	Maine	3
Maryland	19	Maryland	20	Maryland	15
Massachusetts	26	Massachusetts	20	Massachusetts	15
Michigan	147	Michigan	79	Michigan	69
Minnesota	339	Minnesota	391	Minnesota	410

Mississippi	2	Mississippi	3	Mississippi	7
Missouri	7	Missouri	9	Missouri	7
Montana	245	Montana	284	Montana	216
Nebraska	7	Nebraska	10	Nebraska	5
Nevada	33	Nevada	9	Nevada	11
New Hampshire	7	New Hampshire	3	New Hampshire	0
New Jersey	20	New Jersey	9	New Jersey	6
New Mexico	8	New Mexico	2	New Mexico	3
New York	16	New York	20	New York	16
North Carolina	11	North Carolina	9	North Carolina	7
North Dakota	1,461	North Dakota	1,421	North Dakota	1,385
Ohio	64	Ohio	48	Ohio	26
Oklahoma	4	Oklahoma	2	Oklahoma	1
Oregon	168	Oregon	141	Oregon	193
Pennsylvania	25	Pennsylvania	31	Pennsylvania	17
Puerto Rico	1	Puerto Rico	1	Puerto Rico	1
Rhode Island	0	Rhode Island	0	Rhode Island	0
South Carolina	14	South Carolina	11	South Carolina	5
South Dakota	317	South Dakota	297	South Dakota	428
Tennessee	5	Tennessee	5	Tennessee	4
Texas	49	Texas	41	Texas	36
Utah	8	Utah	12	Utah	12
Vermont	24	Vermont	17	Vermont	11
Virginia	69	Virginia	67	Virginia	38
Washington	66	Washington	59	Washington	49
West Virginia	3	West Virginia	4	West Virginia	1
Wisconsin	110	Wisconsin	100	Wisconsin	94
Wyoming	42	Wyoming	26	Wyoming	21
Total for Year	5,244		4,756		4,538

Thank you, Representative Delzer and members of the Committee for the opportunity to testify today. On behalf of the staff and faculty at ND CDE, I want to extend my appreciation for the long-standing support we have received from the Legislative Assembly.

Jon Skaare, State Director

North Dakota Center for Distance Education

PO Box 5036

Fargo, ND 58105

Jon.Skaare@sendit.nodak.edu

701.231.6007

North Dakota Center for Distance Education (ND CDE)

B

North Dakota House Appropriations Committee

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5. Semester-based online courses to assist schools and to enhance curriculum opportunities.

ND CDE Goals

In addition to our program objectives, ND CDE has several goals as we plan for the future. First, we plan to remain a competitor in the field of distance education. Currently, many ND schools use us when students need to make up a credit or take another class to graduate, but our goal is to make online learning an integral part of each student's educational experience in North Dakota. The development of critical thinking skills and self-directed learning among our students is one of our top priorities and we pride ourselves on providing challenging courses that are aligned to state and national standards. To prepare for increased opportunities to partner with ND Schools, ND CDE is transitioning from being a traditional independent study correspondence school to an online distance education school.

Online distance education programs are becoming an integral part of education throughout the United States. The report, "Keeping Pace with K–12 Online Learning: A Review of State-Level Policy and Practice," indicates that there are currently 30 state-led programs or initiatives for online learning. In fact, many of these programs are promoting themselves in our area. For example, Minnesota Virtual High School is currently advertising in local newspapers and on local television stations in Fargo. This particular program is funded by Minnesota Transitions Charter School which receives state per pupil funding. Additional distance education course providers that are being use in North Dakota schools include the Jefferson County Public School e-school (Kentucky) and OdyssyeWare Inc. (Arizona).

ND CDE's goal is to improve our current online courses, and make them more dynamic to promote active learning. This will involve converting approximately 90 online courses to our new online delivery platform (Moodle) and enhancing the courses with audio, video, interactive games, and other activities.

In short, our goals are to:

1. Make online learning an integral part of each student's educational experience in North Dakota. Other states already require students to take an online course as a graduation requirement. This was discussed by the Governors Commission on Educational Improvement.
2. Improve ND CDE's current online courses to make them more dynamic and interactive.
3. Increase the number of hours that CDE employees spend on online course enhancements in order to make the conversion in significantly less time.
4. Continue ND CDE's mission to help small schools meet rigorous graduation requirements and alleviate any teacher shortages.

2005–2007 Revenue and Expenditures

- In 2005-2007 ND CDE's revenue was $5,535,732. Its expenditures totaled $5,334,596.

2007–2009 Appropriation

- The Center's current appropriation is $6,582,596. Of that, $931,324 is from the general fund. The remaining revenue is generated from tuition, other fees, and the sale of curriculum materials to schools.
- ND CDE received a one-time funding package of $80,000 for ND Studies text books and other curriculum publications.
- ND CDE also received $90,000 in pass through monies to complete a ND Studies project with the ND Humanities Council.

2007–2009 Expenditures

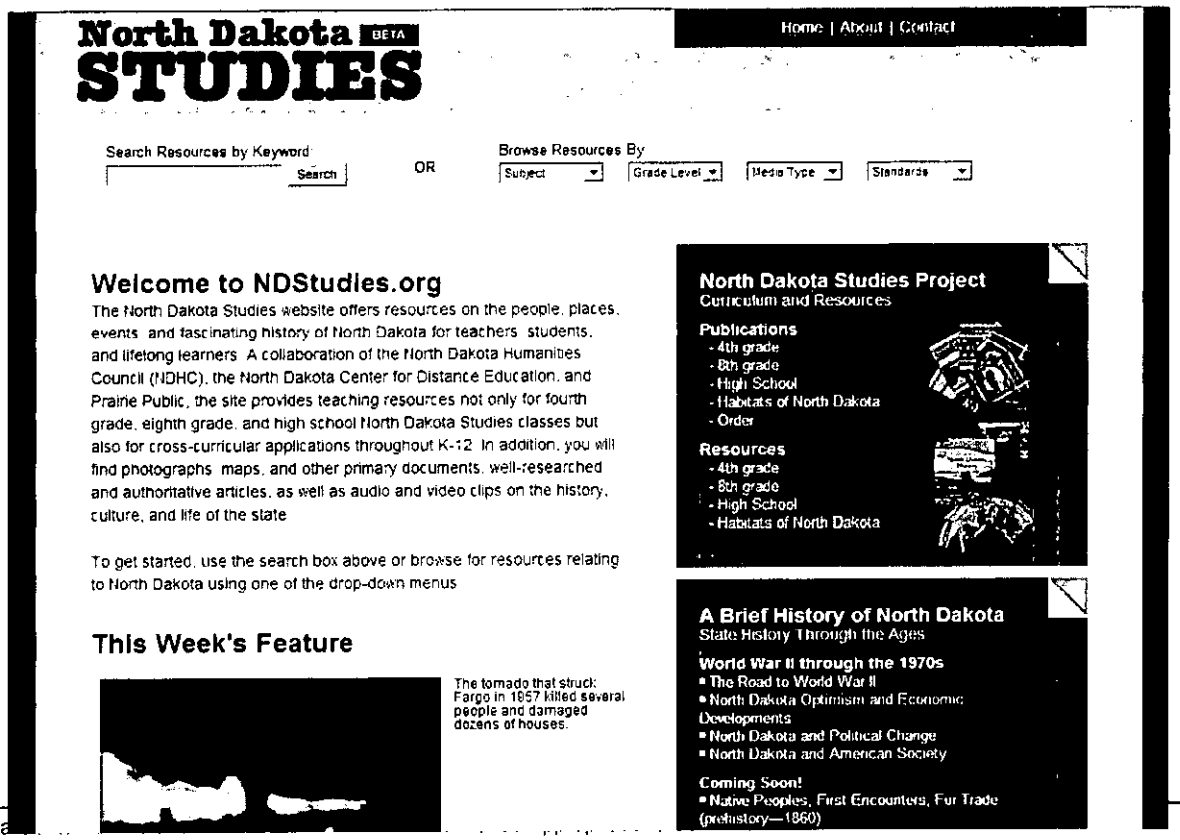
- Salary and benefits represent the largest expense in ND CDE budget. Presently, 39.7 permanent and temporary employees are employed at an annual cost of $3,524,378. That annual salary/benefit amount is expected to

increase during the 2009–20011 biennium—particularly the health coverage component. This will impact us significantly this year because the majority of this increase is paid with special funds generated from tuition and other fees. Current estimates for a 5% salary increase per employee per year with a full health insurance premium coverage would create an additional $400,000 increase in expenses for our program. Therefore, we have requested $250,000 to offset these expenditures during the 2009-2011 biennium.

- The current estimate for expenditures during this biennium is $4,617,361. The current estimate for revenue is $4, 417,631.
- During this biennium, ND CDE cut 12% of its salary line for an overall savings of $473,615.
- ND CDE also plans to turn back 4.0 FTE for the coming biennium

2007–2009 Accomplishments

- In 2007-2008, ND CDE received 7467 new course enrollments (print and online combined).
- During 2007-2008, ND CDE provided services to 4636 student—1385 of whom were North Dakota students.
- Teachers evaluated 88,182 print and online lessons.
- Sold over $456,685 worth of curricular materials to schools.
- Provided video conferencing classes to three North Dakota schools (48 students).
- Faculty wrote 22 completely **NEW** courses and updated/enhanced over 30 online courses.
- Created a North Dakota Studies website in collaboration with the ND Humanities Council and Prairie Public, which includes project information; publications; North Dakota Studies and Civics Education resources for Grades 4, 8, and high school; and the Habitats of North Dakota units.



- The ND CDE North Dakota Studies Project continues to publish and distribute:
  - five 4th Grade North Dakota Studies unit textbooks.
  - ***North Dakota Legendary***, a full-color, 416-page, hard-bound textbook with more than 500 photographs for Grade 8, which was created in the previous biennium.
- In collaboration with the State Historical Society of North Dakota, ND CDE developed and published ***North Dakota History: Readings about the Northern Plains State,*** a full color, 434-page, hard-bound high school textbook with more than 340 photographs.
  - To date more than 2,800 copies have been sold to schools and the general public.
  - This text received the North Dakota Library Association's 2008 "*Notable Document Award.*"
  - The textbook and related teacher resources meet the course requirement outlined in 15.1-21-02 of the NDCC.
- In collaboration with the State Historical Society of North Dakota, ND CDE developed:
  - 24 "document sets" of primary research material to directly accompany the seven units of the high school ***North Dakota History*** textbook.
  - Online document sets discussing the origin, history, and de-commission of the ***USS North Dakota***.
  - Lesson plans for Grades 4, 8, and high school.
- In collaboration with the North Dakota Game and Fish Department, ND CDE developed and published five unit textbooks on the state's habitats.

2009–2011 Overview and Plan of Action

- ND CDE will:
  - Analyze course enrollment numbers and materials only sales to determine which courses should be eliminated from our curriculum.
  - Continue updating and enhancing our online courses to make them more dynamic by including more features like Discovery Education videos, interactive activities to engage the student in the learning process, more self-check components, auto graded portions that will provide students with immediate feedback, discussion boards that promote student interaction and critical thinking, and organized teacher-led chat rooms that can be used for question/answer sessions.
  - Continue ND CDE's mission to help small schools meet rigorous graduation requirements and alleviate any teacher shortages by offering print, online, and videoconferencing courses.
- The ND CDE North Dakota Studies Project will:
  - Continue populating the website with resources for Grades 4, 8, and high school.

- Continue to develop primary research "document sets" to accompany the high school ***North Dakota History*** textbook.
- Develop a 4th Grade unit on agriculture in collaboration with the North Dakota Department of Agriculture, North Dakota Farm Bureau, and North Dakota Farmers Union.
- In collaboration with the North Dakota Indian Affairs Commission, create online resources on North Dakota's four Indian nations that will include history and culture overviews, timelines, tribal government and leaders, and student activities.
- In collaboration with the State Historical Society, photographically document many of the small community school buildings that have closed in the last 10 years.
- In collaboration with the North Dakota Supreme Court, will host a two-day workshop, "***The Constitution and Judicial Decision-Making***" for approximately 20 North Dakota social studies teachers.
- Develop a middle level civics education textbook that will complement the 4th Grade unit text developed during 2005–2007.

