

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1022 - Funding Summary**

	Executive Budget	Final Legislative Action	Comparison To Executive Budget
Information Technology			
Department			
Salaries and wages	\$26,012,849		(\$26,012,849)
Operating expenses	33,120,860		(33,120,860)
Capital assets	5,323,000		(5,323,000)
Division of independent study	5,667,842		(5,667,842)
Educational technology council	796,655		(796,655)
EduTech	2,674,003		(2,674,003)
Wide area network	7,799,623		(7,799,623)
Enterprise resource planning system	20,000,000		(20,000,000)
Geographic information system	716,097		(716,097)
Prairie public broadcasting	1,337,138		(1,337,138)
Criminal justice information sharing	4,741,200		(4,741,200)
Total all funds	<u>\$108,189,267</u>	<u>\$0</u>	<u>(\$108,189,267)</u>
Less estimated income	<u>97,581,730</u>	<u>0</u>	<u>(97,581,730)</u>
General fund	<u>\$10,607,537</u>	<u>\$0</u>	<u>(\$10,607,537)</u>
FTE	248.20	0.00	(248.20)
State Auditor			
Information technology audits			
Total all funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>
General fund	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
FTE	0.00	0.00	0.00
Legislative Council			
Information technology analysis			
Information technology study			
Total all funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>
General fund	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
FTE	0.00	0.00	0.00
Judicial Branch			
Operating expenses			
Total all funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>
General fund	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
FTE	0.00	0.00	0.00
Bill Total			
Total all funds	\$108,189,267	\$0	(\$108,189,267)
Less estimated income	<u>97,581,730</u>	<u>0</u>	<u>(97,581,730)</u>
General fund	<u>\$10,607,537</u>	<u>\$0</u>	<u>(\$10,607,537)</u>
FTE	248.20	0.00	(248.20)

House Bill No. 1022 - Information Technology Department - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	\$26,012,849	(\$276,001)	\$25,736,848
Operating expenses	33,120,860		33,120,860
Capital assets	5,323,000		5,323,000
Division of independent study	5,667,842	(69,828)	5,598,014
Educational technology council	796,655	(32,627)	764,028
EduTech	2,674,003		2,674,003
Wide area network	7,799,623	(262,934)	7,536,689
Enterprise resource planning system	20,000,000		20,000,000
Geographic information system	716,097	(28,783)	687,314
Prairie public broadcasting	1,337,138	(50,400)	1,286,738
Criminal justice information sharing	4,741,200		4,741,200
Total all funds	\$108,189,267	(\$720,573)	\$107,468,694
Less estimated income	97,581,730	(3,901,822)	93,679,908
General fund	\$10,607,537	\$3,181,249	\$13,788,786
FTE	248.20	0.00	248.20

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

	Removes Recommended Salary Increase¹	Decreases Funding from the General Fund²	Changes Funding Source³	Total House Changes
Salaries and wages	(\$276,001)			(\$276,001)
Operating expenses				
Capital assets				
Division of independent study	(37,828)	(32,000)		(69,828)
Educational technology council	(2,627)	(30,000)		(32,627)
EduTech				
Wide area network	(2,534)	(260,400)		(262,934)
Enterprise resource planning system				
Geographic information system	(1,583)	(27,200)		(28,783)
Prairie public broadcasting		(50,400)		(50,400)
Criminal justice information sharing				
Total all funds	(\$320,573)	(\$400,000)	\$0	(\$720,573)
Less estimated income	(301,822)	0	(3,600,000)	(3,901,822)
General fund	(\$18,751)	(\$400,000)	\$3,600,000	\$3,181,249
FTE	0.00	0.00	0.00	0.00

¹ This amendment removes the Governor's recommendation for state employee salary increases and retains the recommended state payment for health insurance premiums.

² This amendment reduces funding from the general fund for the following line items: Educational Technology Council (\$30,000), wide area network (\$260,400), geographic information system (\$27,200), Prairie Public Broadcasting (\$50,400), and the Division of Independent Study (\$32,000).

³ This amendment changes the funding source for the enterprise resource planning system initiative from \$20,000,000 of special funds (revenue bond proceeds) to \$3,600,000 from the general fund and \$16,400,000 from special funds (revenue bond proceeds or other available sources).

