

2009 SENATE GOVERNMENT AND VETERANS AFFAIRS

SB 2133

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2133

Senate Government and Veterans Affairs Committee

Check here for Conference Committee

Hearing Date: 01/15/09

Recorder Job Number: 7408

Committee Clerk Signature

Katia Ouse

Minutes:

Norris Braaten: See attached testimony #1

Senator Dever: Questions of the committee?

Senator Horne: Is someone going to go through the bill and lead us through the changes?

Senator Dever: Would you mind giving us a summary of the whole bill?

Norris Braaten: The bill, as it stands, is of the 2 major parts. One is of the telephone system which is quite detailed, the telephone service is simply designed a new section in section 37-15 of the North Dakota Century Code as it simply says, "telephone service, notwithstanding any other provision of the law the Veteran's Home pay purchase or arrange for an independent third party telephone service." Mark Johnson, our administrator will be addressing this issue, but it would be to leave the state system and purchase our own. Amendment 2 in section 2 and section 3 refer to admittance to the Veteran's Home. There is very little change on requirements governing admittance to the home. We have a processing committee and they have residential requirements and they may be waived if served by a North Dakota regiment or was credited to this state and the spouse or surviving spouse of those mentioned in subsection 1 may be admitted on the same footing of the veteran. And an individual may not be admitted to the home until we get final proof as required by the home; an application has been

approved, and the member of the home who is not eligible for veteran's administration becomes unable to care for oneself under the rules adopted by the rules of the Veteran's Home the member may be a charge of the county of the residence at the time of the admission. An individual may not gain or lose residency by reason of or being admitted to the Veteran's Home.

The part of the bill that I spoke on, section 3, which covers the fee charged to the basic care residents. Up until this point we have set the fee and we have required to go to the administrative for approval. However, if we pass this bill, we would have the authority to set the fees. It seems expedient to us being we have the budget to balance. So that is the essence of the bill as I see it.

Senator Dever: If we pass this bill what will be the oversight by the administrative committee associated with the Veteran's Home.

Norris Braaten: We have constant visits with Rudy Jensen the chairman of the administrative committee is invited to all of our meetings. He or his designee is in attendance at all meetings.

Senator Dever: The bill that you referenced in 2003, is that also when we removed the requirements that the administrator be a veteran?

Norris Braaten: Yes it was removed at that time and that is how we act now.

Senator Horne: In section 3 where you spoke of the fees, do I understand that currently the administrative committee on veteran's affairs sets the fees and you want that changed to have the veteran's home governing board set the fees? If that is the case, who is the administrative committee of veterans affairs?

Norris Braaten: If this bill is passed the governing board of the North Dakota Veteran's Home would establish the fees as we do already. But the step we would have to take beyond

establishing and approving them ourselves would be to present them to the administrative committee; it's the Administrative Committee of Veteran's Affairs.

Senator Dever: That is made up of 3 members of each of the 5 different veteran's organizations in the state.

Senator Cook: How many members are on the governing board?

Norris Braaten: We have 7 members on the board at this time.

Senator Cook: Those 7 are appointed by the administrative committee to that position? And there a term limit?

Norris Braaten: Appointments come from the governor but the administrative committee does make the recommendations to him. We are served 3 year terms and are eligible for a second 3 years term.

Senator Cook: I don't want to assume the bill is here because there is disagreement over what the fee should be by the governing board and the administrative committee or is it just forward looking?

Norris Braaten: We have never been denied from the administrative committee a raise, we just feel it is expedient that we have full control. The relationship between our committee and the administrative committee has been excellent.

Senator Dever: Do you have any members in common.

Norris Braaten: At the present time we have 3 members in common.

Senator Dever: Members for both are appointed by the governor.

Kristen Lunnborg: See attached testimony #2

Senator Horne: Page 2 'the audit recommended that the home make improvements to the basic care rate to schedule to increase the veteran's home revenues and to use our resources in a more efficient and effective manner.' How do you plan on doing that?

Kristen Lunnborg: Changes will be made in verifying income for rent and all sources of income will be counted. The home will take better control of the situation.

Senator Dever: The residents are different demographic then VA supported vets.

Kristen Lunnborg: The VA pays a per diem; it is not that way anymore. Any veteran in our home pays the same type of rate you would pay in any other nursing home. 75% of our residents are on Medicaid.

Mark Johnson: See attached testimony # 3. The types of residents that we serve have no form of income. About 80% have diagnosis of mental illness with that we need the ability to page into the rooms and make sure the residents are ok and call for meds.

Senator Dever: When you say cost per resident, is that a cost to the resident or is that absorbed in your budget?

Mark Johnson: The phone system falls into an indirect rate. Right now, we are mandated to use the state accounting system and those chages take us above our established rate. The phone service does as well, when they calculate all this it takes us over the indirect rate an so we are just looking at our costs so don't have to charge the residents as much.

Mike Ressler: See attached testimony # 4

Senator Dever: What is the lifecycle of the telephone system now?

Mike Ressler: The current phone system we have in place is 15-28 years old and all we have really had to do is upgrade some software and replace the handsets. They are estimating that this will be much more of a software system and estimating life of 5-10 years.

Senator Dever: If an agency gets their telephone from IDT does that include maintenance?

Mike Ressler: It is an all inclusive system; they just pay the ITD charge. If there is any wiring done within their building where if they add a new station and they need to bring wire to a new location we do charge whatever the wiring company charges.

Senator Ohelke: This voiceover service, is computer or cable?

Mike Ressler: 1 telephone circuit or fiber and you can run the voice traffic and data traffic over that same circuit. In the past you had to have 2 circuits, 1 to do the data and 1 to do the voice.

Mark Johnson: The largest issue is geographic location. The other thing that makes our agency unique is that our residents pay for the phones, it is a billable charge; it is part of our rate structure versus other systems that the state has. The big thing is we have to charge the residents.

Senator Ohelke: Is DRN program fiber optic?

Mark Johnson: I believe everything is fiber optic.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2133

Senate Government and Veterans Affairs Committee

Check here for Conference Committee

Hearing Date: 1/15/09

Recorder Job Number: 8853

Committee Clerk Signature

Kate Oliver

Minutes:

Senator Dever: Fiscal Note shows \$63,332 and the following biennium a reduction of \$57,696.

Senator Nelson: How long does it take for the lease to be less than the charges that ITD would be?

Senator Oehlke: They said 10 or 11 years down the road need to update the system

Senator Dever: My understanding is with ITD the equipment would be leased and then updated as necessary. Also in the bill sections 2 & 3 involve the administrations committee of veteran's affairs I know that there has been some discussion among members of the administration committee of Veteran's Affairs that they would like to see us amend those provisions in the bill out of the bill. Rudie Jensen was sick and unable to attend the day we heard the bill.

Senator Nelson: So it would be a different board, isn't home governing board a subcommittee?

Mark Johnson: The way the structure is set it now, when we look at trying to do a rate setting, the administration would take it to our board, our board would then pass that and from there we would have to go the administrative committee to ask them to set the new rate.

Currently our structure is, whatever your allocation is we manage all the money. We don't

report to them our expenses and revenue. Since it is our structure we should be able to set our revenues as well and not have to go through a 15 member committee and so that was the point in changing that piece, as far as the Century Code, that would be the biggest change there.

Senator Dever: Section 2&3, if we decided to keep things the way they are as far as the involvement of the administrative committee, could we just delete sections 2&3?

Senator Ohelke: No, you couldn't delete the sections, you could delete the changes.

Kristen Lunneborg: The reason I say no is that sections 2 & 3 don't only deal with the Veteran's Affairs committee and the governing board as far as setting rates. They deal with rent and what proof needed to provide for rent. Procedures that are followed in the home do not correlate with what is in here right now.

Senator Nelson: Where do I find that? It just seems to me like you are changing to home governing board in a lot of places in sections 2&3.

Kristen Lunneborg: There is quite a bit of the language in there. #3 under section 2 talks about the proof that is required to apply to live in home and who is approved application.

Currently that application is approved by the board of admissions at the Veteran's Home. If you turn to the 2nd page, section 3 refers to a membership contribution we talked about the fact that we want to remove membership contribution because it makes it sound like it should be a voluntary donation and not an actual fee that is charged to the residents that are living there. A lot of verbiage in that section refers to the membership contribution and the collection of fees. And under #2 letter a has to do with money that residents make when they leave the home and that it will not be used to calculate rent, and that is something that we want removed also.

Senator Ohelke: I get from your testimony that you are sort of doing this already and this would help clarify so you don't get nervous about how you are doing things right now.

Kristen Lunnborg: That is correct. These are just housekeeping changes that have not been looked at but the current policies at the home are different that what is in here.

Senator Ohelke: Why would someone oppose those changes if it is just clarifying what you are actually doing?

Senator Cook: I am looking at a memorandum and in this memorandum the duties are listed for the administrative committee on Veteran's Affairs and then list the Veteran's Home Governing Board. Everyone of these duties are referenced with Century Code number's at the bottom of the page. It makes it look like in other sections of law, none are being changed in 2133, so it looks to me like if we did what is in 2133, that it could conflict with other areas of code.

Senator Dever: If the bill goes forward, other sections need to be amended to make adjustments.

Senator Cook: Memo leads me to believe that we are going to have conflicting language in code and we are making a switch in authority from administrative committee to the governing board it may or may not be doing business now but I am looking at the 4th bullet under responsibilities. I don't have a problem with making the changes I just think there is a lot of work to be done here.

Senator Dever: How can we advance the discussion as it goes to the House and back to conference committee? Sections 2 & 3 are policy issues that appropriations committee doesn't have any interest in but section 1 they would. What are the thoughts of the committee? Change in terms from membership contribution to fee seems semantic at one point the administration in the language of veteran's organization might continue to be appropriate. It appears to me that is the only thing we wanted to was to leave the authority that the

administrative committee in place we would delete everything except for lines 26 & 27 on page

2. I guess in section 3 we would have to leave the language there.

Senator Nelson: I have no problem with how it is written now, if they could put something together to amend it in the house, that is what most of Mary Kay Kelsch memo is about.

Senator Dever: Should we ask Mary Kay Kelsch to come down.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2133

Senate Government and Veterans Affairs Committee

Check here for Conference Committee

Hearing Date: 1/15/09

Recorder Job Number: 8858

Committee Clerk Signature

Kate Owsa

Minutes:

Senator Dever: We had some questions regarding the communication you had that was dated July 27, 2006. I think the question that the committee had was that when we address, in sections 2&3, the role of administrative committee as opposed to the Veteran's Home Governing Board spelled out in other sections are the role of the administrative committee. If we pass this bill do we need to amend other parts of the code?

Mary Kay Kelsch: Not sure. Mike Mullen is with me but I am not sure, really I think that is why we are in this position to begin with. Because that is something that needs to be looked at, that is why we are in this situation. I like to clean up bills and the veteran's are a nightmare. One of the problems that I have is that it is difficult to figure out who is supposed to be doing what. That is why this is a problem to start with things getting changed and then they don't get changed in other sections and pretty soon you have 2 entities doing the same thing.

Senator Cook: I see in your memo's and as you explained in various duties of the administrative board, the governing board, that you reference many other section of code, we seem to be doing changes in relation to the code.

Senator Dever: Rudy Jensen is the chair of the administrative committee, and he was sick the day we heard the bill.

Senator Cook: Put this issue into a study and let everything get flushed out. Maybe we can put the sections back in the way they should be.

Senator Dever: Delete sections 2 & 3?

Senator Cook: Take out sec 1 and then it doesn't have to go to appropriation and if somebody wants to put that back in, they can put it in when it goes to the House.

Mike Mullen: I understand where you are coming from and I believe that Mark and the others know what Rudy's position is. Some of those members are opposed to this legislation because if you look at section 3 on page 2 where the bill states that the Veteran's Home Governing board may designate the administrator. It is my understanding that 1 or 2 of the reports from the state auditor suggest that this legislation set one organization as being in charge of the veteran's home. The Administrative Committee on Veteran's Affairs has responsibility on all 53 county veteran's service offices and other responsibility. Legislative assembly created the governing body of the veteran's home after some audit of the Veteran's Home to try and get a body that has the expertise and the responsibility to make sure the Veteran's Home was properly overseen. And this legislation is the answer to create experience legislation is the answer. 2 different boards about who is accountable and responsible.

Senator Cook: This issue has been reviewed, it has been fleshed out and this is the answer.

Senator Dever: I am not sure I am clear on this Mike. I know this came up in interim where there were audits done on the Veteran's Home and there were some serious problems and some of those were dealt with. That is different than this, isn't it?

Mike Mullen: This is a proposal to try and clarify or respond to these various audits and reviews of the Veteran's Home and fix the responsibility for the oversight of the Home in one governing body a 7 person governing that is responsible for overseeing the Veteran's Home. And to give them the authority to set rates and rent as in one of the provisions in this bill.

Senator Nelson: I move a do pass with a re referral to appropriations.

Senator Cook: Second.

Senator Horne: Did I hear Mary Kay say that if we did that it would cause trouble elsewhere?

Mary Kay Kelsch: I looked at other places in the code to change that. I am sure that I would have looked at that when I drafted the bill. Hopefully I was correct and there is not a random statute. It only talks about the rate setting in those 2 places.

Senator Cook: Could always take another look.

Mary Kay Kelsch: I surely could.

Roll was taken and the bill passes 5-0 with a re referral to appropriations.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2133

Senate Government and Veterans Affairs Committee

Check here for Conference Committee

Hearing Date: 1/22/09

Recorder Job Number: 7560

Committee Clerk Signature

Kate Oliver

Minutes:

Senator Dever: I received an email that included some other information, I am not sure if it went to everybody, from Mark Johnson right after the testimony. Do you have a copy of that, Dave?

Dave : The first paragraph of the additional letter was, "Mr. Chairman and members of the committee, my name is Mark Johnson, this document is follow-up to my testimony in regards to SB2133. The following information is to clarify any of the questions that were brought forth during the hearing on January 15th. Senator Horne ask the Veteran's Home still wanted to receive service from a third party provider, the answer is unquestionably, 'yes'" Then it goes on. In the first paragraph Mr. Johnson says, "We believe the technology is state-of-the-art and offers everything and more than the product that ITD envisions of implementing in the future. The Veteran's Home location in Lisbon makes it uniquely suited to receive services from a third party provider because of our location it is not possible to receive the same level of service from ITD as we will from the private sector. The telecom system and approved vender that we are contemplating has unique abilities to integrate into a nursing home specific environment. For this reason we can deploy the entire telecom system for fewer dollars than if we are forced to stay on the state ITD network." Mr. Chairman and members of the committee

it goes on to detail the cost savings, the second paragraph details the needs for a long term care environment. This feature has nurse call equipment which state ITD does not have.

FISCAL NOTE
Requested by Legislative Council
02/02/2009

Bill/Resolution No.: SB 2133

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$63,332	\$0	(\$57,696)	\$0
Appropriations	\$0	\$0	\$63,332	\$0	(\$57,696)	\$0

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. Bill and fiscal impact summary: *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Senate bill 2133 is an act to create and enact a new section to chapter 37-15 of the NDCC, relating to telephone services at the veterans' home and amend and reenact other sections of the NDCC. The creation of section 1 relating to telephone services is the only section with a fiscal impact.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 1 of NDCC 37-15 allows the veterans home to purchase or arrange for independent third-party telephone services. Currently all phone services are provided by ITD. We are requesting to purchase our telephone system from an independent third-party; allowing us the opportunity to save the state approximately \$513,000 over the course of an 11 year period. A separate system would also allow us to purchase a system that will work with our nurse call system for the new facility, which will enhance the care provided to our residents.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Section 1 has three alternatives. One alternative is that Section 1 is not passed and the operating budget for the veterans' home would remain the same. If the legislature passes the bill and allows us the opportunity to purchase a system from another party, there are two ways of funding the system. The first option would be to do a 5 year lease purchase of the system. The fiscal effect would be a reduction of \$23,712 to the operating line and a reduction in general fund authority of \$23,712. The net savings over the next 11 years using this option is \$495,000. The other option would be to purchase the system outright. The fiscal effect would be an increase in the capital line item of \$129,284 and a decrease of \$65,952 in the operating line item and an increase in general fund authority of \$63,332. The net savings to the state of the next 11 years using this option is \$513,000.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a*

continuing appropriation.

Option 1 explained above would require no change to the appropriation authority. If we do a lease purchase over the next 5 years, we would reduce the general fund appropriation authority by \$23,712. If we purchase the system outright, we would increase the general fund authority by \$63,332. The executive budget currently is based upon option 1.

Name:	Kristin Lunneborg	Agency:	North Dakota Veterans Home
Phone Number:	701-683-6503	Date Prepared:	02/04/2009

Date: 2-5-09
Roll Call Vote #: 1

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

2133
Cook

Senate Government and Veterans Affairs Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass Re Referred

Motion Made By Nelson Seconded By Cook

Senators	Yes	No	Senators	Yes	No
Dick Dever	X		Dwight Cook	X	
Dave Oehike	X		Carolyn Nelson		
Robert M. Horne	X				

Total Yes 5 No 0

Absent _____

Floor Assignment _____

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

REPORT OF STANDING COMMITTEE

SB 2133: Government and Veterans Affairs Committee (Sen. Dever, Chairman) recommends DO PASS and BE REREFERRED to the Appropriations Committee (5 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2133 was rereferred to the Appropriations Committee.

2009 SENATE APPROPRIATIONS

SB 2133

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2133

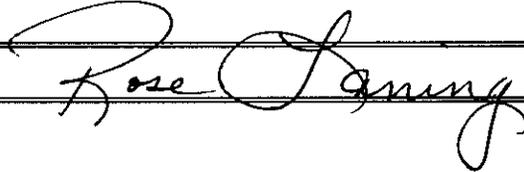
Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: February 11, 2009

Recorder Job Number: 9203

Committee Clerk Signature



Minutes:

Chairman Holmberg called the committee hearing to order at 8:00 am in regards to SB 2133 relating to telephone services at the veterans' home. Roll call was taken. All committee members were present.

Mark Johnson Administrator, North Dakota Veterans Home, See attachment # 1.

Senator Kilzer Toward the end of your testimony, you were comparing purchasing outright versus leasing, but what about maintenance agreements? I would assume that would be an item that would go with leasing but not part of a purchase.

Johnson Maintenance agreements are already built into this.

Senator Christmann Can you explain how residents pay for their telephone, internet, and TV? And, is difference between those commodities? What is built into the room rate? What could they pay for and choose from someone else?

Johnson Rates are calculated based on indirect costs. You have indirect, direct, other direct and property costs. The telephone service goes into your indirect rate. All the costs you accumulate on your end are your costs for the telephone system. They then calculate all your resident days that you have in your facility and calculate it based on all those costs. We

currently pay for the internet through our ITD budget. Residents have the internet paid for through money raised at the candyshack. We have a DSL line and all the costs are then

accumulated and sent back to the residents. It's about \$5/day for residents to have a phone it is about \$150/month.

Senator Mathern Who pays the \$150?

Johnson Residents pay through indirect costs.

Senator Christmann If they choose internet, that's additional.

Johnson Residents have purchased DSL and everything is wireless. They share wireless link.

Senator Christmann How about Television service?

Johnson It is paid through the candyshack.

Senator Christmann Is that with Dickey Rural or a cable company?

Johnson We pay for 5 TVs and residents pay for the balance of the rest and they pay internet service and they have 3-4 areas where they have computers and from there they run wireless.

Senator Christmann Where do you get your television service from?

Johnson DRN

Senator Christmann Is this how you want to charge in the future where they use their fundraising to pay for internet and TV? Or do you want everything put into a package and it all goes into their room costs?

Johnson It works the way it work now and the residents don't have a problem paying it. It is kind of a one for one and all for all and they use their money from the candyshack to pay for these services. I wouldn't want to change it because the residents are happy to do that and they take pride in doing it.

Senator Christmann Even if there is a package with internet, TV, and telephone.

Johnson If we get a great deal I would have no problem with that.

Senator Christmann Do most residents, have internet and TV?

Johnson Most of the residents have TV service.

Senator Christmann Do most residents have internet service?

Johnson I would say about 10%.

Senator Krebsbach How does your nurse call system work?

Johnson Explained the nurse call system with Dickey Rural.

Mike Ressler, Deputy CIO, Information Technology Department (ITD) opposed SB 2133.

Attachment #2 and #3. Explained reasons for ITD costs and believes that keeping services under the direction of one agency provides the highest quality of service for the lowest price to state government.

ITD also provides a service that includes telephone switch and all managed services related.

Dickey has put together a good rate, but must compare all costs and include equipment.

Nortel equipment is serviced by Quest and has filed bankruptcy. Mytel is a nationally known

for providing service. We're spending more in technology at agencies rather than ITD.

Legislature says to manage technology centrally. If we decentralize, we lose technology support.

V. Chair Grindberg When you talk about competitive rates that ITD delivers versus in this case a cooperative, are you using general fund monies or are you factoring special funds?

Ressler Our dollars are all special dollars to us. It's money that you give to other agencies.

It includes all the costs that we have.

V. Chair Grindberg How do you calculate costs based on market when you're getting money from agencies?

Ressler All costs that we incur to provide a service are included in there. So when we provide a telephone it has all the cost. If we can't be less than private sector, then we shouldn't be in

the business and we better be providing a quality that they can't provide. The reason we should be cheaper is that we are nonprofit.

Senator Krebsbach Other system can integrate with nurse call system.

Ressler: I need to meet with Mark Johnson to find out about this. Our system is just as good and I would be shocked if they can't perform the same.