2009–2011 Governor's Recommendation

With the Governor's recommended compensation amounts, the North Dakota Center for Distance Education's budget request is $6,347,917 for the 2009–2011 biennium. ND CDE has requested $1,229,232 in general fund monies for operation of the Center and $5,118,685 in special funds. Included in the Governor's general fund budget, we have allocated $250,000 to cover salary and benefit increases; $100,000 for online course development; $25,000 to maintain the ND Studies website; and $30,000 for additional Civics education projects.

Conclusion

Now and in the future, I am confident that the ND Center for Distance Education will continue to provide quality distance education opportunities to students and schools throughout the state of North Dakota and to students in other states and countries. As always, ND CDE will strive to ensure that these educational opportunities are affordable to the students of North Dakota.

Thank you, Representative Svedjan and members of the Committee, for the opportunity to testify today. On behalf of the staff and faculty at ND CDE, I want to extend my appreciation for the long-standing support we have received from the Legislative Assembly. If you have any questions, I will do my best to address them.

Jon Skaare, State Director

North Dakota Center for Distance Education

PO Box 5036

Fargo, ND 58105

Jon.Skaare@sendit.nodak.edu

701.231.6007

Course Price Comparison with Selected Competitors
2008-2009
Ranked from Lowest to Highest Cost
Based on 1.0 Credit of Freshman English

School	Total Cost 1.0 Credit
Brigham Young University, UT	$247.50
Excel High School, FL, LA, MN	$249.00
CompuHigh Online School, WV	$275.00
Keystone, PA	$279.00
United Star Distance Learning, GA	$300.00
Kentucky Virtual High School	$325.00
Alpha Omega Academy, IA	$340.00
Portland State University, OR	$370.00
Texas Tech University High School	$375.00
University of Nebraska-Lincoln	$380.00
National High School, GA	$399.00
Oak Meadow School, VT	$400.00
American Academy, UT	$415.00
University of Texas at Austin	$415.00
WISE	$425.00
Univ. of Missouri - Columbia High School	$437.00
Blueprint	$473.00
ND Center for Distance Education	$477.00

Calcampus, NH	$500.00
Oklahoma Center for Ind./Distance Lrng.	$518.00
Class.com, Plano, TX	$520.00
Indiana University High School	$542.00
Class.com, Girard, KS	$550.00
Griggs University	$552.00
NorthStar Academy, CO	$588.00
South Dakota Virtual School	$600.00
Advantages Online Private School, NV	$650.00
Internet Academy, WA	$690.00
Christa McAuliffe Academy, WA	$750.00
Florida Virtual High School	$775.00
Advanced Academics, OK	$800.00
K12, FL	$829.00
Laurel Springs School, CA	$950.00
Allied National High School, CA	$1,076.00
Regina Coeli Online Academy	$1,250.00
Kaplan College Preparatory	$1,795.00

Online Programs Fully Funded by the State
Midwest Region
2008-2009

Chicago Virtual Charter School
Indiana Virtual Charter School
Insight School of Minnesota
Iowa Learning Online
Iowa Online AP Academy
Insight School of Kansas
IQ Academy Kansas
Lawrence Virtual School, Kansas
Smoky Valley Virtual Charter School, KS
Turner Virtual Learning Center, KS
Turning Point Learning Center, KS
Central Michigan Schools Online
Michigan Virtual School
IQ Academy Minnesota
Minnesota Connections Academy
Minnesota Online High School
Minnesota Virtual High School
Missouri Virtual Instruction Program
Missouri Virtual School

ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
Center for Distance Education	1,229,232	5,118,685		6,347,917	35.7

1-9-09

ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
Center for Distance Education	1,229,232	5,118,685		6,347,917	35.7
2007 – 09 Budget	931,321	5,651,275		6,582,596	39.7
Difference	+ 297,911	- 532,617		- 234,679	- 4

1-9-09 to Senate Approps

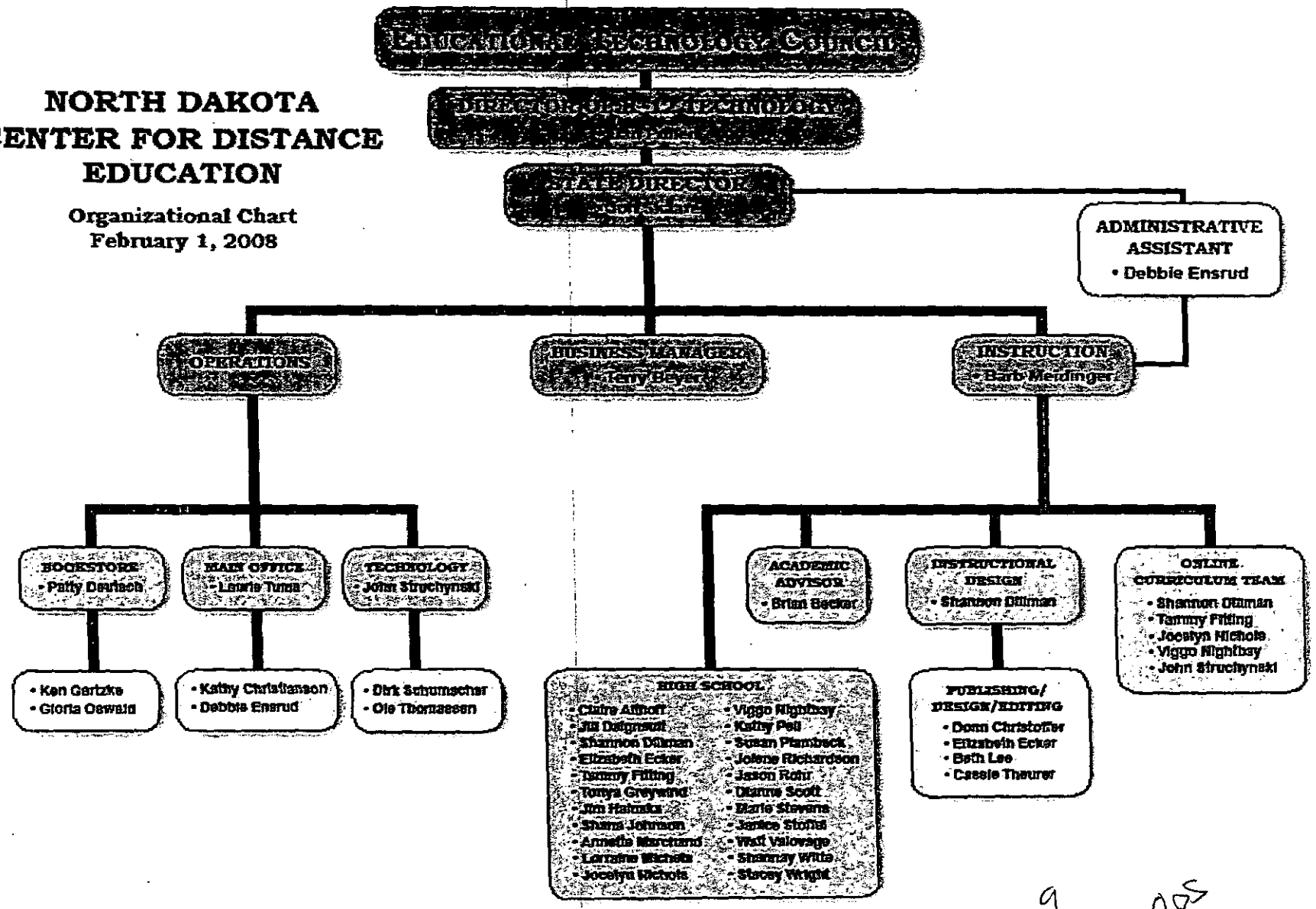
ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
Center for Distance Education	1,229,232	5,118,685		6,347,917	35.7
2007 – 09 Budget	931,321	5,651,275		6,582,596	39.7
Difference	+ 297,911	- 532,617		- 234,679	- 4
2005 – 07 Biennium	1,007,295	5,009,484		6,016,779	39.7

2-25-09
To House Approps

NORTH DAKOTA CENTER FOR DISTANCE EDUCATION

Organizational Chart
February 1, 2008



3-11-09
To Govt Ops

Center for Distance Ed-Line70

		Expenditures as of Jan 31, 2009	2007-09 Appropriation	2009-11 Recommendation	Change from 07-09 Appropriation
Expenditures					
511000	Salaries - Permanent	2,001,763	2,786,453	2,979,447	192,994
512000	Salaries - Other	0	0	0	0
511900	Salary Budget Adjustment	0	0	0	0
513000	Temporary Salaries	137,691	124,000	70,080	(53,920)
514000	Overtime	13,016	20,000	0	(20,000)
516000	Fringe Benefits	818,166	1,141,830	1,274,960	133,130
510000	Salaries and Benefits	2,970,635	4,072,283	4,324,487	252,204
521000	Travel	44,624	40,800	33,400	(7,400)
531000	Supplies - IT Software	6,583	30,103	31,300	1,197
532000	Supply/Material-Professional	233	20,800	20,800	0
533000	Food and Clothing	9	0	0	0
534000	Bldg, Grounds, Vehicle Supply	2,418	3,000	3,000	0
535000	Miscellaneous Supplies	336	20,800	20,800	0
536000	Office Supplies	487,544	830,000	830,000	0
541000	Postage	209,304	375,000	375,000	0
542000	Printing	444,624	351,108	110,000	(241,108)
551000	IT Equip under $5,000	23,578	62,400	62,400	0
552000	Other Equip under $5,000	744	41,600	41,600	0
553000	Office Equip & Furniture-Under	2,014	26,000	26,000	0
561000	Utilities	23,576	25,000	26,000	1,000
571000	Insurance	1,146	3,700	3,700	0
581000	Rentals/Leases-Equip & Other	86,114	156,000	156,000	0
582000	Rentals/Leases - Bldg/Land	10,501	10,400	10,400	0
591000	Repairs	17,160	15,600	15,600	0
601000	IT - Data Processing	0	1,000	1,000	0
602000	IT-Communications	23,769	40,000	40,000	0
603000	IT Contractual Services and Re	3,350	6,200	6,200	0
611000	Professional Development	23,343	20,800	20,800	0
621000	Operating Fees and Services	45,618	90,000	93,600	3,600
623000	Fees - Professional Services	112,244	174,972	20,800	(154,172)
520000	Operating Expenses	1,568,831	2,345,283	1,948,400	(396,883)
684000	Extraordinary Repairs	0	60,000	60,000	0
691000	Equipment Over $5000	0	0	0	0
693000	IT Equip / Software Over $5000	10,277	15,030	15,030	0
681000	Capital Assets	10,277	75,030	75,030	0
712000	Grants	90,000	90,000	0	(90,000)
Total Expenditures		**4,639,744**	**6,582,596**	**6,347,917**	**(234,679)**
Expenditures by Source					
General Fund Expenditures		916,191	931,321	1,229,232	297,911
Federal Fund Expenditures		0	0	0	0
Special Fund Expenditures		3,723,553	5,651,275	5,118,685	(532,590)
Total Expenditures by Source		**4,639,744**	**6,582,596**	**6,347,917**	**(234,679)**

North Dakota Center for Distance Education

Formerly the North Dakota Division of Independent Study

Course Catalog 2008-2009

your future at your fingertips!

A Leader in Middle and High School Distance Education

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- Fax: 701-231-6052
- E-mail: ndcde.enroll@sendit.nodak.edu
- www.NDCDE.org

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Welcome to the North Dakota Center for Distance Education!

NDcde

It is with great pleasure that I welcome you to the North Dakota Center for Distance Education (ND CDE)!

For over seventy years, students from around the state, nation, and world have chosen to use ND CDE for their educational needs. In doing so, these students have had access to a challenging, diverse curriculum that has been developed by top-notch, highly-qualified instructors.

