NORTH DAKOTA LEGISLATIVE COUNCIL

Minutes of the

INFORMATION TECHNOLOGY COMMITTEE

Tuesday, July 24, 2007
Harvest Room, State Capitol
Bismarck, North Dakota

Senator Larry J. Robinson, Chairman, called the meeting to order at 9:00 a.m.

Members present: Senators Larry J. Robinson, Randel Christmann, Tom Seymour, Rich Wardner; Representatives Craig Headland, Kenton Onstad, Robin Weisz; Chief Information Officer Lisa Feldner

Members absent: Senator Richard Marcellais; Representatives Keith Kempenich, David Monson, Mark S. Owens

Others present: John D. Olsrud, Legislative Council, Bismarck

See attached appendix for additional persons present.

Chairman Robinson welcomed Representative Bob Skarphol, Legislative Council member, to the meeting.

SUPPLEMENTARY RULES OF OPERATION AND PROCEDURE

Mr. Jim W. Smith, Legislative Budget Analyst and Auditor, reviewed the *Supplementary Rules of Operation and Procedure of the North Dakota Legislative Council*.

COMMENTS BY THE COMMITTEE CHAIRMAN

Chairman Robinson welcomed the members to the Information Technology Committee. He said the 2007-08 Information Technology Committee has not been assigned a major study, but the committee has several statutory and assigned responsibilities. He said information technology is a concern of the Legislative Assembly, and the concept of a fee-for-service agency is a difficult concept for the Legislative Assembly to understand. He said the committee will be monitoring major information technology projects, including the Medicaid management information system rewrite project, legislative applications replacement system computer project, and the Northern Tier Network project. He said committee members are welcome to provide suggestions for items to be included on the committee meeting agendas. He said the committee may consider conducting some committee meetings outside of Bismarck to meet with representatives of the Information Technology Council of North Dakota.

COMMITTEE DISCUSSION

Chairman Robinson invited other committee members to provide comments regarding information technology.

Senator Wardner said being a member of the State Information Technology Advisory Committee has allowed him to see that state agencies are working hard to eliminate information technology problems and implement information technology best practices.

Representative Skarphol said the state has implemented an information technology planning process that allows the state to be successful with information technology projects.

COMMITTEE RESPONSIBILITIES

The Legislative Council staff presented a memorandum entitled *Information Technology Committee - Background Memorandum* relating to the committee's statutory and assigned responsibilities. The Legislative Council staff reviewed committee statutory and assigned responsibilities, previous committee recommendations, related legislation from the 2007 Legislative Assembly, and information regarding the statewide information technology budget and the Information Technology Department's budget for the 2007-09 biennium.

The Legislative Council staff presented the following proposed study plan for the committee's consideration:

1. Review the activities of the Information Technology Department, the business plan of the department, statewide information technology standards, the statewide information technology plan, and major information technology projects.
2. Determine information technology compliance reviews to be conducted by the State Auditor and receive the results of those reviews.
3. Receive a report from the Chief Information Officer regarding the recommendations of the State Information Technology Advisory Committee relating to the prioritization of proposed major information technology projects and other information technology issues.
4. Receive reports from the Chief Information Officer of the state regarding the coordination of services with political subdivisions and the Chief Information Officer and the

commissioner of the State Board of Higher Education regarding coordination of information technology between the Information Technology Department and higher education.

5. Receive the following from the Information Technology Department:
   a. A report regarding any executive branch agency or institution that does not agree to conform to its information technology plan or comply with statewide policies and standards.
   b. An annual report regarding information technology projects, services, plans, and benefits.
   c. Information regarding the statewide information technology budget for the 2007-09 and 2009-11 bienniums.
6. Review current information technology-related statutory provisions.
7. Receive reports from the State Board of Higher Education regarding higher education information technology planning, services, and major projects.
8. Receive a report from the Statewide Longitudinal Data System Committee before the start of the 61st Legislative Assembly on the status of the plan for a longitudinal data system.
9. Receive reports from the Department of Corrections and Rehabilitation during the planning phase of the department's development of an inmate medical system and a project startup report before the inmate medical system is implemented.
10. Develop recommendations and any necessary legislation to implement the committee's recommendations.
11. Prepare a final report for submission to the Legislative Council.