This amendment also:

- Amends Section 2 of the bill as introduced to change the bonding authority amount relating to the enterprise resource planning system initiative from \$20 million to \$16.4 million, and to provide that the amount of bonds may be reduced by any moneys made available from higher education institutions.
- Amends Section 3 of the bill as introduced to provide that the bond repayment is the responsibility of the higher education institutions.
- Adds a section providing for a transfer from the student loan trust fund to the general fund in the amount of \$3 million.
- Adds a section of legislative intent relating to information technology costs reductions to general fund appropriations.
- Adds a section creating a new section to Chapter 54-10 of the North Dakota Century Code (NDCC) relating to information technology responsibilities of the State Auditor.
- Adds a section amending NDCC Section 54-59-02 relating to Information Technology Department responsibilities.
- Adds a section creating a new subsection to NDCC Section 54-59-05 relating to Information Technology Department wide area network services.
- Repeals NDCC Section 54-59-13 relating to information technology reviews to be conducted by the Information Technology Department.

House Bill No. 1022 - Information Technology Department - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$26,012,849	\$25,736,848	(\$37,474)	\$25,699,374
Operating expenses	33,120,860	33,120,860	(3,201)	33,117,659
Capital assets	5,323,000	5,323,000		5,323,000
Division of independent study	5,667,842	5,598,014	(6,542)	5,591,472
Educational technology council	796,655	764,028	(32,076)	731,952
EduTech	2,674,003	2,674,003	(106,960)	2,567,043
Wide area network	7,799,623	7,536,689	(150,027)	7,386,662
Enterprise resource planning system	20,000,000	20,000,000		20,000,000
Geographic information system	716,097	687,314	(28,749)	658,565
Prairie public broadcasting	1,337,138	1,286,738	50,400	1,337,138
Criminal justice information sharing	4,741,200	4,741,200		4,741,200
Total all funds	\$108,189,267	\$107,468,694	(\$314,629)	\$107,154,065
Less estimated income	97,581,730	93,679,908	3,575,334	97,255,242
General fund	\$10,607,537	\$13,788,786	(\$3,889,963)	\$9,898,823
FTE	248.20	248.20	0.00	248.20

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

	Reduces Recommended Funding for Health Insurance¹	Reduces Funding for Information Technology Costs²	Restores Funding for Division of Independent Study & Prairie Public Broadcasting³	Changes Funding Source⁴	Total Senate Changes
Salaries and wages	(\$21,154)	(\$16,320)			(\$37,474)
Operating expenses		(3,201)			(3,201)
Capital assets					
Division of independent study	(4,534)	(34,008)	32,000		(6,542)
Educational technology council	(210)	(31,866)			(32,076)
EduTech		(106,960)			(106,960)
Wide area network	(210)	(149,817)			(150,027)
Enterprise resource planning system					
Geographic information system	(105)	(28,644)			(28,749)
Prairie public broadcasting			50,400		50,400
Criminal justice information sharing					
Total all funds	(\$26,213)	(\$370,816)	\$82,400	\$0	(\$314,629)
Less estimated income	(24,666)	0	0	3,600,000	3,575,334
General fund	(\$1,547)	(\$370,816)	\$82,400	(\$3,600,000)	(\$3,889,963)
FTE	0.00	0.00	0.00	0.00	0.00

¹ This amendment reduces the funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

² This amendment reduces funding for information technology by \$370,816 from the general fund.

³ This amendment restores funding of \$32,000 from the general fund for the Division of Independent Study and funding of \$50,400 from the general fund for Prairie Public Broadcasting which had been removed by the House.

⁴ This amendment changes the funding source for the enterprise resource planning system initiative (ConnectND) from \$3.6 million from the general fund and \$16.4 million from special funds (revenue bond proceeds or other available sources) to \$20 million of special funds (revenue bond proceeds), as recommended in the executive budget.

This amendment also:

- Adds a section allowing the Information Technology Department to transfer between line items.
- Adds a section providing for a Legislative Council study of centralizing and consolidating information technology services.
- Removes the section added by the House providing a \$3 million transfer from the student loan trust fund to the general fund.