Senator Seymour Does ITD give cash or in-kind contributions to boy scouts, churches, Red Cross or things like that?

Ressler We do not

Senator Wardner Question on relative costs of provider and if this information is available.

Ressler All of the services we provide we purchase from the private sector with exception of employees. We can tell you what vendors we give our money to. We buy services from the private sector. We package a service, plus state employee.

Chairman Holmberg closed the hearing on SB 2133.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2007, 2133, 2075

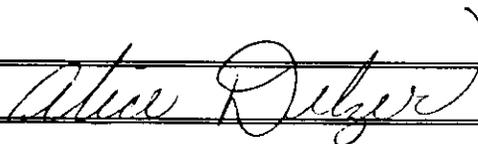
Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 02-11-09

Recorder Job Number: 9291

Committee Clerk Signature



Minutes:

Senator Kilzer Opened the subcommittee hearing on SB 2007. Senator Bowman and Senator Mathern were present.

Start with operational budget of 2007.

Senator Mathern See attachment # 1. The sheet is intended to help clarify the requests of the bill. One of the difficulties in this budget in 2007 is that there was a line item for the department of veteran's affairs. There is an assumption about 2007 that it only deals with the veteran's home but this is also about the expenses we provide to that place and the counties; that is a line item in this budget. This handout is at the request of the North Dakota Department of Veteran's Affairs (DVA) to provide \$100,000 for operating expenses related to the outreach in the communities and to purchase computers. This 50,000 would not be enough for everyone but it would be enough for 30 computers. If we had 56 computers, we would need 92,000. I think we have a new administrator there who understands the needs of the veterans and the county service officers; essentially this proposal is what I moved on the other night and didn't have a second.

Senator Kilzer I am looking at the green sheet you are talking about the DVA right?

Senator Mathern That is correct.

Senator Kilzer The other is from the veterans home from 2007. I am looking at executive budget and we can see that the DVA has 7 FTE's , they had 6 the previous biennium and prior to that, 5 I don't see anything in the executive budget about adding computers, I can see \$50,000 in training,

Senator Mathern These items are not there, the increase in staff relates to a few things. One is that we have more and more female veterans, last session we added a position to give special attention to female veterans.

Senator Kilzer I don't see any reason to make any changes in the governor's budget for the moment.

Senator Mathern I think we have additional work with people coming back from Iraq. The level of service is dramatically different from county to county, it is not the veteran's fault if they live in a county where the officer isn't well trained, I would move this as an amendment to 2007.

V. Chair Bowman One of the things I found out is you can train someone to death, if they don't have the desire and the will to go out and do the job, it won't make a difference. Training come from when someone is in the field and finds they don't understand something so they come back and make a call. I would listen to what they have to say, you find the movers and the shakers. I have never been impressed with someone who never asks how I can be better at what I do. I can train you to be an auctioneer but if you don't have it in your heart, than it is no different. The ones that really care, you can't pay them enough. There is people can always do the job. Maybe they had an injury so they do this job while some people take the job just because they need the job, do you think they will be better because of the training?

Senator Mathern I think training is beneficial. People benefit from training and education, we need to provide education so all vets in all counties get the best service.

Senator Kilzer I am looking at the executive budget and for the first time the DVA has an appropriation from the general fund for over a million \$. I think last biennium it was \$800,000. I think that the increase that is necessary for training CVSOs, there should be some room in that budget to get those service officers who are not performing to do so, without going over the executive budget. I think with 7 people they can find the people they need and get the training done. That is a substantial amount of money to work with. Let's move on to the home part. The main thing there was a dispute, the FTE's that Kristin and Mark feel they need to be up and running and also about the three that you already have.

Kristin The 3 FTEs that were part of the emergency commission are FTEs already in place, they are med techs, because we were cited by the VA for unsafe medication practices. We have had several medical errors. The VA came in and did a survey and we were cited and we had to hire these FTEs because of the VA. The remaining FTEs are for the new building. We will gain approx 30 new residents in the new facility. These staff are to put us in compliance with the VA.

Senator Kilzer Do you anticipate you will fill it up right away when you move in?

Kristen We can't admit 30 people at once, a lot of paper work done, a number of things, we figured a certain amount of residents to get the building full. Without those FTEs we will have to keep at least 14 skilled beds empty. That is one pod in the house we will not be able to fill if we do not have those FTEs. Those 14 skilled bills will generate about 605,000 so technically it is 590,000 in general funds but they will generate special fund revenue.

Senator Kilzer How many skilled beds?

Kristen We will have 52 skilled beds in the new facility.

Senator Bowman When do you actually need them? You will need more FTE's once you are up and running. Are you going to need them until the building is built? You are tying up a lot of

money until the building is built unless you have another plan for the money. We approved the extra beds, we even got you open beds and we are pretty proud of that Now we need the cooperation and understanding when this building will be in operation, so that once you start adding vets to those rooms which is when you have to increase the FTE's. When is that number going to be? This goes into effect June 30th, if we leave these 3 in there right now, we wouldn't put you out of compliance, do you have to have any more of them until you move into the new facility?

Kristin These staff, most of whom are only on board for 9 months, Med Techs require over 8 weeks of training just to get them to be able to become certified. There is a fair amount of training that needs to go into this, we will be admitting those thirty extra residents over time but the facility slated to open Oct 1. The FTEs are not in for the entire Biennium, there are just there for 9 months.

Senator Bowman Is the money in the budget for a 9 month period?

Kristin Yes.

Senator Bowman Then after the 9 months do you cash flow with the income you will take in on those 30 beds or will you come back and ask for more money?

Kristen Just those extra 14 skilled beds will raise the amount. The next biennium when all of those beds are full, we will generate a whole lot more money. They will not be funded with general fund money, they will be funded with special funds, this is a onetime need for general fund dollars to that we can fill the beds and generate the income for the next biennium.

Unintelligible

The other piece to this is depending on how it works, any money not used will be turned back to the state of ND, we have to comply with the federal governor we also need dollars because

we won't have the money in our budget.

Senator Mathern I have one additional concern. That is that we give the right message to the federal government to properly fund this new facility. The best thing is to pass the bill with these FTE's in and then the feds know—in audible.

Senator Bowman I don't think anyone disagrees with that statement, but my job is to ensure that we do it right the first time that is why I am asking these questions. Spoke about the need to ask questions. If you need the people to take care of these, how long will it take to hire them? (25.7 plus the 3 on duty now,) you need them 9 months before the place opens?

Kristen The only ones hired are the med techs which take 8 weeks of training. Most of them brought on a few weeks to a month in advance to be trained.

Senator Bowman What I am looking at is that you don't hire someone 3 months before you need them and pay them a full salary. I think we have to try to figure out a formula to take care of that need around the first of August of 2010 that gives you about 60 days. Is that enough time to hire the critically needed ones, train them and then you pick up more as the beds fill up?

Mark Johnson We have 14 residents on the skilled waiting list; we are ready to admit because we do have a waiting list. We have another on the skilled side, we have a number of residents on our list, they have only put their application in for the new building.

Senator Kilzer Your skilled side could be filled if you open tomorrow?

Johnson That is true. We have 14 residents capable of being moved into the skilled center. When we have CNAs, it is 80 hours of training as well. Sometimes you have the ability to hire right off the street which is great.

Senator Mathern Let's take this list, keep it exactly the way it is in terms of the staff that is needed put an amendment that certain staff could not be hired before July 1 of 2010. If we are concerned about hiring staff before they are needed, they have already expressed their

concern about this but if you believe that they won't hire, identify these positions. These will not be filled before this date. I think the bill identifies these issues. Would that work for the veteran's home?

Senator Bowman That is why I am asking these questions. We are trying to put together some kind of a plan we can work with, not out of compliance, hire those med techs, that is what I am looking for. To take the money stream and the employment stream so they kind of parallel each other, my intentions for those 3 staff will stay there, that will not put you out of compliance, and there will be quite a period of time. We will try to figure out a formula that will trigger the money for the FTEs as soon as they are needed. Can you work with that if we do that?

Johnson We have gone through this and this is what we propose to you. I don't have a problem with how you want to massage it but we have massaged it. We are not looking to bring these people on before we need them. Every session, Kristin has turned back money. You guys are looking at what we would like you to see and what we would like to do.

Lori Maybe this will help with some of the questions that you have. We can show that in their budget all these new positions are only funded at half or less than the actual salary, for example there is a cook funded at 16,000 and our existing cook is in the budget for 39,000. Gave another example—the people who are actually filling those position are funded at a graduated amount based on when we think they might be hired.

Senator Kilzer Have you drafted amendments regarding these FTEs?

Sheila I did two. You should have a copy of two drafts in regards to FTE's

Senator Kilzer Do you want them changed in any way?

Discussion about the location of the amendments

Senator Kilzer Have you seen them?

Senator Mathern I have seen them.

Senator Bowman Leave the three in there you have to have. Trigger the dollars for all the rest of them by June 1st of 2010. That gives you July, Aug and Sept, and money in your account; does that give you enough time to adjust for your hiring and training?

Johnson That would be great, that would work well. That will give us an extra month to do training.

Senator Bowman If there is a change in that you can make your adjustments as you need. That just saves everybody some money.

Johnson That is what we were looking at, as a gradual set up, that piece will work real well.

Senator Kilzer Would you like amendments drawn up to that effect?

Lori The general fund \$ don't actually transfer to an account for the veteran's home. They stay in the general fund until you need it.

Senator Bowman But you have the 3 FTEs that need to be funded now.

Lori They would have the authority to draw on the general fund but if they drew on the fund too early, they would run out of money. You could ask for a legislative intent section.

Senator Bowman Because it seems to me that because this is a new venture, there are few unanswered questions it would be helpful to have legislative intent to keep the three FTEs and hiring will start on June 1st of 2010.

Shiela This subcommittee has adopted an amendment that the 25 FTEs will not be hired immediately, should we provide some other kind of cushion?

Senator Bowman You have to remember when constructing anything you normally have changeovers about half way through which delay everything. Are there penalties for the contractor if they don't reach target date?

Mark At this time there is no penalty clause.

Senator Bowman We have that with road construction.

Senator Mathern I think I heard a consensus on the June 1st date, Sheila could put in intent language.

Senator Bowman Talked about hiring people and that process.

Sheila My suggestion would be something similar to that but rather than putting in an actual date, to allow some flexibility, put something in something such as 3 months prior to the scheduled opening date of the facility.

Senator Mathern I would disagree because they cannot determine the opening date, they have to know exactly when that 3 months start and they won't know that. However, if we really believe they could open early we could say they are authorized June 1 or sooner.

Senator Bowman I am trying to avoid some of the things that have happened over the years.

This allows it to be a lot clearer. It is in black and white we know your opening date is suppose to be Oct 1st, we are giving an extra month of flexibility. I think this is a pretty fair way to do this.

This way you can start the hiring process so that you know where you are at when the key turns the door. We don't want to hire too early, spoke about hiring

Senator Mathern I don't think the budget permits them to hire them as early as December but if this is helpful to you, we should do it. We can put in intent language that they don't hire before June 1st.

Sheila One question, the amendment will just be language with regard to legislative intent?

Senator Kilzer Yes

Senator Mathern We have 4 amendments to this bill. 101 was in the governor's budget, it was funded with general funds and Kristin had used all her special funds.

Discussion about the amendments

Senator Bowman Is it general fund money that will pay for the insurance?

Lori The funds for insurance are in the governor's budget. Due to the way that OMB calculates the increase, it funded by the fund money. Explained the insurance

Discussion about special funds

Sheila You would be seeing an increase the total budget doesn't change, it just changes the funding source.

Senator Mathern The moratorium; there was some confusion about whether they could use an extra bed, one nursing home bed was under question which is the next amendment, .0103. The third amendment is a correction of one time funding the number is. 0104 that is approved. Discussion about the number on the new legislative intent amendment, that will be assigned by the system

Senator Kilzer We can take up the telephone bill. That leaves me kind of perplexed. Mike Ressler said they were neutral, now they are opposed.

Mark It will go to the legislature and they will have to make that decision. It is a bartering system. Maybe we can do two systems, one for the residents, one for the staff; it has to be one or the other. I guess if we are going to be ITD it will be that. There is more money. The system we have proposed DRN people BEK Tell they say they are better. I am caught in the middle of it, we don't know how long this system will last, and there are more dollars that we are going to save. ITD will continue to raise their prices.

Senator Bowman Based upon inflation and their costs to buy that system we need general fund money.

Senator Kilzer Is there any language we need to be considering? On line 8 telephone services on Bill 2133—read portion of the bill. Is there a provision of law that forces the veteran home to use ITD?

Discussion about 2133 and whether or not the veteran's home is exempt from ITD

Senator Mathern This bill if passed would say the ND Vet home is exempt from our law, the main portion dealing with that is line 8.

Senator Bowman It will cost all the other agencies more money if people are exempted from ITD.

Senator Kilzer Maybe we should just pass this bill.

Senator Mathern That takes them out of ITD. However, if we do that we need to give them money so they can go buy the other system.

Senator Kilzer There is a fiscal note.

Kristin That would be the decrease in operating expenses if we move them out of ITD and purchase a third party system and operate it for the rest of the year.

Discussion about the fiscal note

Senator Bowman Where would you buy the telephone service? The savings that you have... Did you say the vet pay for their telephone use? Are the candy shack profits going to make payments per month for each telephone bill for each resident?

Mark They pay for their phone, internet and TV but on the skilled side it is human services that has our budget, that whole piece falls into indirect. When it is indirect, it calculates your rate.

Explained the purchase process

Senator Bowman Long distance?

Kristin Everything long distance is handled with calling cards. They have a block on long distance calling.

Senator Mathern Have Mark continue to negotiate, I suggest we pass an amendment, put in the money for a private system and say ITD and the vet home encouraged to negotiate. If they

can't agree, the vet home can go their own way. The closer this gets to moving the vet's home

out of ITD, the closer they get to providing the service they need. I don't think it will come to the ultimate service that they need though unless the veteran's home has the cash in hand to buy their own system.

Lori As far as negotiating for the prices, we have fed funding and ITD has to collect that money from the agencies. If they would lower the rate to the vet home, we would lose that funding; they have to charge the same rate for everyone. There isn't the ability to negotiate, we can keep only two months of revenue without violating the fed law.

Senator Bowman What do we lose from ITD if they have to bill all the other entities more money?

Lori They have a finite cost to their system, the cost of salaries, and services, and infrastructure.

Senator Bowman If we are actually saving money by them saving money because at the back end all ITD providers are going to have to pay more money to offset the savings.

Senator Mathern The answer is the total amount of costs that ITD has to serve the vet home is the dollar amount to be spread to other agencies.

Senator Kilzer They do that all the time. They are locked into one system of how they compute their charges. What are we going to do with the bill, put it up without recommendation leaving it with GVA, what they recommended....

Senator Mathern If we pass the bill 2133, we need to put (unintelligible amount—amount on the fiscal note) into 2007.

Senator Bowman Lets pass this bill. Because by the time it gets to the house, maybe someone can tell us the bottom line to the state of ND. If it is going to cost us more money to save money that doesn't make any sense to me. As far as I am concerned right now pass the bill and let it go over to the house and we'll get some information.

Senator Kilzer We'll bring it and recommend do pass.

Senator Mathern Now I suggest we amend 2007 to add 63,238 dollars so they can have the resources to get a private telephone service.

Senator Kilzer Can you draw up that amendment?

Sheila (not sure who) I can do that

Senator Bowman Is ITD your phone service now?

Mark Yes.

Senator Kilzer Are their amendments on the landscaping one? No. 2075 is the bill. (1.12.29)
You gave us a break down once, if I remember?

Mark Johnson In the handouts. It is in there too on the 3rd page.

Senator Bowman What can you do about landscaping until the building is done? They make it so that you can landscape it as soon as building done. What all could you do?

Mark When we look at this, we could do the irrigation, we have to move the 3 stall garage, it is in the front entrance, it will be in the middle of the road, storage, 2 of them they won't make it through, once we get the funding for next year we will build a new storage shed. We took down the other shed that was right in the center of the building. Detailed the costs associated with the projects.

Senator Bowman Do you think you would want to do anything with the sprinkler system until after construction? Explained why he would not recommend putting in irrigation before construction,. I wouldn't consider that till after, same way with the roads, they will tear the road all up, do it afterwards then you have a brand new road. DuWayne Ternes will be able to tell you how to do that.

Mark That is exactly what we were looking at doing. If you look at the 2011 Biennium we were looking at doing the roads sometime in May, we need to do some patching, and the Guard

beat up our road already. We are past the 7 year cycle that is recommended to do the mill and overlay. It would probably be done in mid June.

Senator Bowman What do they do for the overlay?

Mark I don't know, we asked them to fix all the cracks in the road, this is calculated out by the engineers.

Senator Bowman Does your county have the equipment to do this? I would almost bet that is the type of work the county would work with you on. You will get it done a lot cheaper.

Mark It is my understanding back 7 years ago, the county did a chip and seal, and it was very expensive.

Senator Bowman I know what it costs. He explained how much and how it is done. Giving some suggestions to utilize what you have.

Senator Mathern I am concerned getting into detail that they can't respond to. I would hope that we could move ahead with this bill. They are going to have to have some flexibility.

Senator Kilzer Is that the lowest bid on all of this that you opened?

Mark It is the lowest bid. This is not the 60 period. This is a separate bill to do the outside.

Senator Kilzer Are you adding fill that you have to put in?

Mark It is basically trees, shrubs, grass, but grass is very expensive,

Senator Kilzer It is quite a bit of money.

Mark We will have to lay that grass all around the field. We won't be irrigating in the back. We want to get the building done. The planting of grass done in the fall, irrigation system put in after the reason why it costs as much as it does, the existing system we have is probably it is over 26 years old. We do not have a pressure pump, it is a residential system, we can only do one zone at a time. This is going to be a whole new type of design, it will work so much better

than what we have right now. Explained the irrigation system they are proposing versus what they have now

Senator Kilzer When we talked about the operation you did not talk about the project manager, it is in the bill?

Mark It is my understanding that the project manager is already there.

Senator Kilzer Any other questions?

Senator Bowman When I talked to DuWayne Ternes he said to give us the money and we'll get started, if we give you half the money right now to take care of the things that interfere with your building project. After you get that done you can see where you are and if you have any money left over, and if not you come in and ask for more. Could you live with half of it coming in and then wait to see if you need more later?

Senator Kilzer The other side is if you have one bid that you opened that you accepted, it is an all or none deal.

Mark We are under no obligation for this piece at all. These are for items that we need to half in order to complete the process. Part of the reason we are doing it this way we don't want the architect to get 8%. We have tried to manage this part of the project, will be able to manage this.

Senator Kilzer If someone is willing to do the landscaping at cheaper rate, does that put the rest of it everything else at risk?

Senator Bowman If you had a bid on this, and you accepted the bid, you said you are not under any obligation. Did you have a bid to do the job? You have to have an engineer if you have so many dollars.

Mark We had estimates done for everything.

Senator Bowman Let's say we give you a certain dollar amount, what would you do with it?

Mark The most important thing we need right now is storage and we need to move the 3 stall garage. The gazebo and street lighting could wait. I look at the other piece, the road—mill overlay is important, we need to do some landscaping, irrigation.

Senator Bowman Spoke at length about the difficulty of having heavy equipment on the grounds while doing landscaping—we'll try to give you the money you need to get your jobs done, but if we give you that much money you will still have money left over to do some of the other things. I would take a close look if you want to do that and tear up the new road.

Senator Mathern I just want to remind us all that we have a person in state government who reviews projects so this kind of work is reviewed by a staff person in OMB to give insight and expertise. Mark Johnson is not an engineer he runs a nursing home. That is why the state of ND has other staff to give him insight and expertise. I hope that we would recognize that we already hired somebody to give him advice and that guy should be doing what we are doing now. I am a little bit concerned that we keep this together. If we take part of it, these people will need to come back, and if they come back, it will seem to the House and Senate that they are here trying do something again and are coming back again asking for something and not giving us the whole story. I suspect there are literally more things than this. Flag poles, benches, there are going to be a lot of things that they are going to need to do to make this place somewhere you feel good about.

Senator Bowman Think of what you just said, I am thinking there are a lot of other things that they are going to have to add. We are going to give them the money to do what they want to do and you are still not going to have enough with what you just suggested. They will have to come back.

Senator Matthern I am saying they will have to come back if you only give them the \$500,000.

Senator Bowman That is what I want. To me you tell us what you have done and what you

have left to do with the best estimated costs so that when we make the final appropriation they will be happy. So that you will be done with it and we can all be proud of it.

Senator Kilzer What should the amendment say if we go that way?

Senator Mathern My concern is that I have already heard a senator say, "I thought this was settled last biennium and now they are back."

Senator Kilzer But the senators that remember the figures from just two years ago.

Senator Mathern It is not a positive way to deal with decision making. There are senators who don't know all these details. I think we need to give these people the ability to complete this project without having to come back for another appropriation.

Senator Bowman You made the statement that there will be other things they have to add. If we give them the bill, they are still coming back. They may have changed their mind about something, when they come back; I want you to be happy with what you have. Can you live with this or do you need the full amount?

Mark I guess the thing is, I understand where you are coming from, it would be nice to get a little more than that because there are a lot of things that need to be done. We can look at raising additional funds, it is just so hard when you look at the mill and overlay, gutter too, about a mile. And then you start looking at irrigation and some of that stuff.

Kristen Another thing to look at is the obvious time to do the roads is when they are there to do the rest of the road. It costs quite a bit of money to bring a whole crew into a small town to do a small project. To me it just seems that it would be logical to do that part of the project at the same time.