In response to a question from Senator Robinson regarding the federal e-rate program, Ms. Lisa Feldner, Chief Information Officer, Information Technology Department, said the federal e-rate program was created as a provision of the Telecommunications Act of 1996 to ensure that all eligible schools and libraries in the United States have affordable access to modern telecommunications and information services. She said a school or library that completes an application for the program may receive a discount on telecommunications services, internal connections, and Internet access. She said the Information Technology Department completes an application for schools and libraries in North Dakota connected to the statewide information technology network to receive reimbursement for wide area network services. She said the department receives approximately $2 million per fiscal year in reimbursement funding for those services. She said the department was originally denied e-rate reimbursement funding for fiscal year 2002 due to a technicality in the filing of forms for the program. She said the department appealed the ruling and was awarded in February 2007 approximately $1.2 million of e-rate funding for fiscal year 2002.

Chairman Robinson said the 2007 Legislative Assembly authorized the Information Technology Department a total of 306.20 full-time equivalent (FTE) positions for the 2007-09 biennium, an increase of 41 FTE positions from the 2005-07 biennium authorized level of 265.20 FTE positions. He said the large number of new positions is a result of the department responding to a large number of requests for services from state agencies.

In response to a question from Senator Christmann regarding the department's new FTE positions authorized for the 2007-09 biennium, Ms. Feldner said the department is in the process of filling some of the new positions; however, the labor market is tight and there is a shortage of qualified applicants. She said the department will need to fill some of the positions with information technology contractors, which results in increased costs for information technology projects.

It was moved by Representative Weisz, seconded by Senator Wardner, and carried on a voice vote that the Information Technology Committee approve the proposed study plan for the 2007-08 interim.

INFORMATION TECHNOLOGY-RELATED STATUTORY PROVISIONS

The Legislative Council staff presented a memorandum entitled *Information Technology-Related Statutory Provisions* regarding statutory provisions relating to the Information Technology Committee and the Information Technology Department.

In response to a question from Senator Seymour regarding the Criminal Justice Information Sharing Board, the Legislative Council staff said North Dakota Century Code (NDCC) Section 54-59-21 establishes a Criminal Justice Information Sharing Board consisting of the Chief Justice of the Supreme Court, the Attorney General, and the Chief Information Officer of the state. The board is to set policy and adopt rules regarding the access to and the collection, storage, and sharing of criminal justice information and the systems necessary to perform those functions.

In response to a question from Senator Christmann regarding Criminal Justice Information Sharing Initiative staff, Ms. Feldner said the Criminal Justice Information Sharing Board is to employ a director who serves at the pleasure of and under the direct supervision of the board, and the board or director may employ support staff and personnel who are under the direct supervision of the director and the board. She said the Information Technology Department and the Attorney General's office have drafted a memorandum of understanding relating to the responsibilities of the director of the Criminal Justice Information Sharing Initiative and related staff

positions. She said the department and the Attorney General's office are working on finding office space to house all Criminal Justice Information Sharing Initiative staff in one location rather than being split in different agencies.

REPORT FROM THE
CHIEF INFORMATION OFFICER

Ms. Feldner and representatives of the Information Technology Department presented information regarding:

- An overview of the department's divisions and services and information on the department's legislative appropriation for the 2007-09 biennium.
- Information on the statewide information technology network, Voice over Internet Protocol project, and the transition of kindergarten through grade 12 video-conferencing services from the North Dakota University System to the Information Technology Department.
- Information technology planning and a review of the projects ranked by the State Information Technology Advisory Committee and funded by the 2007 Legislative Assembly.
- Information on the department's enterprise architecture initiative, including information on the department's process of establishing information technology policies, standards, and guidelines and a summary of current policies, standards, and guidelines.