Since its founding in 1935, ND CDE's commitment has been to provide personal and caring service to the many students and schools that it serves. From its beginnings as a relatively small four-year high school program, the program has expanded and grown to include offerings for grades 6 through 12.

In the last twelve years, ND CDE has spent a great amount of time and energy developing our online program, and we are proud to offer over 100 courses online. In addition, we have in the last year implemented a new, more user-friendly online class platform called Moodle.

All of our online courses incorporate a variety of instructional techniques that are used to assess our students' progress. In addition, our courses are specifically designed to take full advantage of the extensive resources that are available on the Internet. The development and refinement of critical thinking skills among our students is one of our top priorities, and we pride ourselves on providing challenging courses that are aligned with state and national standards.

Another benefit of taking courses through ND CDE is the flexibility that distance education offers to its students. Whether students are studying at home, at their local school, in the jungles of Thailand, or on a boat as they sail around the world, our program allows them to work at their own pace— wherever and whenever it is convenient for them.

We are intensely committed to making your educational experience a positive one, and we genuinely hope that you enjoy the time you spend taking courses from the North Dakota Center for Distance Education.

Sincerely,

Jon Skaare
Director

Accreditation

The ND Center for Distance Education is fully accredited by the North Central Association Commission on Accreditation and School Improvement (NCA CASI) and the Commission on International and Trans-Regional Accreditation (CITA).

The ND Center for Distance Education is a member of the University Continuing Education Association (UCEA) and subscribes to the criteria and standards of the Association. The ND Center for Distance Education is also accredited, with commendation, by the North Dakota Department of Public Instruction and is governed by and maintains the standards set forth by the North Dakota Educational Technology Council.

Core courses offered by the ND Center for Distance Education are approved by the National Collegiate Athletic Association (NCAA) for establishing initial eligibility certification of student athletes.

UNIVERSITY CONTINUING EDUCATION ASSOCIATION

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ND CDE Staff Picture ..... Inside Back Cover

For copy of catalog contact Center for Distance Education or go online to

nd GIS

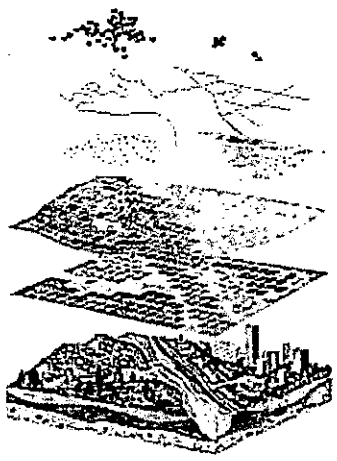
north dakota

GEOGRAPHIC INFORMATION SYSTEMS

Bob Nutsch
GIS Coordinator
Information Technology Department

What is GIS?

- GIS – Geographic Information System
- Geographically referenced information is captured, managed, analyzed, and displayed



Layers of data and related information can be stacked together for analysis or creating a map

(image from www.gis.com)

GIS Program Governance

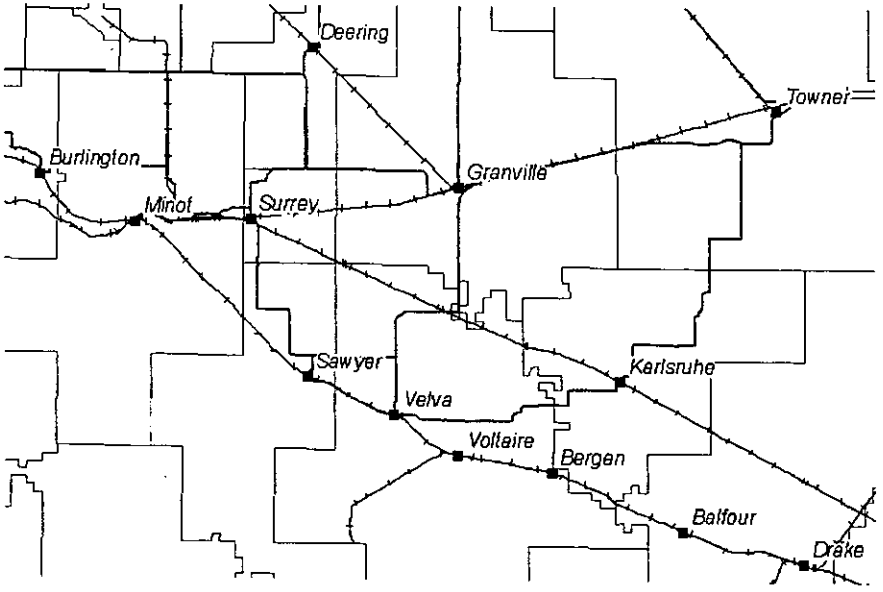
- The GIS Technical Committee (GISTC) was established by Executive Order 1995-05 and re-affirmed by Executive Order 2001-06
- 10 state agencies
- The GISTC coordinates GIS activities within state government
- The GISTC meets monthly

GIS Hub

- Centerpiece of the GIS Program, which began during the 2001-2003 Biennium
- Hosted at the Information Technology Department (www.nd.gov/gis)
- The primary purpose of the GIS Hub is to provide a central database and infrastructure serving state agencies
- Just two examples now…

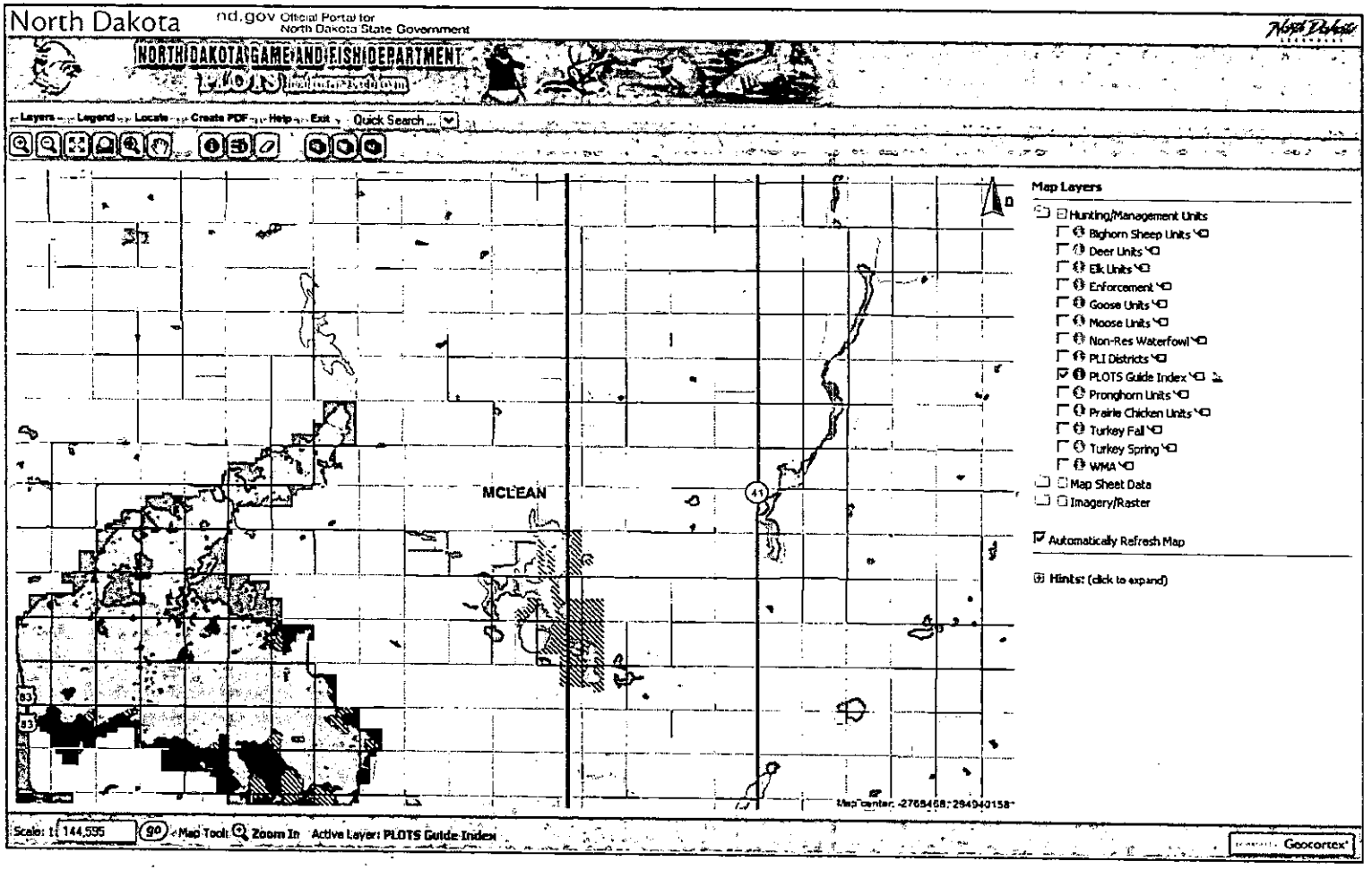
Data – Recent Additions

Railroads
Snowmobile Trails
Fire Districts



Devils Lake Area

Application – PLOTS Guide

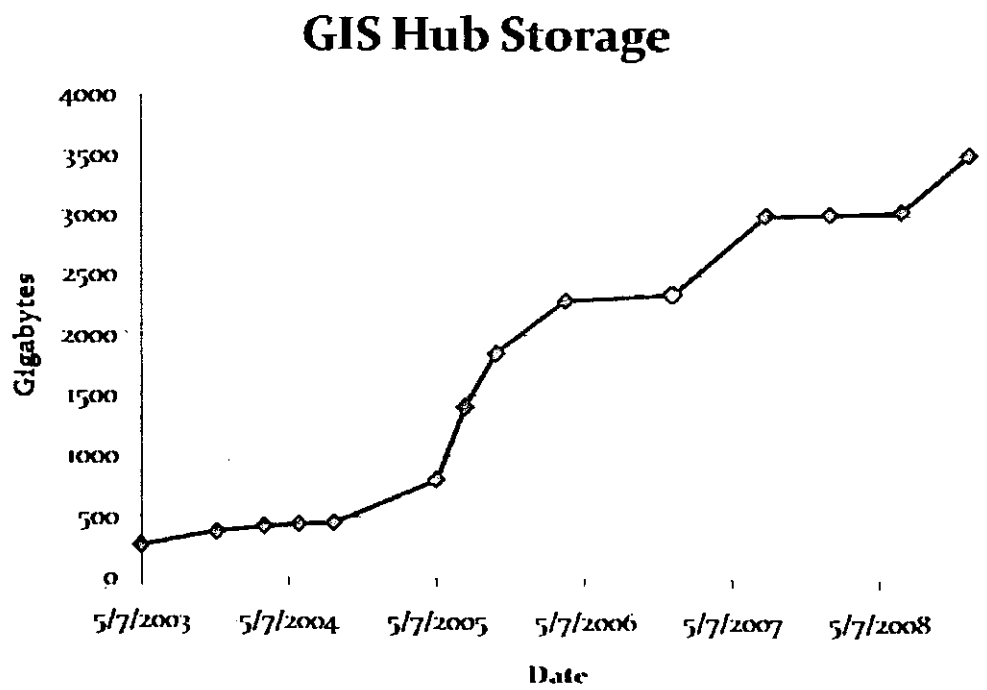


GIS Program Value

- Coordinated GIS training (since Feb. 2002)
  - Over $65,900 in training-only costs saved
  - 143 state agency GIS users trained
- GIS Hub usage (2008):
  - 45+ daily concurrent database connections
  - 58,030 data downloads
  - 360 user-ids
  - 18 state agencies have access
  - Over 2.2 million hits on web services