Senator Kilzer I hope that your project manager will be a great aid in your decisions.

Senator Mathern We have great support now with our country in our state for veterans. I believe this is the time we do the best we can and get the best product as soon as we can.

Spoke about the history of the project, the competency of the Veteran's Home staff, and the need to get this project done. 1.46.54. They have worked on this two years, they have whittled this down, I am sure we will have to get a hold of a vet group to bring this to the level we want by October of next year.

Senator Kilzer What we need is a progress report to this committee after they spend the \$500,000 dollar amount. Can we put that in legislative intent?

Kirsten We've been getting project reports.

Senator Bowman I am happy with that, the only thing that bothered me is that it sounded like we don't care about our veterans; I am as passionate as any person to help the veterans. I'm trying to put in some logic behind a large appropriation. Is it wrong to ask for accountability?

We will all be invited to come to the open house and be proud. I like accountability; I suggest you think about it so that it can save you a lot of money. Talked about the roads

Senator Matthern I did not mean to question your patriotism, if it came across that way, I apologize. I am concerned just like everybody else.

Senator Kilzer What type of heat are you using in the new home?

Mark It is electricity including the laundry.

Senator Kilzer Who would like to carry some of these bills?

Senator Mathern Will explain the telephone bill

Senator Bowman Will explain 2075

Senator Kilzer Will take the main one

Discussion about the \$500,000 report

Senator Kilzer I would like to get the bill out of appropriations committee Friday. Closed the subcommittee hearing on SB 2007

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2133

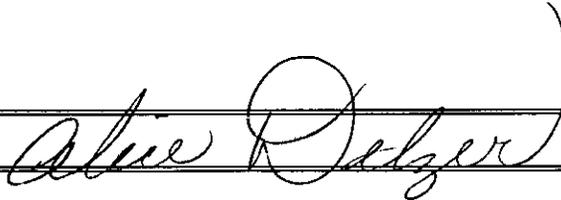
Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 02-12-09

Recorder Job Number: 9429

Committee Clerk Signature



Minutes:

Chairman Holmberg called the committee back to order in reference to SB 2133 relating to telephone service at the Veterans' Home. (56.26))

Senator Christmann I really thought we could come up with a plan whereby both sides would be happy and the issue here is ITD is very reluctant to start down a path where a state agency is served by somebody else. The telecommunications companies are very reluctant to start down a path where long-term care facilities are served by the state because it is not just the veterans' home but all the long-term care facilities get most of their funding from Medicaid as do the hospitals and you can see this slippery slope goes a long ways. So, it seemed to me there was some kind of a way to put this together whereby ITD might serve the administrative offices and the company down there could serve the residents and quite frankly, ITD and the telephone company thought we go everybody together on a conference call, including the veterans' home people and we all found out that there are things that veterans' homes system regarding just two way paging, and stuff into the rooms, and just a whole lot of questions as to how you could make these two systems work together and work well. It doesn't just become about settling both provider's needs but also taking care of the customer's needs. So, I wish the group was here, but I am very confident I am repeating it very accurately. Right now the bill allows the veterans' home to give it to a local carrier if they so choose. I made the point in the

group over the years, the Senate has been a little more sympathetic toward the local carriers than some of the House people who are more sympathetic toward ITD so it is quite confident there would be some kind of amendment and this would drag on, and basically what both sides need to do is go under the manager of the phone company and under Mike Ressler and get the engineers together to see how a system can be put together that meets the needs of the customer. The way we left it is, I don't think anybody is happy but I would just recommend a do pass. I think this can't be settled well by the time we have our crossover and I hate to do that and not get it in the best possible shape but this is going to take some a few weeks with engineers working on it in order to come up with an excellent compromise. (60.18)

SENATOR CHRISTMANN MOVED A DO PASS. SECONDED BY SENATOR WARNER.

Senator Mathern Frankly I didn't know Senator Christmann was meeting with two groups. We were meeting too on the health committee. I am kind of wondering what is going on there. we came to the conclusion as the subcommittee similar that in that they need the ability to negotiate. However, I want everybody to know we passed this bill and I support that. We have to put money into the veterans' home budget. If we don't it's an empty negotiation plate because the veterans' home right now has enough money in the budget to operate like their operating with ITD. If we pass this bill we are saying they can buy a system and we have to put that money in their budget. Just so you know that would be the next step we would take in terms of the health subcommittee, I mean the veterans' home subcommittee.

Senator Kilzer We have had this bill because of the veterans' home and the other veterans' bills including the landscaping and operating budget. This bill is a policy bill. As you heard Mike Ressler say the other day ITD opposes this.

Further discussion followed regarding different bills concerning the veterans' home and the action that would need to be done by ITD regarding the price of the phone system for the veterans' home.

V. Chair Bowman In testimony from ITD if they don't get this contract that will raise all the other entities that they serve. If we are paying both bills, hopefully by the time this bill is heard again that question can be answered. Are we ahead or behind. If we are ahead, pass the bill and let them buy the system. If it's going to cost the taxpayer a lot more money we'd better think twice about doing that and I didn't get an answer to that. The savings for the veterans' home if they buy that system is going to be fairly good, but on the backside of that is if ITD doesn't get it they loose our customer and increase the rates to everyone else. I don't think that was ever answered, was it? (65.35)

Senator Mathern The only answer to that is we have to get a number from IDT. What does it cost to serve the veterans' home?

Chairman Holmberg called a roll call vote on a **DO PASS. A ROLL CALL VOTE WAS TAKEN RESULTING IN 13 YEAS, 0 NAYS, 1 ABSENT. SENATOR COOK WILL CARRY THE BILL.**

The hearing was closed on SB 2133.

Date: 2-12-09

Roll Call Vote # 1

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2133

Senate Senate Appropriations Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass Do Not Pass Amended

Motion Made By Christmann Seconded By Warner

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/A	✓		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 13 No 0

Absent 2

Floor Assignment (F AV)

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

REPORT OF STANDING COMMITTEE (410)
February 13, 2009 9:43 a.m.

Module No: SR-29-2627
Carrier: Cook
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2133: Appropriations Committee (Sen. Holmberg, Chairman) recommends DO PASS
(13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2133 was placed on the
Eleventh order on the calendar.

2009 HOUSE GOVERNMENT AND VETERANS AFFAIRS

SB 2133

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. Senate Bill 2133

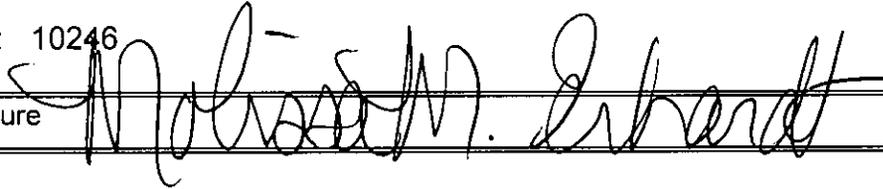
House Government and Veterans Affairs Committee

Check here for Conference Committee

Hearing Date: 3/5/2009

Recorder Job Number: 10246

Committee Clerk Signature



Minutes:

Chairman Grande: Open the hearing on SB 2133. Clerk read the title.

Mark Johnson, Administrator, ND Veteran's Home: Testimony. See Attachment # 1.

Chairman Grande: Questions from the committee.

Rep. Wolf: Each resident has a phone in their room kind of similar to a hospital that they can use to call other rooms or use to call out to the outside "world" do they pay anything for those phones or is that covered by your rates?

Mark Johnson: That is covered by our rates right now.

Rep. Kasper: Through your testimony you are citing \$454,000 of savings over ten years. Have you been given a contract from the local telephone company that guarantees your price over the next ten years or are you assuming certain assumptions?

Mark Johnson: Right now I just used what today's numbers are. There might be some inflation that might come from the local phone company but there is also

going to probably be some phone increases from ITD as well. This was basing it off of what are costs are at this time.

Rep. Kasper: Because I negotiate my own phone rates with companies I am sort of familiar with this issue. You could probably maybe look at getting like a two or three year rate guarantee from the local company if you entered into a contract with them now. Have you explored that type of a possibility?

Mark Johnson: At this time I haven't but I am sure that is something that we could sit down and talk with them about.

Rep. Kasper: If you switch telephone vendors, you are not going to have to switch telephones or in the new home you are going to buy new telephones anyway so there is going to be a cost of hardware which is over and above what we are looking at here and this is just the service?

Mark Johnson: My understanding is that we would have an all new system whether ITD would be putting phones in there and we are looking at that would be a More-Tel system or we would be looking at a My-Tel system is what we were looking at from Dickey Rural.

Rep. Kasper: Have you compared the cost of the hardware with ITD compared to your local vendor?

Mark Johnson: I don't the exact hardware specs that ITD has, we know what My-Tel system is. The My-Tel system costs us about \$129,000, it is my

understanding that the system and I don't know how Mikes charges but he will be getting up to talk a little bit, he had talked earlier that their system was \$82,000 but I guess the thing I am a little confused about with that system is that we still pay more for that \$82,000 system than we would pay for the \$129,000 system.

Rep. Kasper: How is that?

Mark Johnson: Our rates right now are \$24 a phone and so we get charged for every phone that we have in our building from ITD so if there is 200 phones, then we get charged \$24 per phone per month. When we look at the system that My-Tel's would be it would \$129,000 for the entire system and then we also would

have support and service and that is all figured in on that.

Rep. Kasper: With no on-going \$24 per month charge?

Mark Johnson: Right. This system that we are proposing, the My-Tel system would be paid for in five years. We had a couple proposals in the Senate the last time. This would be all paid for in dollars for one-time funding up front, and then from there it would just depreciate out and it would be all a part of our nursing home rate.

Rep. Nathe: As far as the hardware of the Nor-Tel system phones are you looking at either leasing or purchasing? Are you leaning one way or the other?

Mark Johnson: On the Senate side, we brought two proposals forward and the decision that was made and what was added to our budget with the increase, we

would just buy the system outright. We were looking at doing a lease purchase over there as well as the possibility of buying it out right. So right now we are moving with just purchasing it outright because we saved several of thousands of dollars on interest by just buying it outright.

Chairman Grande: Mr. Johnson this fiscal note doesn't include the purchase of that system, does it?

Mark Johnson: Yes it does.

Rep. Nathe: The last page of the fiscal note, Option 1, the last line.

Chairman Grande: I guess my confusion is that I thought he said, maybe I wrote it down wrong, \$129,000, to purchase it. There is no fiscal note for that? It just says to extend it to \$63,000. What is the cost?

Mark Johnson: That system is \$129,000. Would you mind if Kristen comes up and talks about it, she has been dealing with the financing.

Kristen Lunneborg, Accounting Manager, ND State Veteran's Home: The reason why you only see the \$60,000 some difference is that, it would be a \$129,000 to buy the system outright but our monthly operating fees would decrease substantially so the net effect is just an increase of \$60,000 some. What it would do is increase our capital line item by \$63,000 to be able to purchase the system but our monthly operating costs would decrease by a couple thousand dollars a month and I am not sure what the fees are. I don't

have the system up in front of me but the operating fees would decrease substantially if we purchase our own system, there is an offset between the Capital purchase and the current monthly operating fees.

Chairman Grande: I was just looking at the fact that you have to have the up-front costs and then you can offset later. But we don't have the up-front costs shown to us.

Rep. Kasper: Just want to clarify what Mark said. You are currently being charged \$29 a month per phone by ITD, is that correct?

Kristen Lunneborg: It is currently \$24 for each phone for each phone that has voicemail I think is an additional \$3. So for every single phone we have in the facility there is a set fee for each of those phones.

Rep. Kasper: That is over and above what was shown on the testimony of the so much per day or is that an all inclusive? I am trying to get to what is your total cost per phone per month currently?

Kristen Lunneborg: It is either \$27 or \$24 depending upon which phone is in that room and that is what we pay every single month that we have the ITD system in our facility.

Rep. Kasper: That is totally inclusive of all fees to ITD \$27 and \$24 per month per phone.

Kristen Lunneborg: Yes.

Rep. Kasper: If you went with your local provider what would be your cost per phone per month projected and forgetting about the cost of your hardware?

Kristen Lunneborg: The monthly charges would just be affiliated with the T-1 line that comes into the facility and also the support and maintenance agreement. I think if you look at the spreadsheet attached to Mark's testimony it does outline what the monthly costs are anticipated to be. The \$25,416 is what it would be per year for the T-1 line and the support and maintenance on the system if we purchased it outright.

Mark Johnson: When you look at the \$2.07 what they are doing is what the rate calculation is for how we are rates are calculated through the Health and Human Services Department. It is taken by 18,500 days which is resident days and so this basically gives you the rate that you would actually have to pay. That is what would be calculated in our rates and what we get back from the State Health Department. That is what our residents would have to pay. So when you look at the rate increase I am looking at a ten year period because that is what a depreciation rate schedule is for the telephone system. In taking that ten year rate depreciation schedule, it actually comes out to \$2.07 per day charge per residence versus \$4.53 per day per charge per resident using ITD. Is that as clear as mud?

Chairman Grande: Any other questions from the committee? Anyone else wishing to speak in favor of 2133?

Del Marchus, Chief Communications Consultant, BEK Business Solutions and Dickey Rural Network: Testimony. See Attachment # 2.

Vice Chairman Randy Boehning: I see that you take care of St. Alexius and Med Center One, do you provide all of the services for the Integrated System for the Nurse Call Data Network, currently?

Del Marchus: We are currently implementing solutions regarding the Nurse Call equipment at that facility or at both of those facilities.

Rep. Kasper: What is the relationship between you and Dickey Rural Telephone, can you go into that a little bit?

Del Marchus: Dickey Rural Network is a partner of ours and we rely on each other's resources, since they are a local provider of the telephone services, internet services and television services in that area we provided what was on the end point solutions using the telephones or the Nurse Call equipment and we are certified in those specific areas for that equipment, so they rely on us to help them provide those services to their customers.

Rep. Kasper: So you are the technical computer type support and they are the local hands-on support, but when it gets to the technical side you provide that back-up.

Del Marchus: That is correct.

Rep. Kasper: Have you seen the proposal from ITD to compare like warranties that you might have, and cost for service compared to the ITD cost for service if there is something that goes wrong?

Del Marchus: Yes, we have. In working with Mark and the staff at the ND Veteran's home we have compared the service level that they provide and compared the service level that we can provide. In addition to, the maintenance of equipment and the service of the equipment, in addition to what ITD can provide we also cover things such as moves, changes, and other on-going things that the ND Veteran's Hospital has been charged for in the past, so we include that all inclusive into our maintenance warranty.

Rep. Kasper: So when you look at your potential cost for an annual basis to a current ITD cost, are you higher or lower in actual hard costs to the home if certain events would occur? That would be equal with each system.

Del Marchus: Yes, we have compared that. When you are asking about the hard costs of the system?

Rep. Kasper: No, I am asking about technical support , is it so much dollars per hour or if this problem occurs we are going to charge that much compared, what I am trying to get to is if the same problems occur on an annual basis what would

your extra costs be compared to ITD's extra costs over and above the numbers that we have already seen?

Del Marchus: Yes, we have looked at that, and again our costs are all included within that warranty which is outlined on the spreadsheet that Mark Johnson has put together.

Rep. Kasper: So are you lower?

Del Marchus: Yes we are.

Vice Chairman Randy Boehning: Do you provide any other services in Lisbon, they have a hospital and a nursing home there yet or anything in that area that

you provide any of these services to?

Del Marchus: Yes we do, we have multiple customers in that area. Again partnering with Dickey Rural Network as the local service provider, we have multiple customers in that area including nursing homes and business in that area.

Rep. Nathe: Do you also provide phone lines to?

Del Marchus: We do not provide the telephone service to those locations in that area that is what Dickey Rural Network provides to that local rural area, Lisbon and the surrounding areas.

Kristen Lunneborg, Accounting Manager, ND State Veteran's Home: Also to clarify some of the questions when Mark gave his testimony that you had in

regards to the purchase of the system from Bek-Tel. We have the actual quote from them as well as a spreadsheet that we put together for the Senate that explains the three different options with the phone system and what it would be for the costs and the operating fees and stuff. If you don't mind I will pass those out and hopefully that will clarify some of the other questions that you guys had earlier. Testimony. See Attachment # 3.

Rep. Kasper: What is the long distance per minute charge with the local provider compared to the ITD long distance charge that you pay?

Kristen Lunneborg: When Mike Ressler gets up and testifies he can tell you what these are. I should know because I pay the bill every month but I don't pay a lot of attention to that at times I guess. The one thing we want to clarify though, even though we do provide phones to all the resident rooms they do not have the ability to make long distance phone calls without a calling card. So the only long distance calls they have would be for the administrative offices and the nurses and so forth.

Rep. Winrich: Are these costs, I presume, sort of pro-rated out or based a certain number of residents in the home? Do you know what that number is?

Kristen Lunneborg: If you are looking at the financial impact spreadsheet, currently in the facility most of our rooms are double rooms, so there are generally as far as the residents go there is only one phone in each of those

rooms. When we move to the new facility we will be gaining a hundred new phones and that was part of the main reason that prompted us to even look at this piece because we knew that our costs were going to go up substantially in the new facility because the new facility is based on private rooms as well as the fact that there are more areas in administration as well that will have phones.

Rep. Winrich: How many private rooms are there in the new facility?

Kristen Lunneborg: In the new facility there will be a 142 private rooms and four double rooms.

Rep. Winrich: On the spreadsheet that Mark gave us comparing the fees for ITD and outright purchase, if we divided those numbers by 142 we get sort of the average cost per resident or per room?

Kristen Lunneborg: The situation is that ITD charges are totally based upon the number of phones you have in the facility. When you purchase the service outright you are purchasing however many phones you need and then the only cost associated with that are the T-1 lines and the support but truly if you kind of wanted to do a cost comparison yes, you could take the number of phones and divide it into the numbers to kind of get an idea. Basically, they work in two different ways.

Rep. Amerman: On Page 2, Number 4, top of the page it says when a member of the home is not eligible for the veteran's administration hospitalization and

care and comes unable from any cause to care for one's self; under the rules adopted by the, it did say the administrative committee on veteran's affairs, now it says the veteran's home governing board; and so what I am getting at is that the administrative committee already has rules in place that have been adopted so is the veteran's home governing board going to have to sit down and adopt a whole bunch of rules or how is that going to work?

Kristen Lunneborg: As far as all the admissions and all of that piece goes they are policies that we have at the Veteran's home. So even if there was a change between the Veterans Affairs Committee making the decisions or the governing board making those decisions it wouldn't change the policies that are currently in place, if they are in place at the Veteran's Home.

Norris Braaten, Chairman of the Governing Board, ND State Veteran's Home: Testimony. See Attachment # 4.

Chairman Grande: Favor of 2133? Opposition?

Rudy Jenson, Chairman, Administrative Committee on Veteran's Affairs (ACOVA): Testimony. See Attachment # 5.

Rep. Kasper: Have you taken a position on the telephone system proposal in the bill?

Rudy Jenson: We have talked about but we are not against it, but we are possibly for it.

Chairman Grande: Any other questions from the committee? Opposition?

Mike Ressler, Deputy CIO, Information Technology Department: Testimony.

See Attachment #6.

Rep. Wolf: Do you know if we remove the Veterans Home from the core group of the facilities that you service will that have an effect of raising the monthly fee on the remaining agencies that are involved with ITD?

Mike Ressler: It will. The current rate for these phones is \$24 this biennium per station per month, it will be \$24 per station per month for the next biennium, that is the rates we propose. We estimated three dollars of that component is to

recover that \$6 million investment that we have (can't understand) so truly if we remove the Veteran's Home or any other agency from that then the \$6 million doesn't necessarily go down and so the remaining agencies would have to absorb that component.

Rep. Kasper: How many phones are in the Statewide system that you administer right now?

Mike Ressler: I am guessing about 8800 hundred.

Rep. Kasper: So we are talking about 200 phones removed compared to 8800 that is sort of like a dime some place that is pretty small. So it is not a big deal.

You mentioned in your testimony Gardner Subscriptions, who are they and what is your relationship with them?

Mike Ressler: Gardner Subscriptions is an IT organization of consultants experts who really go out and take other organizations experiences and then when you have questions you can subscribe to that and submit the question, which can be done by conference calls, they do a lot of email, newsletter type information, so any time in ITD before we make a major decision whether it be a Human Services application or attach the permanent application we would usually engage Gardner's and say what is your experience in this area. When we get the proposals from them many times we will submit the proposals to Gardner ask for them to just review it and make sure that the service or quotes that we have are somewhat competitive and comparable to what they are seeing in other communities.

Rep. Kasper: Where are they located and what is your annual cost on an average that you pay these people?

Mike Ressler: It is on a per subscription license I believe our fee is \$19,500 per year for the subscription fee. They are located wherever there consultants are. There consultants don't necessarily work in one location, I don't know where their home is somewhere in the United States.

Rep. Kasper: Outside of ND?

Mike Ressler: Outside of ND, Correct.

Rep. Kasper: Would you agree in talking about the opportunity to call inter ND with our in-house ITD service, I can't think of to many times that a nursing home in Lisbon would need to be calling to many other governmental entities, might be Human Services for certain needs but I haven't gotten the answer on what the long distance charges would be with the local service but I can see where there is not a whole lot of need for those ongoing phone calls when you are managing a nursing home in Lisbon.

