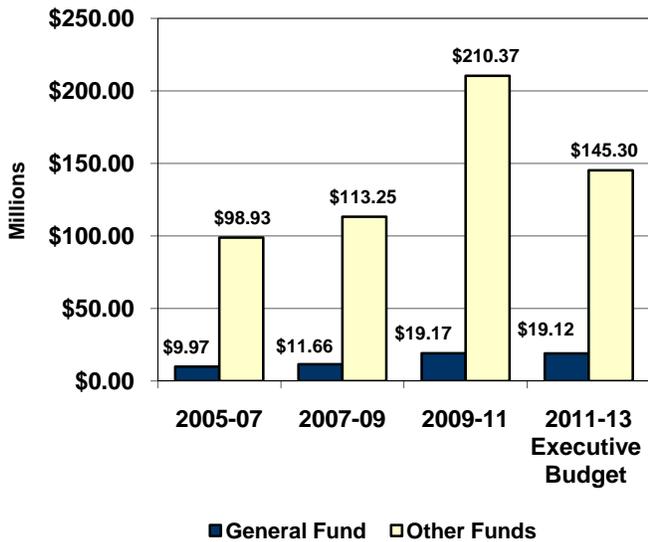


**Department 112 - Information Technology Department
 House Bill No. 1021**

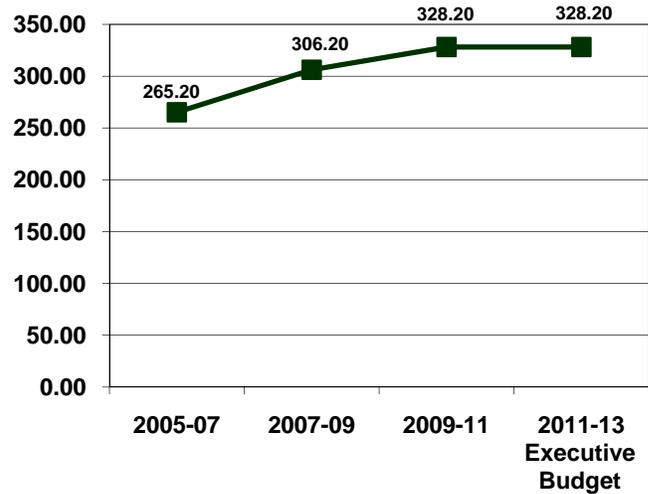
	FTE Positions	General Fund	Other Funds	Total
2011-13 Executive Budget	328.20	\$19,121,204	\$145,303,651	\$164,424,855
2009-11 Legislative Appropriations	328.20	19,170,785	210,371,054	229,541,839 ¹
Increase (Decrease)	0.00	(\$49,581)	(\$65,067,403)	(\$65,116,984)

¹The 2009-11 appropriation amounts include \$1,265,000, \$65,000 of which is from the general fund, for the agency's share of the \$16 million funding pool appropriated to the Office of Management and Budget for special market equity adjustments for executive branch employees. The 2009-11 appropriation amounts do not include \$497,718 of general fund carryover from the 2007-09 biennium and \$13,025,000 of additional special funds authority resulting from Emergency Commission action during the 2009-11 biennium.

Agency Funding



FTE Positions



Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2011-13 Executive Budget	\$17,163,580	\$1,957,624	\$19,121,204
2009-11 Legislative Appropriations	14,983,554	4,187,231	19,170,785
Increase (Decrease)	\$2,180,026	(\$2,229,607)	(\$49,581)

First House Action

Attached is a summary of first house changes.

**Executive Budget Highlights
 (With First House Changes in Bold)**

Information Technology Department	General Fund	Other Funds	Total
1. Deletes 1 FTE policy and planning position not requested by the agency			
2. Deletes 2 FTE positions, which were moved to support the PowerSchool application		(\$250,850)	(\$250,850)
3. Transfers funding to the State Library to continue to provide Internet connectivity to public libraries	(\$128,440)		(\$128,440)
4. Adds ongoing funding, including 2 new FTE positions, for staffing, hosting, and operating costs associated with the Statewide Longitudinal Data System Initiative (includes \$329,627 for salaries and wages and \$988,309 for operating expenses)	\$1,317,936		\$1,317,936

