



# **Presentation to the Information Technology Committee**

**Tuesday, June 29, 2010  
Fargo, North Dakota**





# **ITD**

## **2011 – 2013**

### **Service Rates**

**Mike Ressler**

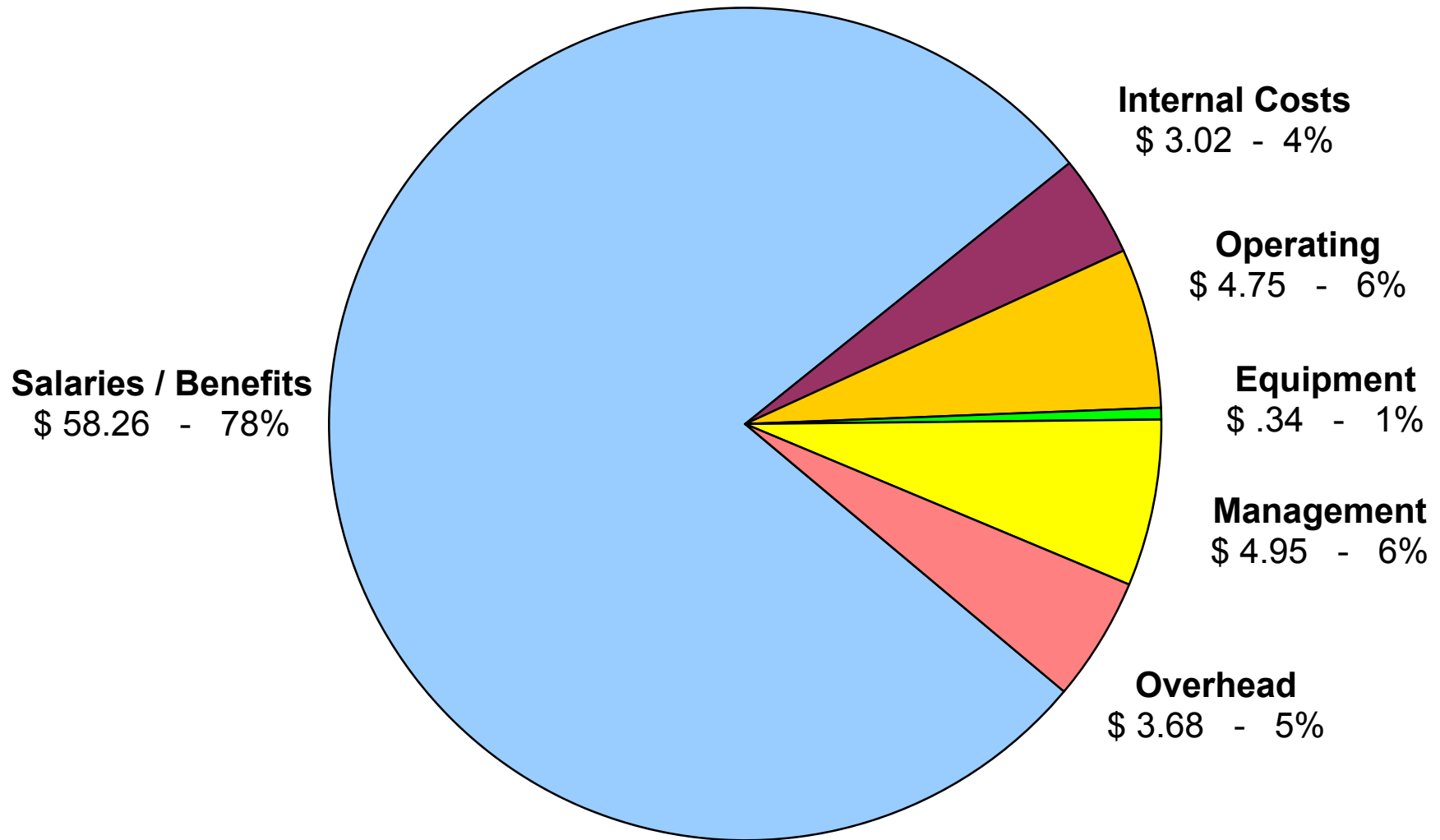
**Deputy CIO**



# 2011-13 ITD Service Rates

- Overall 2011-2013 Billing Rates
  - Roughly a 7% increase in revenue to ITD
- Software Development Rates
  - Current rates range from \$63 to \$79
  - New rates range from \$67 to \$89

# ITD 2011-13 Analyst III Rate \$75.00 / Hour



# 2011-13 ITD Service Rates

- Overall 2011-2013 Billing Rates
  - Roughly a 7% increase in revenue to ITD
- Software Development Rates
  - Current rates range from \$63 to \$79
  - New rates range from \$67 to \$89
- Mainframe and AS/400 Rates Increase
  - No incremental revenue due to decreased usage