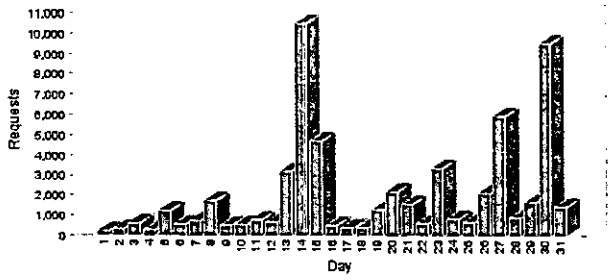
GIS Program Value

- 200+ GIS layers on the GIS Hub
- 3.5+ terabytes of data stored in the database (equivalent to 747 DVDs)

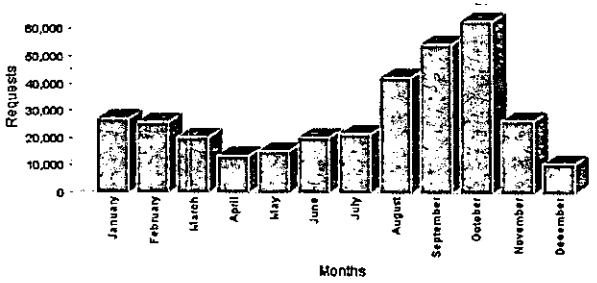


GIS Program Value

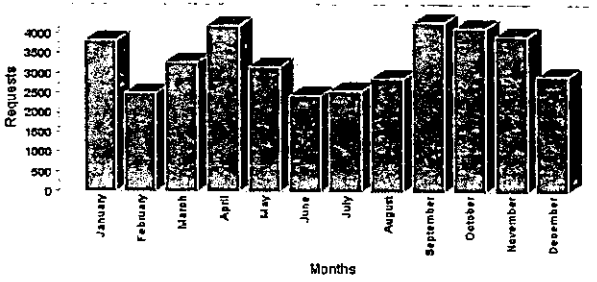
DOT – Road Report
(December snow events)



Game & Fish – General Info
(build-up to hunting seasons)



Tax Department – Sales Tax Rates
(steady usage)



GIS Program Value

"I love this site. Your team of GIS professionals have done a terrific job!"

- M.P., Great American Insurance Group, Fargo, ND

"I really appreciate the work North Dakota has done in making so much data available to the public"

- P.M., St. Mary Land and Exploration, Billings, MT

"Gaining quick access to mapping products is extremely valuable for scientists everywhere. It was great that I could find what I needed on the North Dakota GIS Hub"

- E. E.-S., USGS Forest and Rangeland Ecosystem Science Center, Corvallis, OR

GIS 2009-11 Plans

- Update web mapping applications
- Upgrade hardware and software
- Continued training/workshops
- Continue to enhance GIS coordination
  - State agencies and statewide
  - Improved standards
- Upgrade and add new data

GIS 2009-11 Budget Request

Coordinator (salary / benefits)	$ 179,628
Training / Supplies	$ 23,300
Hosting (software / hardware / data)	$ 511,750
Total General Funds	$ 714,678
Federal Funds (spending authority)	$ 75,000
Total Budget Request	$ 789,678

GIS 2009-11 Budget Request

Coordinator (salary / benefits)	$ 179,628
Training / Supplies	$ 23,300
Hosting (software / hardware / data)	$ 511,750
Total General Funds	$ 714,678
Federal Funds (spending authority)	$ 75,000
Total Budget Request	$ 789,678

given to House appropriations 2-25-09

2007-2009: $798,149 (includes one-time $100,000)
2005-2007: $686,980

ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
Geographic Info System (GIS)	714,678			714,678	1

1-9-09 to Senate Approps

ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
Geographic Info System (GIS)	714,678		75,000	789,678	1
2007 – 09 Budget	798,149		75,000	873,149	1
Difference	- 83,471		0	- 83,471	0

1-9-09 to Senate approp

ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
Geographic Info System (GIS)	714,678		75,000	789,678	1
2007 – 09 Budget	798,149		75,000	873,149	1
Difference	- 83,471		0	- 83,471	0
2005 – 07 Biennium	686,980		0	686,980	1

2-25-09 to House Approps

Geographic Info System-Line76

		Expenditures as of Jan 31, 2009	2007-09 Appropriation	2009-11 Recommendation	Change from 07-09 Appropriation
Expenditures					
511000	Salaries - Permanent	103,980	129,079	147,955	18,876
512000	Salaries - Other	0	0	0	0
511900	Salary Budget Adjustment	0	0	0	0
513000	Temporary Salaries	0	0	0	0
514000	Overtime	0	0	0	0
516000	Fringe Benefits	30,066	37,968	45,230	7,262
510000	Salaries and Benefits	134,046	167,047	193,185	26,138
521000	Travel	2,615	4,700	4,700	0
531000	Supplies - IT Software	38,437	72,000	72,000	0
532000	Supply/Material-Professional	0	0	0	0
533000	Food and Clothing	0	0	0	0
536000	Office Supplies	0	100	100	0
541000	Postage	0	0	0	0
542000	Printing	15	100	100	0
551000	IT Equip under $5,000	1,759	1,000	1,000	0
552000	Other Equip under $5,000	0	0	0	0
553000	Office Equip & Furniture-Under	0	0	0	0
561000	Utilities	0	0	0	0
571000	Insurance	0	0	0	0
581000	Rentals/Leases-Equip & Other	0	0	0	0
582000	Rentals/Leases - Bldg/Land	0	500	500	0
591000	Repairs	0	0	0	0
601000	IT - Data Processing	287,999	375,000	375,000	0
602000	IT-Communications	1,061	1,000	1,000	0
603000	IT Contractual Services and Re	29,705	113,802	104,193	(9,609)
611000	Professional Development	762	10,600	10,600	0
621000	Operating Fees and Services	245	4,300	4,300	0
623000	Fees - Professional Services	39,959	123,000	23,000	(100,000)
520000	Operating Expenses	402,557	706,102	596,493	(109,609)
683000	Other Capital Payments	0	0	0	0
691000	Equipment Over $5000	0	0	0	0
693000	IT Equip / Software Over $5000	0	0	0	0
681000	Capital Assets	0	0	0	0
Total Expenditures		**536,603**	**873,149**	**789,678**	**(83,471)**
Expenditures by Source					
General Fund Expenditures		511,805	798,149	714,678	(83,471)
Federal Fund Expenditures		24,797	75,000	75,000	0
Special Fund Expenditures		0	0	0	0
Total Expenditures by Source		**536,602**	**873,149**	**789,678**	**(83,471)**

Mission

The CJIS mission is to provide complete, accurate, and timely information to the right criminal justice personnel at the right time.

Vision

The vision of CJIS is to improve public safety by providing effective and efficient justice policies, processes, and information systems required to capture and share complete, accurate, and timely information in support of program operations and informed decision making across jurisdictional and organizational boundaries statewide.

Testimonials

STARS: "We're amazed how quickly Justware generates information and how much information is carried over, decreasing the need for duplicate entry on our end."
LeAnn Westereng, Ward County State's Attorney's Office

LERMS: The LERMS program is easy to use, and it's easy to teach new officers how to use the program."

Randy Munkeby, Chief of Police, Carrington Police Department

CJIS Portal: "Our officers use the hub's driver's license and motor vehicle information for identification purposes on a routine basis. If I were to shut down hub access to my officers today, I would have a revolt on my hands."

Daryl Vance, Chief of Police, Watford City Police Department

Future Initiatives

CJIS Hub Portal Interfaces: Ongoing development of the CJIS Hub allows for improved data sharing among criminal justice record systems. Interfaces focus on data sharing and integration among law enforcement, prosecutor, court, and correction systems.

Law Enforcement: The CJIS program is working to provide access to data contained in the local law enforcement agency records management systems. Once implemented, CJIS users will be able to access data from other law enforcement agencies through the CJIS hub.

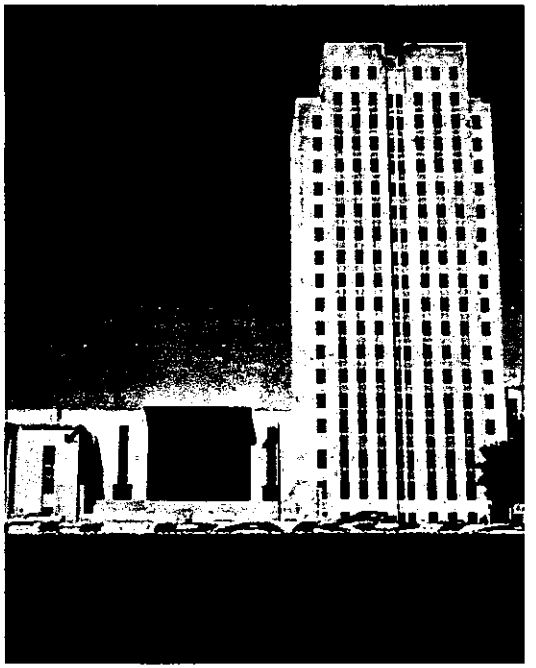
SAVIN (Statewide Automated Victim Information and Notification): The SAVIN program will allow victims to register to receive important offender status notification information. It will interface and gather information from the courts, county jails, the Department of Corrections and Rehabilitation, law enforcement and the Attorney General's office. Offender status information will also be integrated with the CJIS Portal and exchanged statewide. As a result of this information sharing process, victims will be afforded their basic notification rights and will be notified in real time of offender status changes related to their case.

North Dakota CJIS

CJIS
600 E Blvd, Dept 112
Bismarck, ND 58505

Phone: 701-328-1110
Fax: 701-328-3000
Email: cjis@nd.gov

North Dakota CJIS



Criminal Justice Entities Working Together To Improve Public Safety

www.nd.gov/cjis

CJIS Board

Chief Justice
Gerald W. VandeWalle

Chief Deputy Attorney General
Thomas L. Trenbeath

Chief Information Officer
Lisa Feldner

CJIS Executive Committee

ND CHIEF OF POLICE ASSOCIATION

Daryl Vance	Watford City Police Department
Keith Witt	Bismarck Police Department

ND STATE'S ATTORNEY ASSOCIATION

Julie Lawyer	Burleigh County State's Attorney Office

ND SHERIFFS AND DEPUTIES ASSOCIATION

Glenn Ellingsberg	Cass County Sheriff's Office
Kelly Janke	Nelson County Sheriff's Office

STATE OF NORTH DAKOTA

Sally Holewa	Supreme Court
Jerry Kemmet	Office of Attorney General
Charles Placek	Department of Corrections and Rehabilitation
Dave Kleppe	Highway Patrol
Nancy Walz	Information Technology Department
Greg Wilz	Department of Emergency Services

CJIS Staff

Pam Schafer	CJIS Director
Amy Vorachek	SAVIN Program Manager
Darin Anderson	CJIS Product Manager
Gordon Christensen	CJIS IT Architect
Tamara Schatz	CJIS System Support Specialist

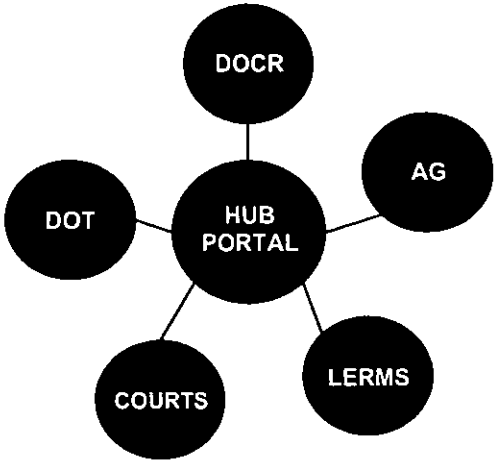
What is CJIS?

CJIS is a statewide program designed to improve public safety by allowing law enforcement and public safety officials to make better informed decisions through the use of a secure, accurate, and easy-to-use web-based information system.

CJIS facilitates policy and technology changes that allows the states' justice systems, which includes state and local law enforcement entities, courts, state's attorneys and corrections agencies, to easily share justice information among government and state agencies.

How is CJIS Funded?

CJIS receives monies from federal grants from the Department of Homeland Security and Department of Justice, state funding sources, and stakeholders who share a portion of the costs.