Mike Ressler: I think that if you are talking just voice there is a potential that that is true. I don't know their call volume or percentage. But what we are definitely

seeing in technology is the integration of many applications. One of the applications you may have heard about is the Nurse Call Assist and that is not something that ITD builds or competes with so in the invent that the decision will be to not allow them to buy their own system they still need a nurse call application that would need to be purchased and deployed. What we are starting to see is a process called Unified Communications but I am not really that technical and I don't want to try and teach you guys what Unified Communications is, but it's these applications that really are going to start tying the desktop to your phone system. So I think it's important that you can pick an application and say well you better integrate it if we do it this way but I think you can come up with ten or fifteen other applications that you could argue and say it

● makes the most sense if you integrate that whole system inside of the network.

In this case, of course, we have all the State Government connected. So it is kind of a long answer I don't know of all the intricacies that the Veterans Home has with other State Agencies but it definitely would have it with the (can't understand).

Rep. Kasper: I just would say on your hardware, and I mentioned earlier that I do the shopping in my business for my phone system, we have Micro-Tel, we bought it in 1992, it still works pretty good today.

Mike Ressler: What we have built into our rates is that there are upgrades, I believe the My-Tel system is a good system. But I am just saying that what you buy today isn't going to be the only expense you are going to make for ten year status without upgrading.

Rep. Kasper: A half-million dollars gives you a little wiggle room.

Chairman Grande: Any other questions?

Rep. Amerman: Before you close the hearing I would like to ask Mr. Braaten a question.

Rep. Winrich: Earlier we heard that at the Veterans Home at any rate that the rate from ITD was \$24 a month per phone but if the phone had voicemail it was \$27 a month and you a little while ago said it was \$24 a month and you didn't

● have any additional charges for other services?

Mike Ressler: For the administration staff what we would do is we are going charge \$24 a station for everybody and then there will be a voicemail charge for them. What we agreed to do for the residents is just charge the \$24 per station, what we don't know is what kind of instruments they are going to have at each room or if each room will actually have a phone. I assume that would be dependent upon the resident that is in the room. I imagine some need large buttons due to some vision problems or whatever the case may be. But it would only be \$24 per station for the residents and I believe that is the 150 patients that live there.

Rep. Winrich: So that is the rate for the new system that is going to be installed?

Mike Ressler: The rate today and the rate for installation.

Rep. Winrich: That voicemail is the \$27.

Chairman Grande: Any other questions? Opposition? Opposition? Neutral?

Rep. Amerman: I have to know before we act on the bill, being the Chairman of the Governing Board what kind of action and what kind of discussions did you have with your administrative committee before you brought forth the part you testified on? Was there any discussion on how, where, was there any middle ground, is there anything we need to be looking at, or is what is here set in stone between you and the administrative committee?

Norris Braaten: We were pressed to a time limit on the committee but we did get to our board and the Chairman of the Administrative Committee was at the meeting, it was a telephone conference meeting of our board where we discussed the different (can't understand) unfortunately the time passed and the committee did not have much time (can't understand) until afterwards. Middle ground, I think one would always say you "never say never" . I have been negotiating quite a bit in my life and I think we always say there is ground.

Chairman Grande: Anyone else wishing to speak?

Mike Mullen, Legal Counsel, Assistant Attorney General: I have taken over the responsibility of the Legal Counsel for the Veteran's home. I just want to point out a connection to Norris Braaten's testimony and the memo's that are attached from my predecessor Mary Kae Kelsch. From the standpoint of our whole as legal advisors for the Veteran's Home is kind of an overlap between the responsibility of the Administrative Committee and the Government Board. I think that this recommendation in the Legislation is trying to clarify that and pinpoint the responsibility of the Governing Board has to be responsible for the rate of the contribution of residents of the Veteran's Home. I don't have any stake in this and this is a policy question for this committee and for the Legislative Assembly but part of that recommendation comes from auditors reports that were done at the Veterans Home and there were some issues of

where management didn't include one of the recommendations, so to try to pinpoint the responsibility for the management of the Veterans Home to this governing body (can't understand) so just want to clarify that. It is a policy question for this committee.

Chairman Grande: Any other questions? Anyone else wishing to speak? Close the hearing on SB 2133.

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. Committee Work One SB 2133

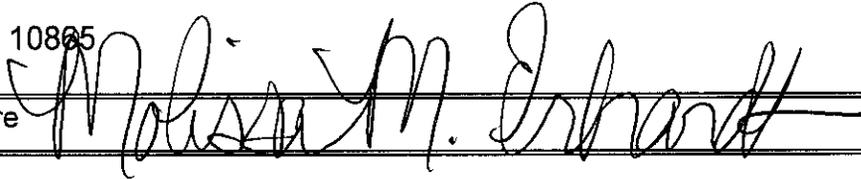
House Government and Veterans Affairs Committee

Check here for Conference Committee

Hearing Date: 03/12/2009

Recorder Job Number: 10865

Committee Clerk Signature



Minutes:

COMMITTEE WORK ONE:

Chairman Grande: We will discuss SB 2133. It is about the new phone system for the Veteran's Home. Do we have any amendments?

Rep. Conklin: Motion for a Do Pass.

Rep. Wolf: 2nd.

Rep. Amerman: I have amendments. (Passed out)

Rep. Wolf: Remove my 2nd.

Rep. Conklin: Remove my motion for a Do Pass.

Rep. Amerman: The amendments look complicated but I had it written out so it looks longer than it is. To make it easier I wrote how it would look because the amendment is just how our legal council has to do it. So this is how it would read after we do all those things.

Chairman Grande: With the approval of the Administrative Committee on Veteran's Affairs Home Governing Board may establish fees would be paid by

members of the Veteran's Home the fees must be set under a formula determined by the Veteran's Home Governing board which would assure dignity and equity and it would charge the Administrator of the Veteran's Home shall collect monthly any fees levied.

Rep. Amerman: Committee members in talking with Mr. Jensen and his concern and the people on the Administrative Committee what this would do, it is kind of a compromise and I am not sure how much, but the Veteran's Board, which would set the fees, and then just take it to the Committee for their approval. They have never turned down a fee increase before. But they would just like the opportunity to look at the rates and fees that the Veteran's Governing Board makes. It just takes a majority of the Board members present to approve the fees and it doesn't take a unanimous vote like it does on some of the things they bring forward to us. If there is eight people at a meeting, five of them could approve the fees. What it does is it gives the Governing Board the power to determine the formula. Under the old program the Administrative Committee developed the formula that the Governing Board used and this would have the Governing Board develop the formula and bring the fees to the Committee for their approval. So that is the amendment and if there are any questions I will try to answer them.

Chairman Grande: In testimony, I know that there was comment and I actually talked with the Governing Board and I did talk with Rudy too, the concern has always come down to the Administrative Committee as being such a large committee and trying to get everybody together and get any of the work completed. Not that that is a problem all the time, but with something like this I know that they have really felt strongly as far as the Governing Board and others that the Administration that it was nice to get rid of the Administrative Committee on this one piece. That the Veteran's Home was not really their thing and they have a subcommittee of five and the Veteran's Administrative Committee it does the work and then they get together with the whole group and then they send it up to here and it is not being done as timely as the Governing Board and possibly the (can't understand the words). That is what was really the thought process behind this and I think what we end up with here is now the Governing Board has to go to the Administrative Committee and the Administrative Committee comes back to that and then it goes to the (can't understand words, pages being turned), process.

Rep. Amerman: The concern of the Administrative Committee is that it would take away the checks and balances. Instead of just having the Governing Board set the rates and there would really be no checks and balances.

Rep. Kasper: The Governing Board, or the Veteran's Administration Board appoints the Governing Board. That is where the checks and balances are. The nursing home is a very complicated entity to run. They have been running it pretty well lately. With all due respect to who are on the Veteran's Administration Committee, they are a bunch of good ol' boys. Many of them are quite elderly some of them may not be so cognizant or in tune with what they need to do to run a nursing home and make the decisions when you have too. I understand the intent of Rep. Amerman.

Rep. Winrich: Does the Administrative Committee meet regularly?

Rep. Amerman: I am not sure what their schedule is or if they have a monthly meeting.

Chairman Grande: I think when there are issues they will get together as the whole board. The fifteen member board is broke into three different areas of interest and then they divide out, then I don't know how the makeup is of each of the three groups, if it is in the area of their interest or what it is, but then those three groups who meet as their issues come forward and then as a whole. But even if they come to testify on a Veteran's Bill together they have to have met and all 15 have to be in full agreement before they will proceed on the issue. I think sometimes it really gets more complicated than it needs to be. It is just kind of my perception of that.

Rep. Karls: For the sake of clarification could we say what are the names of the committees, is it two committees or three, and how many members on each?

Chairman Grande: When you are looking at this and you are on Page 2, Line 12, the one who is called the Administrative Committee on Veteran's Affairs and it is a 15 member board, you must be a Veteran, and I am not sure what that makeup is from there. Three from the Legion, three from the disabled Veteran's, three from the VFW, from various areas.

Rep. Karls: That is called what?

Chairman Grande: Administrative Committee on Veteran's Affairs. Then that one committee will divide into three smaller committees to do work. They have three subcommittees that work. They come together into one committee. That is how that one works. Then the next one is called the Veteran's Home Governing Board and correct me if I am wrong, I believe it is five people and they are all appointed by the administrative committee on Veteran Affairs and they come from various aspects of life. Like the gentleman who spoke who was a retired physician or I mean a banker. They come from various business or backgrounds and then they are the ones that do the Governing issues.

Rep. Nathe: Is that one of those three committees that is an off-shoot of Administrative Committee?

Chairman Grande: No. That is a separate one all together. Because these guys on the Veteran's Home Governing Board, all of them are Veteran's but you do not have to be a Veteran to be on the Veteran's Home Governing Board. But you must be a Veteran to be on the Administrative Committee on Veteran's Affairs. The Veteran's Affairs Committee is the Veteran's Group, the Veteran's Home Governing Board are the business people. It would be like having who is on the Med Center One Board of Directors. You can kind of put that into perspective that way.

Rep. Kasper: If you pull up the testimony of Norris Braaten and go to Page 2 of his testimony and you look at the second paragraph and he has in parenthesis "this is a memorandum issued by Mary Kae Kelsch, Assistant Attorney General of further States" . This testimony supports an organizational structure in which the governing board manages the home and the administrative committee oversees the governing board. The ACOVA oversight rule of the Governing Board is supported by statutory to support members of the Governing Board. In addition to the appointment of the Governing Board today this board also contains two members of the Administrative Committee to provide continual oversight. So you have five members appointed plus you have two members from the 15 members with continual oversight. They have plenty of interest.

Again I go back to my hope that we let the professionals run the business and that the Administrative Committee on Veteran's Affairs.

Chairman Grande: We have Rep. Amerman who has presented us with amendments, do I have a 2nd?

Rep. Wolf: 2nd.

Chairman Grande: All in favor of the amendments say I? Not all in consent.

Rep. Wolf and Rep. Amerman. Favor. Opposed? All the rest. Amendments fail.

The bill is in front of us.

Vice Chairman Randy Boehning: Move a Do Pass on SB 2133.

Rep. Kasper: 2nd.

Chairman Grande: We have a Do Pass motion by Rep. Boehning and 2nd by Rep. Kasper. Discussion? Seeing none, clerk will call the roll.

Clerk Erhardt: Roll Call. Yes: 13. No: 0. Absent: 0. Carrier: Rep. Amerman.

Date: 3/12/19
Roll Call Vote #: 1

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2133

House Government and Veterans Affairs Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass Do Not Pass Amended

Motion Made By Boehning Seconded By Kasper

Representatives	Yes	No	Representatives	Yes	No
Chairman Grande	✓		Rep. Amerman	✓	
Vice Chairman Boehning	✓		Rep. Conklin	✓	
Rep. Dahl	✓		Rep. Schneider	✓	
Rep. Froseth	✓		Rep. Winrich	✓	
Rep. Karls	✓		Rep. Wolf	✓	
Rep. Kasper	✓				
Rep. Meier	✓				
Rep. Nathe	✓				

Total (Yes) 13 No 0

Absent 0

Floor Assignment Rep. Amerman

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

Re-Refer to Appropriations.

REPORT OF STANDING COMMITTEE

SB 2133: Government and Veterans Affairs Committee (Rep. Grande, Chairman) recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2133 was rereferred to the **Appropriations Committee**.

2009 HOUSE APPROPRIATIONS

SB 2133

2009 HOUSE STANDING COMMITTEE MINUTES

SB 2133

House Appropriations Committee

Check here for Conference Committee

Hearing Date: March 24, 2009

Recorder Job Number: 11454

Committee Clerk Signature

Carmen Hart

Minutes:

Rep. Bette Grande, District 41, approached the podium to discuss SB 2133 which deals with the Veterans' Home telephone service. The Veterans' Home is asking for \$465,000 over the ten-year period. The service would be specifically designed for hospital and nursing home environments. State ITD charges \$4.57 per resident per day to provide the telecommunication services to the facility. The private sector service has bid that at \$2.07 per resident per day. Allowing the Veterans' Home to go with the private sector for telecommunication needs will allow them to deploy a highly specialized telecommunications system designed especially for hospital and nursing home environments. Maintenance would be done by the locals. GVA believe the highly technical nature would warrant having this done and allowing the bidding out.

Chm. Svedjan: (3:45) Did your committee examine other facilities such as the Developmental Center in Grafton? Are they experiencing this kind of difficulty or maybe the State Hospital in Jamestown?

Rep. Grande: All that was brought up about Lisbon was the remoteness and the lack of technical support within Lisbon. It had to come from Fargo. My assumption is that Jamestown and Grafton have technical people there for ITD with the numbers they are dealing with.

Rep. Kreidt: (4:27) When you are talking about the system, are they talking about their nurse call system and emergency systems? Would emergency systems be worked in?

Rep. Grande: Specialty call systems are not anything Information Technology Department currently works with. They hire that out. The third party system has that grouping altogether, because they already know how to run that out of the current hospitals that they are working with.

Rep. Kreidt: Would that give compact to the nurses in the resident's room who needed assistance to call up to the nurses' station with this type of system?

Rep. Grande: This third party system is that the call station has portable phones. When that nurse leaves her station, she is actually still wired in directly to the call station so can leave from room to room.

Rep. Nelson: Who is the third party?

Rep. Grande: I think it is BEK. It's the local RTC. They have some other contracts.

Rep. Nelson: The resident count would be about the same in both of those facilities. There may be that same issue that would arise in Grafton. You didn't hear from the Developmental Center for example? In the testimony for this, nobody came in for that?

Rep. Grande: No one other than the Veterans' Home came in.

Rep. Skarphol: Did ITD indicate that they were not capable of running the same quality of service with the same capabilities?

Rep. Grande: They would have to have someone come in and handle the call system first and then they would run it after that, but the cost was considerably different.

Rep. Skarphol: The Fiscal Note shows that they will have a \$513,000 savings over a ten-year period. I am assuming that is just an assumption if they, in fact, do not have a bid for that length of time and the \$513,000 is supposition at best.

Rep. Grande: They said this solution system would keep those rates for ten years.

Rep. Skarphol: And they have a contract to that effect?

Rep. Grande: I don't believe they have been allowed to sign a contract because they don't have the ability. That is what I understood in committee with my question.

Chm. Svedjan: Has HR Section talked about this in your Committee?

Rep. Pollert: We talked more about Sections 2 and 3 rather than the phones. There is language in Sections 2 and 3 that I think are pertinent.

Rep. Grande: That is policy and our policy committee has asked for Sections 2 and 3 to stand.

Rep. Metcalf made a motion for a Do Pass. Rep. Meyer seconded the motion.

Rep. Skarphol: (9:54) The issue with regard to service in Lisbon, I would not consider remote. SB 2133 I cannot support in its current form. If we remove Section 1, I might consider it.

Chm. Svedjan: We do have other remote facilities, New England, for example. We have research extension branches in small communities across the state. If we open this up, what comes next? And what could the impact be for the rest of state government? I hear what you (Rep. Grande) and your Committee are saying, but I'm concerned about what it might mean for the future?

Rep. Berg: This is much bigger than the bill before us. The question is where are we going down the road? If someone wants to go out on their own, maybe they should do it on their own. The other issue is that we wanted to consolidate everything so we could understand where it is all at and we could better manage it. As we move forward, I think it's critical that the services in the private sector, that we are starting to move those services back to the private sector rather than retain them in Information Technology Department for the sake of ITD. I share your concerns.

Rep. Onstad: (13:01) This is a savings to the state. Maybe it's an indication that Information Technology Department is not quite the savings mark we always thought it would be.

Rep. Kreidt: The Lisbon nursing home is unfortunately a horse of a different color. The way it is set up. (13:50) It is not only with the ITD but also working under the system that they do in regard to increases. They are tied to the state. When you look at a traditional nursing home, we are looking at a 6% increase. They fall under the state guidelines that we are looking at, whatever is set there, 3 or 4%. They operate at a disadvantage to other entities of the same type. The cost savings we are passing on here will also go to individuals if they are private paid but also on the Medicaid side is a savings to the state of North Dakota. I am going to support the bill.

DO PASS. 15 YEAS, 9 NAYS, 1 ABSENT AND NOT VOTING. Rep. Amerman is the carrier of this bill.

Date: 3/24/09
 Roll Call Vote #: _____

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2133

Full House Appropriations Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Metcalf Seconded By Meyer

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) 15 No 9

Absent 1

Floor Assignment Rep. ~~Ammerman~~

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

REPORT OF STANDING COMMITTEE (410)
March 24, 2009 3:15 p.m.

Module No: HR-53-5723
Carrier: Amerman
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2133: Appropriations Committee (Rep. Svedjan, Chairman) recommends DO PASS
(15 YEAS, 9 NAYS, 1 ABSENT AND NOT VOTING). SB 2133 was placed on the
Fourteenth order on the calendar.

2009 TESTIMONY

SB 2133

GOVERNMENT AND VETERANS AFFAIRS HEARING
THURSDAY, JANUARY 15, 2009

Chairman Dever and members of the Government & Veterans Affairs Committee, I am Norris Braaten, Chairman of the Governing Board for the North Dakota Veterans Home (hereafter referred to as the "governing board"). I am speaking in favor of this bill and encourage your support. In the course of this testimony, I will be referencing two memorandums from Mary Kae Kelsh, Assistant Attorney General one dated July 27, 2006 and the second dated March 13, 2008. A complete copy of each memorandum is included in the information packet handed out with a copy of my testimony.

The powers of the Governing Board since its creation have been vague and I wish to quote from the July 27, 2006, Memorandum issued to Mark Johnson, Administrator of the ND Veterans Home that states "Has all ordinary powers required of a governing board, including the power to establish qualifications for a selection of an administrator and to establish an appropriate salary structure. The administrator serves at the pleasure of the governing board. N.D.C.C. Par 37-15-03 provides that the general supervision and government of the veterans home is vested in the Administrative Committee on Veterans' Affairs (hereafter described as ACVA or administrative committee).

However N.D.C.C. par 37-15-03 was last modified in 1985. In contrast, N.D.C.C. par 37-18.1-03(1) was last modified in 2003 by SB 2299 and gave the governing board specific powers.

In testimony by Senator John Andrist on January 30, 2003, in support of SB 2299, he explains that with SB 2299 "the administrative committee has now created a sub-committee on their own initiative, planning to develop hands-on management and oversight policies and I applaud them. . .the law would be strengthened if we created this Veterans' Home governing board in statue and empowered the administrative committee to make the appointments."

The memorandum issued by Mary K. Kelsh, Assistant Attorney General further states "This testimony supports an organizational structure in which the governing board



manages the Home and the Administrative Committee oversees the governing board. The ACOVA's over site role with the governing board is supported by its statutory authority to appoint the members of the governing board.

Legislative history indicates that the purpose of allowing members of the governing board to be nonmembers of the ACVA is to allow the appointment of people with specific background or speciality with nursing homes. This indicates a desire by the Legislature to leave the specific policy making for the Home to a smaller board with expertise in the area of long term care.”



In a memorandum dated Mar 13, 2008 to Mark Johnson from Mary Kae Kelsch, Assistant Attorney General citing N.D.C.C. par 37-15-14.1 the above paragraph is referenced with the following comment: “Therefore, the administrative committee may have final say over the membership contribution, but because of the changes made in 2003 to the governing board, it would be prudent of the administrative committee to give deference to the decision or desire of the veterans’ home governing board.”

The historical development of the governing board does support establishing total responsibility in setting of rates for the basic care rents. The experience of the governing board members supports the fact it is a sound decision making group. My career consisted of 44 years in the banking profession including 15 years as president of a community bank. The balance of board brings ownership in a major construction firm, a registered nurse and careers in government and military including high-level officer status. Our administrator, Mark Johnson brings 20 years experience as Administrator of a nursing home, which was an item cited in the legal memorandum.



Further, to successfully manage the financial aspect of the Veterans Home it would be appropriate to have direct control in this area as it would lend to properly monitor a budget. Our residents receive a high degree of care with ample meals, complete medical care and all housing needs furnished. Our administration and governing board has the responsibility of controlling our budget in a prudent manner and therefore we should be



granted the authority over this area of potential income. I request consideration be made by this committee in supporting the changes proposed in SB 2133 for the long-term affect on the North Dakota Veterans Home. Thank you for the opportunity of the time granted by your committee to make this presentation.

MEMORANDUM

TO: Mark Johnson
FROM: Mary Kae Kelsch, Assistant Attorney General
RE: N.D.C.C. § 37-15-14.1
DATE: March 13, 2008

*Same
handout
given to
Home.*

BACKGROUND

N.D.C.C. § 37-15-14.1, entitled "Membership contribution for residents of veterans' home – Special fund," was enacted in 1973. The law was introduced in the 1973 session after being discussed during the previous interim by the Legislature's interim state and local committee. The testimony that was offered to the interim committee was that "various veterans' organizations would like the Administrative Committee to have authority to levy a membership contribution at the Soldier's' Home in Lisbon. The funds raised by this membership contribution could be used only for expansion or development of facilities of the Home."¹ The money from the contributions was to be put into a special fund and invested by the State Investment Board.