A copy of the information presented is on file in the Legislative Council office.

Mr. Mike Ressler, Deputy Chief Information Officer, Information Technology Department, provided an overview of the department's divisions and services and a summary of the department's 2007-09 legislative appropriation. He said the department consists of the following divisions:

Divisions	Responsibilities
Policy and Planning Division (12 employees)	Provides for coordination of initiatives, such as statewide information technology planning, enterprise project management, enterprise architecture, and business intelligence, and program coordination, such as the Criminal Justice Information Sharing Initiative, geographic information system, and ConnectND system coordination
Administration Division (24 employees)	Responsible for accounting and billing, security, contingency planning, and state records management
Software Development Division (133 employees)	Responsible for developing computer software applications and providing project management services
Computer Systems Division (56 employees)	Responsible for computer application hosting, electronic data storage, disaster recovery, data base analysts, desktop computer support, and centralized e-mail system
Telecommunications Division (30 employees)	Responsible for network connectivity for state government, county government offices, higher education, and elementary and secondary schools, telephone systems for state government, and video services for state government and elementary and secondary schools
Customer Services Division (9 employees)	Responsible for the department's support center and focusing on the delivery of information technology services creating a positive customer experience

In response to a question from Senator Robinson, Mr. Ressler said the Information Technology Department generated revenue of approximately $41.8 million for fiscal year 2007, of which approximately 31 percent was from computer hosting and 25 percent was from software development. He said the amount of revenue generated by the department continues to increase each fiscal year primarily because of the increased costs of software and software development.

In response to a question from Representative Skarphol, Mr. Ressler said the state should be able to track information technology expenditures made by state agencies to other vendors.

In response to a question from Senator Robinson, Mr. Ressler said the department anticipates the need for hiring contractors to continue and increase in the future.

In response to a question from Senator Seymour, Mr. Ressler said the department has established a second data center in Mandan to be used as a "hotsite" computer center for disaster recovery. He said having the second data center in such close proximity has allowed the department to save time and money.

Mr. Ressler provided the following summary of the department's legislative appropriation for the 2007-09 biennium:

	FTE Positions	General Fund	Special Funds	Federal Funds	Total
Information Technology Department operations (salaries and wages, operating expenses, and capital assets)	257.50	$557,204	$106,333,087		$106,890,291
Division of Independent Study (Center for Distance Education)	40.20	931,321	5,541,136		6,472,457
Educational Technology Council	1.50	1,136,267			1,136,267
EduTech		2,722,348			2,722,348
Wide area network	3.00	3,413,972	652,547		4,066,519
Geographic information system ($100,000 is one-time funding)	1.00	798,149			798,149
Criminal Justice Information Sharing Initiative ($1,151,490 is one-time funding)	2.00	1,872,196	180,000	$300,000	2,352,196
Statewide data system initiative	1.00	227,954			227,954
Total	306.20	$11,659,411*	$112,706,770	$300,000	$124,666,181

*A total of $1,611,490 is one-time funding.

Ms. Feldner provided information regarding the statewide information technology network, Voice over Internet Protocol project, and the transition of kindergarten through grade 12 videoconferencing services from the North Dakota University System to the Information Technology Department. She said NDCC Section 54-59-08 requires each state agency and institution that desires access to wide area network services and each county, city, and school district to obtain those services from the Information Technology Department. As a result, she said, the department deployed the statewide information technology network--StageNet--in 2000. She said the network was upgraded in 2006 to accommodate future needs and disaster recovery.

In regard to the Voice over Internet Protocol project, Ms. Feldner said the Information Technology Department is in the process of implementing a Voice over Internet Protocol project that will result in telephone calls being carried on the statewide information technology network. At the present time, she said, calls between state agencies in major cities are being carried on the information technology network and as a result those calls are no longer being billed to state agencies. She said the service will be expanded as the project continues.