CJIS Information Systems

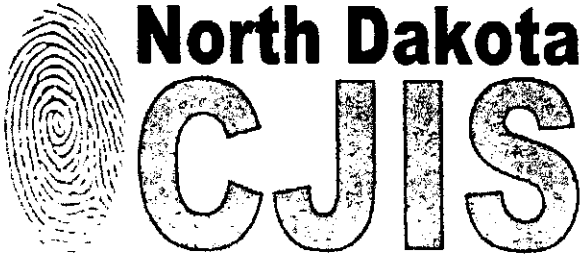
CJIS Hub Portal: The CJIS Hub Portal allows authorized criminal justice personnel to search databases via a virtual private network. Searchable information includes criminal history, parole and probation, protection orders, offender registration, concealed weapons, CWIS, motor vehicle registrations, driver's license records, and driver photographs. This system has notification capabilities to allow criminal justice officers to track offenders. This is available at no cost.

LERMS (Law Enforcement Records Management System): LERMS is a centralized web-based Law Enforcement Records Management System available to North Dakota Law Enforcement that allows users to electronically store and share case reports. It allows for agencies to submit IBR/UCR reports electronically to the Bureau of Criminal Investigation's (BCI) UCR division. Remote access is available for personnel to be mobile, this feature is called Cruiser. This system is available for $25/month/full-time sworn officer. Currently, 36 agencies use the system.

STARS (State's Attorney Records Management System): STARS is a statewide system offered to State's Attorneys that automates business processes, enables work flows, and allows information sharing with other agencies. Users can store electronic case documents and reports. STARS also provides electronic prosecution and disposition reporting to the BCI. This system is available for $50/month/individual user. Currently, 6 agencies use the system.

Criminal Justice Information Sharing

Same given
on 2-25-09
to House appropriations



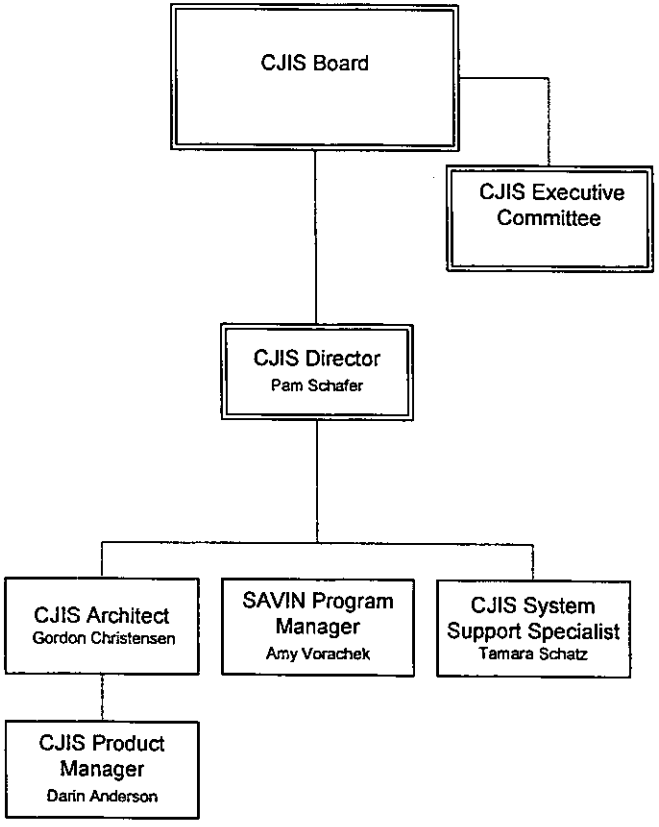
Pam Schafer, CJIS Director

CJIS - Introduction

The mission of the North Dakota Criminal Justice Information Sharing (CJIS) program is to facilitate timely sharing of information to criminal justice and other authorized personnel.

CJIS – Governance

- CJIS Board (sets policy and provides oversight)
  - Chief Justice of the Supreme Court
    - Chief Justice Gerald VandeWalle
  - Deputy Attorney General
    - Thomas L. Trenbeath
  - CIO of North Dakota
    - Lisa Feldner
- CJIS Executive Committee (advisory for CJIS; members are appointed by the CJIS Board and comprised of members of the criminal justice community)
  - Chiefs of Police Association
  - Judicial Branch
  - Bureau of Criminal Investigation
  - Department of Corrections
  - Highway Patrol
  - Information Technology Department
  - ND State's Attorney Association
  - ND Sheriffs and Deputies Association
  - Department of Emergency Services
- SB2041 - Governance Restructure – Single Board



CJIS – Governance

- CJIS Board (sets policy and provides oversight)
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- CJIS Executive Committee (advisory for CJIS; members are appointed by the CJIS Board)
  - Chiefs of Police Association
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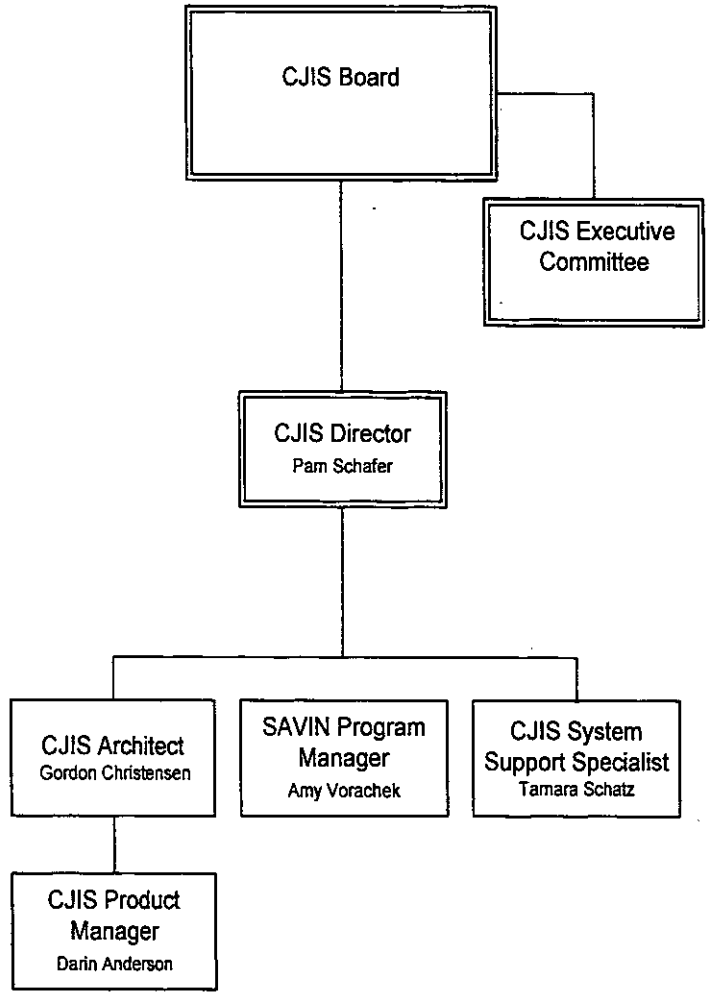
  - Bureau of Criminal Investigation
  - Department of Corrections
  - Highway Patrol
  - Information Technology Department
  - ND State's Attorney Association
  - ND Sheriffs and Deputies Association
  - Department of Emergency Services

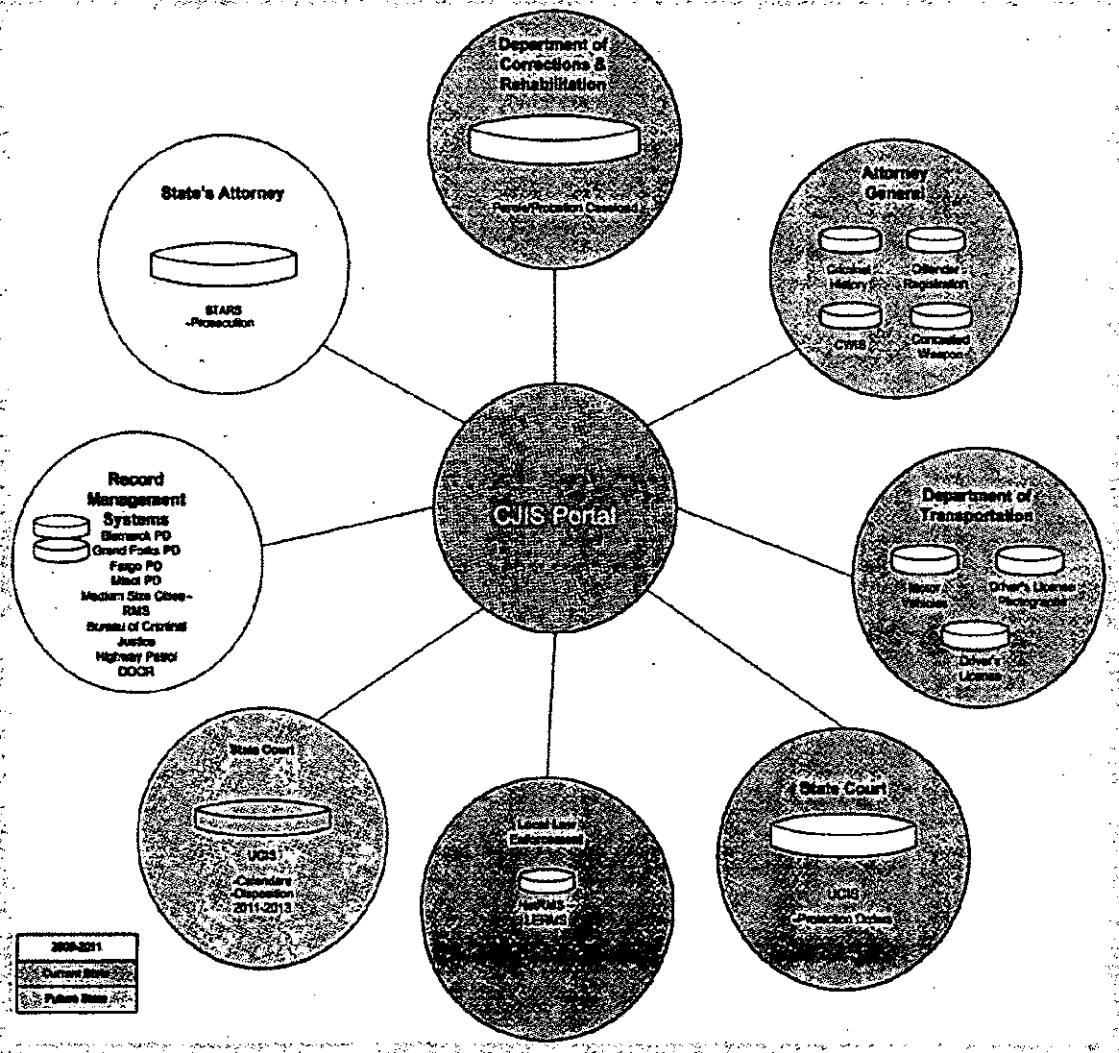
- SB2041 - Governance Restructure
  Single Board to include members of the Executive Committee– Senate Passed, House Amended