House Bill No. 1022 - Information Technology Department - Conference Committee Action

	Executive Budget	House Version	Conf. Com. Changes	Conf. Com. Version	Senate Version	Comparison to Senate
Salaries and wages	\$26,012,849	\$25,736,848	(\$21,154)	\$25,715,694	\$25,699,374	\$16,320
Operating expenses	33,120,860	33,120,860		33,120,860	33,117,659	3,201
Capital assets	5,323,000	5,323,000		5,323,000	5,323,000	
Division of independent study	5,667,842	5,598,014	27,466	5,625,480	5,591,472	34,008
Educational technology council	796,655	764,028	29,790	793,818	731,952	61,866
EduTech	2,674,003	2,674,003	(133,655)	2,540,348	2,567,043	(26,695)
Wide area network	7,799,623	7,536,689	(100,466)	7,436,223	7,386,662	49,561
Enterprise resource planning system	20,000,000	20,000,000		20,000,000	20,000,000	
Geographic information system	716,097	687,314	(8,971)	678,343	658,565	19,778
Prairie public broadcasting	1,337,138	1,286,738	50,400	1,337,138	1,337,138	
Criminal justice information sharing	4,741,200	4,741,200		4,741,200	4,741,200	
Total all funds	\$108,189,267	\$107,468,694	(\$156,590)	\$107,312,104	\$107,154,065	\$158,039
Less estimated income	97,581,730	93,679,908	5,437,393	99,117,301	97,255,242	1,862,059
General fund	\$10,607,537	\$13,788,786	(\$5,593,983)	\$8,194,803	\$9,898,823	(\$1,704,020)
FTE	248.20	248.20	0.00	248.20	248.20	0.00

Department No. 112 - Information Technology Department - Detail of Conference Committee Changes

	Reduces Recommended Funding for Health Insurance¹	Restores Funding from the General Fund²	Reduces Funding for Information Technology Costs³	Changes Funding Source Relating to ERP System Initiative⁴	Changes Funding Source Relating to Information Technology Reductions⁵	Changes Funding Source Relating to Centralizing Information Technology Purchases⁶
Salaries and wages	(\$21,154)					
Operating expenses						
Capital assets						
Division of independent study	(4,534)	32,000				
Educational technology council	(210)	30,000				
EduTech			(133,655)			
Wide area network	(210)	260,400	(360,656)			
Enterprise resource planning system						
Geographic information system	(105)	27,200	(36,066)			
Prairie public broadcasting		50,400				
Criminal justice information sharing						
Total all funds	(\$26,213)	\$400,000	(\$530,377)	\$0	\$0	\$0
Less estimated income	(24,666)	0	0	3,600,000	862,059	1,000,000
General fund	(\$1,547)	\$400,000	(\$530,377)	(\$3,600,000)	(\$862,059)	(\$1,000,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Total Conference Committee Changes
Salaries and wages	(\$21,154)
Operating expenses	
Capital assets	
Division of independent study	27,466
Educational technology council	29,790
EduTech	(133,655)
Wide area network	(100,466)
Enterprise resource planning system	
Geographic information system	(8,971)
Prairie public broadcasting	50,400
Criminal justice information sharing	
Total all funds	(\$156,590)
Less estimated income	5,437,393
General fund	(\$5,593,983)
FTE	0.00

¹ This amendment reduces the funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

² This amendment restores funding from the general fund for the following line items relating to reductions made by the House: Educational Technology Council (\$30,000), wide area network (\$260,400), geographic information system (\$27,200), Prairie Public Broadcasting (\$50,400), and the Division of Independent Study (\$32,000).

³ This amendment reduces funding for information technology by \$530,377 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 5 percent.

⁴ This amendment changes the funding source for the enterprise resource planning system initiative (ConnectND) from \$3.6 million from the general fund and \$16.4 million from special funds (revenue bond proceeds or other available sources) to \$20 million of special funds (revenue bond proceeds), as recommended in the executive budget. The amendment also provides that the revenue bond repayment responsibility is 29 percent state agencies and 71 percent higher education.

⁵ This amendment increases funding for the Information Technology Department from special funds by \$862,059 and decreases funding for the department from the general fund by \$862,059. The increase in special funds is available from various state agency information technology reductions.

⁶ This amendment provides a \$1 million funding source change from the general fund to special funds for total funding for the Information Technology Department relating to the purchasing fee to be assessed by the department on all purchases made under the purchasing centralization.