In regard to the transition of kindergarten through grade 12 videoconferencing services, Ms. Feldner said the 2007 Legislative Assembly provided for the transition of kindergarten through grade 12 videoconferencing services from the North Dakota University System to the Information Technology Department. She said the department has purchased and implemented the necessary software and is in the process of training individuals from state government and kindergarten through grade 12 on scheduling their own videoconferences.

In response to a question from Senator Robinson, Ms. Feldner said some of the video equipment being utilized by kindergarten through grade 12 is becoming outdated.

Ms. Nancy Walz, Director, Policy and Planning Division, Information Technology Department, provided information regarding the information technology planning process and a review of the projects ranked by the State Information Technology Advisory Committee and funded by the 2007 Legislative Assembly. Beginning in February of each even-numbered year, she said, state agencies develop information technology plans. She said state agencies then prioritize proposed information technology projects and submit their information technology budgets into the budget analysis and reporting system (BARS). She said the State Information Technology Advisory Committee reviews information regarding proposed major information technology projects for executive branch state agencies, excluding institutions under the control of the State Board of Higher Education and the judicial and legislative branches, and ranks those projects that receive the committee's affirmative recommendation. She said the department forwards the prioritization to the Information Technology Committee and the Office of Management and Budget for consideration in the development of the Governor's budget recommendation. She said the following is a summary of the projects ranked by the State Information Technology Advisory Committee as included in the Governor's budget recommendation and funded by the 2007 Legislative Assembly:

	Project	Agency	2007-09 Executive Budget Recommendation		2007-09 Legislative Appropriation	
			General Fund	Total Funds	General Fund	Total Funds
1	Medicaid management information system rewrite - Phase 2	Department of Human Services	$3,643,133	$31,072,641	$3,643,133	$31,072,641
2	Client information sharing system	Department of Human Services	$423,800	$1,000,000	$423,800	$1,000,000
3	Tax distribution system rewrite	State Treasurer	$768,228	$768,228	$768,228	$768,228
4	Computer-aided dispatch	Adjutant General	$980,000	$980,000	$980,000	$980,000
5	Knowledge base - Phase 2	Secretary of State	$824,153	$824,153	$824,153	$824,153
6	Additional radio towers	Adjutant General	$0	$0	$0	$0
7	Inmate medical system	Department of Corrections and Rehabilitation	$1,000,000	$1,000,000	$1,000,000	$1,000,000
8	EAS satellite notification	Adjutant General	$0	$0	$0	$0
9	Child welfare information system	Department of Human Services	$196,000	$400,000	$196,000	$400,000
10	Foundation aid system rewrite	Department of Public Instruction	$400,000	$400,000	$0[1]	$0[1]
11	Business intelligence implementation and support	Information Technology Department	$0	$1,641,081	$0	$1,462,965
12	Education Standards and Practices Board coming off the mainframe	Department of Public Instruction	$500,000	$500,000	$0[1]	$0[1]
13	Grants management software	Adjutant General	$0	$0	$0	$0
14	Integrate field service operations into offender management system (ITAG)	Department of Corrections and Rehabilitation	$0	$0	$0	$0

[1]Funding for this project is provided from the estimated funding available to the Department of Public Instruction from contingent per student and transportation aid distributions for the 2005-07 biennium.

Mr. Jeff Swank, Information Technology Business Analyst, Information Technology Department, provided information regarding the department's enterprise architecture process, including the process of establishing information technology policies, standards, and guidelines and a summary of current policies, standards, and guidelines. He said enterprise architecture is a process that sets common goals and coordinates the delivery of information technology services to state government. He said the enterprise architecture governance structure consists of the following components:

Components	Responsibilities
Domain teams (108 team members representing 31 state agencies)	Responsible for selecting product standards, defining standard configurations, and collaborating on component architecture design principles
Architecture team (16 voting team members representing 8 state agencies)	Responsible for facilitating the enterprise architecture process, creating and maintaining deliverables, communicating architecture standards, and reviewing technology infrastructure projects for compliance to the architecture
Architecture review board (13 voting team members representing 13 state agencies and 6 nonvoting members representing 2 state agencies)	Responsible for providing input for and reviewing the approval of the conceptual and domain architectures
State Information Technology Advisory Committee (18 team members representing 14 state agencies, the Legislative Assembly, and the private sector)	Responsible for reviewing information technology policies, standards, and guidelines

Mr. Swank said NDCC Section 54-59-09 requires the Information Technology Department and the Office of Management and Budget to develop statewide information technology policies, standards, and guidelines based on information from state agencies and institutions. He said the policies, standards, and guidelines must recognize the uniqueness of certain agencies and state which agencies are included or exempted from the policies, standards, and guidelines. He said each executive branch state agency, excluding the institutions under the control of the State Board of Higher Education, are to comply with the policies, standards, and guidelines unless granted an exemption by the Chief Information Officer.

Mr. Swank said the Information Technology Department has adopted policies, standards, and guidelines in a variety of areas and continues to update and adopt new policies, standards, and guidelines as necessary. He said the policies, standards, and guidelines are categorized as follows:

Category	Number of Policies, Standards, and Guidelines
Information Technology Department	5
Application software	3
Communications	2
Data and information	4
Desktop	5
Document management	6
E-government	9
Network	7
Security	10
Servers and storage	1
Total	52

LEGISLATIVE APPLICATIONS REPLACEMENT SYSTEM COMPUTER PROJECT

Mr. John D. Olsrud, Director, Legislative Council, provided information regarding the status of the legislative applications replacement system computer project. He said the 2007 Legislative Assembly provided a $3,910,827 general fund appropriation for a legislative applications replacement system computer project. He said an executive steering group consisting of representatives of the Legislative Assembly, Legislative Council staff, and the Information Technology Department has been established and is working to coordinate the project. He said the Legislative Council has entered contracts with Enterprise Solutions, Inc., Bismarck, for project management services and PTC Global Services for software development.

Mr. Jim Gienger, President, Enterprise Solutions, Inc., and project manager for the legislative applications replacement system computer project, provided information regarding the status of the project. He said PTC Global Services completed Phase 1 of the project, which included a cost-benefit analysis and design requirements documentation, and is in the process of working on Phase 2 of the project--the rewrite of legislative applications. He said Phase 2 consists of approximately 40 milestones which will be used to track the project. He said the project plan provides for a comprehensive test of the new system during the summer of 2008.

In response to a question from Senator Robinson, Mr. Gienger said he is comfortable with the project schedule.

In response to a question from Representative Skarphol, Mr. Gienger said the contract provides that payments are made by milestone, including 85 percent upon delivery of the milestone deliverable and the remaining 15 percent upon acceptance of the milestone deliverable.

Chairman Robinson announced that Senators Christmann and Seymour and Representative Skarphol are members of the executive steering group for the project. At the request of Chairman Robinson, Senators Christmann and Seymour and Representative Skarphol commented on the legislative applications replacement system computer project.

Representative Skarphol said the legislative branch should continue to proceed with the project cautiously.

Senator Seymour said he believes the Legislative Assembly will receive a quality product.

Senator Christmann said he is optimistic but skeptical about the high expectations related to the project. He said the system may need some changes after it is implemented for the 2009 legislative session.

Chairman Robinson said it is important to have a line of communications on the status of the project with members of the Information Technology Committee, Legislative Management Committee, and Budget Section.

The committee recessed for lunch at 11:50 a.m. and reconvened at 12:30 p.m.