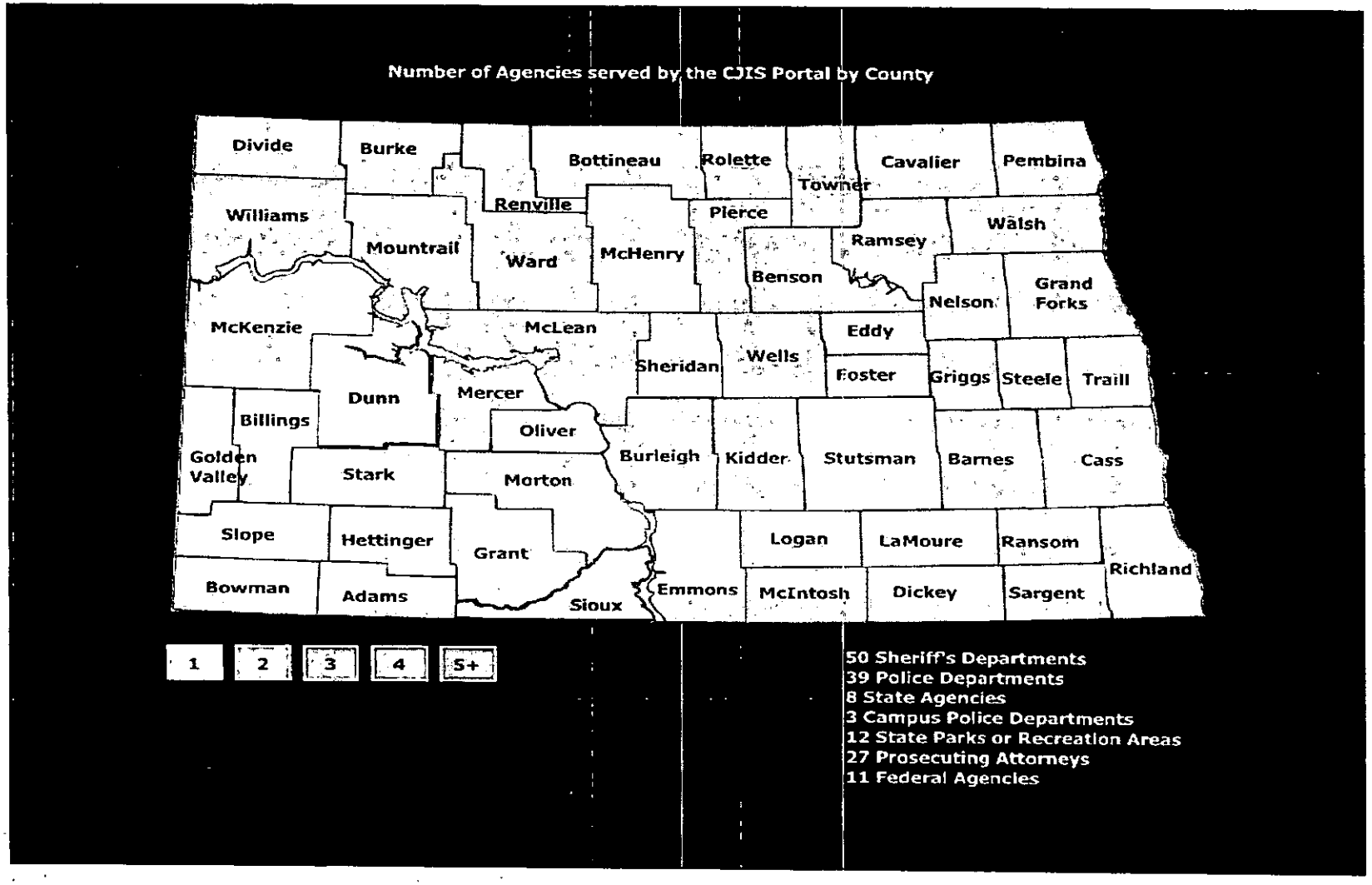
3-11-09 to Govt. Ops

CJIS – Information Sharing

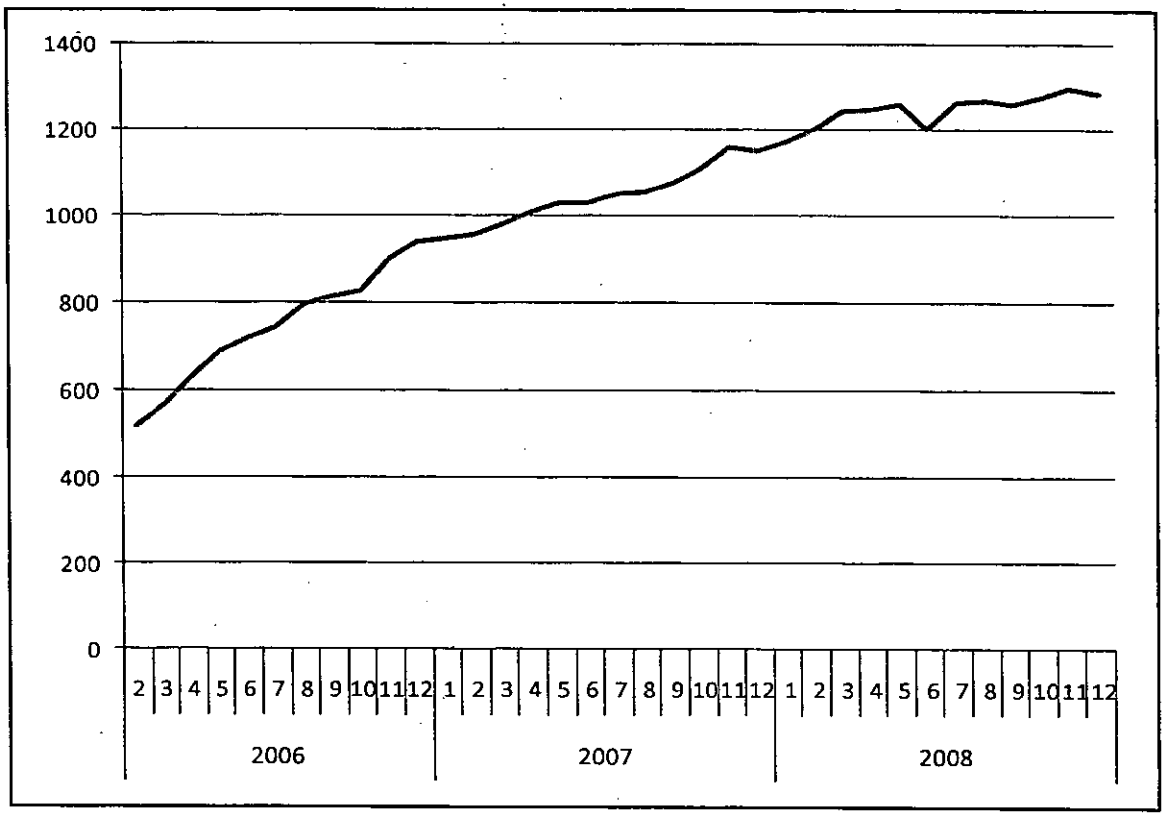
- Statewide sharing of criminal justice information from participating agencies through the CJIS Portal
- Secure Web Based – "One Stop Shop" tool for the criminal justice community
- Added Local Law Enforcement Records to CJIS Portal
- Added Protection Orders to CJIS Portal
- Currently working with the Bismarck Police Department and Burleigh County Sheriff's to allow the sharing of their records management system



