NORTH DAKOTA LEGISLATIVE MANAGEMENT

Minutes of the

INFORMATION TECHNOLOGY COMMITTEE

Thursday, March 13, 2014
Harvest Room, State Capitol
Bismarck, North Dakota

Representative Robin Weisz, Chairman, called the meeting to order at 9:00 a.m.

Members present: Representatives Robin Weisz, Corey Mock, Mark S. Owens, Blair Thoreson, Nathan Toman; Senators Joe Miller, Larry J. Robinson, Donald Schaible; Citizen Member Mike Ressler

Members absent: Representative Roscoe Streyle; Senators Randall Burckhard, Richard Marcellais

Others present: See Appendix A

It was moved by Senator Robinson, seconded by Representative Mock, and carried on a voice vote that the minutes of the December 10, 2013, meeting be approved as distributed.

REPORT FROM THE CHIEF INFORMATION OFFICER
Information Technology Desktop Support Study Status Report
Mr. Mike Ressler, Chief Information Officer, Information Technology Department, presented information (Appendix B) regarding the status of the information technology desktop support study. He said the department is in the process of defining desktop support and desktop support services based on the results of the study. He said the department is developing a plan in which the department would provide both the hardware and the technical support to agencies with fewer than 100 employees, similar to the current phone system. He said the department will seek input from the agencies as the plan is developed.

New Building Status Report
Mr. Ressler presented information (Appendix C) regarding the status of the new information technology building. He said the completion date for the building is Tuesday, July 1, 2014. He said the lease rate is $17 per square foot for 10 years. He said the terms of the lease allow the department to renew the lease for an additional 10 years. He said if the lease is renewed, the rate increase is limited to the cost increase between the 9th and 10th years of the original lease.

In response to a question from Representative Mock, Mr. Ressler said the new building will provide 85,000 square feet of space for the Information Technology Department.

In response to a question from Representative Thoreson, Mr. Ressler said after the department moves into the new building, approximately 17,700 square feet of space in the Capitol will be available for other agencies. He said the State Data Center and a few employees of the Information Technology Department will remain located at the Capitol.

Health Information Technology Initiatives
Mr. Sheldon Wolf, Director, Health Information Technology Office, Information Technology Department, presented information (Appendix D) regarding health information technology initiatives. He said the North Dakota Health Information Network went live in March 2014. He said over 140 organizations have signed participation agreements along with over 790 users who have been set up in the direct messaging component of the system. He said all of the major hospitals in the state are connected to the system. He said a few components of the system are still in development by the vendor Orion. He said 12 individuals have opted out of the North Dakota Health Information Network as of March 2014. He said this number is anticipated to increase since other states have had up to 2 percent of their population opt out of the networks.

In response to a question from Senator Schaible, Mr. Wolf said individuals are able to opt in, opt out, or opt in for emergency access only. He said the number of individuals that have opted in for emergency access only is unknown since the system just became operational.

In response to a question from Senator Schaible, Mr. Wolf said currently, patients may only access their health care records by obtaining printed copies from their health care providers. He said the department is developing a component that will allow patients to access all of their medical records electronically through the exchange.

EDUCATIONAL TECHNOLOGY COUNCIL

Ms. Jody French, Director, Educational Technology Council, presented information (Appendix E) regarding the status of elementary and secondary education information technology initiatives. She said the Educational Technology Council awarded six grants for classroom transformation and three grants for new technology implementation in classrooms. She said the council is pursuing additional grant funds for wireless updates in schools. She said North Dakota enrollments in distance education have increased from 511 in 2008 to 2,749 in 2013. She said the course completion rate in 2013 was 94.1 percent. She said the council is working with PowerSchool to meet state reporting requirements. She said the council is assisting schools with online assessments in preparation for field testing in the spring of 2014. She said teachers can participate in a weekly online discussion as part of a professional development initiative.

In response to a question from Senator Miller regarding the grant awards, Ms. French said the Educational Technology Council received very few grant applications from schools in western North Dakota. She said she believes the schools in western North Dakota did not apply for the grants because of a lack of time to complete the application.

HIGHER EDUCATION INFORMATION TECHNOLOGY INITIATIVES

Dr. Lisa Feldner, Vice Chancellor for Information Technology and Institutional Research, North Dakota University System, presented information (Appendix F) regarding the status of the new information technology building located on the University of North Dakota campus. She said the employees have provided positive feedback about the new building and its features. She said managers have observed increased productivity because of the collaborative workspaces. She said equipment installation for the data center began on January 31, 2014, as scheduled. She said data will be transferred to the data center after the acclamation and testing period. She said intrusion detection devices will be installed at the data center.

Dr. Feldner presented information (Appendix F) regarding the status of the server breach at the North Dakota University System's data center. She said the server contained approximately 73,000 files with a total of 87 gigabytes of data. She said ConnectND was not accessed in the breach. She said a user account was compromised allowing access to the server. She said internal analysis indicated that the data was not copied or transferred from the server. She said third-party forensics analysis of the server conducted by Multi-State Information Sharing and Analysis Center confirmed the University System's internal analysis. She said the University System contracted with AllClear ID to provide identity theft protection coverage for one year for every individual with personal information on the server at a cost of $87,000 and to provide call center services for 90 days at a cost of $132,000.

In response to a question from Chairman Weisz, Dr. Feldner said the University System delayed informing the public of the breach in order to confirm the extent of the breach and to prevent sharing false information.

Senator Robinson suggested the committee receive a report at its next meeting comparing project oversight procedures, security measures, and best practices used by the Information Technology Department to those used by the University System.