HIGHER EDUCATION INFORMATION TECHNOLOGY INITIATIVES

Mr. Randall Thursby, Interim Chief Information Officer, North Dakota University System, provided information regarding higher education information technology, including information on the status of the ConnectND system. A copy of the information presented is on file in the Legislative Council office. He said the 2007 Legislative Assembly provided funding of $31,477,093, of which $28,703,293 is from the general fund and $2,773,800 is from the permanent oil tax trust fund, for a common information services pool. He said the common information services pool supports the operations of the Higher Education Computer Network, On-line Dakota Information Network, Interactive Video Network, ConnectND system, and North Dakota University System online program. He said the common

information services pool funding of $31,477,093 includes $6 million of new funding from the general fund for support of the ConnectND system, of which $2.3 million is one-time funding and $3.7 million is base funding.

Mr. Thursby said the North Dakota University System has hired Mr. Mick Pytlik as the permanent executive director for ConnectND replacing Ms. Bonnie Neas who served as the interim executive director for ConnectND. During the 2007 Legislative Assembly, he said, the University System developed 10 recommendations for stabilizing the ConnectND system and provided a platform for moving forward. He said the University System has started to implement all of the recommendations with the funding provided by the 2007 Legislative Assembly. The following is a summary of the current status of the recommendations:

Recommendation	Current Status
Increase investment in human resources by 11.5 new FTE positions	All positions are either being analyzed by human resources, being advertised, in candidate review, in the interview stage, or offers made and persons in place.
Upgrade the finance system and improve the grants and contracts module	The upgrade is being planned in conjunction with the Office of Management and Budget and the Information Technology Department and is anticipated to be completed in the spring of 2008. Staff continues to enhance the grants and contracts module and the effort reporting system in order to meet federal regulatory requirements.
Upgrade the hardware, software, electrical, and backup generator systems at the University of North Dakota data center	The electrical and backup generator work has been completed, and all hardware and software has arrived and is being installed in time for fall registration.
Upgrade the student administration software from Version 8 to Version 9	The upgrade has begun and is anticipated to be completed by August 2008.
Perform a student administration system security risk assessment	Staff is in the process of developing a request for information for conducting a risk assessment for the student administration system. The request for information is anticipated to be released by the fall of 2007.
Develop a comprehensive student administration data center disaster recovery plan	Work is anticipated to begin in the fall of 2007. The University System plans to work with the Information Technology Department to utilize state government's backup data center in Mandan.
Implement a consistent tool set for manageability	Staff has decided to use Microsoft's Windows Services for an operating system and has acquired Oracle's data base software for data base use.
Implement a data warehouse solution	Planning is beginning and a data warehouse is anticipated to be functional in 2009.
Implement a student administration admissions customer relationship management solution	A request for proposal has been released and responses are being received.
Implement Oracle's user productivity kit solution to support the development of documentation during upgrades	The software has been acquired and will be available in conjunction with the implementation of the upgrades to the finance and student administration systems.

In response to a question from Senator Robinson, Mr. Thursby said the North Dakota University System is struggling to find qualified applicants to fill information technology positions.

In response to a question from Representative Skarphol, Mr. Thursby said the North Dakota University System has implemented a technology occupations student loan program. He said the intent of the program is to reduce student loan indebtedness for individuals who have graduated in technology-related fields and been employed in technology occupations in the state for one year. Information regarding the technology occupations student loan program was distributed to the committee and is on file in the Legislative Council office.

In response to a question from Representative Skarphol, Mr. Thursby said the state of North Dakota needs to find a way to fast track people who are interested in information technology fields through the necessary educational programs.

Ms. Bonnie Neas, Associate Vice President for Cyberinfrastructure, North Dakota State University, provided information regarding the status of the Northern Tier Network project. A copy of the information presented is on file in the Legislative Council office. She said the Northern Tier Network Consortium seeks to develop and sustain advanced networking capabilities in order to support the education, research, and economic vitality of the Northern Tier region. She said the 2007 Legislative Assembly provided one-time funding of $2,773,800 from the permanent oil tax trust fund for the Northern

Tier Network infrastructure. She said the east and west segment of the network is anticipated to be completed by the end of 2007, and the north and south segment of the network is anticipated to be completed by the middle of 2008.