This amendment also:

- Removes the section of the bill providing for a \$3 million transfer to the state general fund from the student loan trust fund.
- Adds a section providing for the centralization of information technology equipment, software, and supply purchases with a cost greater than \$500 with the Information Technology Department charging a 10 percent purchasing fee on all purchases made under the centralization.

- Adds a section providing for a technology critical needs pool for addressing state agencies, departments, and institutions critical information technology needs.
- Adds a section providing agencies, departments, and institutions the authority to transfer between line items to accommodate information technology reductions.
- Amends Section 10 of the bill relating to information technology responsibilities of the State Auditor.
- Adds a new section to North Dakota Century Code (NDCC) Section 54-35 relating to powers and duties of the Information Technology Committee.
- Adds a new subsection to NDCC Section 54-44.4-02 relating to purchasing services.
- Adds a new section to NDCC Chapter 54-59 relating to information technology standards.
- Amends NDCC Section 54-59-05 relating to the powers and duties of the Information Technology Department.
- Amends NDCC Section 54-59-09 relating to information technology standards.

House Bill No. 1022 - Information Technology Department - Governor Action

This bill was vetoed by Governor Hoeven. See House Bill No. 1505 for special session legislative action relating to Information Technology Department funding for the 2003-05 biennium.

House Bill No. 1022 - State Auditor - House Action

	Executive Budget	House Changes	House Version
Information technology audits		\$197,000	\$197,000
Total all funds	\$0	\$197,000	\$197,000
Less estimated income	0	0	0
General fund	\$0	\$197,000	\$197,000
FTE	0.00	2.00	2.00

Department No. 117 - State Auditor - Detail of House Changes

	Provides Funding for Information Technology Auditors¹	Total House Changes
Information technology audits	\$197,000	\$197,000
Total all funds	\$197,000	\$197,000
Less estimated income	0	0
General fund	\$197,000	\$197,000
FTE	2.00	2.00

¹ This amendment adds a new section to the bill appropriating \$197,000 from the general fund to the State Auditor for the purpose of defraying costs associated with employing two information technology auditors.

House Bill No. 1022 - State Auditor - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Information technology audits		\$197,000	(\$197,000)	
Total all funds	\$0	\$197,000	(\$197,000)	\$0
Less estimated income	0	0	0	0
General fund	\$0	\$197,000	(\$197,000)	\$0
FTE	0.00	2.00	(2.00)	0.00

Department No. 117 - State Auditor - Detail of Senate Changes

	Removes Funding for Information Technology Audits¹	Total Senate Changes
Information technology audits	(\$197,000)	(\$197,000)
Total all funds	(\$197,000)	(\$197,000)
Less estimated income	0	0
General fund	(\$197,000)	(\$197,000)
FTE	(2.00)	(2.00)

¹ This amendment removes the general fund appropriation of \$197,000 provided to the State Auditor's office for the purpose of defraying costs associated with employing two information technology auditor's for the 2003-05 biennium. In relation, this amendment also removes the new section to Chapter 54-10 of the North Dakota Century Code relating to information technology responsibilities of the State Auditor and the repeal of Section 54-59-13 relating to information technology reviews added by the House.

House Bill No. 1022 - State Auditor - Conference Committee Action

	Executive Budget	House Version	Conf. Com. Changes	Conf. Com. Version	Senate Version	Comparison to Senate
Information technology audits		\$197,000	(\$197,000)			
Total all funds	\$0	\$197,000	(\$197,000)	\$0	\$0	\$0
Less estimated income	0	0	0	0	0	0
General fund	\$0	\$197,000	(\$197,000)	\$0	\$0	\$0
FTE	0.00	2.00	(2.00)	0.00	0.00	0.00

Department No. 117 - State Auditor - Detail of Conference Committee Changes

	Removes Funding for Information Technology Audits¹	Total Conference Committee Changes
Information technology audits	(\$197,000)	(\$197,000)
Total all funds	(\$197,000)	(\$197,000)
Less estimated income	0	0
General fund	(\$197,000)	(\$197,000)
FTE	(2.00)	(2.00)

¹ This amendment removes funding provided to the State Auditor for the purpose of defraying costs associated with employing two information technology auditors.