5. Adds a new FTE research position relating to the Statewide Longitudinal Data System Initiative (funding provided for only the second year of the biennium) (includes \$111,441 for salaries and wages and \$38,053 for operating expenses)	\$149,494		\$149,494
6. Adds one-time funding for implementing the statewide longitudinal data system	\$1,757,624		\$1,757,624
7. Increases funding for the Geographic Information System Initiative	\$306,956		\$306,956
8. Adds one-time funding for Criminal Justice Information Sharing Initiative projects	\$200,000		\$200,000
9. Provides federal funding for continuation of the broadband mapping project		\$2,900,000	\$2,900,000
10. Provides federal funding for continuation of the federal E911 grant		\$1,500,000	\$1,500,000
11. Removes one-time funding appropriated for the 2009-11 biennium relating to the Statewide Longitudinal Data System Initiative, Criminal Justice Information Sharing Initiative projects, statewide deployment of PowerSchool, and the wide area network	(\$4,187,231)		(\$4,187,231)
12. Removes federal fiscal stimulus funding appropriated for the 2009-11 biennium relating to the Statewide Longitudinal Data System Initiative		(\$2,263,883)	(\$2,263,883)
Center for Distance Education			
13. Adjusts funding for the Center for Distance Education by increasing funding from the general fund and decreasing funding from special funds, including the deletion of 5 FTE positions and \$457,359, of which \$395,242 is from the general fund, for a tuition subsidy initiative. The House removed 1.9 vacant FTE positions and related funding totaling \$226,968 of special funds.	\$1,375,891	(\$1,125,470)	\$250,421
Educational Technology Council			
14. Provides special funds spending authority for grants to schools from federal or private entities		\$75,000	\$75,000
EduTech			
15. Adjusts funding for EduTech, including changing the funding source for implementing the PowerSchool application in school districts from 50 percent from the general fund and 50 percent from school districts to a data collection factor in the state school aid formula. This results in the costs being reflected as special funds. This was a recommendation by the North Dakota Commission on Education Improvement.	(\$2,060,603)	\$1,898,604	(\$161,999)
16. Adds 2 FTE positions, including related operating expenses, relating to the PowerSchool application to provide a total of 31 FTE positions for the 2011-13 biennium		\$334,844	\$334,844
Health information technology			
17. Provides health information technology funding of \$19,059,238, of which \$362,972 is from the general fund, \$5.1 million is from federal funds, \$8 million is from Bank of North Dakota profits, and \$5,596,266 is from health care providers for participating in the health information exchange (includes 3 FTE positions)	\$12,972	\$10,696,266	\$10,709,238
18. Removes federal fiscal stimulus funding appropriated for the 2009-11 biennium relating to health information technology		(\$80,000,000)	(\$80,000,000)

Other Sections in Bill

Line item transfers - Section 3 authorizes the Office of Management and Budget to make transfers of funds between the salaries and wages, operating expenses, and capital assets line items of the Information Technology Department as may be requested by the Chief Information Officer as necessary for the development and implementation of information technology projects.

Bank of North Dakota PACE program - Section 4 provides legislative intent that the Bank of North Dakota PACE program be used to provide low-interest loans to finance projects of up to a total of \$5 million consistent with the mission of the health information technology planning loan fund and the health information technology loan fund.

Statewide longitudinal data system expenditures - Section 5 amends Section 7 of Chapter 49 of the 2009 Session Laws relating to approval by the Information Technology Department of Department of Public Instruction expenditures for costs associated with the statewide longitudinal data system.

Bank of North Dakota transfer - Section 6 amends Section 9 of Chapter 519 of the 2009 Session Laws relating to a transfer from the current earnings and the accumulated undivided profits of the Bank of North Dakota to the health information technology loan fund.

Continuing Appropriations

There are no continuing appropriations for this agency.

Significant Audit Findings

Noncompliance with appropriation laws - The State Auditor's office recommends the Information Technology Department develop control procedures for monitoring special appropriations and comply with North Dakota Century Code Section 54-16-03 by not overspending its special appropriation laws.

Major Related Legislation

House Bill No. 1214 - Statewide longitudinal data system - Provides statutory changes relating to the Statewide Longitudinal Data System Committee and the powers and duties of the Information Technology Department relating to the statewide longitudinal data system.

Senate Bill No. 2037 - Establishment and participation in the health information exchange - Provides for the confidentiality of health information under the health information exchange, participation in the health information exchange, and responsibilities of the Health Information Technology Office.

ATTACH:1