In response to a question from Senator Robinson, Ms. Neas said the east and west segment will be utilizing donated fiber from AT&T. She said the North Dakota University System has released a request for information from potential vendors for implementing the north and south segment of the network.

Mr. Rich Lehn, Assistant to the Chief Information Officer, North Dakota University System, provided information regarding higher education information technology planning, services, and major projects pursuant to NDCC Section 15-10-44. A copy of the information presented is on file in the Legislative Council office. He said 2007 House Bill No. 1461 provides that the State Board of Higher Education is to manage and regulate information technology planning and services for institutions under its control. Pursuant to 2007 House Bill No. 1461, he said, the Chief Information Officer's office has drafted policies, standards, guidelines, and procedures to be followed for project management, oversight, and reporting of information technology projects. He said the University System will provide the Information Technology Committee a project startup report, project closeout report, and large project summary report for major information technology projects. He said a major information technology project is a project that significantly impacts the statewide area network, impacts the statewide library system, or is an administrative project and is a project with a cost of $250,000 in one biennium or a total cost of $500,000 or more. He said the University System currently has two projects that would be required to be reported as large information technology projects--the ConnectND student administration system upgrade and the implementation of TouchNet. He said project startup reports for these projects will be available for presentation at the committee's next meeting.

ELEMENTARY AND SECONDARY EDUCATION INFORMATION TECHNOLOGY INITIATIVES

Mr. Dan Pullen, Director, Educational Technology Council, provided information regarding elementary and secondary education information technology initiatives for the 2007-09 biennium. A copy of the information presented is on file in the Legislative Council office. He said the Educational Technology Council is responsible for coordinating educational technology initiatives for elementary and secondary education. He said Educational Technology Council initiatives include:

- Atomic learning - The council has purchased the online technology training tutorials for all North Dakota teachers, students, and parents through the 2008-09 school year.

- Classroom transformation grants - The council will make available 25 classroom transformation grants to schools. The grants will be awarded on a competitive basis by January 2008.
- Video classroom grants - The council will make available 19 video classroom grants to schools. The grants will be awarded on a competitive basis by March 2008.
- Qwest teacher technology grants - The council is administering a teacher technology grant program with funding from the Qwest Foundation. The council will award 10 grants on a competitive basis by December 2007.
- Data warehouse - The council assisted the Fargo, Bismarck, Grand Forks, and Minot School Districts in the selection of a single data warehouse system that could be purchased by all the state's school districts. At the present time, the Fargo, West Fargo, and Bismarck School Districts have implemented the data warehouse system, and the Minot and Grand Forks School Districts are planning to implement the system during the 2007-08 school year.
- Statewide longitudinal data system - The council will be working with the North Dakota University System, Department of Career and Technical Education, Department of Public Instruction, and others on implementing a statewide longitudinal data system.

Mr. Pullen said EduTech initiatives include:
- PowerSchool - EduTech provides support to schools for the PowerSchool application, a student information system. At the present time, 80 schools are utilizing the PowerSchool application, and 12 additional schools will be implementing the application between August 2007 and January 2008.
- United streaming video - EduTech coordinated a statewide school-level contract effort for united streaming video resulting in better pricing for the state.

Mr. Pullen said the Division of Independent Study will change its name to the Center for Distance Education on August 1, 2007. He said the division is working on completing the North Dakota studies fourth grade workbooks and eighth grade textbook. He said the division anticipates the North Dakota studies resources will be available online by 2009.

In response to a question from Representative Skarphol, Mr. Pullen said the data warehouse system is available for purchase by all North Dakota schools.

INFORMATION TECHNOLOGY LARGE PROJECT REPORTING

The Legislative Council staff presented a memorandum entitled *Large Information Technology Projects*. The memorandum provides a summary of the project management life cycle processes, executive and legislative branch activities, and

statutory provisions relating to planning and executing large information technology projects.