During the 1973 session, a bill was introduced that allowed for the membership contribution.² The purpose of the contribution was for residents to contribute to the future of the home.³ The separate fund in which the funds were to go was only to be utilized for expansion of the present facilities of the home, for development of new facilities or for enrichment of the living conditions of the home's residents.⁴

No significant changes were made to the statute until 1997. At that time, section 3 of N.D.C.C. § 37-15-14.1 was amended by removing language that put the money from member contribution into a "veterans' home improvement fund" and replaced it with language that deposited the money into the veterans' home operating fund.⁵ In the

¹ 1973 Legislative Interim Report, page 146.

² See H.B. 1046, 1973 N.D. Leg.

³ Hearing on H.B. 1046 before House Veterans' Affairs, 1973 N.D. Leg. (Testimony of Mr. W.M. Williamson).

⁴ Hearing on H.B. 1046 before House Veterans' Affairs, 1973 N.D. Leg. (Testimony of Mr. W.M. Williamson).

⁵ 1997 N.D. Sess. Laws ch. 314, § 1.

Mr. Mark Johnson
March 13, 2008
Page 2

testimony supporting this change, Commandant Ken Anderson characterized the membership contribution as "rent collections from basic care for the general operation of the home."⁶

QUESTION

Whether, pursuant to N.D.C.C. § 37-15-14.1, the Administrative Committee has to approve a rate change that is approved by the Veterans' Home Governing Board?

ANSWER

The plain language of N.D.C.C. § 37-15-14.1 states "the administrative committee on veterans' affairs may establish a membership contribution to be paid by members of the veterans' home." Thus, it is the Administrative Committee, not the Veterans' Home Governing Board that has the ultimate authority over the "membership contribution." However, it is important to keep in mind that in 2003, N.D.C.C. § 37-18.1-03(1) gave the Governing Board specific powers. As I said in my July 6, 2006 memo:

Legislative history indicates that the purpose [of 37-18.1-03(1)] of allowing members of the governing board to be non members of the ACVA is to allow for the appointment of people with specific background or specialty with nursing homes. This indicates a desire by the Legislature to leave the specific policy making for the Home to a smaller board with expertise in the area of long term care.

Therefore, the administrative committee may have final say over the membership contribution, but because of the changes made in 2003 to the governing board, it would be prudent of the administrative committee to give deference to the decision or desire of the veterans' home governing board.

The plain language of N.D.C.C. § 37-15-14.1 is not clear on whether the "membership contribution" refers to basic care or skilled care. Because it is not clear, we can look to legislative history. In 1997, when the change was made to the funds involved with the contribution, Commandant Anderson testified that the membership contribution referred to basic care.⁷ Thus, it is my determination that N.D.C.C. § 37-15-14.1 only refers to basic care. If this is not the desired result, legislation to clarify this matter should be seriously considered for next session.

vkk

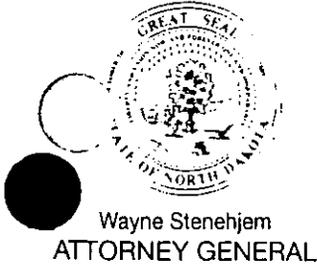
⁶ Hearing on H.B. 1117 before House Government and Veterans Affairs Committee, 1997 N.D. Leg. (Jan. 17).

⁷ Id.

STATE OF NORTH DAKOTA
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600 E BOULEVARD AVE DEPT 125
BISMARCK, ND 58505-0040
(701) 328-2210 FAX (701) 328-2226
www.ag.state.nd.us

*Same handbook
given to Home.*



MEMORANDUM

TO: Mark Johnson, Administrator of the ND Veterans' Home

FROM: Mary Kae Kelsch, Assistant Attorney General *MK*

RE: Authority – who is the immediate supervisor for the Administrator?

DATE: July 27, 2006

The Administrative Committee on Veterans' Affairs (ACVA) is created by statute.¹ The powers of the ACVA, the Governing Board and the chairman of the ACVA are as follows:

The Administrative Committee on Veterans' Affairs

- Organization, policy, and general administration of all veterans' affairs in the state of North Dakota.²
- Receives recommendations from the board or subcommittee and then presents any matters needing attention and action to the appropriate board, commission, agency, or department of the state, and the North Dakota veterans' coordinating council.³
- Assures compliance with applicable federal and state laws in the administration of . . . the ND veterans' home.⁴
- Submit the strategic plans of the DVA and the Veterans' Home to the Governor.
- Exercise its responsibility in all things necessary to carry out the provisions of this chapter in regard to organization, policy, and general administration of the agencies served and involved in the conduct of the veterans' affairs.

¹ N.D.C.C. § 37-18.1-01.
² N.D.C.C. § 37-18.1-03.
³ N.D.C.C. § 37-18.1-03(4).
⁴ N.D.C.C. § 37-18.1-03(5).

The chairman and secretary of the ACVA

- Jointly, shall appoint a seven-member governing board for the administration of the veterans' home.⁵
- Establishes term lengths for the service on the governing board.
- May jointly remove from the Department of Veterans' Affairs subcommittee.⁶

The Veterans' Home Governing Board

- Is appointed by the chairman and secretary of the ACVA.
- May be made up of members who are already on the ACVA and of people who are not members of the ACVA.
- Conduct an annual performance evaluation of the administrator and present it to the AVAC
- Create and implement a strategic plan for the veterans' home and report the plan and its status to the AVAC annually.
- Has all ordinary powers required of a governing board, including the power to establish qualifications for and selection of an administrator and to establish an appropriate salary structure. . . The administrator serves at the pleasure of the governing board.

After reviewing the statutes and the legislative history, I conclude that the Administrator of the Veterans' Home answers to the governing board for the reasons that follow.

N.D.C.C. § 37-15-03 provides that the general supervision and government of the veterans' home is vested in the administrative committee on veterans' affairs. However, N.D.C.C. § 37-15-03 was last modified in 1985. In contrast, N.D.C.C. § 37-18.1-03(1) was last modified in 2003 by SB 2299 and gave the governing board specific powers.

In testimony by Senator John Andrist on January 30, 2003, in support of SB 2299, he explains that with SB 2299 "the administrative committee has now created a sub-committee on their own initiative, planning to develop hand-on management and oversight policies and I applaud them. . . the law would be strengthened if we created this Veterans' Home governing board in statute and empowered the administrative committee to make the appointments."⁷

⁵ N.D.C.C. § 37-18.1-03(1) (emphasis added).

⁶ N.D.C.C. § 37-18.1-03(2).

⁷ Testimony of John M. Andrist, State Senator before the ND Government and Veteran Affairs Committee, January 30, 2003, 10:00 a.m. (emphasis added).

This testimony supports an organizational structure in which the governing board manages the Home and the ACVA oversees the governing board. The ACVA's oversight role with the governing board is supported by its statutory to appoint the members governing board. The committee chairman and secretary may also jointly remove a board member.⁸

Legislative history indicates that the purpose of allowing members of the governing board to be non members of the ACVA is to allow for the appointment of people with specific background or specialty with nursing homes. This indicates a desire by the Legislature to leave the specific policy making for the Home to a smaller board with expertise in the area of long term care.

Most importantly, the statute states that the Administrator serves at the pleasure of the governing board.⁹ Because the governing board has the ability to fire the Administrator, the Administrator answers to the Board. The ACVA has no authority to fire the Administrator. This chain of command: administrator answers to the governing board and the governing board answers to the ACVA, is supported by the plain language of the statute and the legislative history. I therefore conclude that the administrator of the Veterans' Home answers to the governing board.

vkk

⁸ N.D.C.C. § 37-18.1-03(2).

⁹ N.D.C.C. § 37-18.1-03(1).



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- IP integration with other systems - DRN/BEK Business Solutions can integrate the phone system with other technologies which include but are not limited to; nurse call systems, paging, mobile devices, voice mail or e-mail. Thus, you can work with one company for all of your telecommunication needs.
- Fully redundant capable system – Ability to add a secondary hard drive, secondary power supply and secondary processor. If any failure of system at any time, it will continue to operate sending an alarm that one of the systems has a problem.
- Remotely administered – Can administer assistance without being on site
- Call accounting tools available to track call volume and usage. This can generate reports to display appropriate bill-back and invoicing amounts.
- Additional enhanced productivity software applications available with this system such as unified messaging, mobile twining or remote Tele-worker.
- The proposed system is the same system as used in the city of Bismarck's secured network. Including:
 - 750 Desktop phone sets spanning across 14 locations.
 - 28 - Layer 3 managed PoE switches
 - Fully Resilient and secure network to prevent down time.

BEK is very familiar and experienced in the setup, configuration and support of the system proposed.



Bismarck Offers More with Mitel Communications Solutions

North Dakota City Unifies Departments

BISMARCK, North Dakota, USA – Sept. 10, 2007 – The City of Bismarck, North Dakota, in its continuing efforts to improve the services it offers citizens while reducing costs, has deployed Mitel® IP solutions to improve the state of its internal and external communications.

Mitel, the trusted name in IP unified communications, was invited to bid on the \$487,000 contract against such strong competition. Previously, Bismarck was using a Centrex / Centron system with a wide variety of key, PBX and hybrid systems – all of which were of different ages. Bismarck wanted to link all departments on a single integrated network, thus improving its accessibility while lowering costs.

Bismarck IT director Wayne Stoppler said the city's goal was to install a unified communications system, which supported legacy TDM facilities, along with centralized voice mail that included options for integrated messaging. It had formerly been provided by departmental key systems, which created islands of voice mail with no city-wide integration.

It was crucial to integrate all services to make it easier for citizens to reach the department they needed quickly and clearly and without agonizing waits on hold, while enhancing internal communications with four-digit dialing between sites.

After analyzing the bids, Stoppler found that Mitel and its channel partner BEK Business Systems (BBS), also based in Bismarck, could do everything he asked for while lowering the city's overall communications costs.

"Mitel and BBS won the bid because they worked with us, did their homework and found solutions to our immediate and future requirements while ensuring we spent our money wisely," said Stoppler. "They demonstrated a thorough understanding of our needs and were able to devise an easily deployed, easy-to-use solution that provides us with the performance, reliability, and the reduced operating cost we were looking for."

To accomplish this, multiple Mitel 3300 IP Communications Platform (ICPs) were implemented across Bismarck's leased private fiber network, to provide a resilient VoIP / TDM network. In all, six rich, resilient 3300 ICPs were installed across the city. The 3300 ICP has a unique architecture that can support both TDM and IP connections natively.

As well, the Mitel Teleworker Solution and Mitel Your Assistant™ were deployed to allow city staff the opportunity to work from home or while traveling on business to maintain their regular desk extension number and full access to internal data.

BBS general manager Greg Sickler said Mitel's scalability was another deciding factor. "The City of Bismarck made it clear that they required a system that could grow along with the city without the need for major, costly forklifting as time passed. They also wanted on-site training for a system they could run themselves to keep the cost of maintenance at a minimum, all of which we were able to offer."

About Bismarck, North Dakota

Bismarck is the capital of North Dakota and is the second-largest city in the state after Fargo. As a hub of manufacturing, retail trade, and health care, Bismarck is the economic center of a large portion of south-central North Dakota. Residents and visitors can enjoy scenic trails, parks and the Dakota Zoo, along with challenging golf courses and art galleries.

About BEK Business Systems

BEK Business Solutions has a well-trained staff and offers a communications solution to every sized business. Some of the technologies offered by BBS are business telephone systems, network solutions, integrated networks, Internet security, voice over IP, cable and infrastructure implementation. They have many years of experience in design, programming and configuration of business phone systems and are an authorized Microsoft® partner. For more information, please visit www.bekbusiness.com.

About Mitel

Headquartered in Ottawa, Canada, with offices, partners and resellers worldwide, Mitel is a leading provider of integrated communications solutions and services for business customers. Following its merger with Inter-Tel, Inc., Mitel offers customers greater flexibility and choice of solutions, from basic business communications to sophisticated unified communications, from pre-packaged to tailored applications, and from an outright capital purchase to a managed service. For more information, please visit www.mitel.com.

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GOVERNMENT AND VETERANS AFFAIRS COMMITTEE

THURSDAY, JANUARY 15, 2009

Chairman Dever and members of the Government and Veterans Affairs Committee, I am Kristin Lunneborg, Accounting Manager at the North Dakota Veterans Home. I am here today to provide testimony on SB 2133.

Section 37-15-10 relates to an individual making application for admission to the veterans home. Currently, all applications and required paperwork are submitted to the veterans home admissions coordinator. Once all of the required paperwork, which includes more than just a completed application, has been submitted, the veterans home's board of admissions meets to act on the application. Article 86-03-01-03 of the Administrative Rules sets forth the composition of the board of admissions. The board, which is composed of the Administrator, a social worker, the Director of Nursing, our facility physician and another licensed healthcare provider, make a decision based upon the merits of the submitted application. The authority to grant or deny individuals admission to the veterans home should lie with the board of admission of the veterans home as these are the individuals with the expertise and knowledge to determine whether the veterans home can meet the needs of the applicant.

Section 37-15-14.1 references that a "membership contribution" may be required to be paid by the members of the veterans home. We are requesting that "membership contribution" be changed to "fees". If you look up the term contribution in the dictionary you will see definitions including donation, voluntary gift, charity, tip or gratuity. This implies that a membership contribution may be voluntary. If you look up the term fees in the dictionary you will see definitions such as a fixed sum charged, as by an institution or by law, for a privilege, payment for service, or a charge or payment for services. The term fees seems to clarify that the facility does charge a fee for services.

The second part of Section 37-15-14.1 addresses income and expenses for calculating the fees to be paid by the residents. We are asking to have "moneys earned during authorized leaves and furloughs from the veterans home" be deleted. The rent policy currently in place at the veterans home states that rent will be calculated using prospective and past income sources, unless they are no longer available. To my knowledge, the veterans home has been calculating rents using all sources of income for many years and a change to the NDCC was never requested. We would ask that this section be changed to correspond with the current rent policy at the veterans home. Changing this section would also comply



with the recommendations of the 2002 Performance Audit of the veterans home. The audit recommended that the home make improvements to the basic care rate schedule to increase the veterans home's revenues and to use our resources in a more efficient and effective manner.

We would appreciate your support of the proposed changes to NDCC 37-15-10 and 37-15-14.1.

Thank you for the opportunity to testify on behalf of SB 2133.



GOVERNMENT AND VETERANS AFFAIRS COMMITTEE
THURSDAY, JANUARY 15, 2009

Chairman Dever and members of Government and Veterans Affairs committee, my name is Mark Johnson, Administrator of the North Dakota Veterans Home. I'm here to testify and to take questions on Senate Bill 2133.

Currently, the Veterans Home is one of the highest cost nursing homes in the state. This is due to uncontrolled expenses that have been mandated by the state and federal government. The State's mandate to utilize ITD for prime vendor is costly to the residents of the Veterans Home and the taxpayers of North Dakota. The service and quality of tech support we receive in Lisbon is not what agencies in Bismarck receive. Our geographical location poses a difficult obstacle for ITD. They will never be able to match the tech support we can receive from our local phone co-operative.

All expenses for the Veterans Home are used in the facility's cost report to determine the daily rates for the skilled nursing home. Based on last year's cost report, \$49,272 was allocated to the skilled unit for phone services. When calculated out, this amounts to a \$3.65 per day charge for phone services.

Based upon the number of phones in the new building, we anticipate the ITD charges to be approximately \$83,716 per year, which calculates out to \$4.53 per day per resident to have phone services. Based upon these numbers, the Veterans Home decided to look at other options for providing phone services in the new building.

When reviewing our options we found that our local phone co-operative, Dickey Rural Networks (DRN), not only offered a competitive system, but one



that matched and potentially surpasses the quality of the ITD system. The DRN system will be paid for in 5 years and will save the state approximately \$465,000 in a ten year period.

Based upon the information compiled, we can show that the DRN system is cheaper and will reduce the daily rates for the skilled nursing home.

We are asking for your support in adding a new section to Chapter 37-15 to allow the Veterans Home to purchase or arrange for independent third-party telephone services.

Thank you for allowing me to speak and I will now take questions.



Respectfully submitted

Mark B. Johnson, Administrator
North Dakota Veterans Home



North Dakota Veterans Home

Year	ITD Fees	DRN Fees	Buy Outright	Resident Rate ITD	Resident Rate DRN
2009	\$83,796.00	\$54,948.00	\$154,700.00	\$4.53	\$2.97
2010	\$83,796.00	\$54,948.00	\$25,416.00	\$4.53	\$2.97
2011	\$83,796.00	\$54,948.00	\$25,416.00	\$4.53	\$2.97
2012	\$83,796.00	\$54,948.00	\$25,416.00	\$4.53	\$2.97
2013	\$83,796.00	\$54,948.00	\$25,416.00	\$4.53	\$2.97
2014	\$83,796.00	\$54,948.00	\$25,416.00	\$4.53	\$2.97
2015	\$83,796.00	\$25,416.00	\$25,416.00	\$4.53	\$1.88
2016	\$83,796.00	\$25,416.00	\$25,416.00	\$4.53	\$1.88
2017	\$83,796.00	\$25,416.00	\$25,416.00	\$4.53	\$1.88
2018	\$83,796.00	\$25,416.00	\$25,416.00	\$4.53	\$1.88
2019	\$83,796.00	\$25,416.00	\$25,416.00	\$4.53	\$1.88
Costs Spent at 10 years	\$921,756.00	\$456,768.00	\$408,860.00		

Note:

After 5 years the Veterans Home will own the system and at 10 years we will have saved the state \$464,988. ITD's system will never be owned and will be an on going expense for the residents to pay.

BEK Business Solutions

Phone: 701-255-2032 Fax: 701-255-1309
 25 Memorial Highway
 Bismarck, ND 58504



Quote

No.: **895**
 Date: 12/1/2008

Prepared for:
 Mark Johnson (701) 683-6501
 North Dakota Veteran's Home
 1400 Rose St
 Lisbon, ND 58054-4846 U.S.A.

Prepared by: Del Marchus
 Account No.: 5713
 Phone: (701) 683-6500
 Job:

Qty.	Part Number	Description	UOM
1	50005090	3300 MXe II	EA
1	54002764	3300 INTEGRATED S/W PKG (500 DEVICES)	EA
1	54003539	3300 SW Assurance - 4yr 500 Device	EA
1	50003560	MITEL DUAL T1/E1 DIGITAL TRUNK MODULE	EA
1	50002976	MITEL POWER CORD PACK	EA
1	50005084	MXe AC Power Supply Extra	EA
1	50005086	MITEL MXE RAID SUB SYSTEM	EA
1	50005686	3300 HDD 2pk for MXe (Raid)	EA
60	50005071	MITEL 5340 IP PHONE	EA
49	50004890	MITEL 5212 IP PHONE DUAL MODE	EA
1	52001151	MITEL 3300 IP PHONE LICENSE	EA
150	50005421	MITEL 3300 SIP USER LICENSE	EA
150	54002763	MITEL 3300 SIP USER LICENSE	EA
2	54002701	MITEL 3300 ONS LINE LICENSE	EA
50	54000297	MITEL 3300 MAILBOX LICENSE	EA
6	J9089A	ProCurve 2610-48-PWR 48-Port Managed, 10/100, POE	EA
280.00	PROSER	Professional Services - Instalation, Configuration and Training	EA

----- ADDITIONAL OPTIONS -----

- () \$2461/monthly - 60 monthly lease option, \$1.00 buyout at end of term.
- () \$1075/monthly - Maintenance Agreement - Includes general maintenace and support of system components.

Item Total:	\$148,019.00
Your Price:	\$129,284.27
Sales Tax at 0.000%:	\$0.00
Total:	\$129,284.27
You saved:	\$18,734.73

For a savings of 12.66%

***SB 2133 TESTIMONY
SENATE GOVERNMENT AND VETERANS AFFAIRS COMMITTEE
BY: MIKE RESSLER, DEPUTY CIO
INFORMATION TECHNOLOGY DEPARTMENT (ITD)
JANUARY 15, 2009***

Mr. Chairman and members of the committee, my name is Mike Ressler. I am the Deputy CIO with the Information Technology Department. I am here to indicate ITD is neutral on Senate Bill 2133.

My comments relate to the proposed new section to chapter 37-15 allowing the Veteran's Home the ability to purchase their own telephone switch. It is ITD's belief that the State's current philosophy of centralizing technology services under the direction of one agency provides the highest quality of service for the lowest price to State government. Network and telephone services have been managed by ITD, in a charge back method, since 1989 when the responsibility was transferred from the Director of Institutions, a division of OMB, where the services were general funded at the time. Because all of the network and telephone equipment / services are managed centrally, ITD is in the best position to obtain the lowest price for these services due to the large volume of purchase. ITD has standardized on common equipment and this allows the State to keep the least amount of inventory on hand because all of the equipment is interchangeable from one location to the next. Standardizing on hardware and software limits the number of products our technical staff needs to become proficient in, resulting in fewer staff and thus a savings of dollars. Telephone service has become a mission critical service and centralizing this function has allowed ITD to streamline processes that increase productivity, reduce costs and keep critical computer networks, voice and data systems secure and monitored 24/7. We believe reliable telephone systems and integrated networks increase efficiencies and save agencies valuable time and money which is sometimes difficult to quantify.