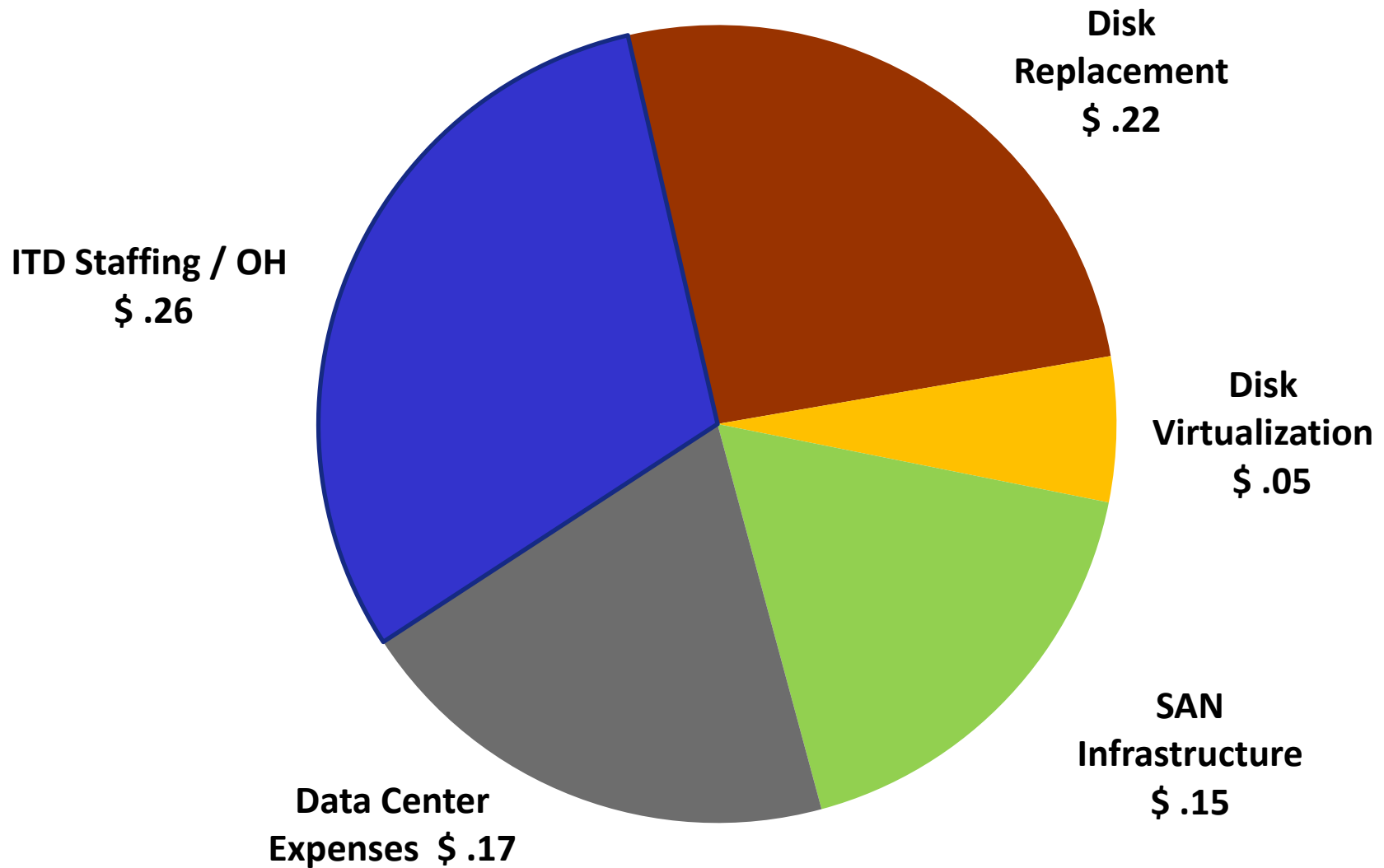


# 2011-13 ITD Service Rates

- General Hosting Rates
  - Average rate increases of about 15%
  - Surcharge for legacy SQL applications
- Disk Rates will be Modified
  - Per gigabyte rates will be decreasing
  - Planning to bill data backup as a separate item
  - Overall agencies are being asked to budget the same for existing data from this biennium