In response to a question from Senator Seymour, the Legislative Council staff said copies of the large information technology project business cases and postimplementation reviews that have been accepted by the Information Technology Department are forwarded to and filed in the Legislative Council office.

Mr. Mark Molesworth, Information Technology Business Analyst, Information Technology Department, provided information regarding the large information technology project reporting process, including the most recent quarterly summary status report on large information technology projects and any department concerns regarding information technology projects. A copy of the quarterly summary status report is on file in the Legislative Council office. He said reporting requirements for large information technology projects consist of the completion of a business case, project charter, project plan, quarterly status reports, and a postimplementation review. He said:

- A business case should be developed to justify the business need for a project and to identify the proposed solution and should include information on project description, project objectives, business need or problem, cost-benefit analysis, and project risks.
- A project charter should be developed and executed to initiate the project and should include information on project background, project scope, required resources, constraints, assumptions, and project authority.
- A project plan should be developed as the primary planning document for the project and should identify specific milestones throughout the project and their associated cost, schedule, and deliverables.
- Quarterly status reports, including information on budget, schedule, issues, risks, project accomplishments, and upcoming activities, should be submitted by agencies to the Information Technology Department.
- A postimplementation review should be performed at the conclusion of the project in order to assess the success of the project and to capture historical information.

Mr. Molesworth said for the period ending March 31, 2007, the following five projects were reported in the planning stage:

- Attorney General - Automated fingerprint identification system upgrade.
- Department of Human Services - Children and family services front end.
- Department of Human Services - Master client index.
- Department of Human Services - Electronic benefits transfer reprocurement.
- Department of Public Instruction - Special education individualized education program.

Mr. Molesworth said no projects were moved into the execution phase. He said one project--Workforce Safety and Insurance learning management system--was reported complete. He said the project was completed under budget but with over a 20 percent variance for schedule. He said the following projects reported budget or schedule variances or are being monitored closely:

- Job Service North Dakota - Case management system.
- Workforce Safety and Insurance - Learning management system.
- Secretary of State - Election administration system.
- Legislative Assembly - Legislative applications replacement system computer project.
- Information Technology Department - Mainframe migration project.

Representative Onstad requested the Information Technology Department provide committee members with an example of a business case for a large information technology project.

Mr. Larry Anderson, Job Service North Dakota, provided information regarding the status of the agency's case management system project. A copy of the information presented is on file in the Legislative Council office. He said the agency's case management system project is the replacement of an existing customized case management system with a commercial off-the-shelf case management system. He said the agency is struggling with its vendor, Geographic Solutions, Inc., to meet the project's schedule. He said the agency has been using project management best practices to monitor and track the project's progress. He said the project completion date has been revised to January 2008.

In response to a question from Senator Robinson, Mr. Anderson said a primary cause for the project delay is the vendor's time estimates for software development were grossly underestimated.

In response to a question from Senator Robinson, Mr. Anderson said he is confident that the vendor will deliver a quality product, but he is not confident that the vendor will deliver the product on time.

Mr. Ressler provided information regarding the status of the Information Technology Department mainframe migration project. A copy of the information presented is on file in the Legislative Council office. He said the 2005 Legislative Assembly provided the department a $6 million special funds appropriation for software acquisition costs and consulting services for the mainframe migration project. He said the department borrowed $6 million from the Bank of America at the interest rate of 3.57 percent for the project. He said the estimated total cost of the project is approximately $8,270,000.

Mr. Ressler said the migration will provide no changes to the functionality of the system. He said originally all systems currently operating on the mainframe were to be migrated except for three--Department of Human Services Medicaid

management information system, Bank of North Dakota student loan system, and Legislative Assembly Legislator's Automated Work Station system (LAWS). He said the department has decided to not migrate the Department of Human Services TECS and Vision systems and has extended the project completion date to June 2008.

OTHER

The committee adjourned subject to the call of the chair at 3:00 p.m.

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Roxanne Woeste
Senior Fiscal Analyst

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Jim W. Smith
Legislative Budget Analyst and Auditor

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