ITD is in the process of upgrading our existing digital telephone service to the latest industry technology called voice over IP telephony. This technology will combine the state's voice traffic and the data traffic over the same network circuit. It is important to note that if the Veteran's Home is given an exemption to purchase and manage their own telephone system, integrating the voice traffic onto the state network will not be possible. Voice over IP technology will provide additional functionality to agencies when merged on the state network with agency applications. Over the long

run this will save money for all agencies and bring the state into the next generation of telephone services. The initial investment is substantial and the cost will be recovered by all state agencies through the rate structure we have in place. For every agency that receives an exemption, their cost will be allocated to the remaining agencies.

ITD provides a managed telephone and network service. The department employs a help desk that is available 24 hours a day, 7 days a week. Also included is a dedicated tier-2 technical staff that is responsible for all trouble resolution. We have an architecture team responsible for developing future telephone and network strategies. All of these value added services are included in the monthly ITD rates. ITD is required by the Federal Government to charge the same price for the services delivered to federally funded programs as we charge to agencies receiving general and special funds. The current rate for basic telephone service this biennium and next biennium is \$24 per station per month. This rate includes the telephone and all related telephone equipment as well as the services mentioned above. ITD annually conducts analysis on organizations that provide similar services to make sure our rates are competitive. We publish the results of the findings in our annual report and I am pleased to report that our rates are comparable or below the rates for services provided by those organizations. One of the benefits under this billing model is agencies pay ITD a consistent monthly station fee and do not have to periodically budget for large expenditures needed for purchasing or upgrading this type of equipment. Another cost saving benefit is agencies do not have to hire and maintain staff with the knowledge and skills necessary to manage these technologies.

I agree that if you compare only the purchase price of a telephone switch against the cost the agency is required to pay ITD, it will be cheaper. However, it is important to remember ITD provides a service that includes the telephone switch and all the managed services related.

This concludes my remarks. I would be happy to try and answer any questions.

Mike Ressler
Deputy CIO
Information Technology Department
(701) 328-1001
mressler@nd.gov

SB 2133 TESTIMONY
SENATE GOVERNMENT AND VETERANS AFFAIRS COMMITTEE
BY: MARK JOHNSON, ADMINISTRATOR
NORTH DAKOTA VETERANS HOME
JANUARY 15, 2009

Mr. Chairman and members of the committee, my name is Mark Johnson. This document is a follow-up to my testimony in regards to Senate Bill 2133. The following information is to clarify any of the questions that were brought forth during the hearing on January 15th. Senator Horne Asked at the Conclusion of ITD's Testimony if the Veteran's Home Still Wanted to Receive Service from a Third-Party Provider

The answer is unquestionably "Yes".

- We believe the technology is State-of-the-Art and offers everything, and more, than the product ITD envisions of implementing in the future.
- The Veteran Home's location in Lisbon makes it uniquely suited to receive service from a local third-party provider. Because of our location it is not possible to receive the same level of service from ITD as we will from the private sector.
- The telecom system and approved vendor we are contemplating has unique abilities to integrate into a nursing home specific environment. For this reason we can deploy the entire telecom system for substantially fewer dollars than if we are forced to remain on the State ITD network.

Cost Savings – actual savings in comparison to the existing ITD system (See Exhibit A)

- Privatized service providers must keep costs down to remain competitive
- \$464,988 in savings over a 10 year period.
- These calculations include all maintenance costs, including parts and labor. Labor will be provided by approved local technicians.
- Local Technical support services improves response time to veterans needs
- With a fully integrated communications system, additional efficiencies can be achieved lowering overhead costs.

Specific Needs for a Long Term Care Environment

- Approved vendor has specific knowledge of Long Term Care environment. The latest generation of nurse call equipment can be integrated into wireless telephone technologies. The approved vendor has extensive knowledge with both Nurse Call and wireless telephone technologies.
- ITD is unfamiliar with Nurse Call equipment.
- System Integration –The approved vendor is knowledgeable in multiple systems including the nurse call, paging, mobile devices, and Voice Over IP (VOIP) telecommunications equipment.

Latest Industry Technology – VOIP, SIP and Fiber Optics

- (VOIP) - This allows the voice and data traffic to be combined on the same network.
- SIP Technology – This requires all communications devices to meet latest industry standards.
- Utilizing VOIP/SIP technologies it is possible for the Veteran's Home to be connected to the state ITD network.
- Dickey Rural Networks owns and maintains hundreds of miles of fiber optic cable. Over this fiber backbone Dickey Rural networks provides telephone service, high speed internet service, and award winning IP television service to the Lisbon Region.

Local Service – Since 1950 Dickey Rural Telephone has been providing telephone service to southeastern North Dakota.

- The local telephone cooperative, Dickey Rural Networks and partners, can support the system locally.
- Remote connectivity – Remote programming changes to the system can be administered over the network.
- Administration Staff Training – Ability for select staff members to manage the system.
- 24-7 support services

Secured Network Integrity – Industry standard security practices will be implemented by approved vendor employing certified network professionals.

- The Proposed system is the same equipment as used in a successful 2007 multi-site implementation with the City of Bismarck's government offices and affiliated locations. The project involved 750 desktop phones, across 14 locations with 28 Layer 3 managed PoE network switches.

Thank you Mr. Chairman and members of the committee. This concludes my follow up statements at this time. Please feel free to contact me if any additional information is required.

Mark Johnson
Administrator
North Dakota Veterans Home
(701) 683-6501
mjohn@nd.gov

PERFORMANCE AUDIT RECOMMENDATIONS RELATING TO SB 2133

Recommendation 2-2 of the 2002 Performance Audit of the North Dakota Veterans Home recommended that the Administrative Committee on Veterans Affairs exercise more control and direction over the Veterans Home. The response to this recommendation was SB 2299, which established a seven member governing board for the direct management and supervision of the home. The intent of SB 2299 was to create a governing board to manage the Home with the Administrative Committee on Veterans Affairs overseeing the governing board. One of the responsibilities of direct management would be exercising control over the rates set for basic care.

Recommendation 2-3 relates to placing qualified individuals on the board; such as individuals that have the experience and knowledge in long term care. SB 2299 indicated the desire of the legislature to leave the specific policy making and managing of the home to a smaller board that has the expertise. This recommendation also addresses taking the appropriate action to update the North Dakota Century Code.

List of Recommendations

Recommendation 2-1

We recommend the Administrative Committee on Veterans' Affairs ensure the Commandant is fulfilling the position's responsibilities and duties in an efficient and effective manner. The Administrative Committee should, at a minimum:

- a) Establish detailed, measurable goals for the Commandant;
- b) Conduct an annual, detailed, and formal evaluation of the Commandant including a determination of goal attainment;
- c) Hold the Commandant accountable for actions, or lack of actions, taken;
- d) Ensure the Commandant receives appropriate training in areas requiring improvement;
- e) Track the implementation of recommendations contained in the performance audit report; and
- f) Determine whether recommendations are appropriately implemented.

If the Administrative Committee does not identify significant improvement in the Commandant's management and appropriate implementation of recommendations in this audit report, the Administrative Committee must consider appointing a new Commandant.

Recommendation 2-2

We recommend the Administrative Committee on Veterans' Affairs exercise more control and direction over the Veterans' Home. The Administrative Committee should, at a minimum:

- a) Become involved in the strategic planning and monitoring process;
- b) Become involved in the budgeting process and request explanations/justification regarding changes in the budget;
- c) Monitor the budget and expenditures and request explanations regarding variances;
- d) Require periodic reports or presentations from division supervisors; and
- e) Monitor resident and employee satisfaction through a formal survey process.

Recommendation 2-3

We recommend the Administrative Committee on Veterans' Affairs take appropriate action to reduce the Committee membership size and modify the Committee appointment process. There are several options the Administrative Committee could pursue including:

- a) Reducing the size of the Administrative Committee to seven members, five of which are appointed by the Governor from nominations from each of the five major veteran organizations and two of which are appointed by the Governor at large;
- b) Ensuring that at least two members have appropriate knowledge and experience in the long term care field; and
- c) Taking the appropriate action to amend or modify North Dakota Century Code to allow these changes to occur.

①

TESTIMONY ON SB2133
SENATE APPROPRIATIONS COMMITTEE
WEDNESDAY, FEBRUARY 11, 2009

Chairman Holmberg and members of the Senate Appropriations committee, my name is Mark Johnson, Administrator of the North Dakota Veterans Home. I'm here to testify and to take questions on Senate Bill 2133.

The Veterans Home is currently one of the highest cost nursing homes in the state. This is due to uncontrolled expenses that have been mandated by the state and federal government. The State's mandate to utilize ITD for prime vendor is costly to the residents of the Veterans Home and the taxpayers of North Dakota. The service and quality of tech support we receive in Lisbon is not what agencies in Bismarck receive. Our geographical location poses a difficult obstacle for ITD. They will never be able to match the tech support we can receive from our local phone co-operative.

All expenses for the Veterans Home are used in the facility's cost report to determine the daily rates for the skilled nursing home. Based on last year's cost report, \$49,272 was allocated to the skilled unit for phone services. When calculated out, this amounts to a \$3.65 per day charge for phone services.

Based upon the number of phones in the new building, we anticipate the ITD charges to be approximately \$83,716 per year, which calculates out to \$4.53 per day per resident to have phone services. Based upon these numbers, the Veterans Home decided to look at other options for providing phone services in the new building.

When reviewing our options, we found that our local telephone co-operative, Dickey Rural Networks (DRN), not only offered a competitive system, but one

that matches and potentially surpasses the quality of the ITD system. The proposed third-party system can also integrate with the nurse call system which will allow us to provide better care to our residents and save staff time.

If the state were to allow the Veterans Home the ability to purchase telephone services from an independent third-party, we could save the state over \$512,000 in an 11 year period. The financial impact to the Veterans Home budget is outlined in the 2nd spreadsheet. If the change is not approved, the budget would remain the same. If the state decides to do a 5 year lease purchase for an independent third-party system, there would be a decrease of \$23,712 in the operating line item. If the state chooses to purchase the system outright, we would need one-time funding of \$129,284 to purchase the system and a decrease in the operating line item of \$65,952. Purchasing the system outright is \$48,000 less than the lease purchase option.

Based upon the information compiled, we can show that the DRN system is cheaper and will reduce the daily rates for the skilled nursing home.

We are asking for your support in adding a new section to Chapter 37-15 to allow the Veterans Home to purchase or arrange for independent third-party telephone services.

Thank you for allowing me to speak and I will now take questions.

Respectfully submitted

Mark B. Johnson, Administrator

North Dakota Veterans Home

North Dakota Veterans Home

Year	ITD Fees	DRN Fees	Buy Outright	Resident Rate ITD	Resident Rate DRN
2009	\$83,796.00	\$54,948.00	\$154,700.00	\$4.53	\$2.97
2010	\$83,796.00	\$54,948.00	\$25,416.00	\$4.53	\$2.97
2011	\$83,796.00	\$54,948.00	\$25,416.00	\$4.53	\$2.97
2012	\$83,796.00	\$54,948.00	\$25,416.00	\$4.53	\$2.97
2013	\$83,796.00	\$54,948.00	\$25,416.00	\$4.53	\$2.97
2014	\$83,796.00	\$54,948.00	\$25,416.00	\$4.53	\$2.97
2015	\$83,796.00	\$25,416.00	\$25,416.00	\$4.53	\$1.88
2016	\$83,796.00	\$25,416.00	\$25,416.00	\$4.53	\$1.88
2017	\$83,796.00	\$25,416.00	\$25,416.00	\$4.53	\$1.88
2018	\$83,796.00	\$25,416.00	\$25,416.00	\$4.53	\$1.88
2019	\$83,796.00	\$25,416.00	\$25,416.00	\$4.53	\$1.88
 Costs Spent at 10 years	\$921,756.00	\$456,768.00	\$408,860.00		

Note:

After 5 years the Veterans Home will own the system and at 10 years we will have saved the state \$464,988. ITD's system will never be owned and will be an on going expense for the residents to pay.

FINANCIAL IMPACT OF TELEPHONE SYSTEM

		<u>Operating</u>	<u>Capital</u>	<u>Change to Budget</u>	
<u>Option 1 Remain with ITD</u>					
Current appropriation in budget		\$155,160		\$0	
 <u>Option 2 Lease purchase system from other provider</u>					
Operate ITD system in current facility	\$76,500				
Lease purchase costs per year for new facility	<u>\$54,948</u>				
		\$131,448		-\$23,712	Decrease in operating line item
 <u>Option 3 Purchase system outright from other provider</u>					
Operate ITD system in current facility	\$76,500				
Monthly costs for outside system	<u>\$12,708</u>				
		\$89,208		-\$65,952	Decrease in operating line item
Capital outlay to purchase system	\$129,284		\$129,284	\$129,284	Increase needed in capital line item

2

SB 2133 TESTIMONY
SENATE APPROPRIATIONS COMMITTEE
BY: MIKE RESSLER, DEPUTY CIO
INFORMATION TECHNOLOGY DEPARTMENT (ITD)
FEBRUARY 11, 2009

Mr. Chairman and members of the committee, my name is Mike Ressler. I am the Deputy CIO with the Information Technology Department. I am here to indicate ITD is opposed to Senate Bill 2133.

My comments relate to the proposed new section to chapter 37-15 allowing the Veteran's Home the ability to purchase their own telephone switch. It is ITD's belief that the State's current philosophy of centralizing technology services under the direction of one agency provides the highest quality of service for the lowest price to State government. Network and telephone services have been managed by ITD, in a charge back method, since 1989 when the responsibility was transferred from the Director of Institutions, a division of OMB, where the services were general funded at the time. Because all of the network and telephone equipment / services are managed centrally, ITD is in the best position to obtain the lowest price for these services due to the large volume of purchase. ITD has standardized on common equipment and this allows the State to keep the least amount of inventory on hand because all of the equipment is interchangeable from one location to the next. Standardizing on hardware and software limits the number of products our technical staff needs to become proficient in, resulting in fewer staff and thus a savings of dollars. Telephone service has become a mission critical service and centralizing this function has allowed ITD to streamline processes that increase productivity, reduce costs and keep critical computer networks, voice and data systems secure and monitored 24/7. We believe reliable telephone systems and integrated networks increase efficiencies and save agencies valuable time and money which is sometimes difficult to quantify in dollars.

ITD is in the process of upgrading our existing digital telephone service to the latest industry technology called voice over IP telephony. This technology will combine the state's voice traffic and the data traffic over the same network circuit. It is important to note that if the Veteran's Home is given an exemption to purchase and manage their own telephone system, integrating the voice traffic onto the state network will not be possible. Voice over IP technology will provide additional functionality to agencies when merged on the state network with agency applications. Over the long run this will save money for all agencies and bring the state into the next generation of telephone services. The initial investment is substantial and the cost will be recovered by all state agencies through the rate structure we

have in place. For every agency that receives an exemption, their cost will be allocated to the remaining agencies.

ITD provides a managed telephone and network service. The department employs a help desk that is available 24 hours a day, 7 days a week. Also included is a dedicated tier-2 technical staff that is responsible for all trouble resolution. We have an architecture team responsible for developing future telephone and network strategies. All of these value added services are included in the monthly ITD rates. ITD is required by the Federal Government to charge the same price for the services delivered to federally funded programs as we charge to agencies receiving general and special funds. The current rate for basic telephone service this biennium and next biennium is \$24 per station per month. This rate includes the telephone and all related telephone equipment as well as the services mentioned above. ITD annually conducts analysis on organizations that provide similar services to make sure our rates are competitive. We publish the results of the findings in our annual report and I am pleased to report that our rates are comparable or below the rates for services provided by those organizations. One of the benefits under this billing model is agencies pay ITD a consistent monthly station fee and do not have to periodically budget for large expenditures needed for purchasing or upgrading this type of equipment. Another cost saving benefit is agencies do not have to hire and maintain staff with the knowledge and skills necessary to manage these technologies.

In an effort to provide a more responsive support service to the Veteran's home when a technician is required to be on-site, I have agreed to allow the Veteran's Home electrician to provide some of this service that was previously provided by our contractor, located in Fargo. This arrangement was put in place in December and my staff is telling me it is working well.

I agree that if you compare only the purchase price of a telephone switch against the cost the agency is required to pay ITD, it will be cheaper. However, it is important to remember ITD provides a service that includes the telephone switch and all the managed services related.

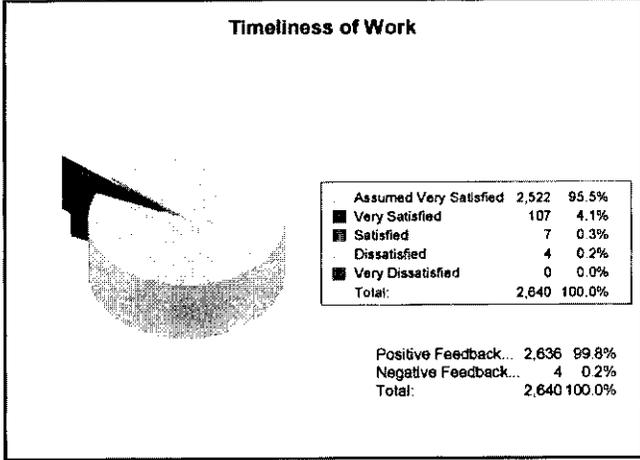
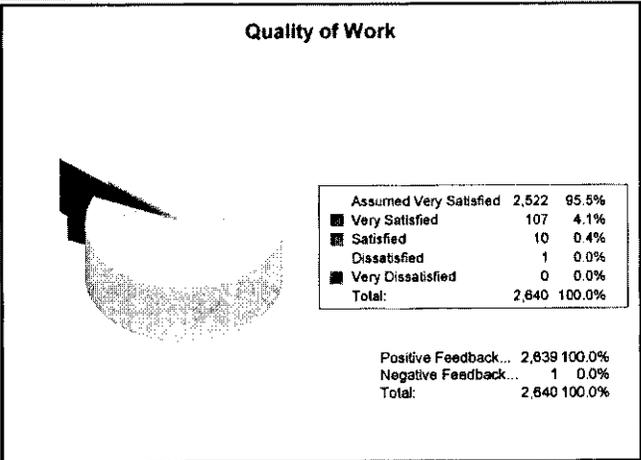
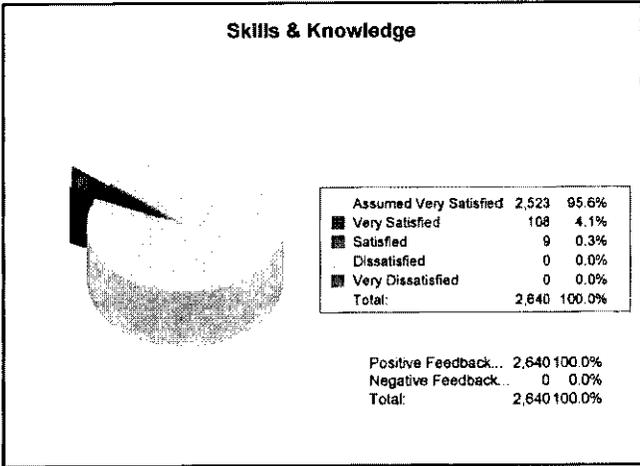
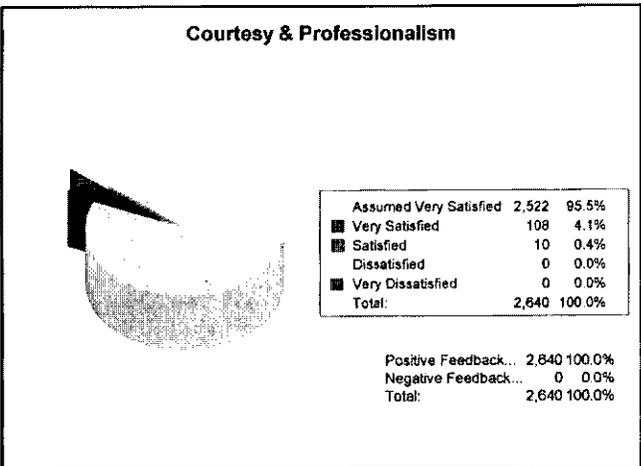
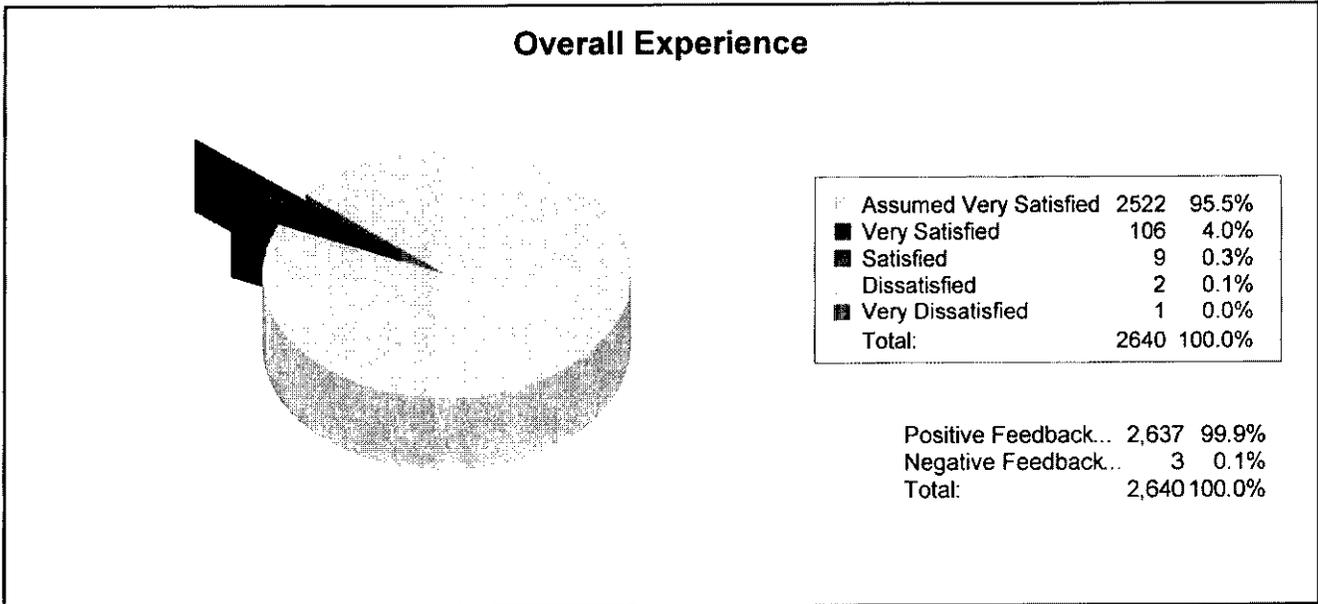
This concludes my remarks. I would be happy to try and answer any questions.