CJIS – Agencies Served by CJIS Portal

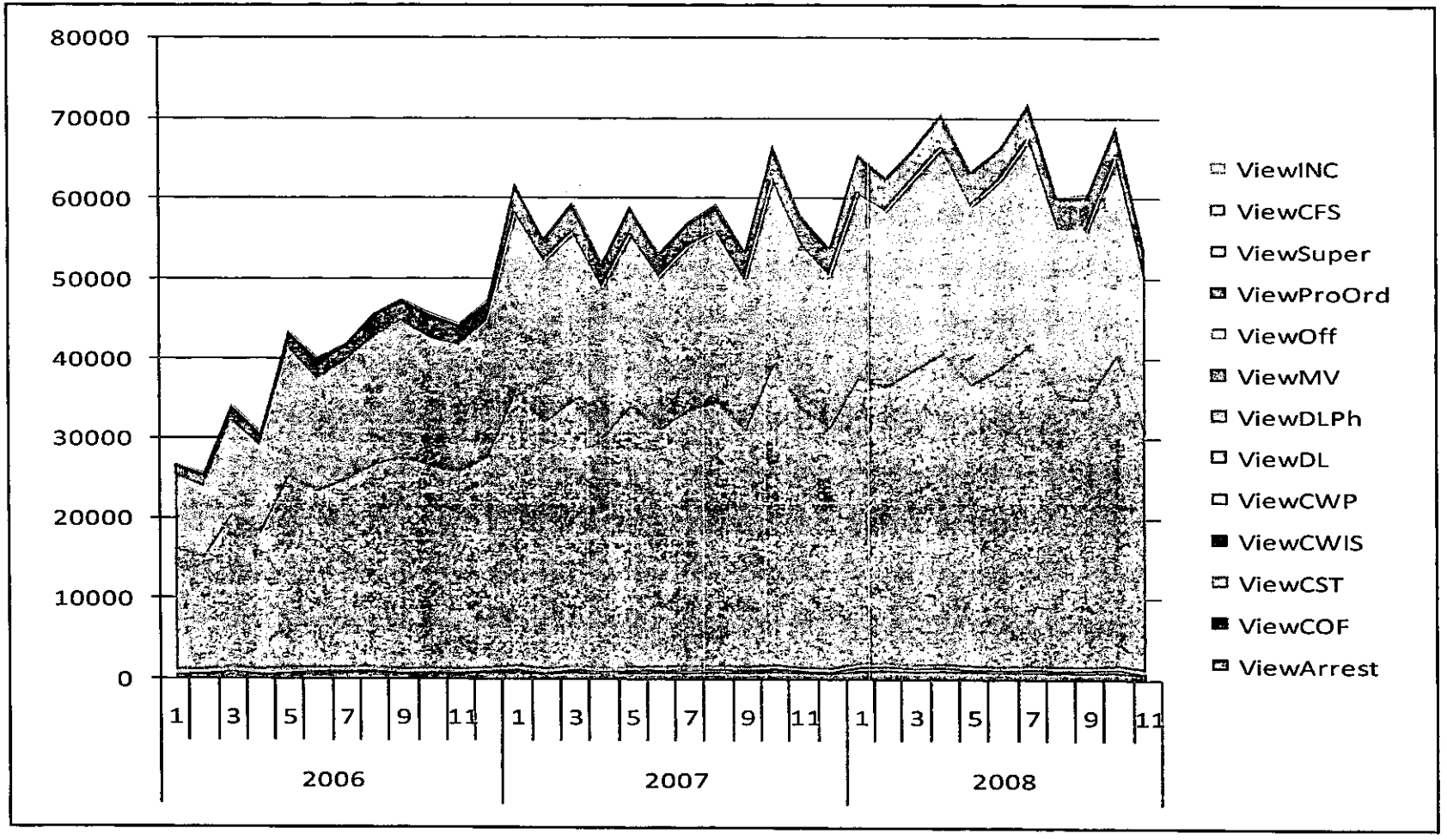


CJIS – Number of Portal Users

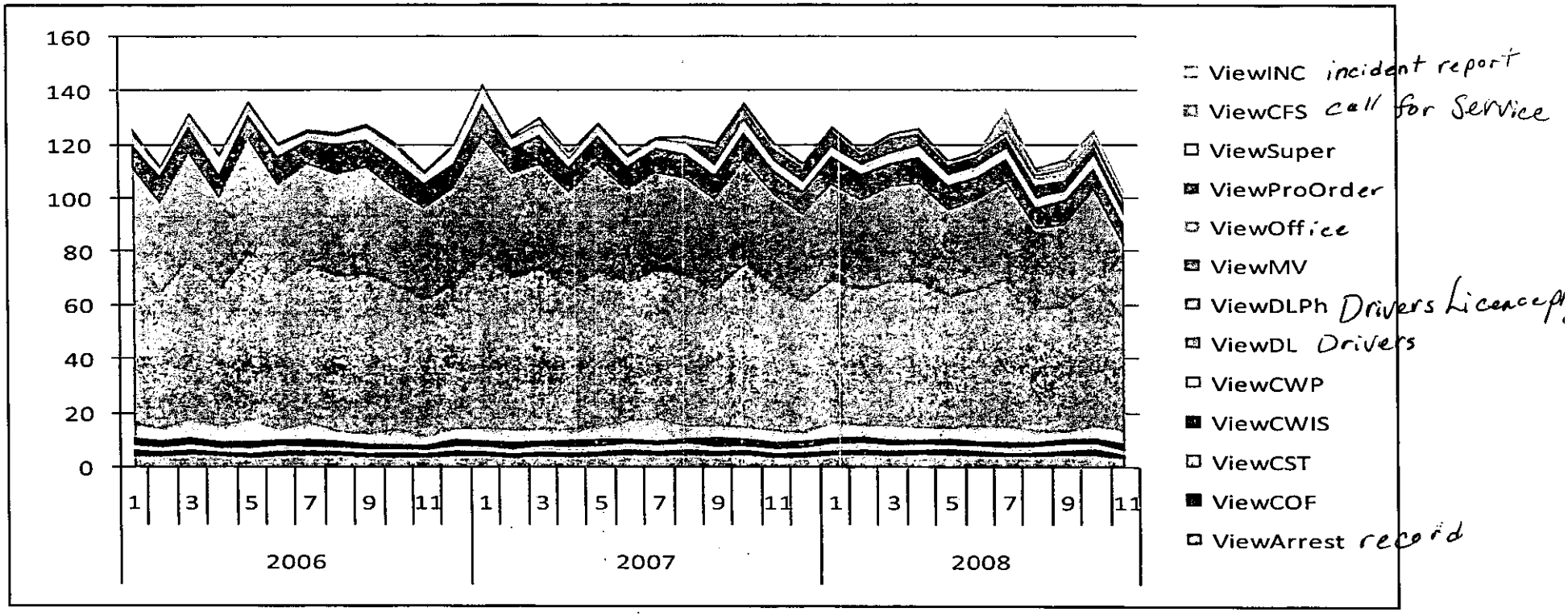


Current # of Portal users = 1286
28% increase over past biennium

CJIS – Portal Transactions by Type



CJIS – Portal Transactions
Average Monthly Per User



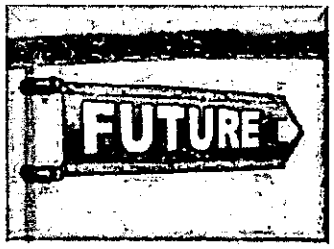
Average user performs 120-140 transactions per month

CJIS – Services Provided

- Justware Prosecutor -Case Management Software for State's Attorneys
  - 6 entities currently using Justware
  - Service provided at a fee of $50.00 per user per month
  - Includes: secure centralized data, software licenses, subject matter expert – help desk, backup of data, hosting, statewide viewing of data, and future integration to the CJIS Hub Portal

- NetRMS -Case Management Software for Law Enforcement
  - 39 entities currently using LERMS
  - Mobile module added in 2008
  - Service provided at a fee of $25.00 per full-time officer per month
  - Includes: secure centralized data, software licenses, subject matter expert – help desk, backup of data, hosting, statewide viewing of data, and future integration to the CJIS Hub Portal

CJIS – 2009-11 Plans

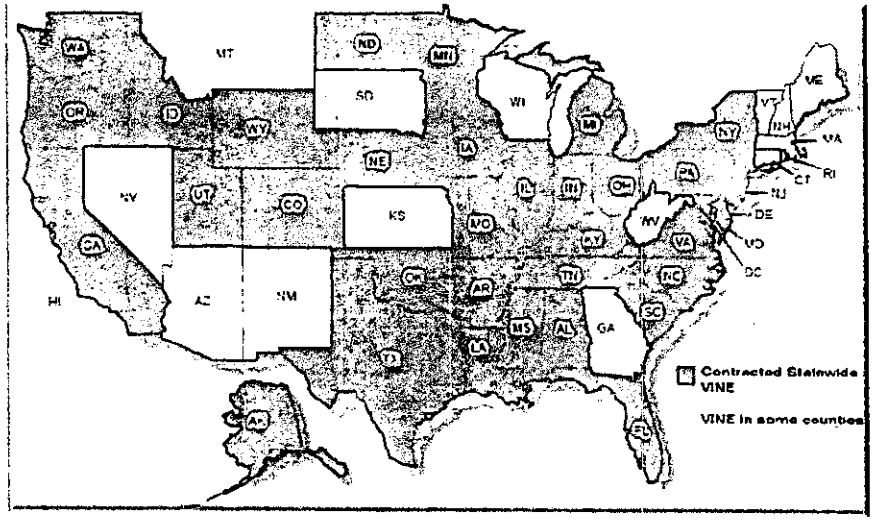


2009-2011 CJIS Strategic Projects approved by the CJIS Board and Executive Committee

- CJIS Portal Enhancements
- Justware Prosecution and Disposition flow electronic to BCI
- Law Enforcement Integration (Medium)
- Portal 3.0, user role and security
- State's Attorney Interface with Portal
- Criminal Justice Business Process Study
- BCI Records Management System Interface
- DNA Interface with Portal
- Highway Patrol Records Management System Interface with Portal
- DOCR Records Management System Interface with Portal

CJIS - SAVIN

- HB1219 – Automate timely notification to crime victims about events relating to their case and the status of the accused/offender throughout the criminal justice process.
- Bureau of Justice Assistance Grant for $1.4 million to implement project



CJIS / SAVIN 2009-11 Budget Request

	General	Special	Federal	Total
Staffing	$ 649,630			$ 649,630
Operations	$ 314,385	$ 180,000		$ 494,385
Total Staffing & Operations	$ 964,015	$ 180,000		$ 1,144,015
CJIS Projects	$ 709,100		$ 300,000	$ 1,009,100
Total CJIS	$ 1,673,115	$ 180,000	$ 300,000	$ 2,153,115
SAVIN	$ 495,483		$ 1,060,641	$ 1,556,124
Total Budget	$ 2,168,598	$ 180,000	$ 1,306,641	$ 3,709,239

3-11-09 to Gov Ops

CJIS 2009-11 Projects

	General	Special	Federal	Total
CJIS Portal Enhancements	$81,600			$81,600
Justware (RMS) Prosecution and Disposition to BCI	$20,400			$20,400
Med. Size Law Enforcement RMS Interface w/Portal	$182,400			$182,400
Portal 3.0 (Search Capabilities/Page Enhancements)	$176,800			$176,800
Portal - User Role and Security Management	$45,900			$45,900
State's Attorney RMS Interface with Portal	$20,400			$20,400
Criminal Justice Business Process Study	$100,000			$100,000
CJIS Enhancements – Possible Grants			$300,000	$300,000
BCI RMS Interface with Portal	$20,400			$20,400
DNA Interface with Portal	$20,400			$20,400
Highway Patrol RMS Interface with Portal	$20,400			$20,400
DOCR RMS Interface with Portal	$20,400			$20,400
Total Projects	$709,100	$0	$300,000	$1,009,100

3-11-09 to Govt Ops

SAVIN – Statewide Automated Victim Information Notification System Partners

N
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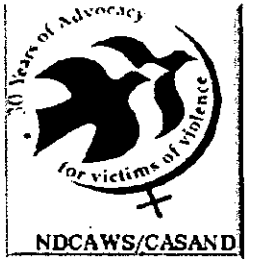
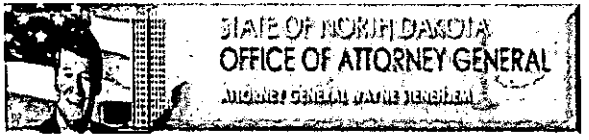


STATE'S ATTORNEYS

North Dakota
Supreme Court

DOCR , JAILS, AND LOCAL LAW ENFORCEMENT



ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
Criminal Justice Info Sys (CJIS)	2,168,598	180,000	1,360,641	3,709,239	3

1-9-09
Senate Approps

ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
Criminal Justice Info Sys (CJIS)	2,168,598	180,000	1,360,641	3,709,239	3
2007 – 09 Budget	1,872,196	180,000	1,710,160	3,762,356	3
Difference	+ 296,402	0	- 349,519	- 53,117	0

1-5-09

ITD 2009–11 Budget Request

Program	General Funds	Special Funds	Federal Funds	Total	FTE's
Criminal Justice Info Sys (CJIS)	2,168,598	180,000	1,360,641	3,709,239	3
2007 – 09 Budget	1,872,196	180,000	1,710,160	3,762,356	3
Difference	+ 296,402	0	- 349,519	- 53,117	0

Note: SAVIN position was approved by Emergency Commission in 2008

2005 – 07 Biennium	525,090	1,500,000	500,000	2,525,090	2

2-25-09
To House Approps

Criminal Justice Info Sh-Line78

		Expenditures as of Jan 31, 2009	2007-09 Appropriation	2009-11 Recommendation	Change from 07-09 Appropriation
Expenditures					
511000	Salaries - Permanent	196,663	262,280	351,288	89,008
512000	Salaries - Other	0	0	0	0
511900	Salary Budget Adjustment	0	0	0	0
513000	Temporary Salaries	0	0	0	0
514000	Overtime	0	0	0	0
516000	Fringe Benefits	61,749	75,703	120,112	44,409
510000	Salaries and Benefits	258,413	337,983	471,400	133,417
521000	Travel	17,652	33,547	33,547	0
531000	Supplies - IT Software	107,830	584,366	506,081	(78,285)
532000	Supply/Material-Professional	42	1,500	1,500	0
533000	Food and Clothing	0	0	0	0
536000	Office Supplies	1,706	2,000	2,000	0
541000	Postage	0	0	0	0
542000	Printing	2,168	8,228	8,228	0
551000	IT Equip under $5,000	4,074	15,160	15,160	0
552000	Other Equip under $5,000	1,459	3,500	3,500	0
553000	Office Equip & Furniture-Under	0	2,500	2,500	0
561000	Utilities	0	0	0	0
571000	Insurance	0	0	0	0
581000	Rentals/Leases-Equip & Other	0	0	0	0
582000	Rentals/Leases - Bldg/Land	15,428	27,109	27,109	0
591000	Repairs	55	0	0	0
601000	IT - Data Processing	488,943	874,596	896,369	21,773
602000	IT-Communications	10,546	14,448	14,448	0
603000	IT Contractual Services and Re	406,910	1,531,904	1,532,042	138
611000	Professional Development	5,735	23,200	23,200	0
621000	Operating Fees and Services	236	301,115	170,955	(130,160)
623000	Fees - Professional Services	0	1,200	1,200	0
520000	Operating Expenses	1,062,785	3,424,373	3,237,839	(186,534)
683000	Other Capital Payments	0	0	0	0
691000	Equipment Over $5000	0	0	0	0
693000	IT Equip / Software Over $5000	0	0	0	0
681000	Capital Assets	0	0	0	0
Total Expenditures		**1,321,197**	**3,762,356**	**3,709,239**	**(53,117)**
Expenditures by Source					
General Fund Expenditures		921,737	1,872,196	2,168,598	296,402
Federal Fund Expenditures		294,753	1,710,160	1,360,641	(349,519)
Special Fund Expenditures		104,707	180,000	180,000	0
Total Expenditures by Source		**1,321,197**	**3,762,356**	**3,709,239**	**(53,117)**

Information Technology Department

600 E Boulevard Ave., Dept 112 • Bismarck, ND 58505-0100 • (701) 328-3190

Rep. Delzer,

At the March 3, 2009 Government Ops Appropriation committee meeting, I was asked by Rep. Berg to look into a project to outsource IT projects.

As you know, state agencies are required to purchase network and hosting services from ITD. However, other services can be purchased either from ITD or commercial vendors. There are two ways the state out-sources IT functions. One, large IT projects requires that an agency issue an RFP for software and implementation and multiple vendors compete for the award. Second, services commonly purchased by state agencies are placed on a single RFP. Vendors then respond to the RFP, and successful vendors are placed in the "vendor pool". Agencies that need any of these common services can choose a vendor from the vendor pool and do not have to go through the time consuming process of issuing an RFP.