House Bill No. 1022 - Legislative Council - House Action

	Executive Budget	House Changes	House Version
Information technology analysis		\$98,000	\$98,000
Total all funds	\$0	\$98,000	\$98,000
Less estimated income	0	0	0
General fund	\$0	\$98,000	\$98,000
FTE	0.00	1.00	1.00

Department No. 160 - Legislative Council - Detail of House Changes

	Provides Funding for Information Technology Analysis¹	Total House Changes
Information technology analysis	\$98,000	\$98,000
Total all funds	\$98,000	\$98,000
Less estimated income	0	0
General fund	\$98,000	\$98,000
FTE	1.00	1.00

¹ This amendment adds a new section to the bill appropriating \$98,000 from the general fund to the Legislative Council for the purpose of employing an information technology analyst and contracting for information technology analysis services.

House Bill No. 1022 - Legislative Council - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Information technology analysis		\$98,000	(\$98,000)	
Total all funds	\$0	\$98,000	(\$98,000)	\$0
Less estimated income	0	0	0	0
General fund	\$0	\$98,000	(\$98,000)	\$0
FTE	0.00	1.00	(1.00)	0.00

Department No. 160 - Legislative Council - Detail of Senate Changes

	Removes Funding for Information Technology Analysis¹	Total Senate Changes
Information technology analysis	(\$98,000)	(\$98,000)
Information technology study		
Total all funds	(\$98,000)	(\$98,000)
Less estimated income	0	0
General fund	(\$98,000)	(\$98,000)
FTE	(1.00)	(1.00)

¹ This amendment removes the general fund appropriation of \$98,000 provided to the Legislative Council for the purpose of employing an information technology analyst and contracting for information technology analysis services.

House Bill No. 1022 - Legislative Council - Conference Committee Action

	Executive Budget	House Version	Conf. Com. Changes	Conf. Com. Version	Senate Version	Comparison to Senate
Information technology analysis		\$98,000	(\$98,000)			
Information technology study			350,000	350,000		350,000
Total all funds	\$0	\$98,000	\$252,000	\$350,000	\$0	\$350,000
Less estimated income	0	0	0	0	0	0
General fund	\$0	\$98,000	\$252,000	\$350,000	\$0	\$350,000
FTE	0.00	1.00	(1.00)	0.00	0.00	0.00

Department No. 160 - Legislative Council - Detail of Conference Committee Changes

	Removes Funding for Information Technology Analysis¹	Provides Funding for Information Technology Study²	Total Conference Committee Changes
Information technology analysis	(\$98,000)		(\$98,000)
Information technology study		350,000	350,000
Total all funds	(\$98,000)	\$350,000	\$252,000
Less estimated income	0	0	0
General fund	(\$98,000)	\$350,000	\$252,000
FTE	(1.00)	0.00	(1.00)

¹ This amendment removes the general fund appropriation of \$98,000 provided to the Legislative Council for the purpose of employing an information technology analyst and contracting for information technology analysis services.

² This amendment provides a \$350,000 general fund appropriation to the Legislative Council for contracting with consultants to conduct an information technology organizational study and an information technology management study.

House Bill No. 1022 – Legislative Council - Governor Action

This bill was vetoed by Governor Hoeven. See House Bill No. 1505 for special session legislative action relating to Legislative Council funding for the 2003-05 biennium.

House Bill No. 1022 - Judicial Branch - Conference Committee Action

	Executive Budget	House Version	Conf. Com. Changes	Conf. Com. Version	Senate Version	Comparison to Senate
Operating expenses			\$45,999	\$45,999		\$45,999
Total all funds	\$0	\$0	\$45,999	\$45,999	\$0	\$45,999
Less estimated income	0	0	0	0	0	0
General fund	\$0	\$0	\$45,999	\$45,999	\$0	\$45,999
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department No. 180 - Judicial Branch - Detail of Conference Committee Changes

	Provides Funding for Information Technology Costs¹	Total Conference Committee Changes
Operating expenses	\$45,999	\$45,999
Total all funds	\$45,999	\$45,999
Less estimated income	0	0
General fund	\$45,999	\$45,999
FTE	0.00	0.00

¹ This amendment provides a \$45,999 general fund appropriation to the Judicial Branch for information technology costs.

House Bill No. 1022 – Judicial Branch - Governor Action

This bill was vetoed by Governor Hoeven. See House Bill No. 1505 for special session legislative action relating to the Judicial Branch funding for the 2003-05 biennium.