Mike Ressler
Deputy CIO
Information Technology Department
(701) 328-1001
mressler@nd.gov



Incident Management System Survey Summary Graphs for Information Technology Dept.

January 1, 2009 through January 31, 2009



Disclaimer: This report only looks at closed requests for the period shown above. Customers are told throughout the request process that ITD will assume they are "Very Satisfied" unless specific feedback is provided.



Information Technology Department
Incident Management Surveys with Comments

January 1, 2009 through January 31, 2009

<u>Survey Date</u>	<u>Incident #</u>	<u>Phone</u>	<u>Name</u>	<u>Department Name/City</u>
1/3/2009	144429	(701)444-2400	Daryl Vance	Watford City Police Dept. Watford City

Overall Experience: **No Response**
 Courtesy & Professionalism: **No Response**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **No Response**
 Timeliness of Work: **No Response**

Comments: EXCELLANT JOB FAST THANKS DARYL

1/2/2009	145116	(701)253-3649	TrafficOfficer JRCC	Corrections & Rehabilitation, Dept. of Jamestown
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Extremely fast and professional service, even in the middle of the night. Thank you!

1/2/2009	145187	(701)328-7504	Terry Peterson	Human Services, Dept. of Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: As always, Scott resolved the problem.

1/2/2009	145193	(701)253-3904	Bernice Monson	State Hospital, ND Jamestown
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Very much prompt and very friendly!

Thank you much!

1/2/2009	145196	(701)328-1830	Deb Masad	Human Services, Dept. of Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Wow!!
Thanks!



Information Technology Department
Incident Management Surveys with Comments

January 1, 2009 through January 31, 2009

<u>Survey Date</u>	<u>Incident #</u>	<u>Phone</u>	<u>Name</u>	<u>Department Name/City</u>
1/2/2009	145232	(701)328-1830	Deb Masad	Human Services, Dept. of Bismarck

Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: **Very quick resolution!**
Thanks so much

1/2/2009	145268	(701)667-3250	Christopher Miller	Mandan Police Dept. Mandan
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: **Thanks Dennis for taking care of the log in issue.**
Job well done!!

1/7/2009	135950	(701)845-3111	Dean Ross	Valley City Police Dept. Valley City
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Overall Experience: **Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Satisfied**
 Quality of Work: **Satisfied**
 Timeliness of Work: **Dissatisfied**

Comments: **I realize that this was a software issue with Motorola and the Vista program, however two months is quite a long period of time to correct the problem.**

1/5/2009	145043	(701)328-4238	Becky Keller	Legislative Council Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: **Thanks Al.**

1/10/2009	145368	(701)241-5842	Steve Gabrielson	Cass County Sheriffs Office Fargo
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: **I contacted, actually left a message over a weekend. I was going to training so I was not sure what could be done until I got back, however..... I was contacted first thing Monday morngin advising me the situation was taken care of. I was surprised and VERY pleased. The representative was polite, informative and very much appreciated by me. Thanks Steve**



Information Technology Department
Incident Management Surveys with Comments

January 1, 2009 through January 31, 2009

<u>Survey Date</u>	<u>Incident #</u>	<u>Phone</u>	<u>Name</u>	<u>Department Name/City</u>
1/5/2009	145385	(701)667-1489	Lenore Kuntz	Youth Correctional Center Mandan

Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Excellent, as usual, thanks!

1/5/2009	145399	(701)239-7153	Lisa Clower	Corrections & Rehabilitation, Dept. of Fargo
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Had to wait for a while on the phone until a representative was available. But overall everything went well.

1/5/2009	145518	(701)328-2009	Robert LaFavor	Public Instruction, Dept. of Bismarck
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Overall Experience: **Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Satisfied**
 Timeliness of Work: **Satisfied**

Comments: It would be nice to know what happened...or at least some explanation of any kind.

1/5/2009	145550	(701)328-1830	Deb Masad	Human Services, Dept. of Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Thank you for the quick and professional response and resolution to this. It is greatly appreciated.

1/8/2009	145792	(701)328-4302	Vern Welder	Information Technology Dept. Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Tandra handled this problem well. I was always informed on the problem status and the service was great. Thanks for a job well done.



Information Technology Department
Incident Management Surveys with Comments

January 1, 2009 through January 31, 2009

Survey Date	Incident #	Phone	Name	Department Name/City
1/7/2009	145821	(701)328-6336	Randy Meissner	Game and Fish, ND Bismarck

Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: We're very fortunate to have the great group of developers from team Big Dogs working with us. Thank you!

1/6/2009	145858	(701)328-3925	Brent Edison	Supreme Court Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Super fast!

1/7/2009	145898	(701)845-3110	Mark Mcdonald	Valley City Police Dept. Valley City
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Very helpful. Thank you.

1/6/2009	145919	(701)795-3028	Diane Knauf	Northeast Human Service Center Grand Forks
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Thank you. Very helpful.

1/7/2009	145922	(701)328-4316	Gary Vetter	Information Technology Dept. Bismarck
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Overall Experience: **Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Satisfied**
 Timeliness of Work: **Dissatisfied**

Comments: It's unfortunate that this issue wasn't discovered by some type of load-testing prior to the governor's address. As it turned out, it wasn't a very "positive customer experience" for the people trying to hear the "State of the State".

1/6/2009	145963	(701)857-7683	Adam Anderson	Corrections & Rehabilitation, Dept. of Minot
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: **Very Satisfied**



Information Technology Department
Incident Management Surveys with Comments

January 1, 2009 through January 31, 2009

<u>Survey Date</u>	<u>Incident #</u>	<u>Phone</u>	<u>Name</u>	<u>Department Name/City</u>
1/9/2009	146006	(701)952-8060	Duane Spooner	Department not on file Jamestown

Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Tyler was very good to work with on the problem.

1/6/2009	146009	(701)524-2742	Donald Huso	Steele County Auditor Finley
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Thank you very much for your assistance. I appreciate the quick and courteous service.

Steele County
Sheriff's Dept.

1/7/2009	146091	(701)328-8975	Warren Granfor	Human Services, Dept. of Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: As always, everyone was great. Thanks Joc, Dave, Derek, Mike and anyone else who had their fingers in this.

1/8/2009	146115	(701)328-2312	Tina Walters	Human Services, Dept. of Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Always helpful.
Thanks Shawn!

1/8/2009	146341	(701)451-2000	Lynette Cook	Adjutant General, Office of the Fargo
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: I did not have any problem getting my password changed. Followed the instructions and everything fell into place.

Thanks!



Information Technology Department
Incident Management Surveys with Comments

January 1, 2009 through January 31, 2009

<u>Survey Date</u>	<u>Incident #</u>	<u>Phone</u>	<u>Name</u>	<u>Department Name/City</u>
1/9/2009	146358	(701)328-4843	Glenda Thomssen	Human Services, Dept. of Bismarck

Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Thank you Duane for explaining to me how to correct this issue. I appreciate your help and effort on this!

1/8/2009	146372	(701)328-2058	Paula Pearson	Human Services, Dept. of Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: FAST service!!!
Thank you!!!

1/8/2009	146380	(701)647-2341	Susan Kusler	Kulm Public Schools Kulm
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Overall Experience: **Dissatisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Satisfied**
 Quality of Work: **Satisfied**
 Timeliness of Work: **Dissatisfied**

Comments: I asked the help desk in advance to monitor our class's connection because I hadn't been able to connect for 2 out of the past 3 days. Again today, it didn't work. Finally, with the help of people at the other school and more calls to the help desk, the other school came online with about 5 minutes of classtime left. Astonishingly, the report said, "I checked the conference and did not see any issues."

1/9/2009	146509	(701)328-7584	Dawn Moen	Risk Management Bismarck
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Overall Experience: **Dissatisfied**
 Courtesy & Professionalism: **Satisfied**
 Skills & Knowledge: **Satisfied**
 Quality of Work: **Satisfied**
 Timeliness of Work: **Dissatisfied**

Comments: They closed my incident without an explanation. They said in my return email that someone would contact me and no one has of yet contacted me.

1/9/2009	146571	(701)667-1489	Lenore Kuntz	Youth Correctional Center Mandan
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Excellent, as usual



Information Technology Department
Incident Management Surveys with Comments

January 1, 2009 through January 31, 2009

Survey Date	Incident #	Phone	Name	Department Name/City
1/9/2009	146583	(701)328-3113	Richard Bigelow	Job Service ND Bismarck

Overall Experience: **Very Dissatisfied**
 Courtesy & Professionalism: Satisfied
 Skills & Knowledge: Satisfied
 Quality of Work: Satisfied
 Timeliness of Work: Dissatisfied

Comments: I guess I am not unhappy with the solution I am unhappy it took 6 hours to be told that a printer got moved from one server, itddata1 to itdprint1a. Nobody at jsnd was ever informed of this move. Is it standard practice to move a printer and not inform someone? Where did this ITDPRINT1a come from? Some form of communication would be nice in the future.

1/9/2009	146588	(701)328-2967	Monica Miller	Corrections & Rehabilitation, Dept. of Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: Very Satisfied
 Skills & Knowledge: Very Satisfied
 Quality of Work: Very Satisfied
 Timeliness of Work: Very Satisfied

Comments: well done thank you

1/9/2009	146647	(701)328-4028	Luka Radunovic	Information Technology Dept. Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: Very Satisfied
 Skills & Knowledge: Very Satisfied
 Quality of Work: Very Satisfied
 Timeliness of Work: Very Satisfied

Comments: Great work Tschida. Thanks a lot.

1/9/2009	146707	(701)239-7341	Marlene Roman	Job Service ND Fargo
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: Very Satisfied
 Skills & Knowledge: Very Satisfied
 Quality of Work: Very Satisfied
 Timeliness of Work: Very Satisfied

Comments: excellent, thank you much

1/16/2009	146683	(701)662-0200	Linda Jenson	Adjutant General, Office of the Devils Lake
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: Very Satisfied
 Skills & Knowledge: Very Satisfied
 Quality of Work: Very Satisfied
 Timeliness of Work: Very Satisfied

Comments: THANK YOU!



IT Service Management

Information Technology Department
Incident Management Surveys with Comments

January 1, 2009 through January 31, 2009

<u>Survey Date</u>	<u>Incident #</u>	<u>Phone</u>	<u>Name</u>	<u>Department Name/City</u>
1/12/2009	146963	(701)734-6467	Larry Hubbard	McLean County Sheriffs Office Wilton

Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: What confused me all week-end, was resolved in seconds by the "Tech", GREAT JOB!!!!
 Thanks,

llhubbard

1/12/2009	147027	(701)671-1551	Donna Erickson	Job Service ND Wahpeton
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Fast, friendly, efficient service as always! Thank you.

Donna Mae Erickson
 Job Service North Dakota

1/12/2009	147066	(701)328-6504	Duane Houdek	Medical Examiners, Board of Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Thanks!

1/13/2009	147118	(701)328-2328	Marys Coughlin	Human Services, Dept. of Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Very much appreciate the expedient service. Thank you.

1/13/2009	147147	(701)352-4371	Mary Lund	Developmental Center, ND Grafton
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: once again thank you for your help!



**Information Technology Department
Incident Management Surveys with Comments**

January 1, 2009 through January 31, 2009

<u>Survey Date</u>	<u>Incident #</u>	<u>Phone</u>	<u>Name</u>	<u>Department Name/City</u>
1/13/2009	147174	(701)328-6336	Randy Meissner	Game and Fish, ND Bismarck

Overall Experience: **Satisfied**
 Courtesy & Professionalism: **Satisfied**
 Skills & Knowledge: **Satisfied**
 Quality of Work: **Dissatisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Our new release list serv was taken care and the extra email account was deleted. But my incident said he was having problems with both of our listservs, we needed to have the webcast notification checked as well and there was no mention of that in the response.

1/15/2009	147184	(701)328-6336	Randy Meissner	Game and Fish, ND Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Thank you for the quick follow-up and response to my concerns with the initial incident.

1/14/2009	147301	(701)328-1999	Sue Davenport	Information Technology Dept. Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: You are a lifesaver and not the candy kind! Thanks again!

1/14/2009	147449	(701)662-6324	Sandi Lies	Lake Region Human Service Center Devils Lake
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Thanks to all involved that helped to resolve my "issues." I was able to complete the work that I needed to do and print off the documents that I needed for my afternoon meetings. Thanks, Again. Sandi J. Lies-LR KIDS

1/14/2009	147460	(701)328-2840	Bryan Klipfel	Job Service ND Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: I appreciated the prompt/courtesy service provided by the Help Desk.



Information Technology Department
Incident Management Surveys with Comments

January 1, 2009 through January 31, 2009

<u>Survey Date</u>	<u>Incident #</u>	<u>Phone</u>	<u>Name</u>	<u>Department Name/City</u>
1/15/2009	147639	(701)328-4475	Selina Smith	Information Technology Dept. Bismarck

Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Gerald, thanks for getting my problem solved so quickly.

1/15/2009	147668	(701)328-5704	Wanda Delvo	Bank of ND Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Thanks for responding so quickly! Very much appreciated.

1/16/2009	147824	(701)328-4302	Vern Welder	Information Technology Dept. Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Gerald kept me informed every step of the way. Great communications and he did a nice job of resolving the problem. Thank you.

1/16/2009	147914	(701)328-2474	Loren Haid	Facility Management Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Jarred is always very helpful and service desk was very prompt sending a technician. Always the best service - thank you. Loren Haid.

1/16/2009	147947	(701)254-4411	Gary Sanders	Emmons County Sheriffs Office Linton
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Very helpful and was able to assist and correct the problem very quickly.

1/16/2009	147964	(701)671-1551	Donna Erickson	Job Service ND Wahpeton
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Thank you!



Information Technology Department
Incident Management Surveys with Comments

January 1, 2009 through January 31, 2009

Survey Date	Incident #	Phone	Name	Department Name/City
1/20/2009	147407	(701)214-3709	Lisa Feldner	Information Technology Dept. Bismarck

Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Nadine, John, Tandra, and Tim did a great job of fixing the problem in a very short time. Thanks!

1/21/2009	147976	(701)623-4323	Pat Rummel	Billings County Sheriffs Office Medora
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: as always received excellant service and the problem was taken care of right away
thanks

1/20/2009	148109	(701)328-7510	Kevin Janes	Human Services, Dept. of Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Excellent work ITD! We called in this incident and ITD fixed in less than 20 minutes. To make it even better, Steve Barreth called her when he reboot the server to make sure things were working. Thank you for a job well done!

1/20/2009	148126	(701)652-2251	Mike Tufte	Foster County Auditor Carrington
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: I HAD NO IDEA WHY I WAS LOCKED OUT BUT WHEN I CALLED, IT WAS ONLY A MINUTE AND THINGS WERE TAKEN CARE OF AND I WAS ONLINE ONCE AGAIN.THANK YOU VERY MUCH! MIKE

1/20/2009	148171	(701)328-2328	Martys Coughlin	Human Services, Dept. of Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: The Help Desk always provides excellent service and reacts to my incident reports almost faster than I can submit them!



IT Service Management

Information Technology Department
Incident Management Surveys with Comments

January 1, 2009 through January 31, 2009

<u>Survey Date</u>	<u>Incident #</u>	<u>Phone</u>	<u>Name</u>	<u>Department Name/City</u>
1/20/2009	148175	(701)795-3814	Dawn Rorvig	Protection & Advocacy Project Grand Forks

Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Always very professional and expedient! And cheerful too! Thank you!

1/20/2009	148183	(701)328-6364	Myles Noon	Corrections & Rehabilitation, Dept. of Bismarck
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Overall Experience: **Satisfied**
 Courtesy & Professionalism: **Satisfied**
 Skills & Knowledge: **Satisfied**
 Quality of Work: **Satisfied**
 Timeliness of Work: **Satisfied**

Comments: What I want to know is why it happened in the first place and how files from a directory on itddata11 where deleted in the process of repairing an issue on the webserver?

1/20/2009	148261	(701)328-8711	Myron Kopp	Human Services, Dept. of Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Very good. I have always had a pleasant and professional experience working with your department.
Thanks again,
Myron

1/21/2009	148357	(701)253-3941	John Kartes	State Hospital, ND Jamestown
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: I have always been satisfied with the service given to One Center of Grafton and Jamestown. Selena, Jean, Darin, Craig of ITD and Joe of Northwest Bell have always been most helpful.

That whole department (if I could see them) I would see them smiling. Great job people!

1/23/2009	148395	(701)328-5462	Greg Van Vleet	Information Technology Dept. Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Gerald has always very prompt and courteous about fixing issues on my computer from new hard drive to updating/installing software. Thanks.



Information Technology Department
Incident Management Surveys with Comments

January 1, 2009 through January 31, 2009

Survey Date	Incident #	Phone	Name	Department Name/City
1/21/2009	148482	(701)671-1551	Donna Erickson	Job Service ND Wahpeton

Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Thank you!

1/21/2009	148529	(701)328-8933	Victoria Pederson	Human Services, Dept. of Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Assistance was provided in a friendly, yet professional manner. My password was reset quickly and he waited on the line to make sure that it was done successfully.

1/21/2009	148565	(701)328-2838	Naomi Jundt-Belohlavek	Job Service ND Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Thank you!

1/22/2009	148735	(701)328-4906	Tina Bauer	Management and Budget, Office of Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Thanks a bunch!

1/22/2009	148766	(701)667-1489	Lenore Kuntz	Youth Correctional Center Mandan
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Great!

1/23/2009	149029	(701)221-7212	Tammy Czapiewski	Bismarck, City of Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Very friendly and courteous and the response time was extremely prompt. Keep up the excellent work!



Information Technology Department
Incident Management Surveys with Comments

January 1, 2009 through January 31, 2009

<u>Survey Date</u>	<u>Incident #</u>	<u>Phone</u>	<u>Name</u>	<u>Department Name/City</u>
1/23/2009	149083	(701)577-7700	Verlan Kvande	Williams County Sheriffs Office Williston

Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: I've had this same problem occur a few times. Each time I've called the person I've spoken to has been very helpful and fixed the problem while I'm on the phone with them.

A very big thank you for all the help,

Lt. Det. Verlan Kvande
 Williams County Sheriff's Office
 Williston, ND 58801
 701-577-7700

1/23/2009	149177	(701)226-0623	Cynthia Hauger	Information Technology Dept. Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: thanks!

1/23/2009	148816	(701)328-5563	Randy Mildenerger	Attorney General, Office of the Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Very quick action and the problem appears resolved now.

1/27/2009	148895	(701)328-4307	Melissa Jahner	Information Technology Dept. Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: I appreciate the help I received from Gerald and Larry to get my ClearCase issue resolved.

1/26/2009	149238	(701)226-0623	Cynthia Hauger	Information Technology Dept. Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Thanks for the quick response to my call and efficient resolution! I appreciate Casey taking the time to help me with an issue on a WSI test environment on the weekend. I was called and on my way in less than 5-10 minutes - WOW!



Information Technology Department
Incident Management Surveys with Comments

January 1, 2009 through January 31, 2009

<u>Survey Date</u>	<u>Incident #</u>	<u>Phone</u>	<u>Name</u>	<u>Department Name/City</u>
1/28/2009	149410	(701)678-2492	Lavonne Ptacek	North Sargent Public School Gwinner

Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: I really appreciated the help on Monday with our troubleshooting. Also the answers to the questions that I needed answers for.

Lavonne Ptacek
North Sargent School
Gwinner, ND

1/27/2009	149542	(701)328-5638	Donna Groth	Bank of ND Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Thanks Leon for your prompt help.

1/27/2009	149570	(701)328-8975	Warren Granfor	Human Services, Dept. of Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Thanks Trent!

1/28/2009	149755	(701)328-9685	Bruce Meyers	State Penitentiary Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: every time I call they are very friendly and always take care of the problem

1/28/2009	149784	(701)328-6336	Randy Meissner	Game and Fish, ND Bismarck
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Overall Experience: **Satisfied**
 Courtesy & Professionalism: **Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Satisfied**

Comments: It took a little longer than it should have, but I appreciated the apology for the wait time.

Thank you.



Information Technology Department
Incident Management Surveys with Comments

January 1, 2009 through January 31, 2009

Survey Date	Incident #	Phone	Name	Department Name/City
1/28/2009	149999	(701)328-5762	Cheryl Storhaug Gronda	Bank of ND Bismarck

Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Thanks Stacey and everyone for the fast service!
Cheryl

1/28/2009	150000	(701)667-3395	Deb Weigel	Morton County Social Services Mandan
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Called back and helped me reset my password within 15 minutes.