## Silver - \$0.85 / GB Monthly

Does not include backup costs

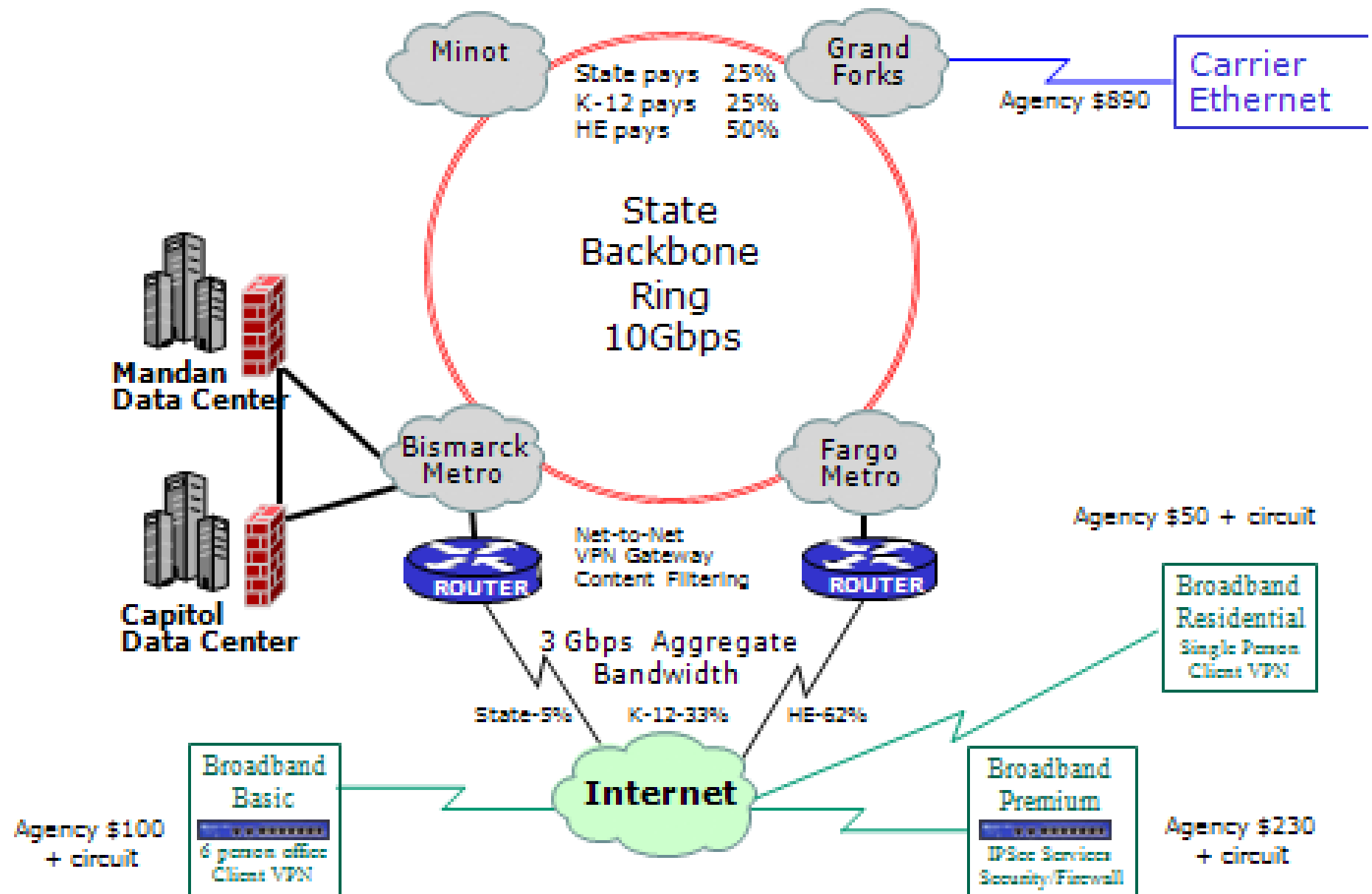


# 2011-13 ITD Service Rates

- Network Rates
  - Broadband add-on – Premium / Basic / Residential
    - Affects 8 agencies significantly
  - Fiber / ETS5 for state agencies – no increase
  - Political subdivision fiber / ETS5 – 5% increase
  - Technology Fee will increase from \$43.50 to \$49.00
    - Now includes VPN and Instant Messaging



# STAGEnet Broadband Access 2011-2013 Biennium



# 2011-13 ITD Service Rates

- Micrographics Rates Increase
  - Outsourcing all processing – will not replace current equipment
  - Will continue to coordinate the service and vendor relationship



# Why Do ITD Rates Go Up ???

- Rates need to include increased employee compensation:  
(Almost all ITD services have a staffing component in the rate)
  - Health Insurance
  - Salary and Wage Increase
- Some Rates need to include growth of services:
  - Network Bandwidth
  - Increased Internet Capacity
  - Additional Video Bridging
- Vendor contracts increase rates
  - Software Vendors
  - Service Vendors (need to recover their employee increases)

# ITD Communication Process

- Present to OMB Budget Analysts
- Present to Legislative Council Budget Analysts
- Present to Agencies (Multiple Meetings)
- Present to Legislative IT Committee



# Agencies Most Affected

- Human Services \$ 4,213,532
- University Systems \$ 1,099,974
- Dept of Transportation \$ 888,611
- OMB \$ 361,163
- State Hospital \$ 301,710
- Dept of Corrections \$ 238,077
- Game & Fish \$ 118,379
- Parks & Recreation \$ 80,172



# Questions



THANK  
YOU