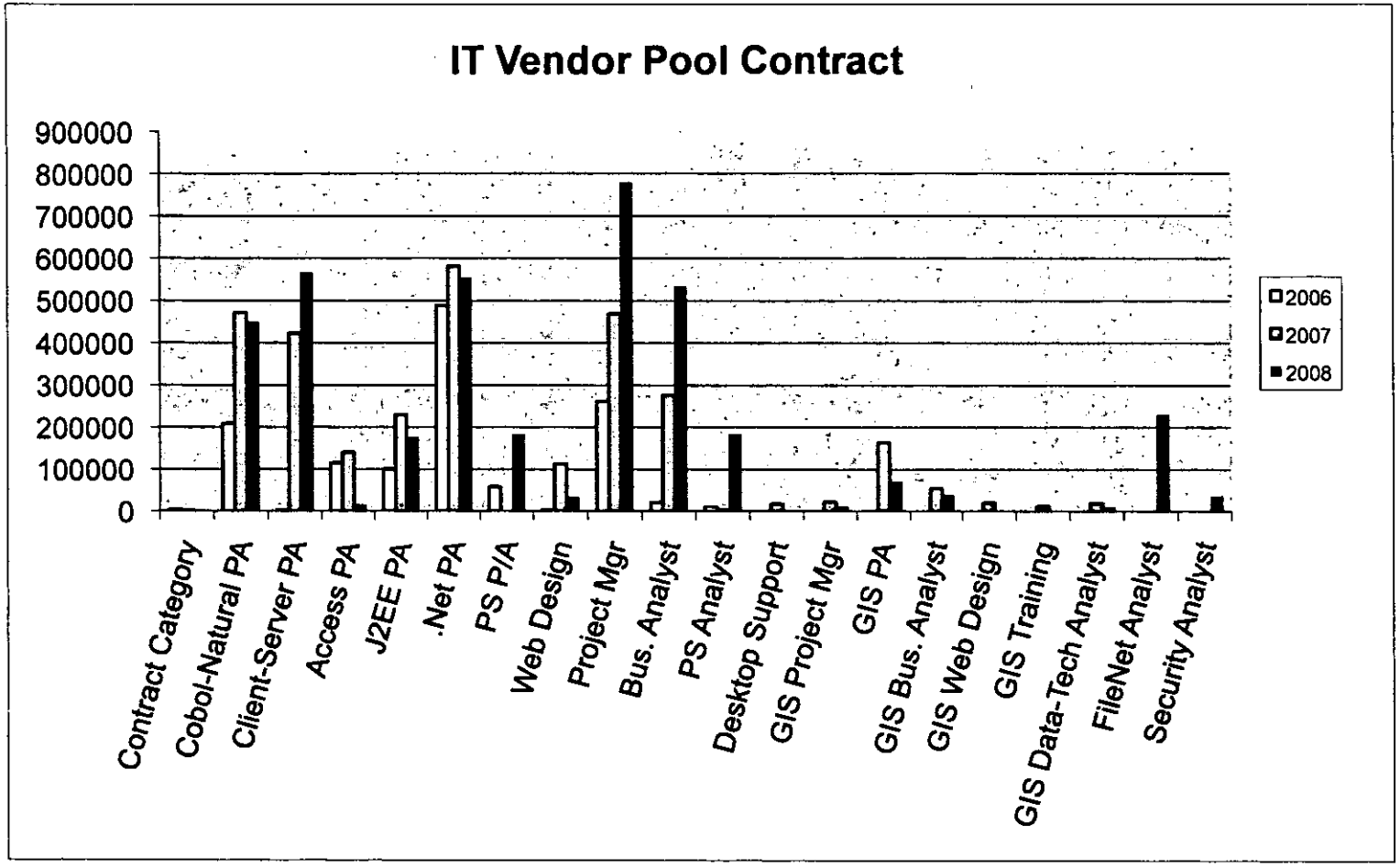
The chart on attachment 1 illustrates the services in the vendor pool and the amount of use over a 3-year period. Attachment 2 contains the services and the dollars spent with each vendor participating in the vendor pool for 2008. Attachment 3 contains the disbursement of funds to vendors for the ongoing costs of the state network and telecommunications.

ITD is always looking at ways to best serve its customers without trying to "grow" government. In areas where outsourcing is prudent, such as those identified in the vendor pool and network services, ITD has looked to the private sector. At the present time, we are studying two additional areas to determine if outsourcing would be advantageous to the state. One is telephone service, and the other is web content management. The results of each study are due in May and will help to determine our strategic direction.

Respectfully submitted,

Lisa Feldner

Lisa Feldner



2006 Contract Volume =	**$1,266,107**
2007 Contract Volume =	**$3,018,763**
2008 Contract Volume =	**$3,878,552**

Att[illegible]nt 2

Contract Category	2006	2007	2008	Applied Data	Applied Eng.	Bpro	Ciber	Eide Bailly	GeoComm
Cobol-Natural PA	$208,542	$471,623	$449,725				$449,725		
Client-Server PA	$2,000	$423,058	$566,584				$177,316		
Access PA	$115,000	$141,000	$15,000			$15,000			
J2EE PA	$100,050	$230,028	$176,693				$176,693		
.Net PA	$488,050	$581,510	$553,241						
PS P/A	$57,600	$0	$183,750				$183,750		
Web Design	$3,800	$113,180	$33,850						
Project Mgr	$261,325	$469,100	$779,525					$28,320	
Bus. Analyst	$20,090	$275,904	$534,099		$253,440		$56,832	$131,727	
PS Analyst	$9,650	$3,160	$183,750				$183,750		
Desktop Support	$0	$17,400	$1,680						
GIS Project Mgr	$0	$22,490	$11,385						
GIS PA	$0	$163,935	$71,143	$31,428					
GIS Bus. Analyst	$0	$54,920	$39,959						$39,959
GIS Web Design	$0	$19,920	$0						
GIS Training	$0	$12,285	$0						
GIS Data-Tech Analyst	$0	$19,250	$9,988	$4,160					
FileNet Analyst	$0	$0	$231,000						
Security Analyst	$0	$0	$37,180					$37,180	
Totals	$1,266,107	$3,018,763	$3,878,552	$35,588	$253,440	$15,000	$1,228,066	$197,227	$39,959
Total # work orders			51	2	1	1	7	7	1

Att[illegible]nt 2

GeoDecisions	IMC	iNet	Intertech	McCain	NDACO	Nexus	Softech	Vistec
			$389,268					
						$524,210		$29,031
		$33,850						
						$751,205		
						$92,100		
					$1,680			
$11,385								
$39,715								
				$5,828				
	$12,000						$219,000	
$51,100	$12,000	$33,850	$389,268	$5,828	$1,680	$1,367,515	$219,000	$29,031
3	1	2	6	1	1	12	1	5

INFORMATION TECHNOLOGY DEPARTMENT
PAYMENTS FOR TELECOMMUNICATIONS SERVICE FROM PRIVATE PROVIDERS
FOR THE FISCAL YEARS ENDED

PROVIDER	*1998*	*1999*	*2000*	*2001*	*2002*	*2003*	*2004*	*2005*
AT&T	1,076,883.09	1,331,342.52	1,236,193.44	1,250,074.99	1,371,273.76	1,961,883.27	1,471,976.48	994,290.33
BEK COMMUNICATIONS	28,634.64	53,163.72	57,857.85	49,221.08	43,773.12	41,948.99	39,618.95	36,803.60
CITIZENS COMMUNICATIONS	0.00	0.00	0.00	33,168.67	72,796.66	1,001.30	0.00	0.00
CONSOLIDATED COMMUNICATIONS	62,578.71	64,414.02	76,627.59	67,794.04	44,761.01	57,643.72	38,701.86	52,071.00
DAKOTA CARRIER NETWORK (DCN)		101,321.13	142,032.43	1,485,490.85	4,068,169.16	2,550,370.84	3,411,006.56	2,716,998.44
DAKOTA CENTRAL	29,495.50	34,528.07	35,497.37	29,430.69	25,644.12	24,408.46	2,696.86	89,036.41
DICKEY RURAL COMMUNICATIONS	40,620.20	45,312.94	50,656.00	38,757.31	28,057.44	41,735.89	52,965.84	57,967.89
GRIGGS COUNTY TELEPHONE	5,391.60	8,624.43	10,428.48	7,592.63	4,591.76	6,663.34	7,585.28	6,130.23
INTER COMMUNITY TELEPHONE CO	672.75	682.04	752.78	1,334.27	2,553.14	1,846.09	2,999.11	4,400.76
MCI	53,635.79	82,580.55	4,629.42	10,191.39	2,233.00	1,284.58	752.43	322.06
MIDSTATE COMMUNICATIONS INC	21,411.38	23,219.38	24,374.48	13,504.17	10,127.32	8,687.56	11,568.67	13,980.68
ND TELEPHONE COMPANY	272,814.13	208,165.72	214,040.51	168,032.73	143,948.17	193,831.00	155,960.26	177,514.18
NEMONT TELEPHONE COOPERATIVE INC	4,377.53	3,852.66	4,204.84	4,589.76	4,948.44	4,276.71	4,768.46	4,910.69
NORTHWEST COMMUNICATIONS COOP	32,928.67	31,042.85	32,371.53	26,340.04	25,793.26	29,246.83	24,483.60	31,615.11
POLAR COMMUNICATIONS	21,392.31	35,080.46	34,484.27	27,071.48	23,854.05	33,309.59	46,693.65	46,562.54
QWEST	3,193,084.12	3,685,195.78	2,781,007.58	2,285,573.43	1,973,273.56	2,338,073.12	1,700,704.65	1,722,664.67
RED RIVER RURAL TELEPHONE	1,649.02	1,407.72	2,996.08	3,397.80	34,551.98	6,376.22	2,201.16	6,792.64
RESERVATION TELEPHONE COOP	15,396.89	29,754.57	28,335.16	27,479.01	29,493.54	34,119.60	43,869.72	48,608.17
SPRINT	239,034.58	280,387.27	406,431.37	482,308.92	823,560.26	743,882.99	991,522.92	1,213,106.94
SRT COMMUNICATIONS INC.	139,835.75	169,237.89	182,600.32	148,452.98	119,229.85	186,253.24	152,468.90	191,671.49
TURTLE MT COMMUNICATIONS	24,930.54	43,687.14	50,227.00	40,248.07	27,112.63	31,699.41	32,330.29	31,055.16
UNITED TELEPHONE MUT AID CORP	11,752.69	11,415.25	12,868.34	10,279.02	8,003.22	8,375.50	8,888.51	7,457.78
WEST RIVER COMMUNICATIONS INC	35,167.71	43,617.20	50,266.82	45,341.96	43,387.22	54,012.86	70,441.26	67,610.62
Grand Total	5,311,687.60	6,288,033.31	5,438,883.66	6,255,675.29	8,931,136.67	8,360,931.11	8,274,205.42	7,521,571.39

DCN was awarded the Statewide Network Contract in August 2000.
ITD pays DCN and DCN pays the rural telephone cooperatives and Qwest.

2006	2007	2008	Grand Total
737,724.52	569,689.62	551,572.78	12,552,904.80
35,044.52	18,226.59	18,140.57	422,433.63
0.00	0.00	0.00	106,966.63
54,184.95	37,298.94	33,754.15	589,829.99
2,772,602.79	3,287,553.43	3,260,530.76	23,796,076.39
97,919.68	96,413.27	99,464.01	564,534.44
63,053.89	45,678.13	44,475.44	509,280.97
5,305.18	2,707.94	2,408.89	67,429.76
4,215.18	3,461.51	4,130.03	27,047.66
391.85	294.97	332.92	156,648.96
15,044.91	11,136.61	12,784.74	165,839.90
181,056.54	211,227.82	171,212.14	2,097,803.20
72,556.43	100,661.24	97,612.99	306,759.75
29,431.71	25,683.87	15,738.57	304,676.04
36,296.64	35,030.07	28,447.96	368,223.02
2,192,204.79	1,764,827.24	2,418,200.13	26,054,809.07
7,399.30	6,528.74	6,492.80	79,793.46
49,595.96	29,950.06	24,101.92	360,704.60
1,033,660.85	809,577.68	803,729.89	7,827,203.67
204,872.95	274,984.49	271,272.05	2,040,879.91
32,179.69	27,460.12	25,777.50	366,707.55
9,956.33	5,366.99	6,342.08	100,705.71
62,857.18	50,964.60	44,501.41	568,168.84
7,697,555.84	7,414,723.93	7,941,023.73	79,435,427.95