1/29/2009	150011	(701)328-7514	Mike Bossert	Human Services, Dept. of Bismarck
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Overall Experience: **Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: Your crew always gets our concerns moved to the right place as soon as possible. Thank you again. Just wish the core reason for all these break downs would be found and remedied.

1/28/2009	150043	(701)328-2009	Robert LaFavor	Public Instruction, Dept. of Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Satisfied**
 Skills & Knowledge: **Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Satisfied**

Comments: Working with Video conferences has been very frustrating, sort of like trying to keep kittens in a box because there are so many variables.

Anyway, our department goofed on a conference schedule and Joc was able to get it running for us. Thanks very much! Kudos to Joc!

Bob
ND DPI

1/28/2009	150081	(701)328-4005	Susan Van Asperen	Human Services, Dept. of Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: **Very Satisfied**
 Skills & Knowledge: **Very Satisfied**
 Quality of Work: **Very Satisfied**
 Timeliness of Work: **Very Satisfied**

Comments: The service provided and professionalism displayed was excellent, as usual.



Information Technology Department
Incident Management Surveys with Comments

January 1, 2009 through January 31, 2009

<u>Survey Date</u>	<u>Incident #</u>	<u>Phone</u>	<u>Name</u>	<u>Department Name/City</u>
1/29/2009	150108	(701)239-7332	Jodee Hanson	Job Service ND Fargo

Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: Very Satisfied
 Skills & Knowledge: Very Satisfied
 Quality of Work: Very Satisfied
 Timeliness of Work: Very Satisfied

Comments: Thanks for being so prompt!

1/29/2009	150133	(701)667-3395	Deb Weigel	Morton County Social Services Mandan
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: Very Satisfied
 Skills & Knowledge: Very Satisfied
 Quality of Work: Very Satisfied
 Timeliness of Work: Very Satisfied

Comments: Received a call back from Job Service within 1 minute. Had me back into the system right away. Asked why this is happening and he did state that they are having a problem with the T27 screen and did let me know to just contact them if it happens again.

Thanks for your quick response

1/29/2009	150200	(701)328-8710	James Lindquist	Human Services, Dept. of Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: Very Satisfied
 Skills & Knowledge: Very Satisfied
 Quality of Work: Very Satisfied
 Timeliness of Work: Very Satisfied

Comments: Very satisfied. The rep walked me through the process efficiently and made sure that I was able to access my account. Thank you.

1/29/2009	150278	(701)745-3518	Sandy Biffert	Mercer County States Attorney Stanton
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: Very Satisfied
 Skills & Knowledge: Very Satisfied
 Quality of Work: Very Satisfied
 Timeliness of Work: Very Satisfied

Comments: She was very friendly and courteous and did her job very well.

1/30/2009	150522	(701)328-4098	Darrell Nitschke	Public Service Commission Bismarck
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Overall Experience: **Very Satisfied**
 Courtesy & Professionalism: Very Satisfied
 Skills & Knowledge: Very Satisfied
 Quality of Work: Very Satisfied
 Timeliness of Work: Very Satisfied

Comments: Thank you....

TESTIMONY ON SB 2133
HOUSE GOVERNMENT AND VETERANS AFFIARS COMMITTEE
THURSDAY, MARCH 05, 2009

Attachment
#1

Chairman Grande and members of the House Government and Veterans Affairs Committee, my name is Mark Johnson, Administrator of the North Dakota Veterans Home. I'm here to testify in favor of SB 2133 and to take questions.

The Veterans Home is currently one of the highest cost nursing homes in the state. This is due to uncontrolled expenses that have been mandated by the state and federal government. The State's mandate to utilize ITD for prime vendor is costly to the residents of the Veterans Home and the taxpayers of North Dakota. The service and quality of tech support we receive in Lisbon is not what agencies in Bismarck receive. Our geographical location poses a difficult obstacle for ITD. They will never be able to match the tech support we can receive from our local phone co-operative.

All expenses for the Veterans Home are used in the facility's cost report to determine the daily rates for the skilled nursing home. Based on last year's cost report, \$49,272 was allocated to the skilled unit for phone services. When calculated out, this amounts to a \$3.65 per day, per resident charge for phone services.

Based upon the number of phones in the new building, we anticipate the ITD charges to be approximately \$83,716 per year, which calculates out to \$4.53 per day per resident to have phone services. Based upon these numbers, the Veterans Home decided to look at other options for providing phone services in the new building.

When reviewing our options, we found that our local phone co-operative, Dickey Rural Networks (DRN), not only offered a competitive system, but one that matches and potentially surpasses the quality of the ITD system. The proposed third-party system can also integrate with the nurse call system, fire alarm system, wander guard system, door alarms and security systems, which will allow us to provide better care to our residents and save staff time.

If the state were to allow the Veterans Home the ability to purchase telephone services from an independent third-party we would save the state over \$454,500 in a 10 year period.

Based upon the information compiled in the attached spreadsheet, we can show that the DRN system is cheaper and will reduce the daily rates for the skilled nursing home.

Another option that has been explored is having two separate phone systems. This option would be more costly and would be frustrating for staff and residents. Just transferring a phone call from the Veterans Home system to a resident room would have to go through two separate phone systems. We would not be able to page overhead from a resident room during an emergency or complete several other tasks.

We are asking for your support of this Bill which adds a new section to Chapter 37-15 to allow the Veterans Home to purchase or arrange for independent third-party telephone services.

Thank you for allowing me to speak and I will now take questions.

Respectfully submitted

Mark B. Johnson, Administrator

North Dakota Veterans Home

North Dakota Veterans Home

Year	ITD Fees	Buy Outright	Resident Rate ITD	Resident Rate DRN
2009	\$83,796.00	\$154,700.00	\$4.53	\$2.07
2010	\$83,796.00	\$25,416.00	\$4.53	\$2.07
2011	\$83,796.00	\$25,416.00	\$4.53	\$2.07
2012	\$83,796.00	\$25,416.00	\$4.53	\$2.07
2013	\$83,796.00	\$25,416.00	\$4.53	\$2.07
2014	\$83,796.00	\$25,416.00	\$4.53	\$2.07
2015	\$83,796.00	\$25,416.00	\$4.53	\$2.07
2016	\$83,796.00	\$25,416.00	\$4.53	\$2.07
2017	\$83,796.00	\$25,416.00	\$4.53	\$2.07
2018	\$83,796.00	\$25,416.00	\$4.53	\$2.07
 Costs Spent at 10 years	\$837,960.00	\$383,444.00		

Note:

After 5 years the Veterans Home will own the system and at 10 years we will have saved the state \$454,500. ITD's system will never be owned and will be an on going expense for the residents to pay.

Testimony on SB 2133
House Government and Veterans Affairs Committee
Thursday, March 05, 2009

Attachment
#2

Chairman Grande and Members of the House Government and Veterans Affairs Committee, my name is Del Marchus. I'm a communication consultant with BEK Business Solutions. Dickey Rural Network, the local telephone company for the ND Veterans home is our distribution partner. I'm here testifying in favor of SB 2133 and to share with you some of the benefits that our solutions and services will provide to the ND Veterans Home.

We are a local communication company that sells voice and data equipment to the business market in a three state area with a 24x7 dispatch service. We have distribution partner's located trough out the state that resell our products and services such as Dickey Rural Network. This gives us the ability to provide a fast response time for any problem that may arise and give us the best buying power available in the market. The main focus of our company is to improve communications and processes for business and facility's in these areas. We have implemented many installations in the government and the private sector such as the City of Bismarck, The Bismarck Tribune, The University of Mary, St. Alexius Medical Center and Medcenter One just to name a

In working with Mark Johnson and his staff at the Veterans Home, we have listened to and understood his unique needs for the North Dakota Veterans Hospital. With our integrated solutions of the phone system, nurse call system, data network and having factory certified technician in all areas, we are in a position to make it all work together and provide the Veteran home with the best in technology and design with fast local response. With our extensive experience in working in these specific areas, we can use it to improve how the facility operates. With these solutions and our knowledge of the industry, we will improve staff's response time to the veterans in need, increase communication between the staff and Veterans, and improve communication between the nurse, doctors and facility management, all while compiling with all UL and HIPA regulations for this industry. With these improvements the facility will not only see the benefits in costs savings that Mark Johnson outlined, but the time saving of its employees and ultimately improving the service to the veterans.

Thank you for allowing me to speak, do you have any question for me or my colleagues.

Respectfully Submitted

Del Marchus, BEK Business Solutions

Attachment
#3

TESTIMONY ON SB 2133

HOUSE GOVERNMENT AND VETERANS AFFAIRS COMMITTEE

THURSDAY, MARCH 5, 2009

Chairman Grande and members of the Government and Veterans Affairs Committee, I am Kristin Lunneborg, Accounting Manager at the Veterans Home. I am here today to provide testimony in favor of SB 2133. Since my main responsibility at the home relates to the accounting department, I will be testifying on the sections of SB 2133 that relate to fees charged to the residents of the home and the section relating to the board of admissions for the home.

Section 37-15-10 of the North Dakota Century Code (NDCC) relates to an individual making application for admission to the veterans' home. The century code states that an individual will submit an application as required by the administrative committee on veterans' affairs to the institution that the committee has designated. Currently, the veterans' home requires that all applications and required paperwork be submitted to the veterans home admissions coordinator. Once all of the required paperwork, which includes more than just a completed application, has been submitted, the veterans home's board of admissions meets to act on the application. Article 86-03-01-03 of the Administrative Rules sets forth the composition of the board of admissions. The board, which is composed of the Administrator, a social worker, the Director of Nursing, our facility physician and another licensed healthcare provider, make a decision based upon the merits of the submitted application. The authority to grant or deny individuals admission to the veterans home should lie with the board of admissions of the veterans' home as these are the individuals with the expertise and knowledge to determine whether the veterans' home can meet the needs of the applicant. This authority to grant or deny admission to the home should not lie with an institution that the veterans' affairs committee has designated as currently referenced in the century code, nor should the veterans' affairs committee determine the paperwork necessary to process the application for admission. Only the individuals with the expertise and knowledge should make these determinations.

Section 37-15-14.1 of the NDCC relates to the "membership contribution" that may be required to be paid by the members of the veterans' home. We are requesting that the term "membership contribution" be changed to "fees". If you look up the term contribution in the dictionary you will see definitions including donation, voluntary gift, charity, tip or gratuity. This implies that a membership

contribution may be voluntary. If you look up the term fees in the dictionary you will see definitions such as a fixed sum charged, as by an institution or by law, for a privilege, or a charge or payment for services. The term fees seems to clarify that the facility does charge for services.

The second part of Section 37-15-14.1 addresses income and expenses for calculating the fees to be paid by the residents. We are asking to have "moneys earned during authorized leaves and furloughs from the veterans home" be deleted. The rent policy currently in place at the veterans home states that rent will be calculated using prospective and past income sources, unless they are no longer available. To my knowledge, the veterans home has been calculating rents using all sources of income for many years and a change to the NDCC was never requested. We would ask that this section be changed to correspond with the current rent policy at the veterans home. Changing this section would also comply with the recommendations of the 2002 Performance Audit of the veterans home. One of the recommendations in the audit was that the home make improvements to the basic care rate schedule to increase the veterans' home's revenues. These changes were put in place several years ago but a change to the NDCC was never requested.

We would appreciate your support of the proposed changes to NDCC 37-15-10 and 37-15-14.1.

Thank you for the opportunity to testify on behalf of SB 2133.

Kristin Lunneborg

Accounting Manager

North Dakota Veterans Home

FINANCIAL IMPACT OF TELEPHONE SYSTEM

		<u>Operating</u>	<u>Capital</u>	<u>Change to Budget</u>	
<u>Option 1 Remain with ITD</u>					
Current appropriation in budget		\$155,160		\$0	
 <u>Option 2 Lease purchase system from other provider</u>					
Operate ITD system in current facility	\$76,500				
Lease purchase costs per year for new facility	<u>\$54,948</u>				
		\$131,448		-\$23,712	Decrease in operating line item
 <u>Option 3 Purchase system outright from other provider</u>					
Operate ITD system in current facility	\$76,500				
Monthly costs for outside system	<u>\$12,708</u>				
		\$89,208		-\$65,952	Decrease in operating line item
Capital outlay to purchase system	\$129,284		\$129,284	\$129,284	Increase needed in capital line item

Attachment #4

**TESTIMONY ON SB 2133
HOUSE GOVERNMENT AND VETERANS AFFIARS COMMITTEE
THURSDAY, MARCH 05, 2009**

Chairman Grande and members of the House Government & Veterans Affairs Committee, I am Norris Braaten, Chairman of the Governing Board for the North Dakota Veterans Home (hereafter referred to as the “governing board”). I would speak in favor of this bill and request approval by this committee. In the course of this testimony, I will be referencing two memorandums from Mary Kae Kelsh, Assistant Attorney General one dated July 27, 2006 and the second dated March 13, 2008.

The powers of the Governing Board since its creation has been vague and I wish to quote from the July 27, 2006 Memorandum issued to Mark Johnson, Administrator of the ND Veterans Home that states “Has all ordinary powers required of a governing board, including the power to establish qualifications for a selection of an administrator and to establish an appropriate salary structure. The administrator serves at the pleasure of the governing board”. N.D.C.C. Par 37-15-03 provides that the general supervision and government of the veterans’ home is vested in the Administrative Committee on Veterans’ Affairs (hereafter described as ACOVA or administrative committee).

However N.D.C.C. par 37-15-03 was last modified in 1985. In contrast, N.D.C.C. par 37-18.1-03(1) was last modified in 2003 by SB 2299 and gave the governing board specific powers.

In testimony by Senator John Andrist on January 30, 2003, in support of SB 2299, he explains that with SB 2299 “the administrative committee has now created a sub-committee on their own initiative, planning to develop hands-

on management and oversight policies and I applaud them . . .the law would be strengthened if we created this Veterans' Home governing board in statute and empowered the administrative committee to make the appointments.”

The memorandum issued by Mary K. Kelsh, Assistant Attorney General further states “This testimony supports an organizational structure in which the governing board manages the Home and the Administrative Committee oversees the governing board. The ACOVA’s oversight role with the governing board is supported by its statutory to appoint the members of the governing board. In addition to appointment of the governing board, today this board contains 2 members of the administrative committee who provide continual oversight on the actions of the governing board. In June of 2002 the North Dakota Veterans Home was examined by Provider Audit. They listed recommendations addressed to the Administration Committee, then in charge of oversight of the home. These have since been implemented by the Governing Board and include strategic planning and monitoring the budget and expenditures. The final recommendation I will note is their recommendation to take the appropriate action to amend or modify North Dakota Century Code to allow these changes. This bill addresses this final recommendation in giving the governing board permission to set our rates as it is our responsibility to monitor the budget.

Legislative history indicates that the purpose of allowing members of the governing board to be nonmembers of the ACOVA is to allow the appointment of people with specific background or speciality with nursing homes. This indicates a desire by the Legislature to leave the specific policy

making for the Home to a smaller board with expertise in the area of long term care.”

In a memorandum dated Mar 13, 2008 to Mark Johnson from Mary Kae Kelsch, Assistant Attorney General citing N.D.C.C. par 37-15-14.1 the above paragraph is referenced with the following comment: “Therefore, the administrative committee may have final say over the membership contribution, but because of the changes made in 2003 to the governing board, it would be prudent of the administrative committee to give deference to the decision or desire of the veterans’ home governing board.”

The historical development of the governing board does support establishing total responsibility in setting of rates for the basic care rents. The experience of the governing board members supports the fact it is a sound decision making group. My career consisted of 44 years in the banking profession including 15 years as president of a community bank. The balance of board brings a member with recent ownership of a major construction firm, a registered nurse and careers in government and military including high-level officer status. Our administrator, Mark Johnson brings 20 years experience as administrator of a nursing home.

Further, to successfully manage the financial aspect of the Veterans Home it would be appropriate to have direct control in this area as it would lend to properly monitor a budget. Our residents receive a high degree of care with ample meals, complete medical care and all housing needs furnished. Our administration and governing board has the responsibility of controlling our budget in a prudent manner and therefore we should be granted the authority



over this area of potential income. I request consideration be made by this committee in supporting the changes proposed in SB 2133 for the long-term affect on the North Dakota Veterans Home. Thank you for the opportunity of the time granted by your committee to make this presentation.

Respectfully submitted

Norris Braaten, Chairman

North Dakota Veterans Home Governing Board



Attachment
#5

Testimony on SB 2133
Rudy Jenson, Chairman
ND Administrative Committee on Veterans' Affairs
House Government and Veterans Affairs Committee
March 5, 2009

Good morning Chairman Grande and committee members. I am Rudy Jenson, Chairman of the Administrative Committee on Veterans' Affairs (ACOVA).

The Administrative Committee on Veterans' Affairs is a 15 member committee appointed by the Governor from names submitted by each of the state's 5 major veterans' organizations. The committee is responsible for the organization, policy, and general administration of all veterans' affairs in the state of North Dakota. Two of these responsibilities are appointing the seven-member Veterans Home Governing Board and determining the cost of living at the Veterans Home.

We feel the Governing Board does an excellent job of overseeing the Veterans Home. Our opposition to the changes proposed in Section 3 of this bill is not a reflection on their work in any way. As the committee that appoints the members to the Governing Board, we select the best people possible to serve on the Board. Under North Dakota Century Code, these people do not need to be veterans.

But we as members of the Administrative Committee on Veterans Affairs are answerable to the Governor and the Veterans of North Dakota. Maintaining control of the membership costs at the Veterans Home ensures that veterans' interests are being protected at the highest level possible.

The Veterans Home Administrator and Governing Board Chairman attend every Administrative Committee meeting and bring forward issues that need Committee action. There has not been any problem with the present system. It is a two-step process that ensures integrity and fairness in the decision making process which affects the residents of the Veterans Home.

We ask that you keep the present system in place and remove the changes outlined in Section 3 which takes the Administrative Committee and representation of the Veterans of North Dakota out of this process.

Thank you.

Rudy Jenson
Chairman
ACOVA

Attachment #6

SB 2133 TESTIMONY
HOUSE GOVERNMENT AND VETERAN AFFAIRS COMMITTEE
BY: MIKE RESSLER, DEPUTY CIO
INFORMATION TECHNOLOGY DEPARTMENT (ITD)
MARCH 5, 2009

Madam Chair and members of the committee, my name is Mike Ressler. I am the Deputy CIO with the Information Technology Department. ITD is opposed to Senate Bill 2133.

My comments relate to the proposed new section to chapter 37-15 allowing the Veteran's Home the ability to purchase their own telephone switch. It is ITD's belief that the State's current philosophy of centralizing technology services under the direction of one agency provides the highest quality of service for the lowest price to State government. Network and telephone services have been managed by ITD, in a charge back method, since 1989 when the responsibility was transferred from the Director of Institutions, a division of OMB, where the services were general funded at the time. Because all of the network and telephone equipment / services are managed centrally, ITD is in the best position to obtain the lowest price for these services due to the large volume of purchase. ITD has standardized on common equipment and this allows the State to keep the least amount of inventory on hand because all of the equipment is interchangeable from one location to the next. Standardizing on hardware and software limits the number of products our technical staff needs to become proficient in, resulting in fewer staff and thus a savings of dollars. Telephone service has become a mission critical service and centralizing this function has allowed ITD to streamline processes that increase productivity, reduce costs and keep critical computer networks, voice and data systems secure and monitored 24/7. We believe reliable telephone systems and integrated networks increase efficiencies and save agencies valuable time and money which is sometimes difficult to quantify in dollars.

ITD is in the process of upgrading our existing digital telephone service to the latest industry technology called voice over IP telephony. This technology will combine the state's voice traffic and the data traffic over the same network circuit. It is important to note that if the Veteran's Home is given an exemption to purchase and manage their own telephone system, integrating the voice traffic onto the state network will not be possible. Voice over IP technology will provide additional functionality to agencies when merged on the state network with agency applications. Over the long run this will save money for all agencies and bring the state into the next generation of telephone services. The initial investment is substantial and the cost will be recovered by all state agencies through the rate structure we

have in place. For every agency that is given an exemption, their portion of the upgrade cost will be allocated to the remaining agencies.

ITD provides a managed telephone and network service. The department employs a help desk that is available 24 hours a day, 7 days a week. Also included is a dedicated tier-2 technical staff that is responsible for all trouble resolution. We have an architecture team responsible for developing future telephone and network strategies. All of these value added services are included in the monthly ITD rates. ITD is required by the Federal Government to charge the same price for the services delivered to federally funded programs as we charge to agencies receiving general and special funds. The current rate for basic telephone service this biennium and next biennium is \$24 per station per month. This rate includes the telephone and all related telephone equipment as well as the services mentioned above. ITD annually conducts analysis on organizations that provide similar services to make sure our rates are competitive. We publish the results of the findings in our annual report and I am pleased to report that our rates are comparable or below the rates for services provided by those organizations. One of the benefits under this billing model is agencies pay ITD a consistent monthly station fee and do not have to periodically budget for large expenditures needed for purchasing or upgrading this type of equipment. Another cost saving benefit is agencies do not have to hire and maintain staff with the knowledge and skills necessary to manage these technologies.

In an effort to provide a more responsive support service to the Veteran's home, ITD has agreed to allow the Veteran's Home electrician to provide some of this service that was previously provided by our contractor, located in Fargo. This arrangement was put in place in December and my staff is telling me it is working well.

I agree that if you compare only the purchase price of a telephone switch against the cost the agency is required to pay ITD, it will be cheaper. However, it is important to remember ITD provides a complete service that includes the telephone switch and all the managed services related.

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

Mike Ressler
Deputy CIO
Information Technology Department
(701) 328-1001
mressler@nd.gov