In response to a question from Representative Thoreson regarding the data on the server, Dr. Feldner said the server contained approximately 290,000 student records dating back to 2004, 890 staff records, and no health records. She said the data was not encrypted because University System policy required the data to be encrypted when transferred but not when stored.

In response to a question from Chairman Weisz, Dr. Feldner said the server was used to upload data into ConnectND. She said the data on the server did not need to be retained and has since been removed. She said the University System has implemented a new procedure to delete any data on the server that is older than 14 days.

In response to a question from Senator Miller regarding the level of access given to employees, Dr. Feldner said only a few employees have critical access. She said all of the access levels are under review.

In response to a question from Senator Miller, Dr. Feldner said the Bureau of Criminal Investigation (BCI), the Federal Bureau of Investigation (FBI), and the Highway Patrol are conducting investigations and forensic analyses on the server.

In response to a question from Representative Mock, Dr. Feldner said the University System is developing enhanced security measures, including multiple-step verification systems.

In response to a question from Representative Mock regarding the identity theft protection coverage, Dr. Feldner said any individual with personal information on the server will automatically be enrolled in the one-year protection plan. She said she would provide information on the details of the plan, including the option to extend coverage beyond one year.

In response to a question from Representative Thoreson regarding the process for notifying affected individuals, Ms. Linda Donlin, Director of Communications and Media Relations, North Dakota University System, said the University System will send email notifications to all the individuals that had personal information on the server if the University System has a valid email address for the individual on file. She said the University System will also inform the public through press releases. She said concerned individuals can contact the call center to determine if their information was stored on the server.

In response to a question from Representative Owens, Ms. Donlin said the identity theft protection plan provides credit protection and restoration services to the individuals that had personal information on the server for one year even if the individual's personal information was compromised through an unrelated event.

In response to a question from Representative Toman, Dr. Feldner said the University System has seen an increase in phishing and other types of attacks on the University System's network.

LARGE INFORMATION TECHNOLOGY PROJECT REPORTS
Quarterly Summary Status Report
Mr. Mark Molesworth, Project Manager, Information Technology Department, presented information (Appendix G) regarding the most recent quarterly summary status report on large information technology projects. He said of the 14 active projects, 13 projects are on schedule and on budget. He said the Secretary of State's information technology project was over budget and behind schedule.

Project Startup and Closeout Reports
Mr. Molesworth presented information (Appendix H) regarding large information technology project startup and closeout reports. He said the reports include the Information Technology Department's billing system rewrite project, the State Department of Health's immunization information system enhanced interoperability project, and the Department of Human Services' NDVerify information technology project.

Medicaid Management Information System Project
Ms. Jenny Witham, Director of Information Technology Services, Department of Human Services, presented information (Appendix I) regarding the status of the Medicaid management information system (MMIS) project. She said although the system integration testing has been completed, the user acceptance testing is ongoing. She said the department is in the process of securing approval from the Centers for Medicare and Medicaid Services to go live with the system in September 2014.

Immunization Information System Enhanced Interoperability Project
Mr. Kirby Kruger, Director of Disease Control, State Department of Health, presented information (Appendix J) regarding a closeout report related to the immunization information system interoperability project. He said the immunization information system is a database of vaccination and immunization records, which allows health care providers to access consolidated patient vaccination records. He said the department received national recognition for the project.

HIGH-SPEED INTERNET
Ms. Deana Wiese, Executive Director, Information Technology Council of North Dakota, Bismarck, presented information (Appendix K) regarding the status of the Dakota Fiber Initiative as well as Internet speeds and prices. She said the Information Technology Council of North Dakota received pledges for a pilot project in Fargo to study and implement a high-speed Internet network. She said the council has issued requests for proposals to map high-speed Internet supply in Fargo and to identify the economic impact of high-speed Internet of the community. She said Internet speeds and prices vary across the state. She said the Internet speeds for a city, shown in the information that she provided, may not reflect all the services that are available in the area.

RESULTS OF A HARDWARE RELOCATION AND CONSOLIDATION STUDY
Mr. Steve Patterson, Senior Advisor and Technical Consultant, UmmelGroup International, Inc., Olathe, Kansas, presented information (Appendix L) regarding the results of an information technology hardware relocation and

consolidation study pursuant to Section 8 of 2013 Senate Bill No. 2021. He said the consolidation of the information technology equipment is unlikely to provide significant cost-savings. He said relocating the hardware to the Information Technology Department's data centers would increase physical and network security. He said the recommendations of the study include consolidating and relocating the information technology hardware from the Public Service Commission, the Department of Mineral Resources, and the State Water Commission to the Information Technology Department. He said the recommendations include not consolidating and relocating the hardware from the Attorney General's office because of the federal security requirements related to the Criminal Justice Information Sharing (CJIS) Initiative. He said the recommendation is to consolidate only the hardware and not the information technology staff. He said the benefits of consolidation include enhanced security, improved backup and redundancy measures, and the potential for up to 15 percent time saving for the agencies' information technology staff. He said the risks of consolidation include personality conflicts, loss of key agency personnel, and learning curves.

Representative Thoreson suggested the committee receive a report at its next meeting regarding examples of states and local municipalities that use consolidated information technology hardware for their criminal justice information systems.

OTHER BUSINESS

Chairman Weisz said the next meeting is tentatively scheduled for June 2014 in Grand Forks.

Representative Mock suggested the committee receive a report at its next meeting regarding the status of the server breach at the University System's data center.

No further business appearing, Chairman Weisz adjourned the meeting at 11:35 a.m.

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Adam Mathiak
Fiscal Analyst

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Allen H. Knudson
Legislative Budget Analyst and Auditor

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